

**DEPARTMENT OF COMMERCE****Patent and Trademark Office****37 CFR Part 2**

[Docket No.: PTO-T-2005-014]

RIN 0651-AB56

**Miscellaneous Changes to Trademark Trial and Appeal Board Rules****AGENCY:** United States Patent and Trademark Office, Commerce.**ACTION:** Final rule.

**SUMMARY:** The United States Patent and Trademark Office (Office) is amending the Trademark Rules of Practice (trademark rules) to require plaintiffs in Trademark Trial and Appeal Board (Board) inter partes proceedings to serve on defendants their complaints or claims; to utilize in Board inter partes proceedings a modified form of the disclosure practices included in the Federal Rules of Civil Procedure; and to delete the option of making submissions to the Board in CD-ROM form. In addition, certain amendments are being made to clarify rules, conform the rules to current practice, and correct typographical errors or deviations from standard terminology.

**DATES:** *Effective Date:* This rule is effective November 1, 2007 except the amendments for the following rules are effective August 31, 2007: 2.105(a); 2.113(a), and removal of (e); 2.116(g); 2.118; 2.119(b)(6); 2.120(d)(1); 2.122(d)(1); 2.126(a)(6), removal of (b) and redesignation of (c) and (d) as (b) and (c); 2.127(a) and (c); 2.129(a); 2.133(a) and (b); 2.142(e)(1); 2.173(a); and 2.176.

*Applicability to pending cases:* The amendment to rule 2.116(g), which makes the Board standard protective order applicable in all inter partes cases applies to all cases pending before the Board as of the effective date of that amendment, except for cases in which the Board's standard protective order, or some other protective order, has already been applied or approved by the Board. The following amendments also apply to all cases pending before the Board as of their effective date: 2.105(a); 2.113(a), and removal of (e); 2.118; 2.119(b)(6); 2.120(d)(1); 2.126(a)(6), removal of (b) and redesignation of (c) and (d) as (b) and (c); 2.127(a) and (c); 2.133(a) and (b); 2.173(a); and 2.176. All other amendments to the rules apply in cases commenced on or after the effective dates of the respective amendments.

**FOR FURTHER INFORMATION CONTACT:** Gerard F. Rogers, Trademark Trial and Appeal Board, by telephone at (571)

272-4299, by mail addressed to Trademark Trial and Appeal Board, P.O. Box 1451, Alexandria, VA, 22313-1451, attention Gerard F. Rogers, or by facsimile to (571) 273-0059, marked to the attention of Gerard F. Rogers.

Information may also be obtained via the Federal eRulemaking Portal. See the Federal eRulemaking Portal Web site (<http://www.regulations.gov>) for the full text of the notice of proposed rule making that preceded this final rule, and the full text of comments received in response to the notice of proposed rule making.

**SUPPLEMENTARY INFORMATION:** The amended rules will increase the efficiency of the processes for commencing inter partes cases, and take account of the Board's deployment in recent years of electronic filing options and the increased availability and use of facsimile and e-mail as methods of communication between parties involved in inter partes cases. Also, the amended rules will increase the efficiency by which discovery and pretrial information is exchanged between parties to inter partes cases, by adopting a modified form of the disclosure practice that is uniformly followed in the federal district courts. 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. The amendments also include minor modifications necessary to make corrections or updates to certain rules and conform those rules to current practice.

As of November 1, 2007, the following notice originally published in the USPTO Official Gazette on January 15, 1994, at 1159 TMOG 14, will no longer have effect: "Notice Regarding Inapplicability of December 1, 1993 Changes in Federal Rules of Civil Procedure to TTAB Cases."

**I. Commencement of Proceedings**

Plaintiffs in Board proceedings include an opposer that files a notice of opposition against an application, a petitioner that files a petition for cancellation of a registration, and a concurrent use applicant whose concurrent use application sets forth details about the concurrent use applicant's claim of entitlement to a concurrent use registration. The former process by which a plaintiff in a Board proceeding filed notice of its complaint

(or claim of right to a concurrent use registration) required the plaintiff to prepare as many copies of its complaint (or claim of right, i.e., concurrent use application) as there would be defendants in the action. The plaintiff would then file the requisite copies with the original, for subsequent forwarding by the Board to the defendant or defendants. Occasionally, before the Board could forward the copies to the defendant or defendants, the plaintiff would engage in additional correspondence with the Board, to provide the Board with updated correspondence address information the plaintiff had uncovered in its investigation of the adverse applications, registrations or marks, particularly in cancellation and concurrent use proceedings.

Under the amended trademark rules, the initiation of a Board proceeding will be more efficient, because a plaintiff will serve copies directly on defendants. Use of a direct service approach recognizes that plaintiffs and defendants often are in contact before the plaintiff files its complaint or claim, and also recognizes that continuation of direct communication is vital both for promoting possible settlement of claims and for ensuring cooperation and procedural efficiency in the early stages of a proceeding.

In recent years, the Board has deployed its ESTTA system, the Electronic System for Trademark Trials and Appeals, so that virtually all filings can be submitted electronically. In addition, more and more parties to Board proceedings are choosing to utilize fax or e-mail options for communicating with each other during an inter partes proceeding, either in lieu of using the mail or in combination with use of the mail.

Under the amended trademark rules, an opposer or petitioner will file its complaint with the Board and is required to concurrently serve a copy of its complaint (notice of opposition or petition for cancellation), including any exhibits, on the owner of record, or when applicable the attorney or domestic representative designated in the defending application or registration, or in assignment records regarding the application or registration. A concurrent use applicant, however, will not have to serve copies of its application on any defending applicant, registrant or common law mark owner until notification of commencement of the concurrent use proceeding is issued by the Board, as discussed below.

A plaintiff filing a notice of opposition must serve the owner of the application, according to Office records,

or the attorney or domestic representative of the owner, if Office records designate that an attorney or domestic representative should receive correspondence for the owner of the application. A plaintiff filing a petition for cancellation must serve the owner of the registration, according to Office records, or the domestic representative of the owner, if Office records designate that a domestic representative should receive correspondence for the owner of the registration. A plaintiff filing a petition for cancellation is not expected to serve any attorney who may have represented the registrant before the Office in the prosecution of the application that resulted in issuance of the registration. (It is noted, however, that an attorney who was designated as a domestic representative during prosecution of an application is considered by the Office to continue in such role unless the appointment as domestic representative was revoked or a different domestic representative was subsequently appointed.) Whether a plaintiff should serve the owner directly, an attorney, or a domestic representative depends on what Office records provide as the correspondence address.

To determine the correspondence address of record for an applicant or registrant, the plaintiff must check the Trademark Applications and Registrations Retrieval (TARR) system at the following web address: <http://tarr.uspto.gov>. (This system also is accessible via links from the Office's main Web site.) A plaintiff in an opposition or cancellation proceeding need only serve a copy of its notice of opposition or petition for cancellation to the correspondence address of record. The TARR display of information about a particular application or registration also includes an active link to assignment (including changes of name) information, if any exists in the Office's assignments database. For questions about correspondence address information in TARR, or about assignment records and determining the current owner of an application or registration, plaintiffs may contact the Board's customer service representatives at the main telephone number for the Board, listed on the Web site <http://www.uspto.gov/main/contacts.htm>.

A plaintiff in an opposition or cancellation is not required to serve a copy of its notice of opposition or petition for cancellation to any address other than the address listed in the TARR system. A plaintiff may wish to serve a courtesy copy on any party at any address the plaintiff may have reason to believe is more current than

the address for that party listed in Office records. A plaintiff may wish to serve a courtesy copy on any party the plaintiff believes has an ownership interest in the relevant application or registration (e.g., an assignee or survivor of merger that had not recorded the document of transfer in the Office but was known to the plaintiff) at the correspondence address known to the plaintiff. It is generally in a plaintiff's interest to have the real party in interest apprised of the existence of the Board opposition or cancellation proceeding, so that any judgment eventually obtained will be binding on the correct party.

As for service obligations of a concurrent use applicant (i.e., the plaintiff in a concurrent use proceeding), current practice requires such party to provide, for forwarding by the Board, as many copies of its application as are necessary to forward one to each person or entity listed in the concurrent use application as an exception to the concurrent use applicant's rights (i.e., excepted parties, the defendants in the concurrent use proceeding). Existing practice requires the concurrent use applicant to provide correspondence address information for excepted parties, even if the excepted parties do not own applications or registrations for marks listed in the TARR system. The amended trademark rules continue the requirement that the concurrent use applicant provide correspondence address information for excepted parties. The new rules dispense with the requirement that the concurrent use applicant file copies of its claim of right to a concurrent use registration, i.e., copies of its concurrent use application, for service by the Board on each excepted party. Under the amended trademark rules, the concurrent use applicant must promptly serve a copy of its application on each of the excepted parties following its receipt of a notice from the Board that the concurrent use proceeding has been instituted.

All plaintiffs, including concurrent use applicants, bear the same service obligations. Specifically, they must serve copies by one of the methods provided in Trademark Rule 2.119, 37 CFR 2.119. Plaintiffs are neither required nor expected to follow the provisions of Rules 4, 4.1 or 5 of the Federal Rules of Civil Procedure or, for defendants located outside the United States, any international convention regarding service of process. The parties may agree to use e-mail to communicate with each other and for forwarding of service copies. A plaintiff, however, may not serve its complaint or concurrent use application on a

defendant by e-mail unless the defendant has agreed with the plaintiff to accept such service, notwithstanding that the defendant may have authorized the Office to communicate with it by e-mail.

If a service copy is returned to plaintiff as undeliverable, plaintiff must notify the Board within ten (10) days of receipt of the returned service copy, or of any notice indicating that the service copy could not be delivered. Notification to the Board of failure of service may be provided by any means available for filing pleadings, motions, etc., keeping in mind that business with the Office is generally to be conducted in writing. Therefore, notice of failure of service may be provided, for example, by written notice mailed to the Board, or by appropriate filing through ESTTA. A plaintiff is under no obligation to search for current correspondence address information for, or investigate the whereabouts of, any defendant the plaintiff is unable to serve. However, notice to the Board of failure of service must include, if known, any new address information for the defendant whose service copy was returned to the plaintiff or reported to be undeliverable. For example, if a service copy returned by the United States Postal Service because of an expired forwarding order nonetheless lists the addressee's new address, then that must be reported to the Board. Similarly, if the plaintiff whose attempt at service has been unsuccessful discovers a new address for a defendant through independent means or voluntary investigation, then it must report the results of its investigation in its notice to the Board of the failure of service. In any case in which a plaintiff notifies the Board that a service copy sent to a defendant was returned or not delivered, including any case in which the notification includes a new address for the defendant discovered by or reported to the plaintiff, the Board will effect service.

The Board will, after a notice of opposition or petition for cancellation is filed, or after a concurrent use application is published for opposition and found free of any opposition, send notice to all parties to the proceeding, noting the filing of the complaint, or publication of the concurrent use application. The notice will set the due date for an answer, and the discovery and trial schedule. Notification from the Board may be sent by e-mail when a party has provided an e-mail address. A party providing an e-mail address includes a plaintiff providing an e-mail address when filing any paper by ESTTA or with a complaint delivered by other means, an applicant that

authorized the Office to communicate with it by e-mail when it filed its application, and any registrant whose registration file record includes such authorization. In any proceeding, an undelivered notice from the Board of the commencement of a proceeding may result in notice by publication in the Official Gazette, available via the Office's Web site (<http://www.uspto.gov>).

## II. Adoption of a Disclosure Model

In 1993, significant amendments to the Federal Rules of Civil Procedure (federal rules) implemented a system requiring parties litigating in the federal courts to, among other things, disclose certain information and/or documents and things without waiting for discovery requests, and to meet and confer to discuss settlement options and plans for disclosure and discovery if settlement were not possible (disclosure regime). Individual district courts were permitted to opt out of this disclosure regime.

In 2000, the federal rules were further amended, eliminating the option for individual courts to opt out of the most significant changes of the disclosure regime.

By notice issued January 15, 1994 (and published in the Official Gazette at 1159 TMOG 14), the Office announced the Board would not follow many of the 1993 changes to the federal rules, including the disclosure regime established by the amended rules. This notice specifically stated, "the Office's Public Advisory Committee for Trademark Affairs has recommended that incorporation of the [1993] amendments [related to conferencing and disclosure] in Board practice be deferred until the Office can evaluate the effects of the amendments on civil actions."

The Office subsequently amended the Trademark Rules of Practice in 1998. The original notice of amendment issued September 29, 1998 (and was published at 1214 TMOG 145); and a correction notice issued October 20, 1998 (and was published at 1215 TMOG 64). While the Office did not adopt a disclosure regime for Board inter partes cases as an element of these amendments, the Office noted that the Board would continue to monitor recurring procedural issues in Board cases and that in the future the Office might propose and adopt additional changes to practice.

In accordance with the recommendation of the Public Advisory Committee for Trademark Affairs, and to evaluate the effects of the 1993 and 2000 amendments on civil actions, the Office

reviewed an empirical study and numerous other available articles and reports on the subject of the disclosure regime followed in the courts. The empirical study reported that the new disclosure regime 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.

Thomas E. Willging, Donna Stienstra, John Shapard & Dean Miletich, *An Empirical Study of Discovery and Disclosure Practice Under the 1993 Federal Rule Amendments*, 39 B.C.L. Rev. 525, 534–35 (May 1998).

The Office concluded from its review of the empirical study and other materials that use of a modified disclosure regime in Board proceedings, will increase the possibility of parties settling a Board proceeding and doing so sooner. In addition, even if parties do not settle the case, disclosure will promote more efficient discovery and trial, reduce incidents of unfair surprise, and increase the likelihood of fair disposition of the parties' claims and defenses. In large part, disclosure will serve as a substitute for a certain amount of traditional discovery and will provide a more efficient means for exchange of information that otherwise would require the parties to serve traditional discovery requests and responses thereto.

Following many consultations with the Trademark Public Advisory Committee (successor to the Public Advisory Committee for Trademark Affairs) or subcommittees thereof, the Office proposed adoption of a disclosure regime for Board inter partes proceedings, in a Notice of Proposed Rule Making (NPRM) at 71 Fed. Reg. 2498 (January 17, 2006). The NPRM and comments received in response thereto are available for viewing at the <http://www.regulations.gov> web portal.

One subject related to the adoption of a disclosure regime and covered in the NPRM is the applicability of the Board's standard order for protecting confidential or otherwise sensitive information and documents. By notice published in the Office's Official Gazette (O.G.) on June 20, 2000 (1235

TMOG 70), the Office noted the Board's adoption of that standard order. The O.G. notice explained that the standard order was promulgated in response to many public requests for such an order and explained that the standard order could be adopted by parties as published or with modifications. The O.G. notice also noted that the Board could impose the order in appropriate cases. In fact, since publication of the O.G. notice, it has become quite routine for the Board to impose the order in any inter partes proceeding in which the efficient conduct of discovery is hampered by the parties' inability to agree on a protective order.

