

The Trademark Trial and Appeal Board Moves Closer to Federal Court Procedures: Using the New TTAB Rules to Your Advantage

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The US Patent and Trademark Office (USPTO) has made significant changes to the rules of practice applicable in *inter partes* proceedings before the Trademark Trial and Appeal Board (TTAB). Most of them took effect on November 1, 2007. This article will discuss the nature and effects of these changes, ways to take advantage of them, and some of the relative benefits of TTAB versus federal court proceedings.

Prehistory and USPTO Reasons for Changing the TTAB Rules

In 1993, significant amendments to the Federal Rules of Civil Procedure (FRCP) implemented a regime requiring federal court litigants to make initial disclosures of certain information and documents without waiting for discovery requests. Under the rules, litigants also are required to meet and confer to discuss settlement options and to discuss plans for disclosure and discovery if settlement proves unlikely.¹ At the time that the rules were implemented, the USPTO announced that the TTAB would not follow many of the changes to the FRCP, including the new initial disclosure regime.²

More recently, the USPTO evaluated the effects of the FRCP amendments on civil actions and eventually concluded, in particular based on a 1998 empirical study report,³ that use of a modified procedural regime similar to the amended FRCP would encourage earlier settlements of TTAB proceedings, among other benefits.⁴

The cited empirical study reported that the disclosure regime implemented in 1993 has been successful in the courts:

In general, initial disclosure appears to be having its intended effects. Among those attorneys who believed there was an impact, the effects were most often of the type intended by the drafters of the 1993 amendments. Far more attorneys reported that initial disclosure decreased litigation expense,

time from filing to disposition, the amount of discovery, and the number of discovery disputes than said it increased them. At the same time, many more attorneys said initial disclosure increased overall procedural fairness, the fairness of the case outcome, and the prospects of settlement than said it decreased them.⁵

The USPTO determined that a modified form of the federal court disclosure practice would increase efficiency of the process for commencing *inter partes* TTAB cases, increase efficiency in the exchange of discovery and pretrial information, enhance settlement chances, and lead to earlier settlement of cases and increased procedural fairness.⁶

Original Proposal

The USPTO published a Notice of Proposed Rule Making (originally proposed rules) in the *Federal Register*⁷ on January 17, 2006, and in the Official Gazette on February 14, 2006.⁸

The originally proposed TTAB rules obligated the plaintiff⁹ to serve complaints or claims of right to a concurrent use registration directly on defendants. Parties also would have an early exchange of extensive core information supporting their claims or defenses, identify expert witnesses to be used during TTAB proceedings as part of the discovery phase, and disclose, during a pre-trial phase, the identity of witnesses that each party expected to call at trial.

Comments

The USPTO received comments from 28 individuals, law firms, and IP organizations on the originally proposed rules. Most of them criticized the broad scope of the proposed mandatory initial disclosures. This was the greatest source of concern, since what the originally proposed rules specified for disclosure substantially differed from FRCP 26(a)(1).¹⁰ The rules also would have reduced the number of interrogatories from 75 to 25 and would have required plaintiffs who suspected that the correspondence address of record was inaccurate or who had the service copy of the complaint returned as undeliverable to take steps that some viewed as

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burdensome. Other comments expressed a fear that the TTAB's standard protective order was not appropriate to protect trade secrets and confidential information in TTAB proceedings and criticized the requirement of expert disclosures halfway through discovery, which also did not track FRCP 26.¹¹

In July 2006, representatives of the American Bar Association Intellectual Property Law Section, the International Trademark Association, the Intellectual Property Owners Association, and the American Intellectual Property Law Association met at the USPTO to discuss the originally proposed rules and the critical comments raised by the various organizations.¹²

Key Changes from the Originally Proposed Rules

The adopted TTAB rules considerably reduced parties' initial disclosure obligations from those originally proposed. The USPTO eliminated the original long list of mandatory disclosures and opted for the more straightforward and limited requirements under FRCP 26(a)(1) for identification of witnesses likely to have discoverable information and categories of documents that the disclosing party may use to support its case.¹³

The final TTAB rules also clarified that parties initially may rely on the correspondence address in the USPTO records for service.¹⁴ Under the amended rules, a TTAB plaintiff is not required to serve a copy of the complaint to any address other than the appropriate party's correspondence address listed on the Trademark Application and Registrations Retrieval (TARR) system at the USPTO Web site (<http://tarr.uspto.gov>).¹⁵ The USPTO withdrew the proposal that the plaintiff should serve an additional copy of its complaint on any party that the plaintiff had reason to believe might be the correct adversary.¹⁶

The final rules also were amended to clarify that the parties must discuss during the initial discovery and settlement conference the subjects outlined in FRCP 26(f) and any other subjects that the TTAB may, in its institution order, additionally require.¹⁷

The suggestions to stagger pretrial disclosures and to schedule the first such disclosure closer to the time of trial have been adopted and are included in the final rules. The final rules also leave the 75-interrogatory limit in place and clarify how to properly identify witnesses and their expected topics.¹⁸

The final rules further provide that a party may seek to strike any testimony, or portions of testimony, when related disclosures are untimely, improper, or inadequate. Under the amended rules, a motion to strike witness testimony for inadequate pretrial disclosure may

seek to strike that portion of the testimony that was not adequately disclosed.¹⁹

The final rules provide for disclosure only for testifying experts and do not require that consulting experts be disclosed. In addition, the final rules specify that disclosure of expert testimony shall occur in the manner and sequence of FRCP 26(a)(2), unless the TTAB provides alternative instructions in an institution order or subsequent order.²⁰

TTAB Proceeding Under the New Rules

There are fundamental differences between FRCP and TTAB proceedings. TTAB proceedings have more limited remedies that apply only to the registration of a mark. The TTAB cannot enjoin infringing activities, assess damages, or award attorneys' fees. Further, all evidence is submitted in written form, and there is no live testimony before the TTAB.

