



AN OVERVIEW OF TRADEMARK TRIAL AND APPEAL BOARD OPPOSITION PROCEEDINGS

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INTRODUCTION

The Trademark Trial and Appeal Board (the “TTAB” or the “Board”) is an administrative board for the United States Patent and Trademark Office (the “PTO”) that decides adversary proceedings between two parties involving registration of trademarks with the PTO.

One such adversary proceeding is called an opposition, in which one party (“Opposer”) is able to object to the application of another party (“Applicant”) for registration of a trademark.¹ In such a proceeding, Opposer will typically allege the application should be rejected in whole or in part due to (1) Opposer’s prior use of its own trademark, and (2) the likelihood of confusion between Applicant’s mark and Opposer’s prior mark.

The focus of this overview is on: (1) the relief the TTAB can grant in an opposition; (2) the procedures for filing and prosecuting / defending an opposition; and (3) the appellate rights from an opposition ruling by the TTAB, as well as the ruling’s effect on subsequent trademark infringement litigation.

1. The Administrative Relief Available in an Opposition

There are several distinctions between an opposition and a trademark infringement suit that will be discussed here, but the most important distinction is that prevailing in an opposition *does not* preclude Applicant from using its mark. Instead, if Opposer is successful, the TTAB will reject federal registration of Applicant’s mark. *See* TBMP Rule 102.01 (“The Board is empowered to determine *only the right to register.*”)(emphasis supplied); TBMP Rule 102.02 (“An opposition is a proceeding in which the plaintiff seeks to prevent the issuance of a registration, in whole or in part, of a mark on the Principal Register.”); TBMP Rule 309.03(a)(1) (stating that the Board is only empowered to determine the right to registration of the challenged mark, not the right to use, or broader questions of *infringement* or unfair competition) (emphasis supplied).

a. Opposition can Preclude Important Benefits Gained by Registration

¹ An opposition proceeding is one of the four types of adversary proceedings that can be filed with the TTAB. *See* Trademark Trial and Appeal Board Manual of Procedure (“TBMP”), Rule 102.02.

Although the Board's decision cannot preclude Applicant from using its mark, the refusal to register the mark has several important consequences. Without registration, Applicant will be without the following benefits provided to registered marks under the Lanham Act:

1. A fixed nationwide "priority date" for first use of a mark as evidenced in the application file. (15 U.S.C. § 1057(c).)
2. Prima facie evidence of the mark's validity, registration and the registrant's exclusive right to use the mark in commerce for the goods / services listed in the registration. (15 U.S.C. § 1057(b).)
3. The provision of constructive notice of Applicant's ownership of the mark. (15 U.S.C. § 1072.)
4. The imposition of statutory damages in the case of a counterfeit mark, *i.e.*, an award of damages without requiring an evidentiary showing of monetary damage caused by infringement. (15 U.S.C. § 1117(c); 15 U.S.C. § 1116(d)(B)(1).)
5. The mark may become incontestable after five years of continuous use following its registration. (15 U.S.C. § 1065.)
6. The right to prevent importation of articles with an infringing mark. (15 U.S.C. § 1124.)

b. The Scope of the TTAB's Determination

Another item of distinction in an opposition proceeding is that the scope of the TTAB's determination is constrained by the goods and services listed in the challenged application. TBMP Rule 309.03(a)(1). Therefore, the TTAB looks only to the application to determine the breadth of goods or services offered by Applicant. *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 948, 55 U.S.P.Q.2d 1842 (Fed. Cir. 2000). If Applicant provides additional goods or services not contained within the metes and bounds of the application, those will be irrelevant to the TTAB's determination.

If Opposer also has a registration or pending application, the TTAB will analyze the similarity between the parties' goods or services as defined by the parameters of the parties' respective applications or registration. Any goods or services not contained within Opposer's registration or application will be deemed irrelevant, although there is case law supporting the position that if Opposer specifically pleads such unregistered goods or services give rise to a likelihood of confusion, they will be considered by the Board. *See Odom's Tenn. Pride Sausage v. FF Acquisition, LLC*, 600 F. 3d 1343, 1346 (Fed. Cir. 2010).

