

# AIPLA

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AMERICAN INTELLECTUAL PROPERTY LAW ASSOCIATION

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March 16, 2006

The Honorable Jon Dudas  
Under Secretary of Commerce for Intellectual Property  
and Director of the United States Patent and Trademark Office  
Box Comments  
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Alexandria, VA 22313-1450

Attn: Gerard F. Rogers  
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Comments on Proposed Rules: "Miscellaneous Changes  
to Trademark Trial and Appeal Board Rules"  
71 Federal Register 2498 (January 17, 2006)

Dear Under Secretary Dudas:

The American Intellectual Property Law Association (AIPLA) appreciates the opportunity to offer comments regarding the U.S. Patent and Trademark Office ("PTO") proposed rules directed to changes to the practice before the Trademark Trial and Appeal Board ("the Board") published at 71 Fed. Reg. 10, p. 2498 (January 17, 2006).

AIPLA is a national bar association whose more than 17,000 members are primarily lawyers in private and corporate practice, in government service, and in the academic community. AIPLA represents a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property.

The PTO proposes significant changes to the rules of practice before the Board, including implementing a system of discovery, and pretrial and expert disclosures that are far more burdensome than the Federal Rules of Civil Procedure. Given the extensive nature of the proposed changes, and the significant impact to the cost of proceedings before the Board, AIPLA respectfully requests that the PTO hold a public hearing to give users the opportunity to fully explain the ramifications of these proposed changes, and to answer any questions these comments might raise.

### **Service by Plaintiffs**

The PTO proposes amending Trademark Rules 2.101, 2.105, 2.111, and 2.113 to provide that the plaintiff, and not the Board, will serve a copy of a complaint (notice of opposition, petition for cancellation, or concurrent use application detailing claims) on the defendant in all proceedings. The proposed rules also provide, among other things, that the plaintiff should serve an “additional copy” of the complaint and exhibits on “any party, or the party’s attorney or domestic representative” that the plaintiff “has reason to believe may be the correct” party, domestic representative, attorney, or successor-in-interest.

Conceptually, AIPLA is not opposed to having the plaintiff serve the complaint on the defendant in Board proceedings. AIPLA is concerned, however, that the rules, as proposed, may be read to impose a duty on plaintiffs to undertake additional investigation to ascertain the current address, owner, domestic representative, and attorney of the defendant (see 71 Fed. Reg. 10, at p. 2499, Col. 1). A requirement to investigate the current address and/or owner of an application or registration, beyond the information provided in the PTO’s “official public records” (i.e., the PTO’s TESS, TARR, TDR, and assignment databases, and the application or registration file history), will increase the cost of proceedings, delay institution of the case, and delay notification by the Board of the proceedings. A plaintiff should be allowed to rely upon the owner information and correspondence address of record in the PTO’s official public records for purposes of service of the complaint on a defendant in an *inter partes* proceeding.

Further, the proposed rules provide for service on the “correspondence address of record.” However, this language is not defined in the comments or the proposed rules. Is the information listed on the PTO’s TARR database the “correspondence address of record” for purposes of service under the proposed rules? The PTO should clarify what the “correspondence address of record” is intended to mean.

In an opposition, the plaintiff should only be required to serve a copy of the opposition, including any exhibits, on the attorney for the applicant of record or, if there is no attorney, on the applicant or on the applicant’s domestic representative, if one has been appointed, utilizing the last listed correspondence address of record and owner information contained in the PTO’s TARR database. In a cancellation proceeding, the plaintiff should only be required to 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, utilizing the last provided correspondence address and owner information contained in the PTO’s official public records.

The requirement to serve an “additional copy” of the complaint on “any party, or the party’s attorney or domestic representative” that the plaintiff “has reason to believe may be the correct” party, domestic representative, attorney, or successor-in-interest will increase the cost of proceedings, delay institution of the case, and delay notification by the Board of the proceedings. Further, the proposed rules are unclear on the consequences should the plaintiff fail to serve an “additional copy” of the complaint, or if the “additional copy” of the complaint is returned as undeliverable. (See 71 Fed. Reg. 10, at p. 2499, Col. 1, and proposed Trademark Rules 2.101(a) and (b) and 2.111(a) and (b)).

