

New Proceedings Provide Additional Methods for Challenging Registered Trademarks

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Trademarks (sometimes simply referred to as “marks”) impact nearly every business and they serve a crucial role in helping consumers identify your goods and services as opposed to your competitor’s.

Because trademarks are key to your brand, it is crucial that the Trademark Register (which is the official list of federal registered trademarks) accurately reflects marks that are currently in use. The starting place in obtaining a federal registration of a trademark (which provides a registrant with nationwide coverage and protection) is filing a trademark application with the United States Patent and Trademark Office (USPTO). Unfortunately, in recent years, the USPTO has experienced an increase in fraudulent trademark applications, straining the accuracy of the Trademark Register and raising concerns that the number of unclaimed trademarks will be depleted, thereby preventing legitimate businesses from registering their marks.

These concerns prompted Congress to pass the Trademark Modernization Act, or “TMA,” amending the Trademark Act of 1946. Among other changes, the TMA established two new legal proceedings: (1) re-examination proceedings, and (2) expungement proceedings. Both of these procedures became available on December 18, 2021. These proceedings provide new mechanisms for removing a registered mark from the Trademark Register—or removing a registration as to particular goods or services—when the mark’s owner has not used the mark in commerce as of the deadlines set by the TMA.

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Both re-examination and expungement are meant to be more efficient and less expensive alternatives to filing a contested trademark cancellation proceeding with the Trademark Trial and Appeal Board (TTAB), the long-standing administrative proceedings applicants have traditionally used to oppose fraudulent applications or cancel existing registrations. In many ways, TTAB proceedings mirror ordinary litigation; the proceedings can be extremely expensive, last several years, and are even presided over by judges. Re-examination and expungement are useful methods for eliminating unused trademarks that might impede a company's or individual's pending trademark application without resorting to typical litigation proceedings. For those who already own registered trademarks, passage of the TMA serves as a reminder to routinely review trademark portfolios to confirm that trademarks are indeed used to brand the goods and services covered by the existing registration.

Re-examination Proceedings

A re-examination proceeding can be used to request removal of a trademark from the Trademark Register that was not used in commerce by the date that the USPTO mandated that the registrant file its proof of use. For example, if a trademark application was filed (and granted) based on an intent to use the trademark by a certain date, but was not used by that date, then a re-examination proceeding could be used to challenge such a registration. Petitions for re-examination must be filed within five years of a mark's registration.

Expungement Proceedings

By contrast, an expungement proceeding may be brought to request removal of a trademark that has *never* been used in commerce. An expungement proceeding may also be brought to cancel a trademark registration in part, to the extent the mark was registered for goods and services for which it has never been used. Until December 27, 2023, any registration that is at least three years old may be subject to expungement. Thereafter, an expungement proceeding must be initiated at least three years and no more than ten years after the mark's registration.

Initiating and Responding to Re-examination and Expungement Proceedings

Re-examination and expungement proceedings are not mutually exclusive; in some instances, it may be possible to invoke both mechanisms to challenge a single registration if the proceeding is initiated within three to five years after the mark's registration and the challenger claims that the mark was not used by the relevant date *and* has never been used in commerce. Using this strategy, a mark that withstands expungement may still be removed through re-examination. Either proceeding, however, can be initiated by any person—regardless of whether the petitioner is interested in registering a mark of their own—or by the Director of the USPTO. When a petitioner initiates a proceeding for re-examination or expungement, the petitioner must submit verified testimony or other evidence to establish a valid case of nonuse, accompanied by a sworn statement describing the petitioner's "reasonable investigation of nonuse"—which should identify the steps of the petitioner's investigation, sources of information, how and when the

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petitioner conducted their search, and what information the search produced, as well as a \$400 filing fee for each class of goods or services they seek to target.

If the USPTO decides the petition presents a valid case of nonuse, the USPTO will institute a proceeding and the registrant will have the opportunity to respond. At this point, the registrant has two options. First, the registrant may choose to delete the challenged goods or services from its registration for a cost of \$250 per class of goods or services for which the mark is registered. If all of the challenged goods or services are deleted, the proceeding is terminated. Otherwise, if the registrant does not voluntarily delete the goods or services at issue, the registrant may choose to prove use through the submission of evidence and sworn statements and must also identify for the USPTO a company contact representative, address of domicile, and an email address for further correspondence.

If the Director determines that the registrant has proven use in connection with the challenged goods or services, the Director will terminate the proceeding, and the same proceeding cannot again be initiated with respect to the challenged goods or services. However, an unsuccessful challenger still may be able to seek further relief through a cancellation proceeding at that point. Alternatively, if the registrant does not respond or fails to prove use, the USPTO will recommend that the registration be cancelled in whole or in part, as appropriate. The registrant then has three months to request reconsideration or appeal to the TTAB.

If you have any questions about initiating or responding to a re-examination or expungement proceeding, please do not hesitate to contact one of the members of Koley Jessen's Intellectual Property Practice Area, which include Roberta Christensen, Daniel Fischer, John Matson, and Emily Coffey.