In summary, then, although Opposer can cite to all goods or services provided under its mark, if pleaded properly, to challenge the application, the TTAB will only examine the goods or services listed in Applicant's application to make its likelihood of confusion determination.

2. Procedures for Filing and Prosecuting an Opposition

For some beginning context, as with the scope of relief that can be granted, there are also important differences in the way an opposition and a trademark infringement lawsuit are processed. Once filed, the opposition will be overseen by an examining attorney, who will handle the day-to-day administrative duties, including ruling on discovery and other matters. The

actual ruling on the opposition, however, will be rendered by a three-member panel of administrative judges.²

Another important difference is that live testimony is not given in a trial setting. Instead, Opposer gets an opening testimony period to conduct testimonial depositions for its case, Applicant then gets a response testimony period and finally, Opposer gets a rebuttal testimony period. The parties then submit the relevant testimonial deposition transcripts and documentary exhibits, along with “trial briefs” to the panel for review. It is in effect a trial on the briefs citing to important testimony and documentary evidence. A party can also request oral argument before the panel after all briefs have been submitted. Once the panel has received all materials and heard any oral argument, a written decision will be submitted by the panel, generally in about four months.

A final important note is that the TBMP is the chief source of rules and procedures governing the opposition proceeding. It can be accessed on the PTO website at http://www.uspto.gov/trademarks/process/appeal/Preface_TBMP.jsp.³

a. Filing to Start the Opposition and Applicant’s Answer

The statutory basis for an opposition on likelihood of confusion grounds is section 2(d) of the Lanham Act, which provides that registration of a mark must be refused if that mark:

“so resembles a mark registered in the Patent and Trademark Office, or a mark or trade name previously used in the United States by another and not abandoned, as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive.” (15 U.S.C. § 1052(d).)⁴

An opposition commences with the filing of a Notice of Opposition. This pleading must be filed within thirty days of Applicant’s mark being published for opposition by the PTO. TBMP Rule 303.01; 15 U.S.C. § 1063(a). The deadline for filing the opposition is statutory and cannot be waived; therefore, if not filed within the 30-day deadline or a Board-ordered extension of same, the opposition will be rejected as untimely. TBMP Rule 306.04.⁵

The notice of opposition must contain the following substantive allegations: (1) an allegation of standing; and (2) a short and plain statement of the grounds for opposing registration of the challenged mark. TBMP Rule 309.03(a)(2).

In order to have standing to file an opposition, Opposer must believe it would be damaged by registration of Applicant’s mark. This is a low standard satisfied by pleading, and subsequently providing sufficient proof of, a “real interest” in the proceeding. *See Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 1028-29, 213 U.S.P.Q. 183, 185 (C.C.P.A.

² There are currently 23 total TTAB administrative law judges.

³ Although the PTO states the TBMP does not modify existing statutes or rules and is not binding upon the TTAB or the PTO, the TBMP is comprised of relevant provisions in the Lanham Act, Title 37 of the Code of Federal Regulations Part 2, the Federal Rules of Civil Procedure (the “FRCP”) and decisional law on trademarks, so the chances of deviations between the TBMP and any governing law are slim.

⁴ Other grounds for opposing registration of a mark are listed in TBMP Rule 309.03(c) and include that the mark is merely descriptive or that the mark would dilute Opposer’s famous mark.

⁵ In such a case, the would-be Opposer is not wholly without a remedy; it could file a cancellation proceeding to cancel the mark after it has been registered. 15 U.S.C. § 1067.