In the disclosure regime established by this final rule, the Board's standard protective order is applicable in all cases. The Board's notice of the institution of a proceeding will advise parties that the standard protective order applies and that it is available on the Office's Web site or, by request made to the Board, in hard copy form. The applicability of this standard protective order does not make all submissions confidential. Parties must utilize its provisions to protect confidential information. Neither does the applicability of the standard order preclude a party, when appropriate, from moving for a protective order under applicable trademark or federal rules, when the standard order does not cover the extant circumstances or is viewed by the moving party as providing insufficient protection. As under current practice, parties are free to agree to modify the standard protective order. It should be routine for parties to discuss possible modification in the disclosure/discovery/settlement conference (discovery conference) that is a part of the disclosure regime established by this final rule. Absent a stipulation to vary the terms of the standard protective order, approved by the Board, or an order by the Board granting a party's motion to use an alternative order, the parties must abide by the standard order.

### A. The Schedule for Cases Under the Disclosure Model

The Board's notice of the commencement of the proceeding (commonly referred to as the institution order) will set forth disclosure, discovery and trial-related deadlines, as illustrated below.

The institution order will set forth specific dates for the various phases in a case. Since each deadline or phase is measured from the date of the institution order, the parentheses explain the total number of days, as

measured from that date, until each deadline:

Due date for an answer—40 days from the date of the institution order.

(Institution date plus 40 days.)

Deadline for a disclosure/discovery/settlement conference—30 days from the date the answer is due.

(Institution date plus 70 days.)

Discovery opens—30 days after the date the answer is due.

(Institution date plus 70 days.)

Deadline for making initial disclosures—30 days from the opening of the discovery period.

(Institution date plus 100 days.)

Deadline for disclosure of expert testimony—30 days prior to close of discovery.

(Institution date plus 220 days.)

Discovery closes—180 days from the opening date of the discovery period.

(Institution date plus 250 days.)

Deadline for plaintiff's pretrial disclosures—15 days prior to the opening of plaintiff's testimony period.

(Institution date plus 295 days.)

Plaintiff's 30-day testimony period—closes 90 days after the close of discovery.

(Institution date plus 340 days.)

Deadline for defendant's pretrial disclosures—15 days prior to the opening of defendant's testimony period.

(Institution date plus 355 days.)

Defendant's 30-day testimony period—closes 60 days after the close of plaintiff's testimony period.

(Institution date plus 400 days.)

Deadline for plaintiff's rebuttal pretrial disclosures—15 days prior to the opening of plaintiff's rebuttal testimony period.

(Institution date plus 415 days.)

Plaintiff's 15-day rebuttal testimony period—closes 45 days from close of defendant's testimony period.

(Institution date plus 445 days.)

Under this schedule, discovery typically will open after the discovery conference, unless the parties defer their discovery conference to the deadline date, in which case discovery will open concurrently with the conference.

The deadline for making initial disclosures is similar to that of Federal Rule 26(a)(1), except that disclosure under the federal rule is measured from the actual date of, not the deadline for, the discovery conference. Because the Board approach measures the due date for disclosures from the opening of discovery, which typically will occur after the discovery conference, the Board approach typically will provide a longer period for making disclosures than is provided under the federal rule. This will accommodate the possibility

of motions to suspend for settlement talks, which are quite common in Board proceedings. The Board anticipates that such motions may frequently result from settlement discussions begun during the required disclosure/discovery/settlement conference.

The length of the discovery period is the same as under current Board practice, i.e., 180 days. Disclosures will be made no later than thirty (30) days into that period, and the parties will have another 150 days for any necessary additional discovery. The trial schedule, with its sixty-day break between discovery and trial and thirty-day breaks between the respective testimony periods, is also the same as under current Board practice.

Because disclosure is tied to claims and defenses, in general, a defendant's default or the filing of various pleading motions under Federal Rule 12 will effectively stay the parties' obligations to conference and, subsequently, make initial disclosures. An answer must be filed and issues related to the pleadings resolved before the parties can know the extent of claims and defenses and, therefore, be able to discuss the extent of their initial disclosure obligations, plans for discovery, and the possibility of settlement.

The Board anticipates it will be liberal in granting extensions or suspensions of time to answer, when requested to accommodate settlement talks or submission of the dispute to an arbitrator or mediator. However, if a motion to extend or suspend for settlement talks, arbitration or mediation is not filed prior to answer, then the parties will have to proceed, after the answer is filed, to their discovery conference, one point of which is to discuss settlement. It is unlikely the Board will find good cause for a motion to extend or suspend for settlement if the motion is filed after answer but prior to the discovery conference, precisely because the discovery conference itself provides an opportunity to discuss settlement.

The parties' discovery conference may be in person or by other means. A Board professional, i.e., an Interlocutory Attorney or an Administrative Trademark Judge, will participate in the conference upon the request of any party. If the parties propose to meet in person, participation by a Board professional will be by telephone, and be arranged by the parties. A request for the participation of a Board professional may only be made with or after the answer is filed but in no event later than ten (10) days prior to the deadline for conducting the discovery conference. The request may be made by phone or

via ESTTA. If neither party requests participation of a Board professional in the discovery conference, the parties must meet on their own, in person or by other means, no later than the prescribed deadline, and the Board will operate on the assumption that the conference was held by the deadline. The parties do not have to file a disclosure/discovery plan with the Board, following their discovery conference, unless they are seeking leave by motion or stipulation to alter standard deadlines/obligations, or unless they were directed to make a particular filing by a participating Board professional.

There is no Federal Rule 16(b) scheduling conference/order. The Board's institution order will already have set a schedule for the case.

Disclosure deadlines and obligations may be modified upon stipulation of the parties approved by the Board, or upon motion granted by the Board, or by order of the Board. If a stipulation or motion is denied, dates may remain as set. Because dates may remain as set if the Board denies a stipulation or motion to alter dates, it is in the interests of the parties to file stipulations or motions promptly after the conference.

#### *B. The Interplay of Disclosure and Discovery*

A party may not seek discovery through traditional devices until after it has made its initial disclosures. A party may not move for summary judgment until after it has made its initial disclosures, except on grounds of claim or issue preclusion or lack of jurisdiction by the Board.

Initial disclosure obligations should be easier to meet in Board cases than in civil actions. One reason is that the Board's jurisdiction is limited to determining the right of a party to obtain, or retain, a registration. Moreover, the extent of available claims and defenses that may be advanced is not nearly as broad as in the district courts. In addition, the Board recognizes the impact of other issues relatively unique to Board proceedings. For example, a high percentage of applications involved in oppositions are not based on use of the applied-for mark in commerce but, rather, on intent to use, on a foreign registration or on an international registration. Further, certain precepts that govern analysis of issues raised by claims or defenses in typical Board cases effectively limit the Board's focus. For example, in a case under Section 2(d) of the Trademark Act, 15 U.S.C. 1052(d), the Board focuses only on goods or services recited in identifications, and on the

mark as registered or applied-for, irrespective of many actual marketplace issues.

Federal Rule 26(a)(1) requires initial disclosures to obviate the need to use traditional discovery to obtain "basic information" about a party's claims or defenses. ("A major purpose of the [1993] revision is to accelerate the exchange of basic information about the case and to eliminate the paper work involved in requesting such information, and the rule should be applied in a manner to achieve those objectives." Fed. R. Civ. P. 26(a)(1) advisory committee's note, 1993 amendments.) However, in Board cases, subsections (C) and (D) of Federal Rule 26(a)(1) are not relevant and will not apply. Further, in complying with subsections (A) and (B), the range of individuals with discoverable information that the disclosing party may use to support a claim or defense, and the number of documents, data compilations, and tangible things that a party may use to support a claim or defense, will be more limited than in district court cases, because of the more limited claims and defenses available in Board cases.

Under Federal Rule 26(a)(1), a party is not obligated to disclose the name of every witness, document or thing that may have or contain discoverable information about its claim or defense, but merely the witnesses, documents and things having or containing discoverable "information that the disclosing party may use to support its claims or defenses." Further, initial disclosures focus on exchange of "basic information" about witnesses and documents and do not substitute for taking comprehensive discovery, when necessary. (For reasons already noted in relation to initial disclosures, discovery also should be more limited in scope in Board proceedings than in district court cases.)

The specificity of information parties will provide to comply with initial disclosure obligations is one of the issues that must be anticipated and discussed by the parties during their discovery conference. Further, although this final rule requires fewer, and less extensive, initial disclosures than those proposed by the NPRM, the parties are free to discuss the option of making more extensive disclosure than is required by the rule. For example, parties could choose to rely on specified, reciprocal disclosures in lieu of formal discovery, if they find such an approach more efficient and less costly. Similarly, parties could choose to forgo disclosures and agree to utilize only traditional discovery devices. (Either

approach, as a deviation from the regime prescribed by this final rule, would be subject to Board approval.)

To emphasize, initial disclosures are not intended to substitute for all discovery but, rather, to prompt routine disclosure of names of potential witnesses and basic information about documents and things that a party may use to support a claim or defense. Any adverse party is free to take discovery on subjects that will undermine a claim or defense.

Written initial disclosures of facts known by witnesses, if provided by a party, for example, pursuant to an approved agreement to utilize more extensive disclosure than required by this final rule, may be used in support of or in opposition to a motion for summary judgment and may, at trial, be introduced by notice of reliance. Disclosed documents, if provided in lieu of descriptions of documents, may also be used to support or contest a motion for summary judgment but at trial they may be introduced by notice of reliance only if otherwise appropriate for such filing. In essence, initial written disclosures and initial disclosures of documents will be treated like responses to written discovery requests.

#### *C. Expert Disclosure and Pretrial Disclosure*

A party's planned use of expert witnesses is largely governed by Federal Rule 26(a)(2). This rule governs testifying witnesses, not consulting experts who are not expected to testify.

A plaintiff's plan to use any expert at trial must be disclosed no later than thirty (30) days prior to the close of discovery (i.e., ninety (90) days prior to the opening of plaintiff's testimony period). In any case in which a defendant plans to use an expert at trial irrespective of whether the plaintiff plans to do so, the defendant must also make its disclosure no later than thirty (30) days prior to the close of discovery. A party planning to use an expert solely to contradict or rebut an adverse party's expert must disclose such plans within thirty (30) days of the adverse party's prior disclosure (i.e., no later than close of discovery). Federal Rule 26(a)(2) also details what information and materials must be provided for a party to satisfy its disclosure obligation with respect to experts.

Federal Rule 26(a)(2) allows the Board by order, or the parties by stipulation approved by the Board, to alter the sequence and timing of expert disclosures and the extent of the information or material that must be disclosed to satisfy the disclosure obligation. The parties are expected to

engage in at least preliminary discussions on these subjects in their discovery conference. If any party retains an expert earlier in the Board proceeding than the applicable disclosure deadline, and any adverse party has inquired about experts through traditional discovery requests, the party retaining the expert may not rely on the disclosure deadline to delay revealing the expert to such adverse party.

Any party disclosing plans to use an expert must notify the Board that it has made the required disclosure. The Board may then suspend proceedings to allow for discovery limited to experts. The suspension order may anticipate and also provide for discovery regarding any expert that may subsequently be retained for rebuttal purposes.

The Office recognizes that there may be cases in which a party may not decide that it needs to present an expert witness at trial until after the deadline for expert disclosure. In such cases, disclosure must be made promptly when the expert is retained and a motion for leave to present testimony by the expert must be filed. Prompt disclosure after the deadline, however, does not necessarily ensure that the expert's testimony or evidence will be allowed into the record at trial. The Board will decide on a case-by-case basis how to handle a party's late identification of experts.

Pretrial disclosures are governed by Federal Rule 26(a)(3), but the Board does not require pretrial disclosure of each document or other exhibit that a party plans to introduce at trial under Rule 26(a)(3)(C). Further, because the trial schedule in a Board proceeding employs alternating testimony periods with gaps between them, the due dates for pretrial disclosure of witnesses expected to testify, or who may testify if the need arises, will be different for each party and will be specified in the Board's institution order. In essence, each party will make its pretrial disclosures under Federal Rules 26(a)(3)(A) and 26(a)(3)(B) fifteen (15) days prior to its testimony period. Witnesses who are expected to or may testify by affidavit, in accordance with a written stipulation of the parties under Trademark Rule 2.123(b), 37 CFR 2.123(b), must be disclosed under Federal Rule 26(a)(3)(A) along with disclosure of witnesses who are expected to or may testify by giving oral testimony.

A party may object to improper or inadequate pretrial disclosures and may move to strike the testimony of a witness for lack of proper pretrial disclosure.

Pretrial disclosure of plans to file notices of reliance is not required. The notice of reliance is a device for introduction of evidence that is unique to Board proceedings. There are established practices covering what can be introduced by notice of reliance, how it must be introduced, and for objecting to, or moving to strike, notices or material attached thereto. There is less opportunity for surprise or trial by ambush with notices of reliance because they are most often used to introduce discovery responses obtained from an adversary, printed publications in general circulation, or government documents generally available to all parties. A party planning to introduce an adverse party's discovery deposition, or part thereof, need not disclose such plans in order to comply with Federal Rule 26(a)(3)(B), which covers introduction of depositions in lieu of testimony under Federal Rule 32(a).

### III. Removal of Option To Make Submissions on CD-ROM

The Office has removed from Trademark Rule 2.126, 37 CFR 2.126, the option to file submissions in CD-ROM form. CD-ROMs have rarely been utilized by parties and have presented technical problems for the ESTTA/TTABIS systems.

### IV. Clarification of Rule on Briefing of Motions

The Office has amended Trademark Rule 2.127, 37 CFR 2.127, to clarify that a table of contents, index of cases, description of record, statement of the issues, recitation of facts, argument and summary all count against the limit of twenty-five (25) pages for a brief in support of a motion or in response to a motion and the limit of ten (10) pages for a reply brief.

#### *Discussion of Specific Rules*

Title 37 of the Code of Federal Regulations, Part 2, is amended as follows:

[2.99(b) to (d)]

Sections 2.99(b) to (d) currently set forth certain procedures for processing an application for registration as a lawful concurrent user, and for institution of a concurrent use proceeding at the Board. Sections 2.99(b), (c) and (d)(1) are amended to shift applicant's time to furnish copies of applicant's application, specimens and drawing until after the Board's notification of the proceeding; and to indicate that the Office may transmit the notification of proceedings via e-mail to any party that has provided an e-mail address.

[2.101(a), (b) and (d)]

Section 2.101(a) currently sets forth that an opposition proceeding is commenced by filing a timely opposition, together with the required fee, in the Office. Section 2.101(a) is amended to specify that proof of service on applicant or its attorney or domestic representative of record in the USPTO, at the correspondence address of record in the USPTO, must be included with the notice of opposition.

Section 2.101(b) currently sets forth who may file a notice of opposition and how the notice must be signed. Section 2.101(b) is amended to reflect the new requirement in § 2.101(a) that an opposer include proof of service on the applicant with its notice of opposition. It also explains who must be served, specifies that the correspondence address of record in the USPTO is to be used, and specifies the steps opposer must take if the service copy of the notice of opposition is returned to opposer as undeliverable.

Section 2.101(d)(4) currently sets forth that the filing date of an opposition is the date of its receipt in the Office with the required fee. Section 2.101(d)(4) is amended to add proof of service on applicant or its attorney or domestic representative of record in the USPTO, at the correspondence address of record in the USPTO, to the requirements for receiving a filing date for the notice of opposition; and to include a clarifying reference to filing by "Express Mail" under § 2.198.

