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USPTO steps up efforts to remove deadwood from the register; proposes “streamlined” cancellation proceeding

by Tim Lince

As part of its efforts to declutter the US trademark register, the United States Patent & Trademark Office (USPTO) is looking to establish a “streamlined version” of the current cancellation proceedings before the Trademark Trial and Appeal Board (TTAB). Reaction to the proposal on social media has been broadly positive, with one IP expert further telling *World Trademark Review* that the move is a “logical” one.



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A key focus for the USPTO over the past few years has been finding effective ways to improve the accuracy of the trademark register. It is taking a three-pronged approach to these efforts. The first move was to improve the readability of declarations, an action implemented [last year](#). The second, and arguably the most significant, [are plans](#) to conduct “random audits” on registered marks, with rights holders required to show additional specimens or other proofs of use when requested. In the pilot for that programme, 51% of registrations did not supply sufficient proof of use on specific goods/service that were claimed – of those, 35% had goods/services deleted and 15% of the registrations were cancelled altogether.

The details of the third and final prong in its de-cluttering push were introduced this week. The office hopes to establish more straightforward, faster cancellation proceedings, with a USPTO [requesting comments](#) for “a streamlined version of the existing *inter partes* abandonment and non-use grounds for cancellation before the TTAB”. The proposal aims to enable third parties to “more efficiently challenge marks they believe are not in use in commerce”, with an accelerated schedule introduced (with no discovery or testimony periods, no hearings and the promise of a quick decision). It would be limited to challenges of abandonment and non-use, will permit discovery only on standing and require each party to submit proof with its pleading.

In summarising the main advantage of the proposal, the USPTO states: “The streamlined proceedings could offer a substantially quicker schedule than a full cancellation proceeding. In the case of a default judgment where the respondent does not respond to the petition, the entire proceeding could conclude within approximately 70 days. In a case where a respondent elects to respond, the entire proceeding could conclude within approximately 170 days in most cases. Extensions of time for the answer or reply would be limited to one per party.”



One commentator, [Culhane Meadows](#) partner and IP co-chair [Kevin Grierson](#) (left), specified another advantage when asked of his reaction to the proposal. “The outline of the proceedings seems logical to me,” he states. “If a petitioner alleges abandonment or non-use, and the registrant files a timely response demonstrating use, it certainly seems that a full-blown cancellation proceeding would not be necessary or helpful under those circumstances. Unlike issues involving, say, likelihood of confusion, the analysis is fairly straightforward – if a registrant can demonstrate non-trivial use of the challenged mark, it is game over. If it can’t demonstrate such use, the circumstances for showing excusable non-use are fairly limited.”

An interesting aspect is the USPTO’s decision to modify existing regulations rather than introducing new ones. “Stakeholders asked the USPTO to consider creating additional tools to facilitate challenges by interested parties to registrations for unused marks,” the USPTO spokesperson explained. “The USPTO considered cost and efficiency, the potential for abuse of any such tools, US treaty obligations, and the existing legal framework for abandonment, non-use, and registration-maintenance requirements. The USPTO has assessed many options, including making statutory and regulatory changes, as part of this ongoing effort and has decided to prioritize proposals for modifying existing regulations at this time.”

On the surface, this makes sense – if streamlined procedures can be implemented within the existing framework, this makes an easier and quicker transition. However, Grierson also questioned whether it is linked to President Donald Trump’s [recent executive action](#) that requires government agencies to cut two existing regulations for every new rule introduced. “I have no insight into the internal workings of the USPTO, so I couldn’t tell you how they are going to comply with the executive order and make rule changes,” Grierson adds. “I do think, however, that the proposed rule complies with the intent, if not the letter, of the executive order, because it should result in simplified proceedings when a cancellation petition is filed alleging abandonment or non-use by the trademark registrant.”

Whether Trump’s executive order – introduced to “dramatically reduce federal regulations” – will affect the USPTO’s de-cluttering efforts (and any other innovations and changes the office may want to introduce in the future) remains to be seen. In the meantime, brand owners and any other interested parties [have until August 2017 to add their comments](#) on the streamlined cancellation proposals.

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