The changes in TTAB rules published in 72 *Fed. Reg.* 42242 on August 1, 2007, nonetheless have moved the TTAB rules closer to the FRCP. The principal TTAB rule revisions are:

- Plaintiff has to serve the defendant directly (complaint or claim of right to a concurrent use registration) to initiate the proceeding.
- Plaintiff must file proof of service together with its complaint with the USPTO.
- Parties must hold an initial discovery and settlement conference within 30 days after the answer is served.
- Parties have to, on a reciprocal basis, make initial disclosure of individuals with knowledge that could be used to support their claims or defenses and identify the existence and location of documents that could support their claims or defenses.
- The parties must disclose, during the discovery phase, expert witnesses expected to be used during the trial phase of TTAB proceedings and, during the pretrial phase, the identity of witnesses each party expects to call during trial.
- The TTAB's standard protective order will be applied in all cases, unless the parties stipulate to modify it or to substitute a different order.

Direct Service and Proof of Service by Plaintiff

Under previous practice, plaintiffs had to serve on the defendant a copy of every paper the plaintiff filed

during a proceeding.²¹ The sole exception was the plaintiff's initial complaint.²² The adopted TTAB rules require that the initial filing will now be treated the same as all other filings.²³

All plaintiffs—opposers, petitioners, and concurrent use applicants—bear the same service obligations under the new rules. Specifically, they have to serve copies of the complaint by one of the methods provided in 37 C.F.R. 2.119 of the TTAB rules, which include first class mail, express mail, and overnight courier. Personal service is not required.²⁴

The USPTO has clarified that a plaintiff has no investigative duty other than to refer to USPTO records for the application or registration at issue; that is, the plaintiff does not have to look at other applications or registrations owned by that party and does not have to serve the complaint to any address other than the address listed on TARR.²⁵

Finally, plaintiffs are neither required nor expected to follow the provisions of FRCP 4, 4.1, or 5 or, for non-US defendants, any international convention regarding service of process.²⁶

Service of Notice of Opposition

Under the new TTAB rules, an opposer must serve the initial pleading on either (1) the attorney for the applicant of record or, (2) if there is no attorney, the applicant or the applicant's domestic representative, if one has been appointed, at the correspondence address of record listed in TARR.²⁷

Proof of service must be included in the notice of opposition or petition filed with the TTAB; otherwise, the pleading will be considered defective and the case not properly commenced. The form is the same as with motions. A statement signed by the attorney or other authorized representative, attached to or appearing on the original paper when filed, clearly stating the date and manner in which service was made will be accepted as *prima facie* proof of service.²⁸

In a precedential decision, the TTAB dismissed an opposition for failure to properly serve the applicant in accordance with the new TTAB rules. Although the opposer indicated in its electronic filing that it had served the applicant, it actually had failed to do so. Realizing the error, the opposer moved for permission to amend its opposition to provide for later service. The TTAB denied applicant's motion and then dismissed the opposition entirely. It did note that the opposer could file a petition to cancel the registration resulting from the application.²⁹ The TTAB will not institute a proceeding if the defendant has not been served. As a corollary, the TTAB will not institute a proceeding when there is no proof of service, even though there may have been actual service.³⁰

Service of Petition for Cancellation

The petitioner in a cancellation action must serve the petition on either (1) the owner of the registration or (2) the owner's domestic representative of record, if one has been appointed, at the correspondence address of record on TARR.

Petitioner is not expected to serve any attorney who may have represented the registrant in the prosecution of the application unless USPTO records indicate that the attorney was designated as a domestic representative.³¹ The TTAB will ask the plaintiff to effect proper service on the owner of the trademark if it incorrectly served the attorney who represented the registrant in the prosecution proceedings. Proof of service must also be included in the petition.³²

Returned Service Copies

In all cases, the plaintiff must inform the USPTO of any failure of service within 10 days.³³ The 10 days is measured from the date of delivery to the serving party of the returned service copy.³⁴

While the new TTAB rules do not specifically refer to it, pursuant to the accompanying comments in the *Federal Register*, the notice to the TTAB of failure of service must include any new address information received for the defendant, for example, if the US Postal Service lists defendant's new address on the returned copy. Similarly, if the plaintiff discovers a new address through independent means or voluntary investigation, then it must report that to the TTAB in its failure-of-service notice.³⁵ The plaintiff has no obligation to serve a defendant at the new address, however.³⁶ In any case in which a plaintiff notifies the TTAB of failed service, the TTAB will effect service.³⁷ In that TTAB order effecting service, the TTAB will clarify what address is to be used for service thereafter and amend, if necessary, any deadlines or dates that were set in the institution order. If notice from the TTAB commencing a proceeding is undelivered, the TTAB may publish the notice in the Official Gazette, available via the Office's Web site (<http://www.uspto.gov>).³⁸

Considerations for the Plaintiff

Because pleadings filed without the required proof of service will not be accorded a filing date by the TTAB,³⁹ omitting proof of service may trigger the loss of substantive rights. For example, failure to provide proof of service for a cancellation action alleging priority and likely confusion or other grounds that expire under 15 U.S.C. § 1064 five years after the registration issues may result in those claims being lost.

Considerations for the Defendant

Since the plaintiff is not obliged to research the defendant's whereabouts, there is the possibility that a

proceeding could be initiated without the defendant's actual notice if the defendant's correspondence address in the USPTO TARR system is not current. That, in turn, could result in a default judgment against the defendant.

TIP: USPTO records for client trademarks should be monitored and kept current, including when rights change hands or addresses change.

Institution Order

The TTAB's notice of the proceeding's commencement (commonly referred to as the institution order) will set forth specific dates for the various phases in a case. Each deadline or phase is measured from the date of the institution order. The institution order will specify the deadline for a discovery and settlement conference, the opening and closing dates for the taking of discovery, and the deadlines within the discovery period for making initial disclosures and expert disclosures.⁴⁰

The institution order may also identify issues to be discussed in the discovery and settlement conference.⁴¹ Issues mentioned in the TTAB's institution order should not be read as limiting what parties may discuss, however.⁴²

Defendant's Answer

Defendant's answer is due 40 days from the date of the TTAB's institution order.⁴³ As was true before the amendments, the answer must be directly served on the plaintiff. If a defendant is aware of grounds for a counterclaim, the counterclaim should be pleaded at that time. Failure to do so may preclude the defendant from asserting the counterclaim later.⁴⁴