[2.105(a) and (c)]

Section 2.105(a) currently sets forth that the Board will prepare a notification of the filing of a notice of opposition. Section 2.105(a) is amended to cross-reference §§ 2.101 and 2.104 regarding proper form for and proper service of a notice of opposition, and to indicate that the Board may transmit the notification of proceedings via e-mail to any party that has provided an e-mail address.

Section 2.105(c) currently sets forth that the Board will forward copies of the notice of opposition, exhibits and notification of the proceeding to an applicant. Section 2.105(c), in its introductory text, is amended to delete the reference to forwarding of copies of the notice of opposition and exhibits by the Board, and to reflect the amendments to § 2.101 that now require the opposer to serve the notice of opposition and exhibits directly on the applicant, attorney or domestic representative.

[2.111(a) to (c)]

Section 2.111(a) currently sets forth that a cancellation proceeding is commenced by the filing of a timely petition for cancellation, together with the required fee, in the Office. Section 2.111(a) is amended to specify that proof of service on the owner of the registration, or the owner's domestic representative of record in the USPTO, at the correspondence address of record in the USPTO, must be included with the petition for cancellation and fee.

Section 2.111(b) currently sets forth who may file a petition for cancellation, how the petition must be signed and certain provisions regarding when a petition may be filed. Section 2.111(b) is amended to reflect the new requirement in § 2.111(a) that the petitioner must include with its petition for cancellation proof of service on the owner of the registration, or domestic representative of the owner of record in the USPTO, to specify that the correspondence address of record in the USPTO is to be used, and to specify the steps petitioner must take if the service copy of the petition for cancellation is returned to petitioner as undeliverable.

Section 2.111(c)(4) currently sets forth that the filing date of a petition for cancellation is the date of its receipt in the Office with the required fee. Section 2.111(c)(4) is amended to add proof of service on the owner of the registration, or domestic representative of record in the USPTO, at the correspondence address of record in the USPTO, to the requirements for receiving a filing date for the petition for cancellation; and to include a clarifying reference to filing by "Express Mail" under § 2.198.

[2.113(a) and (c)]

Section 2.113(a) currently sets forth that the Board will prepare a notification of the filing of a petition for cancellation. Section 2.113(a) is amended to cross-reference §§ 2.111 and 2.112 regarding proper form for and proper service of a petition for cancellation, and to indicate that the Board may transmit the notification of proceedings via e-mail to any party that has provided an e-mail address.

Section 2.113(c) currently sets forth that the Board will forward copies of the petition for cancellation, exhibits and notification of the proceeding to the respondent (owner of the registration). Section 2.113(c) is amended to delete the reference to forwarding of copies of the petition for cancellation and exhibits by the Board, and to reflect the amendments to § 2.111 that now require the petitioner to serve the petition for cancellation and exhibits directly on the

owner of the registration, attorney or domestic representative.

[2.113(e)] [remove and reserve]

Section 2.113(e) currently sets forth that the Board may allow a petitioner time to correct an informality in a defective petition for cancellation. Section 2.113 is amended to remove and reserve paragraph (e) to conform the rule to the existing practice whereby the Board no longer advises petitioners of defects in petitions for cancellation.

[2.116(g)] [add]

Section 2.116 currently sets forth an explanation of the applicability of the Federal Rules of Civil Procedure in Board inter partes trademark proceedings, and equates particular terms used in the Federal Rules to terms used in inter partes trademark proceedings. Section 2.116 is amended to add new paragraph (g). Section 2.116(g) provides that the Board's standard protective order, available via the Office's Web site or upon request made to the Board, is applicable to all inter partes trademark proceedings, unless the parties agree to, and the Board approves, an alternative protective order, or unless a motion by a party to enter a specific protective order is granted by the Board.

[2.118]

Section 2.118 currently sets forth that the Office may provide notice of a proceeding by publication in the Official Gazette, when a notice of a proceeding mailed to a registrant is returned to the Office as undeliverable. Section 2.118 is amended to also allow for notice by publication when a notice mailed to an applicant is returned as undeliverable.

[2.119(a) and (b)]

Section 2.119(a) currently sets forth provisions regarding proof of service requirements for papers filed in Board inter partes trademark proceedings, but specifies that proof of service is not required for certain papers that the Office serves. Section 2.119(a) is amended by striking out the list of exceptions to reflect amendments to other sections that now require opposers, petitioners and concurrent use applicants to serve papers previously served by the Office. Section 2.119(a) also is amended to change "Patent and Trademark Office" to "United States Patent and Trademark Office," and to make the singular "notice of appeal" the plural "notices of appeal."

Section 2.119(b) currently sets forth the permissible means for a party to

serve a paper on an adverse party. Section 2.119(b) is amended to add paragraph (6), which will allow parties by agreement to meet their service obligations by utilizing fax or e-mail.

[2.120(a), (d) through (j)]

Section 2.120(a) currently sets forth various general provisions regarding discovery in Board inter partes trademark proceedings, including the extent to which the Federal Rules of Civil Procedure are applicable, and the timing and sequence of the discovery period and various discovery activities. Section 2.120(a) is amended to separate it into three paragraphs. Paragraph (1) discusses the applicability of the federal rules provisions relating to a conference of the parties to discuss disclosures, discovery and possible settlement, and the requirements for automatic disclosures. Paragraph (1) also explains that the Board will, by order, specify the dates for conferencing, disclosures and discovery. Paragraph (2) provides more specific information regarding the deadlines or due dates for conferencing, disclosures, and discovery; and explains that the parties by stipulation approved by the Board, or a party by motion granted by the Board, may seek to reset various deadlines or due dates or to alter their disclosure obligations. Paragraph (3) provides that a party must make its initial disclosures prior to seeking discovery, provides a deadline for taking discovery depositions and for serving various types of discovery requests, and for serving responses to discovery requests, and provides that the parties by stipulation approved by the Board, or a party by motion granted by the Board, may seek to alter the obligation to make initial disclosures prior to seeking discovery or to reset the deadlines relating to discovery.

Section 2.120(d)(1) currently sets forth the limit on the number of interrogatories a party may serve, means by which the parties or a party may seek leave to exceed the limit, and procedures for either objecting to interrogatories alleged to be in excess of the limit or seeking to compel responses. Section 2.120(d)(1) is amended to clarify that a motion or stipulation of the parties to allow interrogatories in excess of the limit requires approval of the Board.

Section 2.120(e) currently sets forth various provisions regarding filing and required support for motions to compel. Section 2.120(e) is amended to make provisions regarding a motion to compel applicable to discovery and initial and expert disclosures.

Section 2.120(f) currently sets forth various provisions by which a party

from whom discovery is sought may seek a protective order from the Board. Section 2.120(f) is amended to make provisions regarding a motion for a protective order applicable to discovery requests and required initial disclosures.

Section 2.120(g) currently sets forth provisions regarding how and when a party may move for entry of sanctions for failure of an adverse party to provide discovery or comply with an order of the Board relating to discovery. Section 2.120(g), in paragraph (1) is amended to make its provisions applicable to Board orders relating to disclosures and to provide a deadline for filing a motion for sanctions for a party's failure to participate in a discovery conference.

Section 2.120(h)(2) currently sets forth provisions regarding motions to test the sufficiency of responses to requests for admissions. Section 2.120(h)(2) is amended to state that filing a motion to test the sufficiency of responses to requests for admissions shall not toll the time for a party to comply with disclosure obligations, to respond to outstanding discovery requests, or to appear for a noticed deposition.

Section 2.120(i) currently sets forth provisions regarding the availability and use of telephone conferences and the possibility that parties may have to meet at the Board for a pretrial conference. Section 2.120(i) is amended to clarify language used in paragraph (i)(1), to conform titles used in paragraph (i)(2) to existing titles, and to specify that the existing provision through which the Board may require parties to attend a conference at the Board's offices can involve discovery or disclosure issues.

Section 2.120(j) currently sets forth provisions governing the use of discovery depositions and discovery responses by the deposing or inquiring party. Section 2.120(j), in paragraphs (3) and (5) through (8), is amended to provide that written disclosures and disclosed documents shall be treated in essentially the same manner as information and documents obtained through discovery requests; and to remove a reference to past Board practice whereby filings related to discovery that should not have been filed with the Board were returned to the parties.

[2.121(a) and (d)]

Section 2.121(a) currently sets forth the process by which the Board issues a trial order setting various deadlines, and provisions for resetting deadlines by stipulation or motion. Section 2.121(a) is amended to state that deadlines for pretrial disclosures will be



included in the Board's trial order, that provisions for resetting dates apply to pretrial disclosures and testimony period dates, and to delete (and reserve) paragraph 2.

Section 2.121(d) currently sets forth how parties should file stipulations resetting testimony periods. Section 2.121(d) is amended to account for stipulations resetting pretrial disclosure deadlines and testimony periods.

[2.121(e)] [add]

Section 2.121(e) is added to explain what is required of a party when it makes its pretrial disclosures.

[2.122(d)]

Section 2.122(d), in paragraph (1), currently sets forth provisions whereby a party in position of opposer or petitioner may make its registration(s) of record with its pleading. Section 2.122(d), in paragraph (1), is amended to conform to existing practice by removing the requirement for a party in position of opposer or petitioner to file two copies when making a pleaded registration of record with its pleading, and to allow the party to rely on printouts from Office electronic database records establishing status and title of a registration.

[2.123(e)]

Section 2.123(e) currently sets forth provisions regarding the examination of witnesses.

Section 2.123(e), in paragraph (3), is amended to provide that a party may object to improper or inadequate pretrial disclosures and may move to strike the testimony of a witness for lack of proper pretrial disclosure.

[2.126(a)]

Section 2.126(a) currently sets forth provisions regarding the filing of submissions on paper, and their related exhibits. Section 2.126(a), in paragraph (6), is amended to reflect the removal of § 2.126(b).

[2.126(b)] [remove and reserve]

Section 2.126(b) currently allows a party to make submissions on CD-ROM. This section is deleted and reserved.

[2.127(a), (c) and (e)]

Section 2.127(a) currently sets forth provisions regarding the briefing of motions.

Section 2.127(a) is amended to clarify certain provisions relating to briefing of motions and to conform them to existing practice.

Section 2.127(c) is amended to conform titles used in the section to current titles and to correct a typographical error.

Section 2.127(e) currently sets forth provisions regarding filing and briefing motions for summary judgment. Section 2.127(e) is amended to provide that a party generally may not file a motion for summary judgment before it has made its initial disclosures; and to provide that a party may submit written disclosures and disclosed documents when briefing a motion for summary judgment.

[2.129(a)]

Section 2.129(a) is amended to conform titles used in the section to current titles.

[2.133(a) and (b)]

Sections 2.133(a) and (b) currently set forth provisions regarding the amendment of an application or registration involved in an inter partes trademark proceeding. Sections 2.133(a) and (b) are amended to conform the sections to current Office practice.

[2.142(e)]

Section 2.142(e) is amended to conform titles used in the section to current titles.

[2.173(a)]

Section 2.173(a) currently sets forth provisions regarding amendment of a registration involved in an inter partes trademark proceeding. Section 2.173(a) is amended to conform the provisions in the section to current Office practice.

[2.176]

Section 2.176 currently sets forth provisions regarding amendment of a registration involved in an inter partes trademark proceeding. Section 2.176 is amended to conform the provisions in the section to current Office practice.

*Response to comments:* The Office published a Notice of Proposed Rule Making (NPRM or proposed rule) in the **Federal Register** at 71 FR 2498 (Jan. 17, 2006), in the Official Gazette at 1303 TMOG 58 (February 14, 2006), and posted the notice on the Office's Web site (<http://www.uspto.gov>) and at <http://www.regulations.gov>. The comment period was originally set to close on March 20, 2006. Six comments requested only an extension of the comment period and/or a public hearing. Numerous others included specific comments but also requested an extended comment period and/or a public hearing. As a result of the many requests for an extension and/or hearing, the USPTO published a notice reopening the comment period until May 4, 2006, i.e., forty-five (45) days beyond the original deadline, in the **Federal Register** at 71 FR 15097 (March

27, 2006), and posted that notice on the Office's Web site and at <http://www.regulations.gov>. All told, the Office received comments from the American Bar Association Section of Intellectual Property Law (ABA-IPL), American Intellectual Property Law Association (AIPLA), the Intellectual Property Owners Association (IPO), the International Trademark Association (INTA), the New York State Bar Association Intellectual Property Law Section (NYSBA-IPL), three businesses, eleven attorneys in their individual capacities, and eight law firms. In addition, ABA-IPL, AIPLA, IPO and INTA, while maintaining their separate comments, also submitted consensus views on some subjects of the proposed rules. A number of rule amendments suggested in the comments, though meritorious, cannot be adopted at this time because they are outside the scope of the present rule making. Virtually every proposal received at least some support. Many proposals, however, prompted either criticism or requests for clarification. Finally, many who provided comments also offered alternatives to promote the stated goals of the proposed rules. The comments and the Office's responses to the comments follow:

*Comments subject 1 (Service by Plaintiffs):* Many comments addressed the Office's proposal to have plaintiffs serve on defendants copies of complaints or, in the case of a concurrent use applicant, its claim of right to a registration. Many comments stated no objection in principle to a service requirement, but sought clarification of the type of service that would be sufficient and argued that personal service should not be required. Most comments addressing service also sought clarification of whether a plaintiff would have any duty to investigate ownership of a mark, application, or registration, and argued that there should be no such duty beyond reference to Office records. Many also sought clarification of what was meant by the phrase "correspondence address of record."

*Response:* The Office is, in this final rule, proceeding with a requirement that plaintiffs in inter partes proceedings serve on defendants copies of complaints or claims of right to a concurrent use registration on defendants. In the affected rules and in the Supplementary Information portion of this notice, the Office has clarified the meaning of correspondence address of record. It further clarifies that a plaintiff has no duty to investigate other than to refer to Office records, that



personal service is not required, and that all that is required is service and proof of service pursuant to § 2.119.

*Comments subject 2 (Service of Additional Copies by Plaintiffs):* Many comments argued against the requirement in the proposed rules that a plaintiff serve additional copies of its complaint or claim of right to a concurrent use registration on parties the plaintiff might have reason to believe had an ownership interest in a mark, application, or registration, even if not shown by Office records to have such an interest. One comment suggested that a petitioner should serve a copy of its petition for cancellation on the attorney, if any, that prosecuted the application resulting in issuance of a registration; but most comments argued against such a practice as a burden on the attorney, who may no longer represent the client.

*Response:* The Office recognizes that a plaintiff may conduct independent investigations prior to commencing a proceeding and may thereby discover an ownership interest in a party not reflected in Office records, or a more current address for a prospective defendant. The Office did not propose to require any investigation prior to commencement of a proceeding, but only recognized that such investigations do occur. The Office intended by this proposal only to enhance the prospects of having any real party in interest joined as a defendant and any subsequent judgment be binding on the real party in interest. The Office has withdrawn this proposal and retained only a requirement that the plaintiff serve the defendant or defendants revealed by reference to Office records, at the correspondence address(es) of record.