AIPLA is not opposed to the idea of a plaintiff serving a permissive courtesy copy of the complaint on “any party, or the party’s attorney or domestic representative” that the plaintiff “has

reason to believe may be the correct” party, domestic representative, attorney, or successor-in-interest. However, the PTO should not prescribe service of an “additional copy” of the complaint by rule. Moreover, the failure to serve the “additional copy” of the complaint should not delay the institution of the proceeding, void the filing of the complaint, or delay notification by the Board of the proceeding. Mandating by rule the service of this “additional copy (or copies)” of the complaint will result in needless collateral motion practice regarding the adequacy of the plaintiff’s efforts to locate and serve additional parties of interest or their designated representatives.

With respect to the copy of the complaint served on the “correspondence address of record,” the proposed rules provide that plaintiffs “should notify the Board within ten days” if the service copy is returned as undeliverable. (See 71 Fed. Reg. 10, at p. 2499, Col. 1 and 2, and proposed Trademark Rules 2.101(b) and 2.111(b)). However, neither the comments nor the proposed rules explain how plaintiffs should notify the Board of the returned complaint (e.g., in writing, through ESTTA, or by telephone). The proposed rules also fail to specify the date from which the ten day notification requirement starts to run (e.g., from the date of receipt of the returned complaint). Moreover, the ten day time period is too short. Thus, the PTO should amend the proposed rules to provide that plaintiffs are allowed fifteen (15) days from the date of receipt of the returned service copy of the complaint to notify the Board in writing or through ESTTA of the same.

The PTO should also clarify that “proof of service” under the proposed rules means service in accordance with Trademark Rule 2.119, and that “service” does not require service by a process server. AIPLA recommends that the rules be amended to include specific references to Trademark Rule 2.119, for example:

2.101(a) An opposition proceeding is commenced by filing in the Office a timely opposition, with proof of service in accordance with § 2.119 on the applicant at the correspondence address of record as provided under § 2.18, and the required fee.

2.111(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 in accordance with § 2.119 on the owner of record for the registration, or the owner’s domestic representative of record, at the correspondence address of record as provided under § 2.18.

Finally, with respect to Trademark Rules 2.105(a) and 2.113(a), it is common for practitioners and parties before the Board to provide multiple e-mail addresses for official electronic correspondence. In particular, many practitioners provide both individual and docketing department e-mail addresses as their official electronic correspondence address. This practice ensures that electronic correspondence is received by counsel and/or the party, and avoids docketing errors. Thus, AIPLA proposes that the PTO amend the rules to accommodate multiple e-mail addresses as follows:

2.105(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(es), the notification may be transmitted to that party via e-mail to such e-mail address(es).

2.113(a) When a petition for cancellation has been filed in proper form (see §§ 2.111 and 2.112), 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 by the respondent. If a party has provided the Office with an e-mail address(es), the notification may be transmitted to that party via e-mail to such e-mail address(es).

### **Mandatory Disclosures Will be Onerous and Costly**

In 1993, the Federal Rules of Civil Procedure were amended to provide for initial mandatory disclosures early in the discovery phase of a civil action. These mandatory disclosures require each party to provide, without having received a discovery request, four categories of information:

1. The identities of witnesses and the scope of their knowledge;
2. The nature and location of applicable documents;
3. The plaintiff's computation of damages; and
4. Any liability insurance coverage possessed by the defendant.

Rule 26(a)(1)(A)-(D), Fed. R. Civ. P. The penalty for not providing the mandatory disclosure required by the Rule, either initially or by way of supplement, is that the non-disclosing party is precluded from offering this information/documents/witness testimony at trial. Rule 37(c)(1), Fed. R. Civ. P.; *Finley v. Marathon Oil Co.*, 75 F.3d 1225, 1230 (7th Cir. 1996).