TIP: Boilerplate affirmative defenses, such as the complaint fails to state a claim, should be avoided. Such pleadings often result in motions to strike decided in plaintiff's favor, since a plaintiff usually is able to plead a claim for relief. Rather than attacking the sufficiency of the pleading by way of a *pro forma* affirmative defense, the TTAB recommends that the defendant consider a formal motion.⁴⁵

In any case of default, the TTAB will reset discovery, disclosure, and trial dates, and although this is not explicitly mentioned in the amended TTAB rules, plaintiff's initial disclosure will not be necessary.⁴⁶ Instead, when the defendant fails to answer, the plaintiff can move for entry of default judgment. To save the client the expense of drafting and filing the motion, plaintiff's attorney can call and remind the TTAB to issue the notice of default, as long as 15 days have passed since the answer was due.⁴⁷

Disclosure, Discovery, and Settlement Conference

As previously mentioned, the new TTAB rules require that the parties conduct an initial discovery and

settlement conference consistent with the provisions of FRCP 26(f). All parties share a joint responsibility to initiate the discovery and settlement conference.

The parties can conduct the discovery and settlement conference in person or by other means such as telephone or through the Electronic System for Trademark Trials and Appeals (ESTTA). Among other things, the TTAB is optimistic that the initial discovery and settlement conference, together with the new disclosure rules, will encourage quicker settlements.⁴⁸ By contrast, parties and practitioners should recognize that the discovery and settlement conference presents not only an opportunity to foster settlement discussions and cooperatively streamline the discovery process but also a chance to favorably structure the proceeding in terms of stipulations, limitations on disclosures, and so on.

TIP: Counsel and parties are well advised to thoroughly plan ahead as to what they want to accomplish via the discovery and settlement conference and how to reach those goals.

Timing

The new TTAB rules require the parties to conduct the initial discovery and settlement conference on or before the date that discovery opens in the case.⁴⁹ Discovery opens 30 days from the date that the answer is due. If the plaintiff withdraws the complaint prior to the answer's being filed or the defendant defaults, the conferencing requirement becomes moot.⁵⁰ Further, a motion under FRCP 12 or a counterclaim will defer the conference date. The timing of discovery is discussed later in this article.

Participation of Interlocutory Attorney or TTAB Member

Any party can request that an interlocutory attorney or TTAB member participate in the discovery and settlement conference by phone or ESTTA. Such a request for participation of a TTAB professional may be made only with the answer or after it is filed but in no event later than 10 days prior to the deadline for conducting the discovery and settlement conference.

TIP: A request that a TTAB attorney participate may be particularly advisable in cases involving *pro se* litigants⁵¹ or when the parties previously have demonstrated difficulty reaching agreement.

The participating TTAB professional may explore what progress has been made toward a settlement, may ensure that the parties know about mediation, arbitration, and the TTAB's Accelerated Case Resolution (ACR) option, and may inquire whether the parties desire additional time after the discovery and settlement conference to discuss settlement.⁵² According to

the TTAB, the involvement of the participating Board professional in the settlement aspect of a discovery and settlement conference will be rather limited in comparison to the involvement of a district court judge.⁵³ The TTAB did not rule out the TTAB professional's participation, however, in discussions concerning bases for settling such as assignments, licenses, restrictions on use, conditions of phase-out agreements, or the like.⁵⁴

The TTAB declared that its interlocutory attorneys and administrative trademark judges will be provided sufficient training for such participation.⁵⁵ The TTAB does not see any risk that its involvement in settlement discussions may make the professional more partial to one party than another or require his or her exclusion from the further management or decision of the case.⁵⁶

TIP: The TTAB representative who participates in the discovery and settlement conference will most likely be the interlocutory attorney assigned to the case. Therefore, notwithstanding the TTAB's stated view of the risks, counsel should be aware that the nature of their conduct during the discovery and settlement conference (*e.g.*, reasonable versus obstructionist) may influence the interlocutory attorney's view of the parties and their positions as the proceeding continues.⁵⁷

No Written Report and No Scheduling Order

Unlike procedures under the FRCP, the parties are not required in TTAB proceedings to file a written report outlining their discovery and settlement conference discussions, unless the parties have agreed to alter disclosure or discovery obligations set forth by the amended TTAB or applicable FRCP rules or unless directed to file such a report by the TTAB professional who participated in the discovery and settlement conference.⁵⁸

Instead of issuing a FRCP 16(b) scheduling order, the TTAB will issue its institution order setting the schedule for the proceeding.

Sanctions for Non-Participation

A motion for sanctions for a party's failure to participate in the discovery and settlement conference must be filed *prior to the deadline for initial disclosures*,⁵⁹ because one subject for discussion in that conference is such disclosures. The deadline for initial disclosure is 30 days after the opening of the discovery period. The discovery period opens 30 days after the date that the answer is due. Initial disclosures, therefore, are due 60 days after the answer is filed.

A motion to compel attendance at the discovery and settlement conference can be accompanied by a motion for sanctions, and the moving party is free to decide what sanction to request.⁶⁰ In most instances, the requesting party will likely seek a default judgment.

If a party moves for sanctions for non-participation in the discovery and settlement conference, this will generally cause the TTAB to suspend the proceedings until the motion is resolved.⁶¹

Scope (Subjects to Be Discussed)

The final TTAB rules clarify that the parties shall discuss the subjects outlined in FRCP 26(f) and any other subjects that the TTAB may, in an institution order, require to be discussed. Subjects identified in FRCP 26(f) are:

- The nature and basis of claims and defenses;
- The possibilities for prompt settlement;
- The arrangements for exchanging initial disclosures;
- Any topics relating to preserving discoverable information, and
- The development of a discovery plan, including
 - Timing and form of initial disclosures;
 - Subjects on which discovery may be needed;
 - When discovery should be completed;
 - Disclosure or discovery of electronically stored information;
 - Limitations on discovery.

Subjects that the TTAB may require the parties to discuss include:

- Plans to supplement or modify the TTAB's standard protective order or to substitute a different order;
- Whether the parties want to seek mediation, arbitration, or to proceed under the TTAB's ACR option (discussed later in this article);
- Whether the parties want to enter into any stipulations of fact or stipulations as to evidence; and
- Use of and service by email.
- In a Discovery and Settlement Conference, however, parties are free to discuss any additional topics that could promote settlement or efficient adjudication of the Board proceeding.⁶²

Trademark

Some of the issues that might be discussed during the discovery and settlement conference are dealt with in more detail in the following sections.