*Comments subject 3 (Informing the Board of Returned Service Copies):* Several comments sought clarification of the proposed requirement that a plaintiff inform the Board of any return to the plaintiff of an undeliverable service copy of its complaint or claim of right to a concurrent use registration. In particular, these comments sought clarification of the plaintiff's obligations when the service copy is returned. One comment, focusing on the proposed requirement that the Board be notified "within 10 days" of a returned service copy, sought clarification as to the event that would start the count and also sought five additional days.

*Response:* The Office is proceeding with the requirement and is providing the requested clarifications in the Supplementary Information section of this notice. There is no obligation on a plaintiff to investigate the failure of

service; but if the returned service copy includes a new address for the defendant or if the plaintiff voluntarily investigates and uncovers a new address, then this information must be included in the report of the failure of service. There is no obligation on the plaintiff to serve a defendant at any new address. There are no specific obligations regarding how the plaintiff informs the Board that a service copy has been returned. The plaintiff can inform the Board in any manner that it might otherwise use to communicate with the Board, as specified in §§ 2.126 and 2.191. The ten (10) days within which a party receiving a returned service copy should notify the Board of the return is measured from the date of delivery to the serving party of the returned service copy. The Office has decided not to extend that time period to fifteen (15) days. The Board will effect service on the defendant whose service copy was returned, utilizing the newer correspondence address information the plaintiff has obtained, if any, or information the Board may obtain through its own investigation. In the Board order effecting service, the Board 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 a current correspondence address for the defendant cannot be obtained, then the Board may effect service by publication in the Official Gazette. Service by publication will include a web address that will allow the defendant to view the complaint or concurrent use application through the Office's Web site.

*Comments subject 4 (Correspondence by e-mail):* One comment discussed the prospective expanded use of e-mail by the Board when issuing notices that proceedings have been instituted. Specifically, the comment proposed that the rules explaining that the Board may use e-mail to notify parties of the commencement of a proceeding be amended to allow for forwarding of notices to multiple e-mail addresses for a party. Another comment focused on use of e-mail by parties when forwarding service copies, and sought confirmation that service by e-mail does not result in an additional five (5) days to respond to the served paper, as is the case with other means of service, pursuant to § 2.119(c).

*Response:* The proposed rules specifying that the Board may use e-mail to notify a party of a proceeding can be read to allow the Board to utilize more than one e-mail address without need of further amendment. Whether the Board will use more than one e-mail

address, however, is a discretionary matter to be decided on a case-by-case basis. As for agreed use by parties of e-mail or fax for forwarding of service copies, the Office confirms that § 2.119(c) would not apply to service by electronic transmission (e-mail or fax) under § 2.119(b)(6).

*Comments subject 5 (Universal applicability of the Board's Standard Protective Order):* Numerous comments addressed the proposal to make the Board's Standard Protective Order applicable in all inter partes proceedings. Many of these comments argued that the standard order does not provide necessary protections in all possible circumstances. Some comments noted that the standard order might not provide necessary protection when dealing with a pro se party, or after the conclusion of the proceeding. One comment noted that the Board has no ability to issue injunctions or contempt rulings and argued that possible entry of a sanction in a Board proceeding or a disciplinary action against an attorney would not provide immediate protection or remedy economic harm. Some of the comments concerned with post-proceeding issues argued that the Board should make the standard protective order applicable during and after the proceeding, or should require the parties to sign the protective order, so as to create a contract that may provide a cause of action after the conclusion of the proceeding if protected information was revealed by a party after conclusion of a proceeding.

Numerous comments argued that the Board should allow parties time to negotiate a protective order of their own before imposing the standard order. Some comments indicated that if the Board was to require fewer initial disclosures and more closely follow what is required under Federal Rule 26(a)(1), then the asserted deficiencies in the standard protective order would be less problematic for parties. One comment among this latter group suggested that the standard order would not need to be universally applied if initial disclosures were lessened, apparently on the theory that limited disclosures would not likely involve any information in need of protection.

*Response:* The standard protective order was created "in response to requests from parties involved in [Board] cases" and was first published in the Official Gazette on June 20, 2000, at 1235 TMOG 70. The announcement explained that parties could agree to use the standard order or could use it as a template or starting point for crafting an order more to their liking. The

announcement also explained that the Board may make orders designed to facilitate discovery and trial and that the Board therefore could impose the standard order in any case in which it would be appropriate to do so. The standard order is also discussed in the Board's manual of procedure, the TBMP, and the order itself is contained in the appendix of forms included in the manual.

The Board's interlocutory attorneys have routinely applied the standard order when parties are unable to agree on terms for a protective order and progress in discovery is being thwarted by the absence of a protective order. The Board's authority to impose the order has been upheld despite a challenge raised in a petition to the Commissioner. See Petition Decision Nos. 01-515 (July 2, 2002) and 01-515(r) (August 7, 2003), arising out of Opposition No. 91112956 (the latter petition decision viewable in the TTABVue electronic proceeding file for the opposition). While the matter has not been empirically studied, it is believed that in the vast majority of cases in which the Board has imposed the order, the parties have complied with it without further modification. Nonetheless, the standard protective order has always been subject to supplementation or modification by the parties, upon agreement approved by the Board or upon motion of any party granted by the Board. This practice does not change under this final rule.

While many of the comments received in response to the proposed rule implicitly assume that the universal application of the standard order to inter partes cases was proposed only because of the initial disclosures required in the proposed rule, the reason for the rule change is broader. Universal application of the standard protective order should reduce some existing motion practice relating to discovery, regardless of the extent of initial disclosures required by rule. Accordingly, although this final rule, in response to many comments, scales back the extent of required initial disclosures, universal application of the standard protective order remains a part of this final rule. As noted above, the parties in any inter partes case are free to negotiate supplementary terms or to substitute an alternative order to which they may agree; and any party is free to move for addition of supplementary terms or substitution of a different order.

As for the comment that addressed possible breach of the protective order during a proceeding, it is noted that access to a party's confidential

information is not provided as a matter of course in Board proceedings and confidential information need only be provided in response to a proper and relevant discovery request or when the party chooses to use such information in support of its case at trial. The imposition of the standard protective order provides assurances to a party that may need to reveal confidential information in response to a discovery request, so as to avoid adverse consequences that may result from failure to respond, or in support of its case at trial. Further, the attorney or party or any other individual receiving confidential information in response to a discovery request or during trial, may only obtain the information if it abides by the standard protective order's provisions. The standard protective order covers parties and their attorneys during a proceeding, defining the individuals that are encompassed by each designation. In addition, each independent expert or consultant, non-party witness, or individual not falling within the definition of party or attorney must sign an acknowledgment form agreeing to be bound by the standard protective order during and after the proceeding, as a condition for gaining access to protected information through a party or attorney. Thus, an attorney, party or non-party individual receiving confidential information does so voluntarily and, in return for access to the confidential information, is obligated to the disclosing party and the Board to abide by the provisions of the protective order, thereby providing the disclosing party with legal protection for harm it may suffer by any breach. Allegations of such a breach are very rare or nonexistent in Board proceedings, and no comment pointed to a reported incident involving breach. The Board's power to order sanctions for breach during a proceeding, and the Office's powers to discipline attorneys or sanction attorneys and parties are viewed as effective deterrents to breach.

As for the comments noting that the standard order does not account for all circumstances that may be presented by all inter partes cases, the Office acknowledges the accuracy of these observations. However, the Office also notes the standard order was never intended to account for all situations, and the parties are free to seek additional protections by agreement or motion. Further, the Board's interlocutory attorneys have experience dealing with situations in which a party's access to information may have to be restricted or precluded, including situations involving pro se parties.

As for the comments noting that universal application of the standard order does not assist parties if protected information is revealed after the conclusion of a proceeding, it is not at all clear that parties can be compelled to enter contracts that will govern their actions after the Board proceeding has concluded. While the Board encourages parties to consider creating a contract, the parties are responsible for the protection of their confidential information outside of a Board proceeding. See *Fort Howard Paper Co. v. G.V. Gambina Inc.*, 4 USPQ2d 1552 n. 3 (TTAB 1987) ("it is the function of counsel to decide what is in the best interest of the party"). On the other hand, because a party receiving confidential information in a Board proceeding voluntarily takes on obligations that benefit the disclosing party and the Board, a disclosing party may well have remedy at law if a breach were to occur after a Board proceeding concluded. In fact, the TBMP refers to one case in which a claim brought in a federal district court, alleging breach after conclusion of the Board proceeding, survived a motion to dismiss. See *Alltrade Inc. v. Uniworld Products Inc.*, 946 F.2d 622, 20 USPQ2d 1698 n.11 (9th Cir. 1991). In addition, 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 Board proceeding and must be returned to the disclosing party at the conclusion of the proceeding. The obligation to return protected material includes memoranda, briefs, summaries and the like that discuss or "in any way refer to" protected information or material. Therefore, opportunities for breach after a proceeding are very limited. As with the posited situations involving breach during a proceeding, allegations of breach after conclusion of a proceeding are extremely rare.

*Comments subject 6 (Discovery Conference):* Most comments did not specifically address the discovery conference requirement. One comment "generally supports" the conference requirement but did not add any suggestions or recommendations. One comment suggested that the final rule specify the subjects to be discussed during the conference. The same comment recommended that any Board Interlocutory Attorney or judge that is involved in a conference not be involved in the management or decision of the case, to ensure impartiality. Finally, this comment also recommended that the final rule be clarified to specify that the provision of

the federal rules that requires parties, when in court, to file a written report on their conference is not applicable in Board proceedings and that a written report would be necessary in a Board case only when directed by a participating Board attorney or judge. One comment supportive of the conference requirement suggested mediation training for Board professionals designated to conduct conferences. One comment critical of the conference requirement noted that the proposed rule is silent on the extent of involvement by a participating Board professional and views the conference as an unnecessary formality because of the existing flexibility parties have to manage discovery. One comment argued that counsel experienced in Board practice will bear a burden of educating pro se parties, foreign individuals or entities, or even U.S. attorneys that are not well versed in Board practice. One comment suggested that the availability of Board professionals to participate in the conferences might create a burden on the Board. One comment argued that conferences will be more successful if "a member of the Board were actively involved," and is taken as a recommendation that an Administrative Trademark Judge participate, rather than a Board Interlocutory Attorney.

*Response:* The final rule retains the requirement for a conference to discuss the nature and basis of the involved claims and defenses, the possibility of settlement of the case or modification of the pleadings, and plans for disclosures and discovery. The final rule has been amended to clarify that the parties shall discuss the subjects outlined in Federal Rule 26(f) and any other subjects that the Board may, in an institution order, require to be discussed. Subjects the Board may require the parties to discuss could include, for example, plans to supplement or modify the Board's standard protective order, or to substitute a different order, whether the parties want to seek mediation, arbitration or to proceed under the Board's Accelerated Case Resolution option, and whether the parties want to enter into any stipulations of fact or stipulations as to the manner in which evidence may be presented at trial. In a conference, parties are free to discuss any additional topics that could promote settlement or efficient adjudication of the Board proceeding. Neither Federal Rule 26(f) nor any listing of subjects for discussion that the Board may include in an institution order should be read as limiting what the parties may discuss. This final rule also clarifies that the parties are not

required to file a written report on their discussions except under certain circumstances.

The Office has chosen not to provide that only Board judges, rather than Board attorneys, will participate in discovery conferences. It is anticipated that the Board will provide training to its Interlocutory Attorneys and Administrative Trademark Judges, so that a Board professional occupying either position will be able to provide effective assistance to the parties during a conference. In addition, while it is anticipated that Board attorneys will participate in conferences far more often than Board judges, the final rule allows the Board to draw from both groups of professionals to provide the Board flexibility in scheduling and deployment of personnel. In this regard, it is noted that the Board cannot predict the percentage of inter partes cases in which a party will request involvement of a Board attorney or judge. In informal discussions with members of the bar, predictions of the extent to which parties will request involvement of a Board professional have varied widely, with some suggesting that there will be many requests for Board participation and others suggesting that if Board professionals do not plan to directly and substantially involve themselves in detailed settlement discussions, then requests for Board involvement in conferences may be limited.

The Office anticipates that Board professionals involved in conferences will fill the educator's role that one comment suggested would have to be filled by experienced counsel. Any experienced counsel who fears being forced into the role of educator for a pro se adversary or less experienced adverse counsel can request the participation of a Board professional. The extent of involvement of a Board professional in a conference will necessarily vary depending on the relative expertise and needs of the parties and/or their counsel.

The Office anticipates that involvement of a participating Board professional in the settlement aspect of a conference will be rather limited, in comparison to the involvement of a district court judge. The Board professional may ascertain whether the parties have had settlement talks and whether they have made progress, may ensure that the parties know about mediation, arbitration and the Board's Accelerated Case Resolution option, and may inquire whether the parties desire additional time after the conference to discuss settlement. The Office does not anticipate, though it cannot rule out, participation of a Board professional in

discussions concerning assignments, licenses, restrictions on use, conditions of phase-out agreements, terms of consent agreements or the like. Similarly, in discussing claims and defenses and possible amendment of pleadings, it is anticipated that involved Board professionals will limit their observations to whether claims or defenses are within the Board's jurisdiction and the relative difficulty of proving a particular claim or defense, given the applicable law. It is unlikely a Board professional will be directly involved in discussions about what evidence a party believes it will be able to use to support a claim or defense, the good faith or bad faith of a party, or the relative equities of the parties' respective positions. Because the Office does not anticipate that Board professionals typically will be intimately involved in discussing possible terms of settlement, or providing evaluations of a particular party's chances of success on a particular claim or defense, it is not anticipated that a Board professional's involvement in these aspects of the discovery conference will present a risk that the Board professional will become partial to one party or another. The other aspect of conferences, i.e., discussing plans for disclosure and discovery will involve a more mechanical exercise. Involved Board professionals will participate as needed to confirm for the parties how Board rules and applicable federal rules operate, answer questions the parties may have about deviating from those rules, and to aid the parties in crafting a plan that will ensure efficient compliance with obligations.

*Comments subject 7 (Initial Disclosures):* Perhaps the greatest source of concern and most frequently addressed subject was the proposal for initial disclosures that would obviate the need for a party to seek certain information through service of discovery requests. The proposed rule did not specify what should be disclosed, as does Federal Rule 26(a)(1), but the "Background" section of the notice of proposed rule making noted that a party generally would be found to have met its initial disclosure obligations if the party provided information to adverse parties on any of a number of particular subjects, "as applicable in any particular case." Many comments reflected an assumption that every party, in every case, would be required to make initial disclosures on the subjects listed in the Background section of the NPRM, and argued that such a requirement would be more

onerous than the subjects covered by Federal Rule 26(a)(1). Numerous comments argued that disclosure would burden larger plaintiffs and foreign parties more than pro se or small entity defendants or applicants whose applications are based on intent to use. However, one comment argued that a small entity or pro se party would suffer the greater burden. One comment suggested that much information about a party, especially a large party, can be obtained from the internet and disclosures or discovery then become merely a tool for harassment of the large party.