The PTO, on the other hand, proposes that mandatory disclosures exchanged in *inter partes* proceedings can be used as affirmative evidence by the receiving party, either on summary judgment or at trial (71 Fed. Reg. 10, at p. 2501, Col. 3). The Board's proposed mandatory disclosure scheme turns the operation of the Federal Rules of Civil Procedure on its head. It further widens the scope of potentially disclosable information beyond what is necessary for a party's own case before the Board, to include information that is helpful for an adversary's case. Because it is potentially dispositive in favor of one's adversary, the latter type of information should be the subject of unique written discovery, not mandatory disclosures.

The PTO had previously decided not to adhere to the mandatory disclosure regime. See 1159 TMOG 14 (Jan. 15, 1994); 1214 TMOG 145 (Sept. 29, 1998); 1215 TMOG 64 (Oct. 20, 1998). In its earlier pronouncements, the PTO noted that it "believes that the application of the cited provisions [including initial disclosures] in *inter partes* proceedings before the Board would increase the complexity and cost of proceedings and would be unfairly burdensome both to the

Board and the parties.” The PTO also stated that it would monitor recurring procedural issues in cases before it, and would consider additional changes to practice in the future (71 Fed. Reg. 10, at p. 2500, Col. 1).

In the Federal Register announcement, the Board cites an empirical study noting the benefits of mandatory disclosures. *Id.*<sup>1</sup> However, the PTO does not identify what problems have occurred in *inter partes* Board discovery practice since the date of that study (1993) that warrant the new mandatory disclosure regime now proposed which goes well beyond that required by Rule 26(a)(1), Fed. R. Civ P.

While not identifying past problems that these extensive disclosures would fix, the PTO recites a list of possible benefits to its “modified form” of mandatory disclosures: (1) enhancement of early settlement, (2) promotion of efficient discovery and trial, (3) reduction of unfair surprise, (4) increasing fair dispositions of claims and defenses. The PTO’s proposed form of extensive mandatory disclosures, in fact, will work against these goals.

Discouraging Early Settlement – The PTO’s proposed form of mandatory disclosures will discourage early settlement. As contemplated, the extensive disclosures would be due (unless modified by the parties) 100 days after the Board issues its Institution Order. In this time frame of just over 3 months, at least one party may be negotiating settlement under coercive circumstances. If full and final settlement is not achieved within this time period, a party may be forced to disclose a burdensome wealth of information and materials at significant expense. Once the expense has been incurred, that party will no longer have cost savings as an incentive to settle.

Moreover, the PTO has reported that more than 95% of Board proceedings are decided before final hearing, and that the vast majority of those cases are settled under the current rules of practice and procedure. (See Notice Concerning Alternative Dispute Resolution (ADR) <http://www.uspto.gov/web/offices/dcom/ttab/adr.doc>). Thus, unlike the federal district court cases cited in the empirical study, the current Board practice and procedure already encourage and result in settlement. Indeed, many parties rely upon the Board’s current system as a less expensive and effective forum to facilitate settlement of both trademark registration and use disputes. In short, the PTO’s far-reaching changes will, in fact, bring Board practice closer to federal district court litigation, but without offering the advantages of monetary damages and injunctive relief available in a court proceeding. The proposed change would push Board practice farther from the effective and relatively inexpensive alternative dispute resolution tool that is commensurate with the limited scope of the remedies available in a Board proceeding.

Decreasing Efficient Discovery and Trial – As exemplified by its proposed list of disclosures (most being applicable to priority and likelihood of confusion cases, see 71 Fed. Reg. 10, at p. 2501, Col. 2), the PTO envisions a one-size-fits-all approach. Items on this list may not be needed in all cases, thereby exacerbating costs for the parties. Items on this list (or additional initial disclosure lists to be published on the PTO’s web site) may be insufficient in a particular case. Combined with the reduction of available interrogatories from 75 to 25 in

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<sup>1</sup> Willging, T.E., et al., *An Empirical Study of Discovery and Disclosure Practice Under the 1993 Federal Rule Amendments*, 39 B.C.L., Rev. 525 (May 1998).

number, each party, by way of written discovery, may not be able to properly hone its own discovery strategy. With unique written discovery diminished, this will force parties to rely more heavily on the use of discovery depositions, thereby driving up costs.