Scheduling

Under the prior rules, discovery often was initiated before the answer was due. Under the new rules, the answer will be due before the initiation of the mandatory initial disclosures or the opening of the discovery period.

Assuming that no extensions are granted along the way and that no oral argument is requested, the new TTAB standard schedule provides that a case will be submitted for decision by the TTAB in 550 days, or a year and a half, after initiated. This is about 50 days longer than the standard schedule under the prior rules, due to the fact that the start of discovery is delayed until after the answer and the discovery and settlement conference. Figure 1 shows a hypothetical standard schedule.

Figure 1: Hypothetical Standard Schedule

Party	Action	Due Date	Days from Institution Order
P	Case initiated by filing complaint with proof of service.		n/a
	Issuance of institution order from TTAB.		n/a
D	Answer.	40 days from the date of the institution order.	40
P/D	Deadline to request of board professional participation in discovery and settlement conference.	10 days prior to the deadline for conducting the discovery and settlement conference.	60
P/D	Deadline for discovery and settlement conference.	30 days after the date the answer is due.	70
	Discovery opens.	30 days after the date the answer is due.	70
P/D	Deadline for motion for sanctions for failure to participate in discovery and settlement conference.	Prior to the deadline for any party to make initial disclosures.	99 ⁶³
P/D	Deadline for making initial disclosures.	30 days from the opening of the discovery period.	100
P/D	Deadline for disclosure of expert testimony.	30 days prior to close of discovery.	220
P/D	Deadline for motions to compel initial disclosures and expert disclosures.	Prior to the close of discovery.	249 ⁶⁴
P/D	Deadline for rebuttal expert disclosure (or 30 days after the initial disclosure if earlier).	30 days after the adverse party's prior disclosure to TTAB (<i>i.e.</i> , no later than close of discovery).	250
	Discovery closes.	180 days from the opening date of the discovery period.	250
P	Deadline for plaintiff's pretrial disclosures.	15 days prior to the opening of plaintiff's testimony period.	295

Figure 1 (continued)

Party	Action	Due Date	Days from Institution Order
P/D	Deadline to file motions to compel discovery.	After the close of discovery, prior to the opening of the first testimony period.	309
P/D	Deadline for motion for summary judgment.	After initial disclosure of requesting party, prior to the opening of the first testimony period.	309
P	Plaintiff's 30-day testimony period opens.	Opens 60 days after the close of discovery.	310
P	Plaintiff's 30-day testimony period closes.	Closes 90 days after the close of discovery.	340
D	Deadline for defendant's pretrial disclosures.	15 days prior to the opening of defendant's testimony period.	355
D	Defendant's 30-day testimony period opens.	Opens 30 days after the close of plaintiff's testimony period.	370
D	Defendant's 30-day testimony period closes.	Closes 60 days after the close of plaintiff's testimony period.	400
P	Deadline for plaintiff's rebuttal pretrial disclosures.	15 days prior to the opening of plaintiff's rebuttal testimony period.	415
P	Plaintiff's 15-day testimony period opens.	Opens 30 days from the close of defendant's testimony period.	430
P	Plaintiff's 15-day rebuttal testimony period closes.	Closes 45 days from the close of defendant's testimony period.	445
P	Plaintiff's brief due.		505
D	Defendant's brief due.	30 days after plaintiff's brief.	535
P	Plaintiff's rebuttal brief due.		550
P/D	Deadline to request oral arguments.		560

Amendment of Schedule

Deadlines and obligations may be modified upon stipulation of the parties approved by the TTAB upon motion granted by the TTAB⁶⁵ or by order of the TTAB. If a stipulation or motion is denied, dates will remain as initially set. Because of this, it is in the interests of the parties to file

any proposed stipulations or scheduling motions promptly after the discovery and settlement conference.⁶⁶

As previously indicated, in any case of default or in which a defendant files a motion under FRCP 12 directed to the plaintiff's pleading, the TTAB will reset discovery, disclosure, and trial dates.⁶⁷ Similarly, when a

defendant includes a counterclaim with its answer, the TTAB will reset these dates to account for the addition of the counterclaim. In short, there are many potential triggers that will prompt the TTAB to reset discovery, disclosure, and trial dates, and they are not all explicitly addressed in the amended TTAB rules.⁶⁸

Suspension of Proceeding

In the past the TTAB has been very liberal in its willingness to suspend cases to accommodate settlement negotiations between parties. This practice has never been codified in the trademark rules and remains a discretionary practice that the TTAB may alter as necessary without need for any change in the rules. The USPTO has confirmed, however, that the final rules do not alter that traditional liberal approach except in one instance, namely the TTAB is unlikely to suspend cases for settlement talks between the time that an answer is filed and the discovery and settlement conference. The reason: at the discovery and settlement conference the parties are meant to discuss settlement, or at least discuss whether, in light of the answer and the close of the pleadings, they may have a basis to begin settlement talks.⁶⁹

Possibility of Accelerated Case Resolution

ACR is a summary-judgment-like process that presents an alternative to trial. Parties commonly file motions for summary judgment in the hope of receiving a decision while avoiding any further time and expense or a costly trial, but these motions often must be denied because there is at least one material fact in dispute.⁷⁰ ACR may be an attractive option when parties can stipulate to many facts, or at least some facts, so that the remaining evidence to be considered is limited. An example might be a strict priority contest in which the parties agree that confusion is likely. In essence, upon the consent or request of the parties, the TTAB may treat cross-motions for summary judgment as establishing the final record and arguments on which a case may be decided.

The parties should discuss the ACR at the discovery and settlement conference or even sooner. If the parties agree to use the ACR process that early in the proceeding, then the TTAB may tailor a limited disclosure and discovery period to facilitate prompt submission of stipulations and cross-motions.

Parties can revisit the ACR option after initial disclosures and some discovery. ACR obviously is a much less attractive option, however, if the parties have already engaged in substantial discovery and find themselves approaching trial.

The TTAB will issue a decision within 50 days of completed briefing under ACR. This decision is immediately appealable.

