

Features

Ex Parte Appeal of a Refusal in the United States: Whether to File One, and Tips for Success *Part Two: Strategies for a Successful Ex Parte Appeal*

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A trademark owner applies to register a mark in the United States, but the U.S. Patent and Trademark Office (USPTO) issues an initial office action refusing to register the application. The applicant responds to the office action, but the USPTO examining attorney is not persuaded by the response and issues a second office action finally refusing the application. This two-part series explores the applicant's options on whether and how to appeal.

Part One explored the considerations behind whether an applicant should appeal the final refusal or consider an alternative approach. Part Two discusses key decisions involved in an *ex parte* appeal and provides strategies for a successful appeal.

Decide Whether to Keep Multiclass Applications Together or Divide Them

An applicant that files a multiclass application may have certain goods and services approved for publication while other goods and services receive a final refusal. Should this happen, an applicant must choose between keeping its application together, which means that publication of the approved goods and services will be delayed pending the outcome of the appeal, or dividing the application, which means the approved goods and services will be published (and possibly registered) prior to the outcome of the appeal. See Trademark Trial and Appeal Board Manual of Procedure (TBMP) § 1202.05 (3d ed. rev. 1, June 2012).

Keeping the application together is a good choice for an intent-to-use U.S. applicant with a product or service that is years away from being ready to be offered, because it could save numerous extension request filings and related filing fees. Even for a foreign applicant that need not prove use prior to registration, delay may be beneficial, because use will ultimately need to be demonstrated in a filing under Section 8 of the Lanham (Trademark) Act, 15 U.S.C. § 1058, to maintain the result-

ing registration. Similarly, if an applicant plans to introduce a brand to the market only if that brand can be registered for all goods and services, or if the most important goods and services are refused, that applicant also will benefit from waiting for the Trademark Trial and Appeal Board (TTAB) to decide its appeal. A final reason to keep the application together and wait is if an applicant believes it is more vulnerable to an opposition against the approved goods and services than to an opposition against the refused goods and services.

Dividing the application is a good choice for an applicant whose most important goods and services have been approved. This is particularly true if the applicant can obtain a registration now for the approved goods and services, either because they are in use or because the trademark owner is a foreign applicant that does not need to show use to obtain a registration. Another reason to divide the application is if the applicant believes it is less vulnerable to an opposition against the approved goods or services than to an opposition against the refused goods or services.

Once an applicant decides, Trademark Rules of Practice 2.141 and 2.142 and TBMP Sections 1202.05 and 1205.02 explain how to keep applications together or divide them.

Determine When to Consolidate Appeals and When to Keep Them Separate

The flip side to the question of whether to keep multiclass applications together or separate is whether to combine appeals of final refusals of separate applications.

As discussed in Section 1214 of the TBMP, if there are appeals of refusals of two or more pending applications with similar issues, either the applicant or the examining attorney may request consolidation of the appeals or the TTAB may do so on its own initiative. Even if the TTAB does not consolidate two or more appeals, it may still elect to issue a common decision if the underlying issues are sufficiently related.

There are a number of reasons why an applicant may seek to consolidate two or more appeals. If the record and the issues will overlap,

consolidation will save the applicant money in developing the evidence and presenting its arguments. If there is a similar chance of success among the appeals, consolidating them should not harm their chances of success. If, among the applications, the most important application does not have the greatest chance of success on the merits, consolidating it with a stronger application may improve the applicant's chances for registration.

Likewise, an applicant may have good reasons to keep the appeals separate. The issues may be similar, but the evidence may differ. If the chances of success vary between the appeals, an applicant may not want to risk the success of stronger applications by combining them with weaker ones. This is especially the case if the most important applications also have the best chance of success on the merits. If an applicant determines that it does not want to consolidate appeals, it may wish to consider filing its notices of appeal at different times to minimize the chances that either the examining attorney or the TTAB will seek to consolidate the appeals. If, however, an applicant does decide to consolidate, Section 1216 of the TBMP describes how to do so.