Numerous comments argued that disclosures should not be required until it is clear that a defendant intends to defend the action, which would be shown by the filing of an answer. Many comments noted that most Board cases settle and therefore initial disclosures will be unnecessary in most cases. Other comments asserted that traditional discovery devices work well enough and that initial disclosure is not necessary. One comment asserted that disclosure would require a party to disclose information helpful to its adversary and that the Board proposal to allow introduction of disclosures in the same way that discovery responses may be introduced in a Board proceeding would put the disclosing party in the position of aiding its adversary. Some comments asserted that once a party has made significant disclosures it will be less likely to settle. Some comments argued that initial disclosures would lead to increased motion practice regarding the sufficiency of disclosures and/or whether sanctions should be entered for failure to make sufficient disclosures.

Some comments supported the use of initial disclosures in principle but concluded the proposed rule requires further clarification. These comments suggested that disclosure obligations be articulated in the trademark rules themselves and not in the Background or Supplementary Information section of a notice of rule making or on the Board Web site. Among those who offered alternatives to the proposed rule, some proposed that the Board follow Federal Rule 26(a)(1)(A) & (B), or include in a trademark rule language roughly akin to the federal rule. Others suggested the federal rule as a starting point, with some additional disclosures reflective of what is generally at issue when a particular claim or defense is pleaded. Some comments distinguished between reasonable disclosure of "objective" or "fact neutral" matters and disclosure of subjective, overbroad or irrelevant information. Many

comments argued for clarification that disclosures may be amended or supplemented.

*Response:* This final rule adopts the oft-suggested alternative of requiring only those initial disclosures set forth in Federal Rule 26(a)(1) (one comment stated "the resources involved in producing this information are relatively minimal"). Thus, the Office has not adopted suggested alternatives that would require any additional disclosures, even if such matters might be considered "objective" or "fact neutral." In fact, though the Board in its January 1994 Official Gazette announcement stated that it would not follow many of the Federal Rules of Civil Procedure as amended in December 1993, much of this final rule constitutes an effective retraction of that announcement. Much more Board practice will now follow the federal rules. Thus, the Office has decided that disclosure practice will be more predictable if only those initial disclosures contemplated by the federal rule are required in Board proceedings.

Many of the arguments against initial disclosures may have been rooted in the perception that every party in every case would have to disclose information regarding the list of subjects contained in the Background section of the proposed rule. Accordingly, since the initial disclosures required by this final rule will be much more limited, numerous comments no longer require a response. However, it is understood that numerous comments may also have been intended to apply to any form of required initial disclosures and are addressed as follows.

The Office has concluded that the relative burden for parties making initial disclosures is not a function of Federal Rule 26(a)(1) or the application of Federal Rule 26 to Board proceedings by Trademark Rules 2.116 and 2.120 but, rather, reflects the position the party occupies in the case and the claims or defenses the party chooses to assert. No comments asserted that Federal Rule 26(a)(1) creates unequal burdens and no comments asserted that utilization of initial disclosures in the district courts routinely creates unequal or unfair burdens. There is no effective means for ensuring that every party to every case will have to exert the same effort to comply with the requirement for initial disclosures. Information gleaned from the internet about an adverse party, and initial disclosures or discovery responses from that party, are not of equal evidentiary value. In fact, in cases before the Board, it is not unusual for motions to compel to result from discovery responses that do not provide

information or documents and instead refer the inquiring party to a Web site. Therefore, the potential that disclosure or discovery rules could be used to harass an adversary is not seen as sufficient reason to rely on the availability of the internet as a sufficient substitute for disclosure and discovery procedures. A motion for a protective order is available to any party, large or small, that believes it is the subject of harassment by an adversary.

The argument that disclosure should not be necessary if a defendant defaults and that initial disclosures will not be necessary in the large percentage of Board cases that settle is dealt with *infra* in the discussion regarding the disclosure, discovery and trial schedule for a case proceeding under this final rule. Comments that predict increases in motion practice, or seek clarification regarding certain motions related to disclosures, are dealt with below, but also are addressed *infra* in the discussion of the comments regarding particular types of motions relating to disclosures.

It is not the Board's experience that traditional discovery requests always work so well as a mechanism for the exchange of routine information that initial disclosures would be of limited utility. As utilized in the district courts, and as it is expected they will be utilized in Board inter partes cases, initial disclosures eliminate the cost and time associated with seeking core information regarding the existence of and location of witnesses and documents. While the introduction of the use of initial disclosures in the courts prompted criticism that undue satellite litigation would result, the empirical study referenced in the Supplementary Information section did not find that to be a significant problem. Because the Board is adopting the same initial disclosure approach utilized in the district courts, it is likewise expected that there will not be significant problems with satellite litigation in Board cases. Moreover, the argument that initial disclosures unfairly require a party to aid its adversary was raised in connection with disclosure in the district courts under the federal rules. However, this has not been the case. Further, it appears that this concern may have been rooted in the perceived need to disclose more information under the proposed rule than is required by this final rule.

While some comments contended that parties to Board proceedings should not be able to introduce written disclosures or disclosed documents as affirmative evidence, the limited initial disclosures contemplated by this final rule are not

expected to provide many opportunities to utilize the disclosures as evidence. For example, the identification of witnesses and identifying information is itself of little evidentiary value. On the other hand, the Office notes that a party making initial disclosures has the option to produce copies of documents instead of disclosing information about the existence and location of documents. If copies of documents are produced in lieu of providing descriptions of documents and their locations, then these documents may have evidentiary value and the final rule merely proposes that they be treated in the same way as documents produced in response to discovery requests. In addition, if parties agree in a discovery conference to make greater use of reciprocal written disclosures of facts, as a less expensive mechanism for exchanging information than traditional discovery, then the written disclosures should be treated the same as discovery responses.

The provision of Federal Rule 26(e) regarding supplementation of disclosures and discovery responses will be applicable to Board inter partes proceedings.

*Comments subject 8 (Interrogatory Limit):* As with other subjects, comments on the proposed limit on the number of interrogatories varied. Some comments supported either the proposed limit of twenty-five (25) or something lower than the existing limit of seventy-five (75). Other comments, however, argued that reduction of the limit on the number of interrogatories would have adverse consequences. Among this latter group of comments, some noted that a reduction in interrogatories may lead to an increase in discovery depositions, which are more costly; others suggested that more motion practice may result, whether from parties seeking leave to exceed the limit or from parties objecting to interrogatories alleged to be in excess of the limit. One comment observed that if the Office was responsive to comments calling for less extensive mandatory initial disclosures, then the need for more interrogatories would remain. Some comments noted that although the federal courts have a limit of twenty-five (25) interrogatories, the courts generally do not count subparts, while the Board does, so a reduction in the limit without a change in the practice of counting subparts would represent a drastic reduction.

*Response:* A number of the comments against reducing the limit on interrogatories make a persuasive case why the limit should remain unchanged. Because the Board's

practice of counting subparts is different from the practice in many courts, those familiar with Board practice have developed an understanding of the counting methodology. In addition, interrogatories are more cost-effective than depositions and have more utility when dealing with certain parties or in more complicated cases with numerous issues. Accordingly, the Office retracts the proposal to further limit interrogatories. The methodology for counting interrogatories shall remain unchanged.

*Comments subject 9 (Expert Disclosures):* Several comments observed that a distinction needed to be drawn between consulting/non-testifying experts, who should not be covered by disclosure rules, and testifying experts, who could be covered by disclosure rules. Other comments noted that the proposed rule did not specify, as does Federal Rule 26(a)(2), the extent of the disclosures to be made about expert witnesses, their qualifications, bases for their testimony and the like. A common concern was that the proposed rule called for disclosure of experts too early in discovery, because most parties will not decide whether to use experts until late in discovery or after discovery but prior to trial. Numerous comments suggested that expert disclosure not occur until after fact discovery was completed. Several related comments suggested that disclosure of experts be staggered, with plaintiff's disclosure followed by defendant's, followed by plaintiff's rebuttal. Some comments suggested tracking the Federal Rule 26(a)(2) provisions on when expert disclosure should occur. One comment suggested that the Office make clear that a resetting of the closing date for discovery would result in a resetting of the deadline for expert disclosure(s). While the proposed rule recognized that in some instances a party may not decide to use an expert witness at trial until after discovery had closed, and required prompt disclosure when the expert was retained after the close of discovery, one comment suggests that this provision may lead to abuse. Another comment requested further clarification on the availability of motions to strike or exclude expert testimony for untimely or insufficient disclosure. Almost universally, comments acknowledged that retention of an expert witness is likely to be quite expensive and is not frequently done in Board proceedings.

*Response:* The Office acknowledges the need to clarify aspects of the proposed rule as noted in various comments. The final rule provides for

disclosure of expert testimony. This clarifies that disclosure of consulting experts is not required. In addition, the final rule specifies that disclosure of expert testimony shall occur in the manner and sequence of Federal Rule 26(a)(2), unless the Board provides alternate instructions in an institution order or subsequent order. This clarifies that the information to be disclosed is that provided for in the federal rule. As in the federal rule, this final rule allows the Board to specify staggered disclosure schedules, when necessary or appropriate, but specifies that in the absence of such direction by the Board, disclosure will occur in accordance with the federal rule. Because the federal rule requires disclosure ninety (90) days prior to trial, as applied in Board proceedings that will mean expert disclosures will occur with thirty (30) days remaining in the discovery period. The federal rule also allows for disclosure of a testifying expert retained solely to contradict or rebut the anticipated testimony of another party's expert thirty (30) days after the disclosure by the other party. This provision will likewise apply to Board practice.

As many of the comments noted, expert testimony is expensive and typically not utilized in Board proceedings. Accordingly, detailed information in the final rule setting forth deadlines for staggered expert disclosures after discovery and prior to trial is not included. Such provisions would delay trial in the vast majority of cases that do not involve use of expert testimony. Instead, the final rule provides the Board with flexibility to make any orders necessary to accommodate disclosure of experts and discovery regarding experts in the rare cases when expert testimony may be used. Following Federal Rule 26(a)(2) and allowing the Board flexibility to manage the disclosure and discovery process makes it unnecessary to include in the final rule a specific statement that expert disclosure deadlines will be reset when the close of the discovery period is reset. As noted, because of the potential for abuse when an expert is retained *after* the disclosure deadline set forth in the federal rule, or any deadline that may be specified by the Board in any order it may issue, the final rule also specifies that a party retaining a testifying expert *after* the deadline for disclosure will have to seek leave from the Board to utilize the expert. The Board anticipates deciding any such motion promptly or suspending proceedings until the motion can be decided, and the

amended rule allows the Board flexibility to choose either option.

*Comments subject 10 (Pretrial Disclosures):* Some comments suggested that pretrial disclosures are not necessary and there is little in the way of unfair surprise testimony in Board proceedings. One comment suggested that a pretrial disclosure deadline fifteen (15) days prior to trial, instead of the proposed thirty (30) days prior to trial, should be sufficient. A related comment suggested that disclosure deadlines be staggered, as are the testimony periods in Board cases. Two comments argued for clarification of certain terms or phrases in the proposed rule and one of these offered suggested alternate language. Some comments addressed the ramifications of inadequate or improper disclosure and/or the availability of motions directed to asserted inadequate or improper disclosure.

*Response:* For the Board cases that go through trial, motions to quash testimony depositions or to strike testimony after it has been taken are not frequent but, when filed, are particularly disruptive. Claims of unfair surprise due to asserted inadequate discovery responses and claims of improper or insufficient notice although not frequent are not unusual. While one comment suggested that the 30-day intervals between the parties' respective testimony periods provide opportunities to ameliorate the ill effects of unfair surprise, the Board's experience is to the contrary. Because trial is conducted without a Board professional present, there is little opportunity for swift rulings on motions alleging unfair surprise and when such motions arise, testimony periods often need to be adjusted or reset. The requirement for limited pretrial disclosures of the witnesses a party expects to present or may present if needed is maintained in this final rule. 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 rule. The final rule also includes clarifying language on what is necessary to identify a witness and the expected topics of the planned testimony of the witness. The subject of motions addressing asserted improper or inadequate disclosure is covered below in the discussion of comments on motions relating to all required disclosures and the obligation to supplement required disclosures.

*Comments subject 11 (Scheduling Issues; Accommodating Settlement Talks):* Some comments argued for clarification that initial disclosures

would not be required of a plaintiff if a defendant did not file an answer. One of these suggested that the de facto stay of initial disclosure obligations when there is a default or a motion under Federal Rule 12 be codified in any final rule. Some comments argued that the Board should be willing to suspend cases for settlement talks in the period after answer is filed but prior to a discovery conference. One comment posited that the 180-day (approximately six-month) discovery period is effectively shortened by thirty (30) days under the proposed rule, because a party may not seek discovery until it has made its initial disclosures and they are not due until thirty (30) days into the discovery period. One comment argued that proceedings in a case should not be suspended when a motion to compel disclosure or discovery is filed. The same comment sought clarification that a party should not be able to serve discovery after a motion to compel is filed but prior to issuance of a suspension order by the Board. A different comment sought clarification as to whether discovery requests can be served after issuance of a Board order suspending proceedings because a discovery motion has been filed. Two comments sought inclusion of entire proceeding schedules in the rules, i.e., all pleading, disclosure, discovery, and trial deadlines in a proceeding, rather than having the proceeding schedule set in an institution order.

*Response:* The proposed rule, and this final rule, provides that initial disclosures are not due until 30 days after discovery opens. Discovery itself does not open until 30 days after an answer is filed by a defendant. Thus, in any case of default or in any case in which a defendant files a motion under Federal Rule of Civil Procedure 12 directed to plaintiff's pleading, the Board will reset discovery, disclosure and trial dates. Similarly, when a defendant includes a counterclaim with its answer, the Board must reset these dates to account for the addition of the counterclaim. In short, there are many potential triggers that will prompt the Board to reset discovery, disclosure and trial dates and any attempt to codify them all in § 2.120 would be cumbersome. The final rule states that disclosure obligations may be reset by order of the Board and the Supplementary Information section of this final rule addresses the ways in which the Board may exercise this authority.

The Board has traditionally been very liberal in its willingness to suspend cases to accommodate settlement negotiations between parties. This

practice is not codified in the trademark rules and will remain a discretionary practice that the Board may alter as necessary without need for any change in the rules. However, the Office clarifies that this final rule does not alter that traditional liberal approach except in one instance, namely, the Board is unlikely to suspend cases for settlement talks between the time an answer is filed and the deadline for a discovery conference. One point of the conference is for the parties to either 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. In essence, comments calling for the Board to allow for suspension after answer but before the discovery conference do not address a proposed change in a rule but, rather, only address Supplementary Information included in the proposed rule. Accordingly, no change has been made in the final rule to codify discretionary practices relating to suspension to accommodate settlement talks.

A party's initial disclosures are due within thirty (30) days after discovery opens but may be served as soon as the party wishes. Given that both parties, once the pleadings are closed, should be able to start preparing their disclosures, and given the scaled back number and extent of disclosures required by this final rule, the parties may be able to exchange disclosures at their discovery conference or soon thereafter. In short, the parties can effectively use the entire 180-day period for discovery if they are prompt with service of their initial disclosures.

