

Joseph Matal in IP Law Daily: 'USPTO Proposes Rules to Implement Trademark Modernization Act'

May 26, 2021

PRACTICES Intellectual Property, Patents, Trademark and Advertising, Patent Office Trials, Technology Transactions

Haynes Boone Partner Joseph Matal talked with *IP Law Daily* about the U.S. Patent and Trademark Office's proposed new rules to implement the Trademark Modernization Act. He said that while the office put a great deal of thought into developing the rules, some of the details will need to be ironed out through the notice and comment rulemaking process.

Below is an excerpt:

The U.S. Patent and Trademark Office has proposed changes to the Trademark Rules of Practice to implement the Trademark Modernization Act of 2020 (TMA), passed in December as part the Consolidated Appropriations Act, 2021, P.L. 116-260 (CAA, 2021). The Office is proposing changes to existing procedures as well as adding new procedures to remove unused trademarks from the trademark register and give the USPTO flexibility to expedite applications. The Office will accept public feedback on the proposed rule until July 19, 2021 (86 Fed. Reg. 26862, May 18, 2021).

The Office is proposing procedures for implementing two new *ex parte* proceedings before the Trademark Trial and Appeal Board for expedited cancellation of unused registered trademarks:

- **Expungement proceedings**—Third parties will be able to petition for cancellation of some or all of the goods or services in a registration on the ground that the registrant never used the trademark in commerce with those goods or services. This proceeding must be requested between three and ten years after the registration date. Until December 27, 2023, however, a proceeding may be requested for any registration at least three years old, regardless of the ten-year limit.
- **Reexamination proceedings**—Third parties will be able to request cancellation of some or all goods or services in a registration on the basis that the trademark was not in use in commerce with those goods or services on or before a particular relevant date. When the underlying application was initially filed based on use of the trademark in commerce, the relevant date will be the filing date of the application. When the underlying application was filed with an intent-to-use basis, the relevant date will be the later of the date that an amendment to allege use was filed, or the date that the deadline to file a statement of use expired. This new procedure must be requested within the first five years after registration.
- **Common procedures**—In both proceedings, the petitioner must pay a fee of \$600 per challenged class and submit a verified statement setting forth the elements of its "reasonable investigation." In addition, the Director may institute a proceeding that includes additional goods and/or services identified in the subject registration on the Director's own initiative and consolidate consideration of the new proceeding with the pending proceeding. Under the proposed rule, registrants ordinarily will have two months to respond to an Office action. The proposal also includes provisions for estoppel to bar co-pending proceedings that involve the same registration and the same goods or services, and to authorize suspension of action by the USPTO or the TTAB based on an

expungement or reexamination proceeding.

Practitioner comments: Joseph Matal, Partner in Haynes Boone's IP Practice Group and former Acting Director of the USPTO, expects the new expedited expungement and reexamination proceedings to facilitate removal of the "deadwood" from the trademark register. Matal told IP Law Daily that it was obvious that the Office put a great deal of thought in developing the proposed rules and in balancing competing interests. However, some details will need to be ironed-out over time. For example, the Office is soliciting comments on whether a party may anonymously submit a petition for expungement or reexamination. Matal also pointed out that in cases where the registrant fails to respond to a petition, the Office is considering conducting an audit of all classes of goods and services identified in the registration.

To read the full article, click [here](#). (Subscription required)