1982); TBMP Rule 309.03(b) (a likelihood of confusion claim that is not wholly without merit is sufficient to confer standing). A “real interest” is demonstrated by showing a real commercial interest by Opposer in its own mark and by providing a reasonable basis for its belief it would be damaged by the registration of Applicant’s mark. *Id.*

Second, Opposer must plead the grounds for its opposition, which in the scenario addressed here include: (1) its prior commercial use of a mark and (2) Applicant’s mark is confusingly similar to that prior mark. TBMP Rule 309.03(c). To plead priority, Opposer must allege facts showing proprietary rights in its mark that are prior to the filing of Applicant’s application. *Id.*; *Herbko International, Inc. v. Kappa Books, Inc.*, 308 F.3d 1156, 1162, 64 U.S.P.Q.2d 1375, 1378 (Fed. Cir. 2002) (prior use of opposer’s mark in commerce sufficient to confer priority in opposition proceeding). The pleading standard for alleging likelihood of confusion is not rigorous in an opposition. The TBMP expressly provides that likelihood of confusion can be pled either directly or “hypothetically” – which essentially means Opposer can plead in conclusory fashion that the marks are similar enough that registration of Applicant’s mark will lead to confusion. TBMP Rule 309.03(c).⁶

After Opposer files and serves⁷ the Notice of Opposition, the TTAB will prepare an institution order notifying Applicant of the filing. The order will include the time for Applicant to file its answer, which is no less than thirty days from the date of the notification. TBMP Rule 310.03(a); 37 C.F.R. § 2.105. Applicant must set forth all its affirmative defenses in its answer or seek to amend the answer in a timely fashion, as defenses which are not alleged are deemed waived by the TTAB. TBMP Rule 311.02.

The institution order sets forth a variety of other dates for the proceeding: the deadline for the discovery conference, initial and expert disclosures, the opening and closing dates for the discovery period and the dates for pretrial disclosures. TBMP Rule 310.01; 37 C.F.R. § 2.120(a).

b. Likelihood of Confusion Factors in an Opposition

Before delving into the discovery procedures for an opposition, listed below are the likelihood of confusion factors the TTAB considers, and that will be explored by the parties during discovery. The factors are similar to those for a civil trademark infringement lawsuit. The TTAB can review each of the factors below for its analysis, or it can make its determination based on any subset of factors it finds determinative:

1. The similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation, and commercial impression.
2. The similarity or dissimilarity and nature of the goods described in an application or registration or in connection with which a prior mark is in use.
3. The similarity or dissimilarity of established, likely-to-continue trade channels.
4. The conditions under which and to whom sales are made, *i.e.*, “impulse” vs. careful, sophisticated purchasing.
5. The fame of the prior mark.

⁶ TBMP Rule 309.03(c) also lists over twenty examples of grounds for seeking to oppose or cancel an Applicant’s mark.

⁷ TBMP Rule 309.02(c)(1) addresses service of the Notice of Opposition on Applicant, which is to be served per the requirements of 37 C.F.R. § 2.119.

6. The number and nature of similar marks in use on similar goods.
7. The nature and extent of any actual confusion.
8. The length of time during and the conditions under which there has been concurrent use without evidence of actual confusion.
9. The variety of goods on which a mark is or is not used.
10. The market interface between the applicant and the owner of a prior mark.
11. The extent to which applicant has a right to exclude others from use of its mark on its goods.
12. The extent of potential confusion.
13. Any other established fact probative of the effect of use.

In re E.I. du Pont Nemours & Co., 476 F.2d 1357, 1361 (C.C.P.A. 1973).

c. Written and Oral Discovery; Expert Discovery

For discovery in an opposition, the Federal Rules of Civil Procedure (“FRCP”) apply unless otherwise provided in 37 C.F.R. § 2.120. In general, the discovery regimes in an opposition and in civil litigation are quite similar, with a few distinctions. For example, the discovery conference outlined in TBMP Rule 401.01 tracks a civil litigation conference quite closely, but the parties are not required to file a discovery conference statement with the TTAB as they would with a court in a civil case.

The institution order will provide for a discovery period that is 180 days long unless the parties agree otherwise and attain an order amending the timeline. TBMP Rule 403.01. The parties then exchange initial disclosures no later than thirty days after the opening of the discovery period, identifying relevant witnesses and documents (but not insurance coverage) pursuant to FRCP 26(a). TBMP Rule 401.02.