When the Office amended certain trademark rules governing Board practice in 1998, it included provisions providing for suspension of cases until discovery motions are decided. It may be possible for parties to continue with discovery activities while other discovery matters involved in discovery motions are decided, especially when the case is in the early part of the discovery period. However, the Board receives many motions relating to discovery late in the discovery period or after the discovery period has closed but prior to trial. In these cases in particular, it is more efficient to suspend proceedings and stay trial until discovery matters have been resolved. It would be cumbersome to have different rules governing suspension for discovery motions, depending on when such motions are filed. Accordingly, the Office retains the rule providing for suspension as a matter of course. The final rule has, however, been amended in response to some comments to

prevent service of additional discovery requests after filing and service of a motion relating to discovery, even prior to the Board's issuance of a suspension order.

The entire discovery and trial schedule, including disclosure deadlines, has not been included in the final rule. Dates must be reset when a defendant files a counterclaim, and often are reset once issues relating to a defendant's default or a defendant's motions under Federal Rule 12 are decided. Accordingly, it would be cumbersome and unwieldy to craft a rule that would account for all possible circumstances and permutations of dates.

*Comments subject 12 (Motions relating to Disclosures):* One comment argued that "all-encompassing" initial disclosures would lead to motions to compel such disclosures, motions challenging the sufficiency of such disclosures and motions to preclude introduction of testimony, documents or other evidence because of inadequate disclosures. Numerous other comments also asserted that such satellite litigation would result from the proposed required disclosures. Some of these comments suggested that such problems could be limited by adopting the disclosures of Federal Rule 26. One comment asserted that the Board lacks adequate sanctioning authority to stem evasive and incomplete discovery responses and may face the same problem with disclosures. Some comments sought clarification that supplementation of disclosures will be permitted and implied that this may ameliorate some motion practice relating to disclosures. One comment sought clarification that a party may move to strike or preclude expert testimony for improper or untimely disclosure. One comment suggested that a final rule permit motions to strike portions of testimony for inadequate or improper pretrial disclosure. One comment sought an explanation why a motion for sanctions for a party's failure to participate in a discovery conference must be filed prior to the due date for initial disclosures and also argued that if such a motion is filed proceedings should be suspended. Two comments argued that a party should be permitted to file a motion for summary judgment prior to making its initial disclosures if the ground for the motion for summary judgment is unrelated to the disclosures. One comment argued for, on the one hand, specification of the consequences for a party's failure to meet the deadline for pretrial disclosures and, on the other hand, procedures available to a party attempting to remedy its failure to make

pretrial disclosures. This comment also sought clarification whether a party would have to respond to a motion for summary judgment if it believed the moving party had not made adequate initial disclosures, the process for determining whether an initial disclosure was adequate, clarification of the penalties for inadequate initial disclosures and clarification whether a party seeking imposition of such penalties would have to file a motion to compel. Another comment also sought addition of a rule specifying the consequences for failing to disclose facts as of the initial disclosure deadline.

*Response:* When the Federal Rules of Civil Procedure were amended to require disclosures, many commentators suggested that significant satellite litigation would result. The actual result was not nearly as severe as feared. Further, most of the comments advancing similar arguments in response to the proposed rule appear to be based on the extent and number of initial disclosures perceived to be a part of the proposed rule, which are significantly scaled back in this final rule. Specific consequences for failure of a party to make timely, proper or adequate disclosures have not been set out in the final rule. The Board must retain the discretion to tailor sanctions to the particular circumstances of each case. However, the final rules have been clarified in certain respects. A party may seek to strike any testimony or portions of testimony, whether or not from an expert, when related disclosures were untimely, improper or inadequate. The rule has been clarified to state that a motion to strike testimony of a witness for inadequate pretrial disclosure may seek to strike that portion of the testimony that was not adequately covered by the disclosure.

A motion for sanctions for a party's failure to participate in the discovery conference must be filed prior to the deadline for initial disclosures because one subject for discussion in such a conference is disclosure. Further, if the motion seeks a sanction that is potentially dispositive of the case, a suspension order is issued under the existing rules and no further amendment is needed to so specify. A motion to compel is the available remedy when an adversary has failed to make, or has made inadequate, initial disclosures or disclosures of expert testimony. Both of these types of disclosures are made during discovery, and a motion to compel must precede a motion for sanctions. A motion for sanctions is only appropriate if a motion to compel these respective disclosures has already been granted. In contrast,

pretrial disclosures are not a discovery activity, and a motion to compel is not available. Accordingly, the approach varies when an adversary does not make pretrial disclosures, or provides inadequate pretrial disclosures. The possibilities include a motion for sanctions, a motion to quash a notice of testimony deposition, or a motion to strike testimony, depending on the circumstances.

The requirement that a party make its initial disclosures before filing a motion for summary judgment, except for motions based on claim or issue preclusion or asserted lack of jurisdiction of the Board, is retained in the final rules. Given the scaled back nature of initial disclosures, making the required disclosures should not prove a significant obstacle to a party that decides to seek summary judgment on any other ground.

*Comments subject 13 (Briefing of Motions):* One comment argued that the proposed rule results in a de facto reduction in the page limit for briefs on motions.

*Response:* The proposed rule only reflects current practice and does not reduce the stated page limit for motions on briefs. This final rule adopts the clarifying language presented by the proposed rule.

*Comments subject 14 (Removal of option to file materials on CD-ROM):* One comment noted that restrictions on CD-ROM submissions may not be imposed by the courts and stated the assumption that the Office might reconsider permitting such submissions if improvements in technology make them more suitable for the Board to handle. One comment supported the proposal.

*Response:* The Office is willing to reconsider allowing submissions by CD-ROM in inter partes trademark proceedings if technology eventually will allow such submissions to be efficiently incorporated in the Board's electronic proceeding files. The removal of the option to file materials on CD-ROM is adopted in this final rule.

#### *Rule Making Considerations*

*Regulatory Flexibility Act:* For the reasons set forth herein, the Deputy General Counsel for General Law of the United States Patent and Trademark Office has certified to the Chief Counsel for Advocacy of the Small Business Administration that the changes in this final rule will not have a significant economic impact on a substantial number of small entities. See 5 U.S.C. 605(b).

The United States Patent and Trademark Office (Office) is amending



its rules in 37 CFR part 2 governing initiation of inter partes proceedings at the Trademark Trial and Appeal Board (Board) and the prosecution and defense of such proceedings, and making corrections or modifications that conform rules to current practice. There are no new fees or fee changes associated with any of the final rules.

The changes in this final rule involve interpretive rules, or rules of agency practice and procedure, and prior notice and an opportunity for public comment are not required pursuant to 5 U.S.C. 553(b)(A) (or any other law). Because prior notice and an opportunity for public comment were not required for the changes in the proposed rule, a Regulatory Flexibility Act analysis was also not required. See 5 U.S.C. 603. Nevertheless, the Office published a notice of proposed rule making in the **Federal Register** and in the Official Gazette of the United States Patent and Trademark Office, in order to solicit public participation with regard to this rule package.

The primary changes in this rule are: (1) Plaintiffs will serve certain papers (complaints or claims of right to a concurrent use registration) directly on defendants, and (2) parties will, on a reciprocal basis, identify individuals with knowledge that could be used to support their claims or defenses and identify the existence and location of documents which could support their claims or defenses, will disclose, as part of the discovery phase, expert witnesses to be used during the trial phase of Board proceedings, and will, during a pretrial phase, disclose the identify of witnesses the party expects to call during trial.

These rules will not have a significant economic impact on large or small entities. With regard to the first change, very little (if any) additional cost is associated with the rules because plaintiffs must currently serve these papers on the Office, which, in turn, serves the papers on the defendants. Changing the recipient of the papers will not have a significant economic impact on any party to a Board proceeding. With regard to the second change, very little (if any) additional cost is associated with these rules because under current Board procedures, parties are obligated to provide almost all of this information, when requested through discovery. This rule simply affects when the information is exchanged and eliminates the need for a party to incur expenses associated with preparing requests for the information.

The rules also contemplate many instances in which parties may avoid

disclosure obligations otherwise provided for by the rules. For example, if a case is suspended to allow the parties to discuss settlement, as occurs in the vast majority of Board cases, no disclosure would be required during settlement talks. In addition, parties can stipulate, subject to approval of the Board, that disclosure is not necessary in a particular case and can specify their own plans for exchanging information.

One comment received in response to the notice of proposed rule making specifically addressed the Regulatory Flexibility Act, making two points: First, the requirement that a plaintiff serve a copy of its complaint on the defendant will create a burden. Second, the requirement that any party must, under certain circumstances, make particular disclosures will be a burden. The Office does not find the arguments persuasive, for reasons that follow:

(1) In regard to the service requirement, the final rule has been clarified in response to many comments and has been scaled back from the proposed rule. Under existing practice, every plaintiff, including a small business, must serve a copy of every paper the plaintiff files during a proceeding on the defendant. See 37 CFR 2.119. During the course of a proceeding, this could amount to many filings. The sole exception is the plaintiff's initial pleading or complaint. Id. The final rule merely requires that the single filing (the pleading or complaint) that does not currently carry a service requirement will now be treated the same as all other filings and carry such a requirement. Thus, this is not a significant economic burden on any plaintiff. In addition, while parties could not previously meet the service requirement by using electronic transmissions (e-mail or fax), the final rule allows for such forwarding of service copies, when the parties agree to use of that form of communication. Since many parties now routinely use e-mail or fax to communicate, the Board expects that the vast majority of parties will agree to use of e-mail or fax and this will facilitate compliance with the requirement for service of the complaint. For this reason, too, the amended service requirement will not create a significant economic burden on any plaintiff.

(2) In regard to the disclosure requirements, there are three types of disclosures called for under the final rule. There are initial disclosures, disclosures of expert witnesses expected to testify, and pretrial disclosures. Because ninety-five percent or more of Board cases settle, and most of these settle or can be settled at a point in the

process where none of the disclosure obligations will have arisen, the requirements for disclosures should not create a significant economic burden for most parties. Even in cases that do not settle, parties are free to agree to greater or lesser use of disclosures, subject to approval of their agreement by the Board, and can therefore modify their reciprocal responsibilities in whatever manner they believe will promote an efficient and fair procedure.

For the small percentage of cases that proceed far enough that initial disclosures will be necessary and where the parties have not by agreement modified their obligations, the number and breadth of initial disclosures have been scaled back significantly from the proposed rule. The final rule essentially requires a party only to identify individuals who are knowledgeable about matters for which the party bears the burden of proof, and to identify the existence and location of documents that would help the party bear its burden of proof. These types of information must currently be provided anyway, if a party's adversary asks, and most parties that do not settle prior to discovery do ask not only for these items of information but for much more. Thus, initial disclosures merely require a party to provide, without being asked, a small portion of that which it would routinely be asked to provide in any case that proceeds into the discovery phase. While the party must make limited disclosures, it also receives the benefit of disclosures from its adversary without having to employ costly discovery requests or motions related thereto, so the requirement for initial disclosures creates no net adverse economic effect.

Disclosure of expert testimony will not create a significant economic burden on any business, including a small business, because expert witnesses are so expensive to employ that even large entities utilize experts in only the rarest of cases. Under current practice, plans to use experts must be revealed if the party is asked; so, again, the rule only requires a minimal disclosure without the need for an adverse party to serve discovery requests. For any party that does retain an expert, any additional expense associated with disclosures would be minimal, compared to the expense of retaining the expert.

Finally, pretrial disclosures only require that a party, in advance of the presentation of its testimony, inform its adversary of the names of, and certain minimal identifying information about, the individuals who are expected to testify at trial. The benefits to all parties of knowing in advance what witnesses

will be presented, so parties can prepare for trial and avoid surprise witnesses, far outweigh the negligible expense associated with informing adverse parties of witnesses who will be presented at trial.

For these reasons, the Office has concluded that none of the three types of required disclosures will have a significant net adverse economic effect on any parties, including small businesses.

*Executive Order 13132*: This rule making does not contain policies with federalism implications sufficient to warrant preparation of a Federalism Assessment under Executive Order 13132 (Aug. 4, 1999).

*Executive Order 12866*: This rule making has been determined to be not significant for purposes of Executive Order 12866 (Sept. 30, 1993).

*Paperwork Reduction Act*: The proposed amendments to the Trademark Trial and Appeal Board Rules did not impose any collection of information requirements within the meaning of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501, *et seq.*) (PRA). Accordingly, the PRA did not apply to the proposed amendments. This final rule also does not impose any such requirements.

Interested persons are requested to send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10202, 725 17th Street, NW., Washington, DC 20503, Attention: Desk Officer for the Patent and Trademark Office; and (2) Gerard F. Rogers, Trademark Trial and Appeal Board, P.O. Box 1451, Alexandria, VA 22313-1451.

Notwithstanding any other provision of law, no person is required to respond to nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB control number.

**List of Subjects in 37 CFR Part 2**

Administrative practice and procedure, Trademarks.

■ For the reasons set forth in the preamble, and under the authority contained in 35 U.S.C. 2 and 15 U.S.C. 1123, as amended, 37 CFR Part 2 is amended as follows:

**PART 2—RULES OF PRACTICE IN TRADEMARK CASES**

■ 1. The authority citation for 37 CFR part 2 continues to read as follows:

**Authority:** 15 U.S.C. 1123, 35 U.S.C. 2, unless otherwise noted.

■ 2. Revise § 2.99(b), (c) and (d)(1) to read as follows:

**§ 2.99 Application to register as concurrent user.**

\* \* \* \* \*

(b) If it appears that the applicant is entitled to have the mark registered, subject to a concurrent use proceeding, the mark will be published in the Official Gazette as provided by § 2.80.

(c) If no opposition is filed, or if all oppositions that are filed are dismissed or withdrawn, the Trademark Trial and Appeal Board will send a notification to the applicant for concurrent use registration (plaintiff) and to each applicant, registrant or user specified as a concurrent user in the application (defendants). The notification for each defendant shall state the name and address of the plaintiff and of the plaintiff's attorney or other authorized representative, if any, together with the serial number and filing date of the application. If a party has provided the Office with an e-mail address, the notification may be transmitted via e-mail.

(d)(1) Within ten days from the date of the Board's notification, the applicant for concurrent use registration must serve copies of its application, specimens and drawing on each applicant, registrant or user specified as a concurrent user in the application for registration, as directed by the Board. If any service copy is returned to the concurrent use applicant as undeliverable, the concurrent use applicant must notify the Board within ten days of receipt of the returned copy.

\* \* \* \* \*

■ 3. Revise § 2.101(a), (b) introductory text and (d)(4) to read as follows:

**§ 2.101 Filing an opposition.**

(a) An opposition proceeding is commenced by filing in the Office a timely notice of opposition with the required fee. The notice must include proof of service on the applicant, or its attorney or domestic representative of record, at the correspondence address of record in the Office, as detailed in §§ 2.101(b) and 2.119.