For example, in a likelihood of confusion case where the plaintiff owns an incontestable registration, and fraud, genericism, or abandonment is not otherwise raised by counterclaim, priority would not be in issue. *Ultratan Suntanning Centers Inc. v. Ultra Tan International AB*, 49 USPQ2d 1313, 1314 (TTAB 1998). In such circumstances, several of the items on the proposed list of disclosures would be irrelevant, such as: the origin of the plaintiff's mark and dates of first use of the plaintiff's mark. Similarly, where the Plaintiff pleads only abandonment or descriptiveness/genericness of the defendant's mark (i.e. where likelihood of confusion is not at issue at all), many of the items on the proposed list also would be irrelevant, including instances of actual confusion and channels of trade.

The Extensive Disclosures Do Not Reduce Unfair Surprise - The PTO's one-size-fits-all approach presumes that the Board knows, in a majority of cases, what a party will need to prosecute or defend its position in an *inter partes* proceeding. Issues can, and often do, arise that even extensive mandatory disclosures cannot anticipate. A party left with 25 interrogatories may not have sufficient written discovery left to follow up on issues that present themselves only late in the discovery process. Absent relatively expensive discovery depositions, such a party may not be able to discover relevant facts until its adversary's testimony period.

The Extensive Disclosures Do Not Increase Fair Dispositions of Claims and Defenses – Parties who cannot afford to produce onerous mandatory disclosures early in a Board proceeding will, with greater frequency, abandon their cases. This is unfair to small entities. The PTO's one-size-fits-all approach to discovery denies a party before the Board the opportunity to discover what it really needs to prosecute or defend its position. This will drive Board cases to further use of depositions and increase litigant costs.

Further, the proposed mandatory disclosures would unfairly compel a party to testify against itself. This is because the contemplated disclosures may be used by one's adversary as affirmative evidence early in the proceeding on summary judgment or later at trial.

The Extensive Disclosures Will Increase Discovery Motion Practice – As the PTO recognizes, whether a party has adequately met its mandatory disclosure obligations “may be subject to dispute” (71 Fed. Reg. 10, at p. 2501, Col. 3). The PTO may not appreciate the extent to which its new proposed disclosures will engender a new highly-contested level of discovery motion practice. Given the dispositive nature that the proposed disclosures will have, this proposal will increase party costs and the workload of the Board. The all-encompassing mandatory disclosures that the PTO proposes will result in motions to compel initial disclosures, motions challenging the sufficiency of initial disclosures, and motions seeking to preclude witnesses, documents, and other evidence based on allegedly inadequate initial disclosures. These motions may be made at distinct times during a Board case and will result in multiple suspensions of proceedings while the motions are pending. Each motion must be decided on its merits and will require significant Board and interlocutory attorney resources. Hence, mandatory disclosures will result in multiple motions that choke the Board's docket and create a backlog of cases beyond that which currently exists.

The Extensive Mandatory Disclosures Will Complicate Proceedings for *Pro Se* Litigants and Unduly Burden Parties Represented by Counsel and the Board. AIPLA understands that there are an increasing number of *pro se* applicants using the electronic filing system, which translates into more *pro se* litigants before the Board. Under the Board's current practice and procedure, it is not uncommon for *pro se* litigants to not only fail to follow the rules, but to completely ignore them. See *DC Comics and Marvel Characters Inc. v. Margo*, 68 USPQ2d 1319, 1320 (TTAB 2003) (unpublished) ("The mere fact in itself that applicants decided to represent themselves does not relieve them of responsibilities and certainly does not amount to excusable neglect.") The difficulty arises out of the reality that the Board's rules of practice and procedure are complicated, and are not designed to accommodate *pro se* litigants. The proposed rules changes, including the extensive mandatory disclosures, will further complicate proceedings before the Board. As a consequence, Board staff will be overburdened by explaining to *pro se* litigants not only practice and procedure, but also the extensive initial disclosures and discovery conferences. The resulting costs and delays will affect parties represented by counsel and the Board itself.