The scope of discovery is the same as that in a civil action: any relevant matter that is not privileged is discoverable, with limitations on discovery requests that are unreasonably burdensome. TBMP Rules 402.01, 402.02.

Written discovery is generally handled much as it would be in a civil action. Responses to requests for production, interrogatories⁸ and requests for admissions are due thirty days after service, with an additional five days provided if served by any form of mail. TBMP Rule 403.03; 37 C.F.R. § 2.120(a). Any written discovery must be served prior to the closing date of discovery. TBMP Rule 403.02; 37 C.F.R. § 2.120(a)(3). But although discovery responses may be received after the closing date, in practice it is highly advisable to ensure all written discovery is answered during the discovery period so the propounding party can follow up on any discovery responses as necessary. *See* TBMP Rule 403.05(a).

Oral deposition testimony is also governed similarly to a civil action, and may be taken of a party or non-party. TBMP Rules 404.01, 404.02; FRCP 30(a). Oral depositions must be both noticed and taken during the discovery period unless the parties stipulate otherwise or the Board

⁸ Parties are allowed a higher number of interrogatories (75) in an opposition proceeding than in a federal civil action. TBMP Rule 405.03(a).

enters an order granting an exception. TBMP Rule 403.02. As mentioned previously, certain witnesses will also be deposed after the close of discovery for testimonial depositions during the testimony period. The TBMP outlines the differences between discovery deposition testimony and trial deposition testimony in Rule 404.09.

Finally, expert disclosures are treated just as they would be in a civil case under FRCP 26(a)(2) unless the Board issues an order amending disclosure, discovery or trial dates. Therefore, the expert disclosures are typically due thirty days before the close of discovery. TBMP Rule 401.03; 37 C.F.R. § 2.120(a)(2).

d. The Testimony Period

The testimony period is where the procedure for an opposition diverges most from a civil trademark infringement action. The chief difference is that the panel of administrative judges are not present for any live testimony. Instead, evidentiary testimony is taken outside the presence of the Board via deposition, with counsel for the parties taking turns with direct, cross and re-direct examinations. TBMP Rule 102.03.

The testimony periods are set by the institution order and proceed as follows: Opposer has thirty days for its opening testimony period, Applicant has thirty days for its response testimony period and Opposer then has fifteen days for its rebuttal testimony period. TBMP Rule 701; 37 C.F.R. § 2.121(c). Opposer's opening testimony period begins sixty days after the close of discovery. Each party must submit a pretrial disclosure fifteen days prior to the beginning of its particular testimony period, and there are thirty days between the close of one testimony period and the opening of the next period. Therefore, the testimony periods after close of discovery will run along the following timeline.

1. 45 days after close of discovery; Opposer's pretrial disclosures due;
2. 60 days after close of discovery; Opposer's testimony period opens;
3. 90 days after close of discovery; Opposer's testimony period ends;
4. 105 days after close of discovery; Applicant's pretrial disclosures due;
5. 120 days after close of discovery; Applicant's testimony period opens;
6. 150 days after close of discovery; Applicant's testimony period ends;
7. 165 days after close of discovery; Opposer's rebuttal disclosures due;
8. 180 days after close of discovery; Opposer's rebuttal testimony period opens;
9. 195 days after close of discovery; Opposer's rebuttal testimony period ends.

See 72 Fed. Reg. at 462245.

Pretrial disclosures in an opposition proceeding are governed by FRCP 26(a)(3). TBMP Rule 702.01.⁹ The disclosure must list the name, address and telephone number of each witness providing deposition testimony, the relation of that witness to the party, the general topics of testimony and a summary or list of the types of documents upon which the witness will provide testimony. TBMP Rule 702.01; 37 C.F.R. § 2.121(e). In addition to the pretrial disclosure, a

⁹ The one exception to this is the party need not disclose each and every document to be introduced at "trial" as required by the FRCP.

party must serve a proper Notice of Examination for taking a witness's testimony as well. TBMP Rule 702.01; 37 C.F.R. § 2.123(c), 2.124(b). If the pretrial disclosures are not provided or are inadequate, the opposing party may move to strike any subsequent testimony. TBMP Rule 702.01; 37 C.F.R. § 2.121(e)(3).