(b) Any person who believes that he, she or it would be damaged by the registration of a mark on the Principal Register may file an opposition addressed to the Trademark Trial and Appeal Board and must serve a copy of the opposition, including any exhibits, on the attorney of record for the applicant or, if there is no attorney, on the applicant or on the applicant's domestic representative, if one has been appointed, at the correspondence

address of record in the Office. The opposer must include with the opposition proof of service pursuant to § 2.119 at the correspondence address of record in the Office. If any service copy of the opposition is returned to the opposer as undeliverable, the opposer must notify the Board within ten days of receipt of the returned copy. The opposition need not be verified, but must be signed by the opposer or the opposer's attorney, as specified in § 10.1(c) of this chapter, or other authorized representative, as specified in § 10.14(b) of this chapter. Electronic signatures pursuant to § 2.193(c)(1)(iii) are required for oppositions filed through ESTTA under paragraphs (b)(1) or (2) of this section.

\* \* \* \* \*

(d) \* \* \*

(4) The filing date of an opposition is the date of receipt in the Office of the notice of opposition, with proof of service on the applicant, or its attorney or domestic representative of record, if one has been appointed, at the correspondence address of record in the Office, and the required fee, unless the notice is filed in accordance with § 2.198.

■ 4. Revise § 2.105(a) and the introductory text of paragraph (c) to read as follows:

**§ 2.105 Notification to parties of opposition proceeding(s).**

(a) When an opposition in proper form (see §§ 2.101 and 2.104), with proof of service in accordance with § 2.101(b), has been filed and the correct fee has been submitted, the Trademark Trial and Appeal Board shall prepare a notification, which shall identify the title and number of the proceeding and the application involved and shall designate a time, not less than thirty days from the mailing date of the notification, within which an answer must be filed. If a party has provided the Office with an e-mail address, the notification may be transmitted via e-mail.

\* \* \* \* \*

(c) The Board shall forward a copy of the notification to applicant, as follows:

\* \* \* \* \*

■ 5. Revise § 2.111(a), (b) and (c)(4) to read as follows:

**§ 2.111 Filing petition for cancellation.**

(a) A cancellation proceeding is commenced by filing in the Office a timely petition for cancellation with the required fee. The petition must include proof of service on the owner of record for the registration, or the owner's domestic representative of record, at the correspondence address of record in the

Office, as detailed in §§ 2.111(b) and 2.119.

(b) Any person who believes that he, she or it is or will be damaged by a registration may file a petition, addressed to the Trademark Trial and Appeal Board, for cancellation of the registration in whole or in part. Petitioner must serve a copy of the petition, including any exhibits, on the owner of record for the registration, or on the owner's domestic representative of record, if one has been appointed, at the correspondence address of record in the Office. The petitioner must include with the petition for cancellation proof of service, pursuant to § 2.119, on the owner of record, or on the owner's domestic representative of record, if one has been appointed, at the correspondence address of record in the Office. If any service copy of the petition for cancellation is returned to the petitioner as undeliverable, the petitioner must notify the Board within ten days of receipt of the returned copy. The petition for cancellation need not be verified, but must be signed by the petitioner or the petitioner's attorney, as specified in § 10.1(c) of this chapter, or other authorized representative, as specified in § 10.14(b) of this chapter. Electronic signatures pursuant to § 2.193(c)(1)(iii) are required for petitions submitted electronically via ESTTA. The petition for cancellation may be filed at any time in the case of registrations on the Supplemental Register or under the Act of 1920, or registrations under the Act of 1881 or the Act of 1905 which have not been published under section 12(c) of the Act, or on any ground specified in section 14(3) or (5) of the Act. In all other cases, the petition for cancellation and the required fee must be filed within five years from the date of registration of the mark under the Act or from the date of publication under section 12(c) of the Act.

(c) \* \* \*

(4) The filing date of a petition for cancellation is the date of receipt in the Office of the petition for cancellation, with proof of service on the owner of record, or on the owner's domestic representative, if one has been appointed, at the correspondence address of record in the Office, and with the required fee, unless the petition is filed in accordance with § 2.198.

■ 6. Remove § 2.113(e) and revise § 2.113(a) and (c) to read as follows:

**§ 2.113 Notification of cancellation proceeding.**

(a) When a petition for cancellation in proper form (see §§ 2.111 and 2.112), with proof of service in accordance with

§ 2.111(b), has been filed and the correct fee has been submitted, the Trademark Trial and Appeal Board shall prepare a notification which shall identify the title and number of the proceeding and the registration(s) involved and shall designate a time, not less than thirty days from the mailing date of the notification, within which an answer must be filed. If a party has provided the Office with an e-mail address, the notification may be transmitted via e-mail.

\* \* \* \* \*

(c) The Board shall forward a copy of the notification to the respondent (see § 2.118). The respondent shall be the party shown by the records of the Office to be the current owner of the registration(s) sought to be cancelled, except that the Board, in its discretion, may join or substitute as respondent a party who makes a showing of a current ownership interest in such registration(s).

\* \* \* \* \*

■ 7. Add § 2.116(g) to read as follows:

**§ 2.116 Federal Rules of Civil Procedure.**

\* \* \* \* \*

(g) The Trademark Trial and Appeal Board's standard protective order is applicable during disclosure, discovery and at trial in all opposition, cancellation, interference and concurrent use registration proceedings, unless the parties, by stipulation approved by the Board, agree to an alternative order, or a motion by a party to use an alternative order is granted by the Board. The standard protective order is available at the Office's Web site, or upon request, a copy will be provided. No material disclosed or produced by a party, presented at trial, or filed with the Board, including motions or briefs which discuss such material, shall be treated as confidential or shielded from public view unless designated as protected under the Board's standard protective order, or under an alternative order stipulated to by the parties and approved by the Board, or under an order submitted by motion of a party granted by the Board.

■ 8. Revise § 2.118 to read as follows:

**§ 2.118 Undelivered Office notices.**

When a notice sent by the Office to any registrant or applicant is returned to the Office undelivered, additional notice may be given by publication in the Official Gazette for the period of time prescribed by the Director.

■ 9. Revise § 2.119(a) and add paragraph (b)(6) to read as follows:

**§ 2.119 Service and signing of papers.**

(a) Every paper filed in the United States Patent and Trademark Office in inter partes cases, including notices of appeal, must be served upon the other parties. Proof of such service must be made before the paper will be considered by the Office. 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.

(b) \* \* \*

(6) Electronic transmission when mutually agreed upon by the parties.

\* \* \* \* \*

■ 10. Revise § 2.120, paragraphs (a), (d)(1), (e), (f), (g), (h)(2), (i), (j) introductory text, (j)(3) and (j)(5) through (8) to read as follows:

**§ 2.120 Discovery.**

(a) *In general.* (1) Wherever appropriate, the provisions of the Federal Rules of Civil Procedure relating to disclosure and discovery shall apply in opposition, cancellation, interference and concurrent use registration proceedings except as otherwise provided in this section. The provisions of Federal Rule of Civil Procedure 26 relating to required disclosures, the conference of the parties to discuss settlement and to develop a disclosure and discovery plan, the scope, timing and sequence of discovery, protective orders, signing of disclosures and discovery responses, and supplementation of disclosures and discovery responses, are applicable to Board proceedings in modified form, as noted in these rules and as may be detailed in any order instituting an inter partes proceeding or subsequent scheduling order. The Board will specify the deadline for a discovery conference, the opening and closing dates for the taking of discovery, and the deadlines within the discovery period for making initial disclosures and expert disclosure. The trial order setting these deadlines and dates will be included with the notice of institution of the proceeding.

(2) The discovery conference shall occur no later than the opening of the discovery period, and the parties must discuss the subjects set forth in Federal Rule of Civil Procedure 26(f) and any subjects set forth in the Board's institution order. A Board Interlocutory Attorney or Administrative Trademark Judge will participate in the conference upon request of any party made after answer but no later than ten days prior

to the deadline for the conference. The participating attorney or judge may expand or reduce the number or nature of subjects to be discussed in the conference as may be deemed appropriate. The discovery period will be set for a period of 180 days. Initial disclosures must be made no later than thirty days after the opening of the discovery period. Disclosure of expert testimony must occur in the manner and sequence provided in Federal Rule of Civil Procedure 26(a)(2), unless alternate directions have been provided by the Board in an institution order or any subsequent order resetting disclosure, discovery or trial dates. If the expert is retained after the deadline for disclosure of expert testimony, the party must promptly file a motion for leave to use expert testimony. Upon disclosure by any party of plans to use expert testimony, whether before or after the deadline for disclosing expert testimony, the Board may issue an order regarding expert discovery and/or set a deadline for any other party to disclose plans to use a rebuttal expert. The parties may stipulate to a shortening of the discovery period. The discovery period may be extended upon stipulation of the parties approved by the Board, or upon motion granted by the Board, or by order of the Board. If a motion for an extension is denied, the discovery period may remain as originally set or as reset. Disclosure deadlines and obligations may be modified upon written stipulation of the parties approved by the Board, or upon motion granted by the Board, or by order of the Board. If a stipulation or motion for modification is denied, disclosure deadlines may remain as originally set or reset and obligations may remain unaltered. The parties are not required to prepare or transmit to the Board a written report outlining their discovery conference discussions, unless the parties have agreed to alter disclosure or discovery obligations set forth by these rules or applicable Federal Rules of Civil Procedure, or unless directed to file such a report by a participating Board Interlocutory Attorney or Administrative Trademark Judge.

(3) A party must make its initial disclosures prior to seeking discovery, absent modification of this requirement by a stipulation of the parties approved by the Board, or a motion granted by the Board, or by order of the Board. Discovery depositions must be taken, and interrogatories, requests for production of documents and things, and requests for admission must be served, on or before the closing date of

the discovery period as originally set or as reset. Responses to interrogatories, requests for production of documents and things, and requests for admission must be served within thirty days from the date of service of such discovery requests. The time to respond may be extended upon stipulation of the parties, or upon motion granted by the Board, or by order of the Board. The resetting of a party's time to respond to an outstanding request for discovery will not result in the automatic rescheduling of the discovery and/or testimony periods; such dates will be rescheduled only upon stipulation of the parties approved by the Board, or upon motion granted by the Board, or by order of the Board.

\* \* \* \* \*

(d) \* \* \* (1) The total number of written interrogatories which a party may serve upon another party pursuant to Rule 33 of the Federal Rules of Civil Procedure, in a proceeding, shall not exceed seventy-five, counting subparts, except that the Trademark Trial and Appeal Board, in its discretion, may allow additional interrogatories upon motion therefor showing good cause, or upon stipulation of the parties, approved by the Board. A motion for leave to serve additional interrogatories must be filed and granted prior to the service of the proposed additional interrogatories and must be accompanied by a copy of the interrogatories, if any, which have already been served by the moving party, and by a copy of the interrogatories proposed to be served. If a party upon which interrogatories have been served believes that the number of interrogatories exceeds the limitation specified in this paragraph, and is not willing to waive this basis for objection, the party shall, within the time for (and instead of) serving answers and specific objections to the interrogatories, serve a general objection on the ground of their excessive number. If the inquiring party, in turn, files a motion to compel discovery, the motion must be accompanied by a copy of the set(s) of the interrogatories which together are said to exceed the limitation, and must otherwise comply with the requirements of paragraph (e) of this section.

\* \* \* \* \*

(e) *Motion for an order to compel disclosure or discovery.* (1) If a party fails to make required initial disclosures or expert testimony disclosure, or fails to designate a person pursuant to Rule 30(b)(6) or Rule 31(a) of the Federal Rules of Civil Procedure, or if a party, or such designated person, or an officer, director or managing agent of a party

fails to attend a deposition or fails to answer any question propounded in a discovery deposition, or any interrogatory, or fails to produce and permit the inspection and copying of any document or thing, the party entitled to disclosure or seeking discovery may file a motion to compel disclosure, a designation, or attendance at a deposition, or an answer, or production and an opportunity to inspect and copy. A motion to compel initial disclosures or expert testimony disclosure must be filed prior to the close of the discovery period. A motion to compel discovery must be filed prior to the commencement of the first testimony period as originally set or as reset. A motion to compel discovery shall include a copy of the request for designation or of the relevant portion of the discovery deposition; or a copy of the interrogatory with any answer or objection that was made; or a copy of the request for production, any proffer of production or objection to production in response to the request, and a list and brief description of the documents or things that were not produced for inspection and copying. A motion to compel initial disclosures, expert testimony disclosure, or discovery must be supported by a written statement from the moving party that such party or the attorney therefor has made a good faith effort, by conference or correspondence, to resolve with the other party or the attorney therefor the issues presented in the motion but the parties were unable to resolve their differences. If issues raised in the motion are subsequently resolved by agreement of the parties, the moving party should inform the Board in writing of the issues in the motion which no longer require adjudication.

(2) When a party files a motion for an order to compel initial disclosures, expert testimony disclosure, or discovery, the case will be suspended by the Board with respect to all matters not germane to the motion. After the motion is filed and served, no party should file any paper that is not germane to the motion, except as otherwise specified in the Board's suspension order. Nor may any party serve any additional discovery until the period of suspension is lifted or expires by or under order of the Board. The filing of a motion to compel any disclosure or discovery shall not toll the time for a party to comply with any disclosure requirement or to respond to any outstanding discovery requests or to appear for any noticed discovery deposition.

(f) *Motion for a protective order.* Upon motion by a party obligated to make

initial disclosures or expert testimony disclosure or from whom discovery is sought, and for good cause, the Trademark Trial and Appeal Board may make any order which justice requires to protect a party from annoyance, embarrassment, oppression, or undue burden or expense, including one or more of the types of orders provided by clauses (1) through (8), inclusive, of Rule 26(c) of the Federal Rules of Civil Procedure. If the motion for a protective order is denied in whole or in part, the Board may, on such conditions (other than an award of expenses to the party prevailing on the motion) as are just, order that any party comply with disclosure obligations or provide or permit discovery.

(g) *Sanctions.* (1) If a party fails to participate in the required discovery conference, or if a party fails to comply with an order of the Trademark Trial and Appeal Board relating to disclosure or discovery, including a protective order, the Board may make any appropriate order, including those provided in Rule 37(b)(2) of the Federal Rules of Civil Procedure, except that the Board will not hold any person in contempt or award expenses to any party. The Board may impose against a party any of the sanctions provided in Rule 37(b)(2) in the event that said party or any attorney, agent, or designated witness of that party fails to comply with a protective order made pursuant to Rule 26(c) of the Federal Rules of Civil Procedure. A motion for sanctions against a party for its failure to participate in the required discovery conference must be filed prior to the deadline for any party to make initial disclosures.

(2) If a party fails to make required initial disclosures or expert testimony disclosure, and such party or the party's attorney or other authorized representative informs the party or parties entitled to receive disclosures that required disclosures will not be made, the Board may make any appropriate order, as specified in paragraph (g)(1) of this section. If a party, or an officer, director, or managing agent of a party, or a person designated under Rule 30(b)(6) or 31(a) of the Federal Rules of Civil Procedure to testify on behalf of a party, fails to attend the party's or person's discovery deposition, after being served with proper notice, or fails to provide any response to a set of interrogatories or to a set of requests for production of documents and things, and such party or the party's attorney or other authorized representative informs the party seeking discovery that no response will be made thereto, the Board may

make any appropriate order, as specified in paragraph (g)(1) of this section.