### **Recommendations for an Appropriate Mandatory Disclosure Regime**

AIPLA proposes, within the timing schedule suggested by the PTO, the following mandatory disclosures:

- 1) The names of individuals of a party, and the contact information therefor, who are known to have the most extensive knowledge in support of a party's claims or defenses, and the nature and extent of that knowledge.
- 2) General descriptions of, and the probable locations of, non-privileged documents and things in the possession, custody or control of the party, in support of a party's claims or defenses.

AIPLA suggests that the two mandatory disclosures above not be considered as affirmative evidence. Rather, as under the Federal Rules of Civil Procedure, the penalty for not providing the mandatory disclosure information should be that the non-disclosing party is precluded from offering this information/documents/witness testimony at trial. Further, these fewer-in-number initial disclosures should be promulgated by Rule, and not be subject to the vagaries of postings on the PTO's web site such as noted in proposed Trademark Rule 2.120(a)(1) (see, 71 Fed. Reg. 10, at p. 2505, Col. 3).

Further, proposed Trademark Rule 2.120, unlike Rule 26(e), Fed. R. Civ. P., does not provide for amendments to or supplementation of initial disclosures. In its final promulgation of amended Trademark Rule 2.120, the PTO should provide for the ability and/or the obligation of a party to amend or supplement its initial disclosures up to the opening of the first testimony period, as originally set or as re-set.

Additionally, the discovery and trial schedule proposed by the Board (see, 71 Fed. Reg. 10, at p. 2500, Col. 2) should be promulgated by Rule and should ensure that the parties' initial disclosures will not be due until after the defendant's Answer is filed. This will save parties time and money by not requiring disclosures until after the defendant (by filing its Answer) demonstrates that it has a commitment to defending the Board proceeding. These savings will

not be realized in many default cases under the approach contemplated by the PTO (see, 71 Fed. Reg. 10, at p. 2500, Col. 3, first paragraph).

### **Initial Disclosures and Default or Motions under Rule 12, Fed. R. Civ. P.**

In its discussion of the proposed new Rules, the notice states that “a defendant’s default or the filing of various pleading motions under Federal Rule 12 would effectively stay the parties’ obligation to conference and make initial disclosures.” This should be specified by Rule. AIPLA suggests that Trademark Rule 2.120 be further amended in this regard when the PTO announces its final Rules package for implementation.

### **The Parties’ Discovery Conference**

In its proposal to amend Trademark Rule 2.120(a)(2), the notice does not state what should be discussed in the discovery conference. This should be specified by Rule (see, Rule 26(f)(1) – (4), Fed. R. Civ. P.).

Moreover, proposed Trademark Rule 2.120(a)(1) provides that a “Board Interlocutory Attorney or Administrative Trademark Judge will participate in the conference upon request of any party.” To the extent that the parties wish to discuss settlement during this conference, a Board Interlocutory Attorney or Administrative Trademark Judge other than the person assigned to manage or decide the case should preside over the conference to maintain impartiality and fairness.