TIP: If there is no dispute as to most of the confusion factors established in *E.I. DuPont de Nemours & Co.*,⁷¹ so that, for example, only the similarity of the marks is at issue, ACR may be an appealing option.

Use of Email

Under the new TTAB rules, parties are free to stipulate to service of papers via email (or facsimile).⁷² Parties that so stipulate should consider including the following, however:

- Requiring that paper confirmation copies be sent;
- Providing that email sent after a certain time (e.g., 5 p.m. EST) will be treated as though sent the following business day; and
- Providing that the additional five days to respond will apply also to email service, because five days are not automatically added to the response period if service is made by email or facsimile.⁷³

Stipulation of Facts and Procedural Stipulations

The parties should consider stipulating to the following:

- The record or a portion of the record.⁷⁴ The parties can reserve the right to later object at trial or in connection with a motion for summary judgment on bases of relevance, materiality, and probative value.
- A procedure for confirming the authenticity of business records produced in response to requests for production and that each party can introduce such records by notice of reliance.
- Introduction of Internet materials by notice of reliance (with or without accompanying affidavit).
- Permitting testimony by affidavit or declaration (with or without reservation of right to live cross examination).
- Telephone depositions.
- Introduction of expert witness reports and necessary supporting materials by notice of reliance, and the introduction of expert rebuttal reports the same way.

Initial Disclosure

The initial disclosure requirements were the greatest source of concern for those commenting on the original

proposed rules. The final rules clarify that the requirements of FRCP 26(a)(1)(A) and 26(a)(1)(B) apply. The provisions of FRCP 26(e) regarding supplementation of disclosures and discovery responses also are applicable to TTAB *inter partes* proceedings.

Timing

A party's initial disclosures are due within 30 days after discovery opens but may be served as soon as the party wishes.⁷⁵ Initial disclosures do not have to be filed with the TTAB but must be served on the adverse party.

The parties can no longer serve discovery requests before an answer is filed. Also, a party cannot seek discovery unless and until that party has served its initial disclosures.⁷⁶ If either party is interested in serving discovery promptly, the party could consider serving its initial disclosures and its initial round of discovery requests at the time of the discovery and settlement conference. The parties need not wait until the disclosure deadline (30 days later) to serve their initial disclosures.

As indicated, in any case of default or in any case in which a defendant files a motion under FRCP 12 directed to plaintiff's pleading, the TTAB will reset disclosure dates.

Differences from FRCP Proceedings

Meeting initial disclosure obligations should be easier in TTAB cases than in civil actions⁷⁷ because:

- TTAB's jurisdiction is limited to determining the right of a party to obtain, or retain, a registration;
- The extent of available claims and defenses that may be advanced is not as broad as in the district courts;
- Subsections (C) and (D) of FRCP 26(a)(1) do not apply in TTAB cases, nor do subsections (iii) and (iv) of FRCP 26(a)(1)(A); and
- There should be more time to prepare and serve the initial disclosures.

As indicated above, the deadline for initial disclosures in TTAB proceedings is 30 days from the opening of the discovery period; that is, 100 days after the TTAB rendered its institution order. In contrast, parties in federal court actions must make their initial disclosures at or within 14 days after the FRCP 26(f) conference.⁷⁸

Standard Protective Order

New TTAB Rule 2.116(g) provides that the TTAB's standard protective order, available via the USPTO's

Web site at www.uspto.gov, is applicable in all cases. Parties are free (as in the past) to negotiate changes, however. Therefore, parties need to consider whether the provisions in the standard protective order are adequate to address their confidentiality concerns. Possible changes may be discussed during the discovery and settlement conference. Upon motion granted by the TTAB or stipulation approved by the TTAB, the parties may implement a different protective order or a modification of the standard protective order.⁷⁹

Some comments concerning the originally proposed TTAB rules noted that the standard order will not assist parties if protected information is revealed after the conclusion of a proceeding. While the TTAB encourages parties to consider "creating a contract" in order to protect their confidential information outside of a TTAB proceeding,⁸⁰ the standard protective order provides that information or material disclosed in accordance with the terms of the order is for use solely in connection with the TTAB proceeding and must be returned to the disclosing party at the conclusion. In the TTAB's view, therefore, opportunities for misuse after a proceeding are very limited.⁸¹

Discovery

When serving discovery requests a party should keep in mind the limited nature of the TTAB's jurisdiction in *inter partes* proceedings, and tailor the discovery requests accordingly.

Timing

The new rules eliminate the previous possibility of a defendant's serving discovery requests before the defendant has even filed an answer.⁸² Now, a party may not serve interrogatories, requests for production, requests for admissions, or take discovery depositions until it has made its initial disclosures.⁸³ Initial disclosures may be served at the time of the discovery and settlement conference, however.⁸⁴

Interrogatories and other written discovery requests may be served through the last day of discovery,⁸⁵ as opposed to a discovery deposition, which must be both noticed and taken by the close of discovery.⁸⁶ The better practice normally is to take discovery early in the discovery period, however. The disadvantages of waiting until the waning days of the discovery period include potentially being precluded from using the fruits of earlier discovery during discovery depositions and from using a deposition or requests for admission to establish the authenticity of produced documents. In addition, motions to extend discovery to allow for follow-up or because of asserted inadequate responses may not be

viewed favorably by the TTAB if not filed until late in the discovery period.⁸⁷

TIP: If seeking more expedited discovery in a TTAB proceeding, one may make the initial disclosures at the time of the discovery and settlement conference and initiate discovery at the same time. In a particular case, the other party also may be willing to agree to a tighter discovery schedule.

E-Discovery

Parties should keep in mind that disclosure and discovery of electronically stored information can be costly and burdensome. The final TTAB rules did not opt out of e-disclosure or e-discovery.⁸⁸ Therefore, parties should consider discussing this issue in discovery and settlement conference and perhaps limiting e-discovery.

Limits on Interrogatories

The originally proposed rules would have lowered the interrogatory limit from 75 to 25.⁸⁹ The final rules left the previous 75 interrogatory limit in place, counting subparts. The TTAB's methodology for counting interrogatories remains unchanged.⁹⁰

Expert Disclosure

Expert testimony can be expensive and is not often used in TTAB proceedings. The most common exception is the testimony of survey experts.