Much of the evidence in an opposition proceeding is submitted in the form of the testimony depositions and the exhibits to same. *See, e.g.* TBMP Rule 703.01(a). A notice of examination is required prior to taking the deposition, which will be done before a court reporter and signed by the witness after review. TBMP Rules 703.01(e), (g), (j).

The TBMP requirements for the form of the deposition are quite specific, with the caveat that the TTAB can refuse to consider any deposition that does not conform to the rules. TBMP Rule 703.01(i). Your court reporter should be informed that the name of the witness must appear at the top of *each* page of the transcript. TBMP Rule 703.01(i); 37 C.F.R. § 2.123(g)(2). Exhibits must be marked with the number and title of the opposition, as well as with the name of the party offering the exhibit. TBMP Rule 703.01(i); 37 C.F.R. § 2.123(g)(2).

Another important requirement is that the testimony deposition transcript, together with copies of all exhibits, must be served on the other party within 30 days of the completion of taking that testimony. TBMP Rule 703.01(m); 37 C.F.R. § 2.125(a). Failure to do so can lead to the re-setting of the trial testimony periods or even the striking of testimony, if the party disobeys and order from the TTAB to serve the transcript. *Id.*

In addition to deposition testimony and exhibits, a party may submit evidence in the form of a Notice of Reliance filed with the TTAB during the party's testimony period. The Notice of Reliance will include the material sought to be introduced, as well as a cover pleading describing each item of evidence and its purported relevance to the proceeding. TBMP Rule 704.02. The most common types of materials submitted via Notice of Reliance are: (1) the pertinent applications or registrations; (2) the opposing party's discovery responses; (3) certain documents produced by the opposing party which are not used as exhibits in deposition testimony; (4) pertinent portions of the opposing party's discovery depositions; and (5) certain printed materials, including internet materials¹⁰ or official records.

e. The Trial Briefs; Oral Hearing

Opposer's trial brief is due to be filed with the Board sixty days after the close of its rebuttal testimony period. Applicant can then file a response brief thirty days after that and Opposer a reply brief fifteen days after that. TBMP Rule 801.02(a)-(c); 37 C.F.R. § 2.128(a)(1).

The main briefs cannot be longer than fifty-five pages, and the reply brief cannot be longer than twenty-five pages. TBMP Rule 801.03; 37 C.F.R. § 2.128(b). Briefs must include a listing of the evidentiary record, including depositions conducted and notices of reliance submitted, statements of the issues and facts, and other categories listed in the rules. *Id.*

The trial brief is the time to present the Board with a coherent picture of the party's case, and should synthesize the legal arguments with citations to the evidentiary record. Extensive reproduction of the evidentiary record in the body of the brief is not advisable; there is no need to

¹⁰ There are a host of specialized rules for determining what type of material from the internet is admissible, which should be reviewed by counsel closely prior to submitting evidence. *See* TBMP Rule 704.08(b).

consume space with materials already in the record. Note also that the only permissible exhibits to the briefs are those documents which were properly introduced into evidence during the testimony periods. *See* TBMP Rule 704.05(b).

During the briefing period, a party will also file objections to the evidence presented by the opposing party. The objections can be set forth in the party's trial brief or (more advisable for space-saving purposes) in a separate statement of objections. TBMP Rule 801.03; 37 C.F.R. § 2.128(b). Objections to testimony and exhibits are raised first during the deposition itself, of course, but if those objections are not also raised in writing during the briefing period, the Board will consider them *waived*. TBMP Rules 707.03(c), 707.04.

Either party may request an oral hearing on the opposition by filing a timely request for same no later than ten days after the final brief in the proceeding is filed. TBMP Rule 802; 37 C.F.R. § 2.129. The oral argument is heard in Alexandria, Virginia before the three-member panel that will decide the opposition. TBMP Rules 802.03; 802.04. Each party is allowed thirty minutes of time for oral argument.