### **Joint Discovery Plan/Reports**

The comments provide that the parties “would not have to file a disclosure/discovery plan with the Board, following their discovery conference, unless they were so directed by a participating Board professional.” (see, 71 Fed. Reg. 10, at p. 2501, Col. 1). However, proposed Trademark Rule 2.120(a)(1) provides, in part, that the “provisions of the Federal Rules of Civil Procedure relating to...transmission to the court of a written report outlining the discovery plan, are applicable to Board proceedings...” The comments and proposed Trademark Rule 2.120(a)(1) are inconsistent. Proposed rule 2.120(a)(1) should be amended to state that parties are not required to prepare or transmit to the Board a written discovery plan, unless otherwise ordered by the Board. AIPLA suggests that proposed Trademark Rule 2.120(a)(1) be amended to read, in part:

(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 the Federal Rules of Civil Procedure relating to automatic disclosure, scheduling conferences, conferences to discuss settlement, and to develop a discovery plan, ~~and transmission to the court of a written report outlining the discovery plan,~~ are applicable to Board proceedings in modified form, as noted in these rules and further explained in documents posted on the Web site of the Office. The parties are not required to prepare or transmit to the Board a written report outlining the parties discovery plan, unless otherwise ordered by the Board...

### **Motions to Suspend Proceedings**

The notice contemplates many instances in which the parties may avoid their disclosure obligations by suspending proceedings to discuss settlement (71 Fed. Reg. 10, at p. 2504, Col. 1). However, the notice states that once an Answer is filed, the parties must proceed to their discovery conference (71 Fed. Reg. 10, at p. 2500, Col. 3). The suggestion is that suspension motions filed after the filing of the defendant's Answer will not be granted. This is unwise.

In many cases, it is not until issue is joined by the filing of the defendant's Answer that the parties are in a position to discuss settlement. Forcing the parties to proceed to their discovery conference (during which several matters in addition to settlement will be discussed) would be a waste of the parties' resources and would increase the early expense of a Board proceeding.

### **Initial Disclosures and Summary Judgment**

The notice states that a party may not move for summary judgment *except on claim or issue preclusion grounds* until after it has made its initial disclosures (see, 71 Fed. Reg. 10, at p. 2501, Col. 1). These exceptions are not stated in proposed amended Trademark Rule 2.127(e)(1). AIPLA suggests that, while a party may not move for summary judgment until after it has made its initial disclosures, proposed Trademark Rule 2.127(e)(1) should specify as exceptions the following three types of summary judgment motions: (i) claim preclusion, (ii) issue preclusion, and (iii) lack of subject matter jurisdiction by the Board.

### **Number of Interrogatories**

AIPLA further proposes that each party be allowed a total of 75 interrogatories during the course of discovery. This number of interrogatories is reasonable given the Board's standard for counting interrogatories, including subparts and compound questions. See, Calcagno, C., *TIPS FROM THE TTAB: Discovery Practice Under Trademark Rule 2.120(d)(1)*, 80 TMR 285, 287-289 (June 1990). This way, a party still has the flexibility to use interrogatories as a prime vehicle to obtain discovery useful for its case.

Moreover, the number of interrogatories allowed is directly tied to and impacts the number of discovery depositions needed in a case. In federal court litigation, where the number of interrogatories is limited, it is not uncommon for parties to take multiple discovery depositions. If the rules also limit the number of interrogatories, and retain strict counting standards, the parties will be forced to seek multiple discovery depositions that will significantly increase the cost of proceedings.

### **The Board's Standard Protective Order**

Proposed Trademark Rule 2.116(g) provides that the Board's Standard Protective Order is mandatory and "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." AIPLA understands that the PTO proposes to impose the Board's Standard Protective Order on the parties in anticipation of

complying with the numerous initial mandatory disclosures contemplated. (See, 71 Fed. Reg. 10, at p. 2500, Col. 1, last paragraph, and proposed Trademark Rule 2.116(g), p. 2505, Col. 2).

Many practitioners have found the Board's Standard Protective Order to be cumbersome and difficult to use. The Board's Standard Protective Order does not provide a clear definition of what constitutes "confidential," "highly confidential," or "trade secret/commercially sensitive" information. In addition, the Board's Standard Protective Order allows both the parties and their in-house and outside counsel access to information designated as confidential or highly confidential.

Because the parties often have very different discovery burdens and confidentiality concerns, it is not reasonable to impose a one-size-fits-all Standard Protective Order. Where the parties are direct competitors, for example, good cause exists to restrict access to confidential and/or highly confidential information to only outside counsel of record, or to at least limit access to in-house counsel who are actively engaged in the conduct of the proceeding.