Timing

FRCP 26(a)(2)(C) requires disclosure of experts expected to testify 90 days prior to trial. As applied in TTAB proceedings, that means expert disclosures are due with *30 days remaining in the discovery period*. This deadline applies to testifying experts, not consulting experts.⁹¹ A party planning to use an expert solely to contradict or rebut an adverse party's expert must disclose such plans within 30 days of the adverse party's prior disclosure of its expert (*i.e.*, no later than close of discovery).⁹² The TTAB will handle late identifications on a case-by-case basis.⁹³

The TTAB decided that it was unnecessary to specifically state in the final TTAB rules that expert disclosure deadlines will be reset when the close of the discovery period is reset.⁹⁴ If a party thinks that it might use a survey expert or other expert in the case, even if the possibility is remote, the party should consider negotiating in the discovery and settlement conference stipulations regarding expert discovery, expert reports and testimony.

Parties should inform the TTAB when an expert disclosure has been made. The TTAB will then allow time for expert discovery.⁹⁵ Because of the potential

for abuse, the final rule also requires that a party identifying a testifying expert after the deadline for disclosure seek leave from the TTAB to use the expert's testimony.⁹⁶

Scope of Expert Disclosure

Use of expert witnesses is largely governed by FRCP 26(a)(2), absent stipulations, or alternative instructions in an institution order or subsequent TTAB order. As indicated, those rules apply only to testifying experts, not consulting experts who are not expected to testify.⁹⁷

37 C.F.R. 2.120(a)(2) and FRCP 26(a)(2) provide that a party must disclose to its adverse party the identity of any testifying expert whom it may use at trial. The expert disclosures should be in writing, signed, and served on the other party. Unless otherwise stipulated or ordered by the TTAB, this disclosure must be accompanied by a written report prepared and signed by the testifying expert. The report must contain:⁹⁸

- A complete statement of all opinions and the basis and reasons for them;
- The data or other information considered by the witness in forming them;
- Any exhibits that will be used to summarize or support them;
- The witness's qualifications, including a list of all publications authored in the previous 10 years;
- A list of all other cases in which, during the previous four years, the witness testified as an expert at trial or by deposition; and
- A statement of the compensation to be paid for the expert report and testimony in the case.

TIP: Consider discussing the sequence and timing of expert disclosures and discovery, and the extent of the information or material that must be disclosed, during the discovery and settlement conference.

Pretrial Disclosure

Pretrial disclosures are due 15 days prior to plaintiff's and defendant's trial periods. The scope of pretrial disclosure is governed by FRCP 26(a)(3). Unlike federal court litigation, the TTAB does not require pretrial disclosure of each document or other exhibit that a party plans to introduce at trial.⁹⁹ It only requires pretrial disclosure of witnesses expected to testify or who may testify if the need arises, and a summary or list of the

types of documents and things that may be introduced as exhibits during the testimony.

The parties are obliged to provide at least the following information:

- Name, phone number, and address for witnesses, as well as general identifying information, such as their relationship to any party and job title;
- A general summary or list of subjects on which each witness will or may testify; and
- A general summary or list of the types of documents and things that will or may be introduced as exhibits.
- Pretrial disclosure of plans to file notices of reliance is not required.¹⁰⁰

Motions

37 C.F.R. 2.127 is the TTAB's motions rule. Every motion must be submitted in written form and meet the requirements prescribed in 37 C.F.R. 2.126.

The response period for any motion is 15 days from date of service. Five days can be added if service was made by first class mail, express mail, or overnight courier. Five days cannot be added if service was made by email or facsimile, however, unless the parties so stipulate.¹⁰¹

Neither the brief in support of a motion nor the brief in response to a motion may exceed 25 pages in length, including the table of contents and index of cases.¹⁰² Failure to file a brief in opposition to any motion may lead to its being granted as conceded.

The new TTAB rules add many possible motions to those already in a party's arsenal, including:

- Motion for sanctions for failure to participate in the discovery and settlement conference;
- Motion to compel the service of initial disclosures;
- Motion to test the sufficiency of initial disclosures;
- Motion for relief when the adversary fails to serve pre-trial disclosures; and
- Motion to strike testimony, documents or other evidence for failure to disclose or inadequate disclosure.

The TTAB is not empowered to issue monetary sanctions. If the motion seeks a sanction that is potentially dispositive of the case, a suspension order is issued under the TTAB rules.¹⁰³

FRCP 12(b) provides the possibility that a motion to dismiss may be treated as a motion for summary judgment if "matters outside the pleadings are presented to and not excluded by the court." Under the amended 37 C.F.R. 2.127(e)(1), a party may not move for summary judgment until after initial disclosures have been made, however, unless filed on grounds of claim or issue preclusion or lack of jurisdiction. Therefore, the TTAB will not treat a motion to dismiss as a motion for summary judgment until after initial disclosures, unless it relates to those grounds.

Motions to Compel

A motion to compel may address deficiencies in initial disclosures, expert disclosures, or discovery responses but not pre-trial disclosures. Pretrial disclosures are not a discovery activity and, therefore, not subject to a motion to compel.¹⁰⁴

When an adversary does not make, or provides inadequate, pretrial disclosures, the possible responses include a motion for sanctions, a motion to quash a notice of testimony deposition, or a motion to strike testimony, depending on the circumstances.

A motion to compel *initial disclosures* and expert disclosure must be filed prior to the close of discovery.¹⁰⁵ A party that does not receive initial disclosures, however, and waits until the end of the discovery period to file a motion to compel them may be found, because of the delay, to have waived its right to the initial disclosures.

A motion to compel *discovery* may be filed after the close of discovery so long as it is filed prior to the opening of the first testimony period. Filing a motion to compel disclosures or discovery normally will result in the issuance of a suspension order by the TTAB. Once the motion to compel is filed and served, neither party may thereafter serve any additional discovery. Neither party may refuse to provide required disclosures or responses to discovery requests served prior to the filing and service of the motion to compel, however.

