New Year’s resolutions

Jennifer Fraser, partner at Novak Druce Connolly Bove & Quigg LLP suggests a resolution for all trademark applicants: Document your intent to use the mark in the United States or your application could be at risk.

In 2013, the Trademark Trial and Appeal Board (TTAB) at the US Patent and Trademark Office (USPTO) decided several cases illustrating that applicants should have contemporaneous documents showing their efforts to use the mark in the United States for all the goods and services identified in the application. What might also surprise some applicants is that this applies to US and non-US applicants alike, including those seeking protection in the United States based on a home-country registration under Section 44 or under Section 66 of the Trademark Act, as well as those filing under Section 1(b). In the absence of corroborating documentation showing an applicant’s bona fide intent to use the mark in commerce for all the goods and services, an application could be considered void.

This past year, the TTAB has provided some significant clarification of what evidence does and does not support the claim of a bona fide intent to use the mark in commerce when such intent has been challenged in inter partes cases at the TTAB. Absent documentation such as business plans or marketing efforts, the TTAB has rendered such applications void or, in some situations, rejected the application for the particular goods/services.

When filing an application in the United States based on Section 1(b), or Section 44 or Section 66 (a home-country application or registration, or through the Madrid Protocol), an applicant is required to state it has a bona fide intent to use the mark in commerce for all of the identified goods/services. Specifically, Section 1(b) of the Trademark Act, 15 U.S.C. §1051(b), provides that an applicant may file an application based on a bona fide intention to use a mark in commerce “under circumstances showing the good faith of such person.” Such a verified statement of an applicant’s bona fide intention to use the mark in commerce must also be included in applications under §44 and 66(a). As explained in the Trademark Manual of Examining Procedure Section 1101, generally, an applicant’s declaration of a bona fide intention to use the mark in commerce will be sufficient evidence of good faith during examination, unless there is clear evidence to the contrary, but typically, such challenges to intent arise in opposition and cancellation proceedings at the TTAB.

Evidence of intent

When challenged in an inter partes case, the applicant has to provide objective evidence of its bona fide intent to use the mark in US commerce. Objective evidence is usually in the form of documentary evidence and must be for all of the goods and services in the application. As explained by the TTAB in PRL USA Holdings, Inc. v Rich C. Young, “(a)n applicant’s bona fide intent to use a mark must reflect an intention that is firm, though it may be...”

Résumé

Jennifer Fraser, Novak Druce Connolly Bove & Quigg LLP

Jennifer is a Partner and co-chair of the firm’s Trademark and Copyright Section. She has been recognized as a leading trademark practitioner in the Washington, DC area by World Trademark Review, and has been a Top 100 filer of U.S. trademark applications nationwide for the past few years. Jennifer represents clients in a variety of areas including trademarks and trademark and copyright litigation. Her practice focuses primarily on the selection, use and enforcement of trademarks including prosecuting U.S. and foreign applications, litigating rights before the courts and the Trademark Trial and Appeal Board, and resolving domain name disputes.

This past year, the TTAB has provided some significant clarification of what evidence does and does not support the claim of a bona fide intent to use the mark in commerce when such intent has been challenged in inter partes cases at the TTAB.
was not sufficient. The applicant also failed to produce any evidence stated it would proceed with planning if the application was approved does not have “any business planning yet.” The applicant did not have applicant repeatedly explained it was in “intention to use status” and ceased any efforts when the opposition was filed. The TTAB did which had never been done before by the company, and no steps to produce the goods weighs against finding a lack of bona fide intent, but cautioned each case is decided on the individual circumstances and proceed to declare the entire IWATCH application void. The TTAB explained the timing of the documentary evidence is not dispositive so some evidence after filing could be contemporary evidence of intent but the TTAB still found that the applicant’s efforts were insufficient.

Is the entire application void or can it be amended?

In another precedential decision, Syndicat Des Proprietaires Viticulteurs De Chateauneuf-Du-Pape v Pasquier DesVignes, the Board added clarity to the open issue as to whether the entire application would be declared void ab initio, or whether certain goods/services could remain in the application or registration. On the facts of that case, where the applicant’s counsel agreed to amend the application to the goods for which there was a demonstrable intent, the application was allowed for such goods and the opposition to the other goods for which there was no intent was sustained. However, this case should be read in connection with the 2011 precedential case, Spirits International, B.V v S.S. Taris Zeytin Ve Zeytinyagi Tarim Satis, where the challenger did invoke a lack of a bona fide intent, and the TTAB has stated the issue of intent is unsuited to early disposition by a motion for summary judgment and, if there are disputed facts, the motion will be denied. That said, if there are admissions or a lack of documentary evidence, an opposite can establish a prima facie case and prevail on a summary judgment motion, as was done in PRL USA Holdings, Inc. The new procedures at the TTAB might allow the parties to choose Accelerated Case Resolution (ACR) to permit the TTAB to decide disputed facts on its own, but ACR requires the consent of both parties. In Syndicat Des Proprietaires Viticulteurs De Chateauneuf-Du-Pape v Pasquier DesVignes, the lack of bona fide intent was initially pleaded in the Notice of Opposition and the red flag appeared to be an amendment to the goods in response to the Examiner’s request (the Examiner requested amendment of “spirits” to “distilled spirits” for the mark CHEMIN DES PAPES). Accordingly, practitioners should also be wary of merely adopting the Examiner’s suggestions if such an amendment might affect the legitimacy of the applicant’s intent.

Conclusions

While the 2013 cases at the TTAB suggest a range of evidence and testimony that may or may not support a bona fide intent to use, in 2013 the TTAB suggested the following might not be sufficient to show intent to use: • the capacity to manufacture, if other facts suggest a lack of intent, • a trademark search prior to filing, • efforts several years later that are not considered contemporaneous, • waiting for USPTO approval to begin developmental efforts, • adding goods/services, such as “parts” that might be included, • filing an application, • uncured testimony, and • a lack of an explanation for no documentation. As with most legal issues, there is no bright line test and other factors might be present to support or corroborate a bona fide intent to use the mark in commerce, but it is clear documents should be developed and retained and merely an idea, or an attempt to reserve a mark, is not sufficient.