3. Appeals from Opposition Rulings and Impact on Trademark Infringement Claims

a. Appeals

A party may appeal an adverse ruling in an opposition to the United States Court of Appeals for the Federal Circuit by filing a notice of appeal with the PTO, or the party may waive the right to such appeal and instead file a civil action in federal district court to "appeal" the decision, with either filing to occur not less than sixty days after the decision was rendered. TBMP Rule 901; 37 C.F.R. § 2.145; 15 U.S.C. § 1071(a)(2). The civil action may generally be brought in any federal district court with personal jurisdiction over the adverse party; in cases of multiple defendants residing in differing districts or foreign defendants, the action may be filed in the District Court of the Eastern District of Virginia. TBMP Rule 903.03; 15 U.S.C. § 1071(b).

An important note here is that the adverse party can require the appellant to move from the Court of Appeals to the filing of a new civil action with the district court by filing an election to have all further proceedings conducted in district court no more than twenty days after appellant files its notice of appeal with the PTO. TBMP Rule 901; 37 C.F.R. § 2.145(c); 15 U.S.C. § 1071(a)(1). The appellant has thirty days from the date of that election to file the civil action. *Id.* The adverse party can also file a cross-appeal within fourteen days of the filing of the notice of appeal or within sixty days of the decision, whichever is later. TBMP Rule 901; 37 C.F.R. § 2.145(d).

An appeal of the decision to the Court of Appeals, like any other appeal, does not allow for the provision of new evidence, whereas a new civil action in the district court does allow for the parties to submit new evidence. TBMP Rule 906.01; 15 U.S.C. § 1071(a)(4).

b. Effect of Board Decision on Trademark Infringement Action

The general weight of authority is that an adverse decision for Opposer in an opposition does not preclude on collateral estoppel grounds the filing of a trademark infringement action in civil court. The cases holding that collateral estoppel does not arise from a TTAB decision have relied upon the facts that: (1) the issues being decided in the administrative and civil action are not the same, as marketplace usage of the marks is not given the same weight by the TTAB in an opposition as it is by a court in a civil action; and (2) the regulatory framework for an “appeal” of a Board ruling to the district court allows for submission of new evidence, indicating congressional intent that collateral estoppel should not apply. *See, e.g. B & B Hardware, Inc. v. Hargis Industries, Inc.*, 716 F.3d 1020, 1024-26 (8th Cir. 2013) (difference in trademark factors being analyze and difference in emphasis given to particular factors dictated that the issue sought to be determined was not the same in both actions, and collateral estoppels could not apply); *American Heritage Life Ins. Co. v. Heritage Life Ins. Co.*, 494 F.2d 3, 9 fn. 3 (5th Cir. 1974) (statute’s allowance of a appeal to district court from TTAB decision as a trial *de novo* indicates congressional intent not to invoke collateral estoppel in connection with TTAB proceeding); *but see Jean Alexander Cosmetics, Inc. v. L’Oreal, USA Inc.*, 458 F.3d 244, 255-56 (3rd Cir. 2006) (party bound by ruling in cancellation proceeding of no likelihood of confusion in subsequent trademark infringement action).

The lack of a conclusive answer in this area, and the numerous deviations in procedural postures that can occur in these types of proceedings dictate that any party should carefully consider whether an opposition will have a collateral estoppel effect, although such consequence can be mitigated by timely filing an appeal to the federal district court to allow for a determination based on the record and new evidence as well.

CONCLUSION

An opposition proceeding bears marked similarities to a trademark infringement action, but knowing and navigating the disparities between the two will be important in maximizing the chances for success in such a proceeding, which may have significant consequences on a company’s use of important intellectual property.

DISCLAIMER:

The information provided in the article does not constitute legal advice and is not intended by the author to do so. In addition, the publication date of this article is December 2013 and the authorities cited herein are current as of that date only.

Persons in need of legal advice related to a subject discussed in this article should contact an attorney who is qualified to practice in that area of law.