As a result, the parties often negotiate their own protective orders simply to avoid having to use the Board's Standard Protective Order. Individualized protective orders, in many instances, not only take time to negotiate, but require additional time to be approved by the Board. It is not realistic to presume that individualized stipulated protective order can be negotiated and approved by the Board within the 100 days contemplated for initial disclosures. Moreover, the parties should be allowed to file a motion with the Board to seek modification of the Standard Protective Order or entry of an alternative protective order.

Accordingly, AIPLA believes that the PTO should retain the current system of allowing the parties time to negotiate and enter into an individualized stipulated protective order before disclosure of any confidential, highly confidential, or trade secret/commercially sensitive information. At a minimum, if the PTO insists on imposing the Board's Standard Protective Order, Trademark Rule 2.116(g) should be amended to allow any party to move the Board to seek modification of the Standard Protective Order or entry of an alternative protective order. If a party files a motion to seek modification of the Standard Protective Order or entry of an alternative Protective Order, the Board should limit access to all confidential, highly confidential, and trade secret/commercially sensitive information to outside counsel until the motion has been decided by the Board.

However, if the PTO adopts the modest initial disclosures suggested above by AIPLA, the issue of early imposition of a Standard Protective Order becomes moot, and thus the PTO should not adopt proposed Trademark Rule 2.116(g).

### **Pre-trial Disclosures**

The comments to the proposed rules state that the deadline for pre-trial disclosures will be 30 days prior to the opening of the first testimony period. (see, 71 Fed. Reg. 10, at pp. 2500 and 2502). However, the text of proposed Rule 2.121(e) does not set forth any deadline for pre-trial disclosures. AIPLA understands that the 30-day time period is intended to follow Fed. R. Civ. P. 26(a)(3). AIPLA believes, however, that the 30-day period is too long and unnecessary for Board proceedings, and recommends that the proposed rule require pre-trial disclosures 15 days prior to the opening of the first testimony period. This shorter time frame will avoid

unnecessary stipulations and/or motions to reschedule the opening of the testimony periods, and allow the parties sufficient time to prepare and serve pre-trial disclosures.

Thus, Proposed Rule 2.121 should be amended to read, in part:

(a) The Trademark Trial and Appeal Board will issue a trial order setting a deadline for required pre-trial disclosures and assigning to each party the time for taking testimony. The deadline for pre-trial disclosure of witnesses in accordance with § 2.123(e) shall be 15 days before the opening of the initial testimony period....

Proposed Rule 2.121(e) is more extensive than the requirements in Fed. R. Civ. P. 26(a)(3) to the extent that it requires disclosure of "general information about the witness" and a "summary of subjects on which the witness is expected to testify." The requirement for "general information" is vague, and may lead to unnecessary disputes and motion practice. In addition, the requirement for a "summary of subjects" on which the witness is expected to testify is very broad, and could increase the cost of the proceedings to the extent that an extensive summary of witness testimony is required. AIPLA recommends amending Proposed Rule 2.121(e) to clarify that a party need only provide a "general summary of subjects" on which the witness is expected to testify.

In addition, AIPLA recommends that Proposed Rule 2.121(a) be amended to indicate that the "general information" provided about the witness should include the name of the witness's employer and his/her title, if applicable. AIPLA also recommends adding language to clarify that the remedy of a motion to reset the dates in Proposed Rule 2.121(e) is separate from and does not prevent a motion to strike the testimony of a witness under Rule 2.123(e)(3). Thus, Proposed Rule 2.121(e) should be amended to read:

(e) A party need not disclose, prior to its testimony period, any notices of reliance it intends to file during its testimony period. Each party must disclose the name and, if not previously provided, the address of each witness from whom it intends to take testimony, or may take testimony if the need arises, general information about the witness including, if applicable, the name of the employer of the witness and the title of the witness within that entity), a general summary of subjects on which the witness is expected to testify, and a general summary of the types of documents and things which may be introduced as exhibits during the testimony of the witness. Pre-trial 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 pre-trial disclosure. When a party fails to make required pre-trial disclosures, any adverse party or parties may have remedy by way of a motion to the Trademark Trial and Appeal Board to delay or reset testimony periods, provided, however, that such remedy shall be in addition to the remedy of a motion to strike the testimony of a witness pursuant to § 2.123(e)(3).