Know When to Introduce New Evidence

As discussed in Part One of this article, pursuant to Trademark Rule of Practice 2.142(d), the TTAB ordinarily refuses to consider new evidence on appeal. Yet, given the number of TTAB decisions that discuss this issue (see TBMP § 1207.01 nn. 1-3), often in the context of an applicant's having attached printouts of third-party registrations or online search results to a brief, this rule is frequently overlooked. Once an appeal is instituted, as described in Section 1702.02 of the TBMP, the TTAB requires an applicant to show good cause to introduce new evidence. Good cause typically involves (a) evidence that did not previously exist, such as the cancellation of a blocking registration, or (b) an applicant's obtaining new counsel.

In addition to meeting the good cause standard, an applicant should submit only evidence

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that is material and unlikely to be challenged. Section 1702.02 of the TBMP provides that the TTAB can reject evidence that does not affect the outcome of the case or that is merely cumulative. Because the TTAB will also permit the examining attorney to introduce his or her own new evidence in response to an applicant's new evidence, the applicant should consider carefully what evidence could be introduced in response to its own evidence. For example, while it may be tempting to introduce a recent third-party registration where no disclaimer was required, such introduction could backfire if the examining attorney then introduces 40 cases requiring a disclaimer or points out factors that distinguish the new case.

If there is compelling, relevant new evidence, an applicant could benefit from following Section 1702.02 of the TBMP and requesting a remand for its introduction. If the evidence does not meet these standards, an applicant will only undermine its credibility and possibly its case on the merits by seeking introduction of that evidence.

Understand How to Write for the TTAB

A successful applicant understands the nature of the TTAB and its appeals process and uses this knowledge when writing its briefs.

Because the TTAB is a specialty tribunal with expertise in trademark issues, an applicant can omit the basics of a particular trademark doctrine in its brief and instead focus its arguments on how that doctrine applies to the ap-

plicant's particular facts. Given that the TTAB has probably written many of the cases that will be cited in appeal briefs, it is likely to be more persuaded by the quality, rather than the quantity, of the cited cases. Moreover, because of the TTAB's deep knowledge of trademark law, an applicant should preserve its credibility by presenting only its strongest arguments and not mischaracterizing the law.

Because the TTAB does not hear testimony from live witnesses, an applicant should be prepared to highlight the most relevant parts of the record in its briefs. This should also keep an applicant from relying on evidence that is not part of the record—and from permitting an examining attorney to do so. If an examining attorney attempts to add new evidence or a new ground for refusal or requirement, the applicant should object to the introduction of such evidence or ground as untimely but should *not* discuss its substance, or the TTAB will treat the applicant as having consented to its introduction.

Consider Whether an Oral Hearing Is Necessary

In an *ex parte* appeal, an applicant decides whether there will be an oral hearing. Trademark Rule of Practice 2.142(e)(1) permits only an applicant, and not an examining attorney, to request an oral hearing. Many applicants do not request a hearing.

In Section 1216 of the TBMP, the Board suggests that oral hearings are particularly useful in the following circumstances: (a) if the

case involves complex issues; (b) if the case involves technical goods or services; (c) if the case involves unfamiliar goods or services; (d) if an issue is not clearly defined; or (e) if the parties could work out an agreement resulting in the publication of the application (or registration, if on the Supplemental Register).

There are several other circumstances in which an oral hearing could be helpful. If the case has an extensive record or numerous or overlapping issues, an applicant could use its argument to focus the TTAB's attention on the key evidence or sort out the most critical issues. Likewise, if there are unwarranted credibility issues involving an applicant or valid credibility issues concerning the examining attorney, a personal appearance by the applicant's counsel may assist in resolving these issues in the applicant's favor.

In the event that none of the factors discussed above applies, the applicant may wish to forgo an oral hearing, especially if it has limited resources. If, however, after considering the factors described in this section, the applicant elects to make an oral argument, the tips discussed above with respect to briefs can be applied equally to oral arguments.

Summary

By understanding the nature of the TTAB and the strategic choices to be made during an *ex parte* appeal, an applicant can maximize its chances for success in that appeal. ■

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