Motions for Sanctions

Specific consequences for a party's failure to make timely, proper, or adequate disclosures have not been identified in the final TTAB rules. The TTAB retains the discretion to tailor sanctions to the particular circumstances of each case.¹⁰⁶

With regard to initial disclosures, expert disclosures, and discovery responses, a motion for sanctions is appropriate only if a motion to compel these respective disclosures has already been granted.¹⁰⁷ If a party receives a discovery response that it believes is inadequate but fails to raise it or move to compel, the party may not thereafter complain about the response's sufficiency. If

the requesting party does move to compel, the motion should not include a motion for sanctions. The TTAB will not issue such sanctions unless a previous TTAB order relating to discovery has been violated.¹⁰⁸

In contrast, a motion for sanctions for the non-participation in discovery and settlement conference need not be preceded by a granted motion to compel.¹⁰⁹ A motion for sanctions against a party for its failure to participate in the required discovery and settlement conference must be filed prior to the deadline for initial disclosures.¹¹⁰

Motions for Summary Judgment

Any motion for summary judgment must be filed prior to the opening of the first testimony period for the plaintiff. If testimony periods are reset prior to the opening of the plaintiff's testimony period, a motion for summary judgment filed before the first trial period commences is timely.¹¹¹ Plaintiffs moving for a summary judgment should make sure that their evidence includes proof of standing in the case. 37 C.F.R. 2.122(d)(1) was amended effective as of August 31, 2007, to eliminate partially the need for a status-and-title copy of a pleaded registration for proceedings commenced on or after that date, but only when the registration is submitted with the initial pleading.¹¹²

Striking Testimony

A party may object to improper or inadequate pre-trial disclosures or notices of examination. A motion to strike the testimony of a witness for inadequate pretrial disclosure now may seek to strike any testimony or that portion of testimony that was not adequately covered by the disclosure. In contrast, a motion for improper or inadequate notice must seek to strike the testimony in its entirety.¹¹³

Conclusion: TTAB vs. Federal Court Proceedings

In many instances, TTAB proceedings still may be a relatively cost-efficient and lower-key alternative to federal court litigation. Because of the limited scope of issues and remedies in TTAB proceedings, the additional disclosure requirements in many cases may not unduly increase the burden and expense or drastically change a party's strategy. Counsel will need to get clients fully engaged in discovery and strategy issues much earlier in proceedings than before, however. We will have to see whether the TTAB is correct that this will lead to earlier settlement of more cases than occurred under the previous rules. For cases that do not settle, as with federal court litigation, the potential scope of e-discovery raises the specter of excessive cost. If one party has more

extensive email records than the other, this may lead to questions of unfairness.

There are opportunities to streamline proceedings via stipulations and the use of ACR. If parties are not able to streamline the case, however, they may end up incurring costs similar to those they would have incurred in a district court proceeding, while also experiencing all the downsides of a TTAB procedure, for example, limited scope, limited remedies, no monetary damages or monetary sanctions, and no awards of attorneys' fees.

If the proceeding does not settle early and the traditional benefits of a TTAB proceeding do not outweigh the likely increased cost, a plaintiff may well elect to initiate federal court litigation instead.

Notes

1. 72 Fed. Reg. 42244.
2. Notice issued January 15, 1994, published in the Official Gazette at 1159 TMOG 14; *see also* 72 Fed. Reg. 42244.
3. Thomas E. Willging, Donna Stienstra, John Shapard, and Dean Miletich, "An Empirical Study of Discovery and Disclosure Practice Under the 1993 Federal Rule Amendments," 39 *B.C.L. Rev.* 525 (May 1998).
4. 72 Fed. Reg. 42244.
5. Willging, *et al.*, *supra* n.3, at 534-535; *see also* 72 Fed. Reg. 42244.
6. 71 Fed. Reg. 2498-2499 and 72 Fed. Reg. 42244.
7. 71 Fed. Reg. 2498.
8. 1303 TMOG 58.
9. For purposes of this article, "plaintiff" will be used to mean either "opposer" in an opposition or "petitioner" in a petition to cancel and "defendant" to mean either "applicant" or "registrant." Similarly, "complaint" shall be used to mean "notice of opposition" or "petition to cancel."
10. 72 Fed. Reg. 42252.
11. *See* Summary Report of July 25, 2006, Meeting between USPTO officials and Representatives of the ABA-IPL Section, IPO, AIPLA, and INTA on www.ttab-rules.com; *see also* a summary of the comments and the USPTO's responses at 72 Fed. Reg. 42249.
12. *Id.*
13. 72 Fed. Reg. 42253.
14. 37 C.F.R. 2.101(a) and 37 C.F.R. 2.111(a); *see also* 72 Fed. Reg. 42249.
15. 37 C.F.R. 2.101(a).
16. 37 C.F.R. 2.101(b) and 2.111(b).
17. *See* 37 C.F.R. 2.120(a)(2) and 72 Fed. Reg. 42252.
18. 37 C.F.R. 2.120(d)(1).
19. *See* 72 Fed. Reg. 42256 and 37 C.F.R. 2.123(e)(3).
20. 72 Fed. Reg. 42254 and 37 C.F.R. 2.120(a)(2).
21. 37 C.F.R. 2.119.