### **Expert Disclosures**

Proposed Trademark Rules 2.120(a) & (e) provide for the “disclosure of experts.” (see, 71 Fed. Reg. 10, at pp. 2502 and 2505). Both the comments and the proposed Trademark Rules 2.120(a) & (e) use the term “expert” in a general manner, and fail to differentiate between retained consulting/non-testifying experts and retained testifying experts. The proposed rules should not require the disclosure of retained consulting/non-testifying experts.

Moreover, unlike Fed. R. Civ. P. 26(a)(2), the proposed rules do not define what expert information and/or reports need to be disclosed. Does a party comply with the proposed rules by merely identifying the name and address of the expert witness “retained” to give testimony in the case? Does “disclosure” under the proposed rules require a written report prepared and signed by the expert witness? If so, what information must be included in the written report? The proposed rules should clarify what information must be disclosed in order to comply with the expert disclosure requirements of proposed Trademark Rules 2.120(a) and (e).

Further, the proposed deadlines for the close of discovery and expert disclosures do not provide sufficient time for the parties to conduct discovery and determine if an expert is appropriate. Under the proposed rules, discovery closes in 180 days and expert disclosures must be made no later than 90 days prior to the close of discovery. This is typically too early in the discovery period for decisions on testifying experts to be made. The PTO should amend the rules to allow expert disclosure later in the discovery period.

In addition, proposed Trademark Rule 2.120(a)(2) permits expert disclosure at a later date if the expert is retained after the disclosure deadline. However, the rule does not specify under what circumstances it would be acceptable to retain an expert after the disclosure deadline. For example, it may be acceptable to retain an expert after the disclosure deadline if the expert is a rebuttal expert. As currently proposed, however, the rule leaves room for a party to manipulate the disclosure requirements and still make use of an expert by surprise, notwithstanding the stated purpose of the proposed rules. In most federal district courts, the scheduling order sets a separate deadline for plaintiff’s expert disclosure, defendant’s expert disclosure (30-60 days after plaintiff’s disclosure), and plaintiff’s rebuttal expert disclosure (30 days after defendant’s disclosure).

Accordingly, AIPLA recommends that the PTO adopt the expert disclosure system followed by most federal district courts. In particular, AIPLA suggests that expert disclosures should be made after the close of the fact discovery period. The rules should provide three separate expert disclosure deadlines (Plaintiff’s Expert Disclosure Deadline, Defendant’s Expert Disclosure Deadline, and Plaintiff’s Rebuttal Expert Disclosure Deadline) with 30-60 days between them to allow sufficient time for each party to evaluate the disclosures made, depose the disclosed experts (if desired), and retain the necessary responsive experts. See Fed. R. Civ. P. 26(b)(4)(A). The testimony periods should open after the Plaintiff’s Rebuttal Expert Disclosure Deadline.

Finally, proposed Trademark Rule 2.120(e) provides for a motion to “compel” expert disclosure. However, this rule does not provide any relief to the other party if disclosure is made after the expert disclosure deadline. The PTO should clarify that a party has the right to file a motion to strike or preclude expert testimony on the ground of improper or untimely disclosure.

The Honorable Jon Dudas  
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We appreciate the opportunity to provide comments on the proposed rules and are available to assist the PTO in further developing Board practice and procedures.

Sincerely,

A handwritten signature in black ink that reads "Michael K. Kirk". The signature is written in a cursive style with a large, stylized initial "M".

Michael K. Kirk  
Executive Director  
AIPLA