(h) \* \* \*

(2) When a party files a motion to determine the sufficiency of an answer or objection to a request for an admission, the case will be suspended by the Board with respect to all matters not germane to the motion. After filing and service of the motion, no party should file any paper that is not germane to the motion, except as otherwise specified in the Board's suspension order. Nor may any party thereafter serve any additional discovery until the period of suspension is lifted or expires by or under order of the Board. The filing of a motion to determine the sufficiency of an answer or objection to a request for admission shall not toll the time for a party to comply with any disclosure requirement or to respond to any outstanding discovery requests or to appear for any noticed discovery deposition.

(i) *Telephone and pretrial conferences.* (1) Whenever it appears to the Trademark Trial and Appeal Board that a stipulation or motion filed in an inter partes proceeding is of such nature that its approval or resolution by correspondence is not practical, the Board may, upon its own initiative or upon request made by one or both of the parties, address the stipulation or resolve the motion by telephone conference.

(2) Whenever it appears to the Trademark Trial and Appeal Board that questions or issues arising during the interlocutory phase of an inter partes proceeding have become so complex that their resolution by correspondence or telephone conference is not practical and that resolution would likely be facilitated by a conference in person of the parties or their attorneys with an Administrative Trademark Judge or an Interlocutory Attorney of the Board, the Board may, upon its own initiative or upon motion made by one or both of the parties, request that the parties or their attorneys, under circumstances which will not result in undue hardship for any party, meet with the Board at its offices for a disclosure, discovery or pretrial conference.

(j) *Use of discovery deposition, answer to interrogatory, admission or written disclosure.*

\* \* \* \* \*

(3)(i) A discovery deposition, an answer to an interrogatory, an admission to a request for admission, or a written disclosure (but not a disclosed document), which may be offered in evidence under the provisions of paragraph (j) of this section, may be

made of record in the case by filing the deposition or any part thereof with any exhibit to the part that is filed, or a copy of the interrogatory and answer thereto with any exhibit made part of the answer, or a copy of the request for admission and any exhibit thereto and the admission (or a statement that the party from which an admission was requested failed to respond thereto), or a copy of the written disclosure, together with a notice of reliance. The notice of reliance and the material submitted thereunder should be filed during the testimony period of the party that files the notice of reliance. An objection made at a discovery deposition by a party answering a question subject to the objection will be considered at final hearing.

(ii) A party that has obtained documents from another party through disclosure or under Rule 34 of the Federal Rules of Civil Procedure may not make the documents of record by notice of reliance alone, except to the extent that they are admissible by notice of reliance under the provisions of § 2.122(e).

\* \* \* \* \*

(5) Written disclosures, an answer to an interrogatory, or an admission to a request for admission, may be submitted and made part of the record only by the receiving or inquiring party except that, if fewer than all of the written disclosures, answers to interrogatories, or fewer than all of the admissions, are offered in evidence by the receiving or inquiring party, the disclosing or responding party may introduce under a notice of reliance any other written disclosures, answers to interrogatories, or any other admissions, which should in fairness be considered so as to make not misleading what was offered by the receiving or inquiring party. The notice of reliance filed by the disclosing or responding party must be supported by a written statement explaining why the disclosing or responding party needs to rely upon each of the additional written disclosures or discovery responses listed in the disclosing or responding party's notice, and absent such statement the Board, in its discretion, may refuse to consider the additional written disclosures or responses.

(6) Paragraph (j) of this section will not be interpreted to preclude reading or use of written disclosures or documents, a discovery deposition, or answer to an interrogatory, or admission as part of the examination or cross-examination of any witness during the testimony period of any party.

(7) When a written disclosure, a discovery deposition, or a part thereof,

or an answer to an interrogatory, or an admission, has been made of record by one party in accordance with the provisions of paragraph (j)(3) of this section, it may be referred to by any party for any purpose permitted by the Federal Rules of Evidence.

(8) Written disclosures or disclosed documents, requests for discovery, responses thereto, and materials or depositions obtained through the disclosure or discovery process should not be filed with the Board, except when submitted with a motion relating to disclosure or discovery, or in support of or in response to a motion for summary judgment, or under a notice of reliance, when permitted, during a party's testimony period.

■ 11. Revise paragraphs (a) and (d), and add paragraph (e), to read as follows:

**§ 2.121 Assignment of times for taking testimony.**

(a) The Trademark Trial and Appeal Board will issue a trial order setting a deadline for each party's required pretrial disclosures and assigning to each party its time for taking testimony. No testimony shall be taken except during the times assigned, unless by stipulation of the parties approved by the Board, or upon motion granted by the Board, or by order of the Board. The deadlines for pretrial disclosures and the testimony periods may be rescheduled by stipulation of the parties approved by the Board, or upon motion granted by the Board, or by order of the Board. If a motion to reschedule any pretrial disclosure deadline and/or testimony period is denied, the pretrial disclosure deadline or testimony period and any subsequent remaining periods may remain as set. The resetting of the closing date for discovery will result in the rescheduling of pretrial disclosure deadlines and testimony periods without action by any party.

\* \* \* \* \*

(d) When parties stipulate to the rescheduling of a deadline for pretrial disclosures and subsequent testimony periods or to the rescheduling of the closing date for discovery and the rescheduling of subsequent deadlines for pretrial disclosures and testimony periods, a stipulation presented in the form used in a trial order, signed by the parties, or a motion in said form signed by one party and including a statement that every other party has agreed thereto, shall be submitted to the Board.

(e) A party need not disclose, prior to its testimony period, any notices of reliance it intends to file during its testimony period. However, no later than fifteen days prior to the opening of each testimony period, or on such

alternate schedule as may be provided by order of the Board, the party scheduled to present evidence must disclose the name and, if not previously provided, the telephone number and address of each witness from whom it intends to take testimony, or may take testimony if the need arises, general identifying information about the witness, such as relationship to any party, including job title if employed by a party, or, if neither a party nor related to a party, occupation and job title, a general summary or list of subjects on which the witness is expected to testify, and a general summary or list of the types of documents and things which may be introduced as exhibits during the testimony of the witness. Pretrial disclosure of a witness under this subsection does not substitute for issuance of a proper notice of examination under § 2.123(c) or § 2.124(b). If a party does not plan to take testimony from any witnesses, it must so state in its pretrial disclosure. When a party fails to make required pretrial disclosures, any adverse party or parties may have remedy by way of a motion to the Board to delay or reset any subsequent pretrial disclosure deadlines and/or testimony periods.

■ 12. Revise § 2.122(d)(1) to read as follows:

**§ 2.122 Matters in evidence.**

\* \* \* \* \*

(d) \* \* \*

(1) A registration of the opposer or petitioner pleaded in an opposition or petition to cancel will be received in evidence and made part of the record if the opposition or petition is accompanied by an original or photocopy of the registration prepared and issued by the United States Patent and Trademark Office showing both the current status of and current title to the registration, or by a current printout of information from the electronic database records of the USPTO showing the current status and title of the registration. For the cost of a copy of a registration showing status and title, see § 2.6(b)(4).

\* \* \* \* \*

■ 13. Revise § 2.123(e)(3) to read as follows:

**§ 2.123 Trial testimony in inter partes cases.**

\* \* \* \* \*

(e) \* \* \*

(3) Every adverse party shall have full opportunity to cross-examine each witness. If pretrial disclosures or the notice of examination of witnesses served pursuant to paragraph (c) of this section are improper or inadequate with

respect to any witness, an adverse party may cross-examine that witness under protest while reserving the right to object to the receipt of the testimony in evidence. Promptly after the testimony is completed, the adverse party, to preserve the objection, shall move to strike the testimony from the record, which motion will be decided on the basis of all the relevant circumstances. A motion to strike the testimony of a witness for lack of proper or adequate pretrial disclosure may seek exclusion of the entire testimony, when there was no pretrial disclosure, or may seek exclusion of that portion of the testimony that was not adequately disclosed in accordance with § 2.121(e). A motion to strike the testimony of a witness for lack of proper or adequate notice of examination must request the exclusion of the entire testimony of that witness and not only a part of that testimony.

\* \* \* \* \*

■ 14. Amend § 2.126 as follows:

- A. Revise paragraph (a)(6).
- B. Remove paragraph (b).
- C. Redesignate paragraphs (c) and (d) as paragraphs (b) and (c), respectively.

**§ 2.126 Form of submissions to the Trademark Trial and Appeal Board.**

(a) \* \* \*

(6) Exhibits pertaining to a paper submission must be filed on paper and comply with the requirements for a paper submission.

\* \* \* \* \*

■ 15. Revise § 2.127(a), (c), and (e) to read as follows:

**§ 2.127 Motions.**

(a) Every motion must be submitted in written form and must meet the requirements prescribed in § 2.126. It shall contain a full statement of the grounds, and shall embody or be accompanied by a brief. Except as provided in paragraph (e)(1) of this section, a brief in response to a motion shall be filed within fifteen days from the date of service of the motion unless another time is specified by the Trademark Trial and Appeal Board, or the time is extended by stipulation of the parties approved by the Board, or upon motion granted by the Board, or upon order of the Board. If a motion for an extension is denied, the time for responding to the motion remains as specified under this section, unless otherwise ordered. Except as provided in paragraph (e)(1) of this section, a reply brief, if filed, shall be filed within fifteen days from the date of service of the brief in response to the motion. The time for filing a reply brief will not be

extended. The Board will consider no further papers in support of or in opposition to a motion. Neither the brief in support of a motion nor the brief in response to a motion shall exceed twenty-five pages in length in its entirety, including table of contents, index of cases, description of the record, statement of the issues, recitation of the facts, argument, and summary. A reply brief shall not exceed ten pages in length in its entirety. Exhibits submitted in support of or in opposition to a motion are not considered part of the brief for purposes of determining the length of the brief. When a party fails to file a brief in response to a motion, the Board may treat the motion as conceded. An oral hearing will not be held on a motion except on order by the Board.

\* \* \* \* \*

(c) Interlocutory motions, requests, and other matters not actually or potentially dispositive of a proceeding may be acted upon by a single Administrative Trademark Judge of the Trademark Trial and Appeal Board or by an Interlocutory Attorney of the Board to whom authority so to act has been delegated.

\* \* \* \* \*

(e)(1) A party may not file a motion for summary judgment until the party has made its initial disclosures, except for a motion asserting claim or issue preclusion or lack of jurisdiction by the Trademark Trial and Appeal Board. A motion for summary judgment, if filed, should be filed prior to the commencement of the first testimony period, as originally set or as reset, and the Board, in its discretion, may deny as untimely any motion for summary judgment filed thereafter. A motion under Rule 56(f) of the Federal Rules of Civil Procedure, if filed in response to a motion for summary judgment, shall be filed within thirty days from the date of service of the summary judgment motion. The time for filing a motion under Rule 56(f) will not be extended. If no motion under Rule 56(f) is filed, a brief in response to the motion for summary judgment shall be filed within thirty days from the date of service of the motion unless the time is extended by stipulation of the parties approved by the Board, or upon motion granted by the Board, or upon order of the Board. If a motion for an extension is denied, the time for responding to the motion for summary judgment may remain as specified under this section. A reply brief, if filed, shall be filed within fifteen days from the date of service of the brief in response to the motion. The time for filing a reply brief will not be

extended. The Board will consider no further papers in support of or in opposition to a motion for summary judgment.

(2) For purposes of summary judgment only, the Board will consider any of the following, if a copy is provided with the party's brief on the summary judgment motion: written disclosures or disclosed documents, a discovery deposition or any part thereof with any exhibit to the part that is filed, an interrogatory and answer thereto with any exhibit made part of the answer, a request for production and the documents or things produced in response thereto, or a request for admission and any exhibit thereto and the admission (or a statement that the party from which an admission was requested failed to respond thereto).

\* \* \* \* \*

■ 16. Revise § 2.129(a) to read as follows:

**§ 2.129 Oral argument; reconsideration.**

(a) If a party desires to have an oral argument at final hearing, the party shall request such argument by a separate notice filed not later than ten days after the due date for the filing of the last reply brief in the proceeding. Oral arguments will be heard by at least three Administrative Trademark Judges of the Trademark Trial and Appeal Board at the time specified in the notice of hearing. If any party appears at the specified time, that party will be heard. If the Board is prevented from hearing the case at the specified time, a new hearing date will be set. Unless otherwise permitted, oral arguments in an inter partes case will be limited to thirty minutes for each party. A party in the position of plaintiff may reserve part of the time allowed for oral argument to present a rebuttal argument.

\* \* \* \* \*

■ 17. Revise § 2.133 (a) and (b) to read as follows:

**§ 2.133 Amendment of application or registration during proceedings.**

(a) An application subject to an opposition may not be amended in substance nor may a registration subject to a cancellation be amended or disclaimed in part, except with the consent of the other party or parties and the approval of the Trademark Trial and Appeal Board, or upon motion granted by the Board.

(b) If, in an inter partes proceeding, the Trademark Trial and Appeal Board finds that a party whose application or registration is the subject of the proceeding is not entitled to registration in the absence of a specified restriction

to the application or registration, the Board will allow the party time in which to file a motion that the application or registration be amended to conform to the findings of the Board, failing which judgment will be entered against the party.

\* \* \* \* \*

■ 18. Revise § 2.142(e)(1) to read as follows:

**§ 2.142 Time and manner of ex parte appeals.**

\* \* \* \* \*

(e)(1) If the appellant desires an oral hearing, a request should be made by a separate notice filed not later than ten days after the due date for a reply brief. Oral argument will be heard by at least three Administrative Trademark Judges of the Trademark Trial and Appeal Board at the time specified in the notice of hearing, which may be reset if the Board is prevented from hearing the argument at the specified time or, so far as is convenient and proper, to meet the wish of the appellant or the appellant's attorney or other authorized representative.

\* \* \* \* \*

■ 19. Revise § 2.173(a) to read as follows:

**§ 2.173 Amendment of registration.**

(a) A registrant may apply to amend a registration or to disclaim part of the mark in the registration. The registrant must submit a written request specifying the amendment or disclaimer and, if the registration is involved in an inter partes proceeding before the Trademark Trial and Appeal Board, the request must be filed by appropriate motion to the Board. This request must be signed by the registrant and verified or supported by a declaration under § 2.20, and accompanied by the required fee. If the amendment involves a change in the mark, the registrant must submit a new specimen showing the mark as used on or in connection with the goods or services, and a new drawing of the amended mark. The registration as amended must still contain registrable matter, and the mark as amended must be registrable as a whole. An amendment or disclaimer must not materially alter the character of the mark.

\* \* \* \* \*

■ 20. Revise § 2.176 to read as follows:

**§ 2.176 Consideration of above matters.**

The matters in §§ 2.171 to 2.175 will be considered in the first instance by the Post Registration Examiners, except for requests to amend registrations involved in inter partes proceedings before the



Trademark Trial and Appeal Board, as specified in § 2.173(a), which shall be considered by the Board. If an action of the Post Registration Examiner is adverse, registrant may petition the Director to review the action under

§ 2.146. If the registrant does not respond to an adverse action of the Examiner within six months of the mailing date, the matter will be considered abandoned.

Dated: July 19, 2007.

**Jon W. Dudas,**

*Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office.*

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