22. 37 C.F.R. 2.119 and 72 Fed. Reg. 42257.
23. In the TTAB's view, this is not a significant administrative and economic burden on any plaintiff (*see* 72 Fed. Reg. 42257).
24. 72 Fed. Reg. 42250.
25. 72 Fed. Reg. 42242-42243 and 42249-42250.
26. 72 Fed. Reg. 42243.
27. 37 C.F.R. 2.101(a).
28. 37 C.F.R. 2.119(a).
29. *See* Springfield, Inc. v. XD, Opposition No. 91180596 (TTAB 2/7/2008).
30. *Id.*
31. 72 Fed. Reg. 42243.
32. 37 C.F.R. 2.111(a).
33. 37 C.F.R. 2.99(d), 2.101(b) and 2.111(b).
34. *Id.*
35. 72 Fed. Reg. 42243 and 42250.
36. 72 Fed. Reg. 42250.
37. 72 Fed. Reg. 42243.
38. 72 Fed. Reg. 42244.
39. 37 C.F.R. 2.101(d)(4) and 37 C.F.R. 2.111(c)(4).
40. 72 Fed. Reg. 42244-45.
41. 72 Fed. Reg. 42252.
42. *Id.*
43. 72 Fed. Reg. 42245.
44. Gerard F. Rogers, "Trademark Trial and Appeal Board Practice Updates and Strategies," American Intellectual Property Law Association Web Seminar 11 (Mar. 12, 2008).
45. *Id.* at 11.
46. 72 Fed. Reg. 42255.
47. Rogers, *supra* n.44, at 13.
48. 72 Fed. Reg. 42255. "These practices have been found in the courts to enhance settlement prospects and to lead to earlier settlement of cases; and for cases that do not settle, disclosure has been found to promote greater exchange of information, leading to increased procedural fairness and a greater likelihood that cases eventually determined on their merits are determined on a fairly created record."
49. 37 C.F.R. 2.120(a)(2).
50. Rogers, *supra* n.44, at 15.
51. John L. Welch and Ann Lamport Hammitte, "The TTAB in 2007: Rules, Rulings, and Repercussions," 21 *Allen's Trademark Digest* 3 (Jan. 2008).
52. 72 Fed. Reg. 42252.
53. *Id.*
54. *Id.*
55. *Id.*
56. *Id.*
57. Welch and Lamport Hammitte, *supra* n.51, at 3.
58. *See* 37 C.F.R. 2.120(a)(2).
59. *See* 37 C.F.R. 2.120(g)(1).
60. *See* Rogers, *supra* n.44, at 15.
61. 72 Fed. Reg. 42255; *see also* James R. Robinson and Kathleen E. McCarthy, "An Introduction to the New Trademark Trial and Appeal Boards Rules," 97 *The Trademark Reporter* 1390 (2007).
62. 72 Fed. Reg. 42252.
63. According to Judge Rogers, as of the date of this article, the TTAB had not yet decided whether a motion for sanctions for failure to participate in discovery and settlement conference is still timely when filed on the same day initial disclosures the deadline elapses.
64. As of the date of this article, the TTAB had not yet decided whether it would accept a motion to compel initial disclosures or expert disclosures as timely when filed on the day discovery closes.
65. If parties agree to a suspension of the proceeding or amendments to the timing they are expected to provide the TTAB with the amended schedule.
66. 72 Fed. Reg. 42245.
67. 72 Fed. Reg. 42255.
68. 72 Fed. Reg. 42256.
69. 72 Fed. Reg. 42255.
70. *See* Olde Tyme Foods Inc. v. Roundy's Inc., 961 F.2d 200, 22 U.S.P.Q.2d 1542 (Fed. Cir. 1992); and Lloyd's Food Products Inc. v. Eli's Inc., 987 F.2d 766, 25 U.S.P.Q.2d 2027 (Fed. Cir. 1993).
71. *In re* E.I. DuPont de Nemours & Co., 476 F.2d 1357, 1361 (C.C.P.A. 1973); *see also* later decisions by that court's successor employing the *DuPont* factors, *e.g.*, *In re* Majestic Distilling, 315 F.3d 1311 (Fed. Cir. 2003).
72. 37 C.F.R. 2.119(b)(6).
73. *See* 37 C.F.R. 2.119(b)(6) and (c).
74. *See* Target Brands, Inc. v. Shaun N.G. Hughes, 85 U.S.P.Q.2d 1676 (TTAB 2007) (Opposition No. 91163556): In this opposition proceeding the parties stipulated to the entire record, including various documents and 13 paragraphs of facts, reserving the right to object on the basis of relevance, materiality, and weight.
75. 72 Fed. Reg. 42255. Most parties presumably will not serve initial disclosures until after the discovery and settlement conference, in case it turns out the case can be settled and that additional expense avoided. The amended TTAB rules do not rule out serving initial disclosures at the time of the discovery and settlement conference, however. In that case, discovery of the other party also could be initiated and discussed at that time.
76. 72 Fed. Reg. 42245.
77. 72 Fed. Reg. 42245-42246.
78. FRCP 26(a)(1)(C).
79. 37 C.F.R. 2.116(g).

80. 72 Fed. Reg. 42251.
81. 72 Fed. Reg. 42251.
82. See 37 C.F.R. 1.120(a) and FRCP 26(a); *see also* 72 Fed. Reg. 42245.
83. 37 C.F.R. 2.120(a) and FRCP 26(a).
84. 72 Fed. Reg. 42255.
85. Rogers, *supra* n.44, at 17.
86. *Id.*
87. *Id.*
88. Fed. R. Civ. P. 26(a)(1)(A)(ii).
89. 71 Fed. Reg. 2506.
90. 72 Fed. Reg. 42254.
91. See 72 Fed. Reg. 42246.
92. *Id.*
93. *Id.*
94. 72 Fed. Reg. 42254.
95. Rogers, *supra* n.44, at 28.
96. 72 Fed. Reg. 42254.
97. 72 Fed. Reg. 42246 and 42254.
98. See Fed. R. Civ. P. 26(a)(2)(B).
99. 37 C.F.R. 2.121(e).
100. See 72 Fed. Reg. 42247.
101. See 37 C.F.R. 2.119(b)(6) and (c).
102. See 37 C.F.R. 2.127(a).
103. 72 Fed. Reg. 42256.
104. *Id.*
105. 37 C.F.R. 2.120(e).
106. 72 Fed. Reg. 42256.
107. *Id.*
108. Baron Philippe de Rothschild S.A. v. Styl-Rite Optical Mfg. Co., 55 U.S.P.Q.2d 1984, 1854 (TTAB 2000).
109. 37 C.F.R. 2.120(g)(1).
110. *Id.*
111. Rogers, *supra* n.44, at 24. Once the first trial period commences, however, any motion for summary judgment filed thereafter is untimely, even if it is filed prior to the opening of a rescheduled testimony period for plaintiff, and even if no trial evidence was actually adduced by the plaintiff while its trial period was open. The TTAB will not hesitate to deny any such motion that is untimely, even if the non-movant does not raise this issue.
112. At the pleadings stage, parties can rely on the online status data for the registration at the USPTO Web site. See Welch and Lamport Hammitte, 4, noting that according to the amended rules, the status-and-title requirement is not eliminated when a party submits a registration with a notice of reliance or with a summary judgment motion.
113. 72 Fed. Reg. 42256.