

DISCOURAGING FRIVOLOUS CLAIMS IN TRADEMARK OPPOSITION PROCEEDINGS: A POLICY PROPOSAL TO THE UNITED STATES PATENT AND TRADEMARK OFFICE

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Table of Contents

I. Introduction and Summary of Proposal.....	3
II. Background	4
A. Entity Behavior in TTAB Opposition Proceedings	4
B. Data Analysis	6
C. Beyond Data: An Anecdote.....	7
III. Second Look Review	9
A. Proposed Review Procedure	9
B. Proposed Language and Alternatives	10
IV. Fee Shifting: A Statutory Avenue to Discourage Frivolous Claims	11
A. Fee Shifting in TTAB Proceedings Helps Solve the Problem	11
B. How Fee Shifting Works in Litigation.....	12
C. Functionality of Fee Shifting in the TTAB.....	12
V. Conclusion	12
Appendix A: Proposed TTAB Manual of Procedure Language.....	14
Appendix B: Random Sampling: TTAB Docket	15
Appendix C: Big v. Small Companies: Judgments by Default.....	19

I. Introduction and Summary of Proposal

The United States Patent and Trademark Office's (PTO) current trademark opposition process poses significant financial hurdles to successful trademark registration for small and large businesses alike. This white paper proposes two changes to trademark examination and Trademark Trial and Appeal Board (TTAB) proceedings to make the trademark opposition process more efficient and fair: Second Look Review and fee shifting. While the authority for fee shifting requires statutory change, the PTO retains the appropriate authority to implement Second Look Review procedures.

This paper begins with a look at underlying data and background information about the current state of frivolous claims, trademark bullying, and inefficiencies in trademark proceedings, including the pervasiveness of bullying in the trademark opposition process through data analysis from TTAB records and statements from real-world victims of trademark bullying. The PTO has defined trademark bullying as “the practice of a trademark holder using litigation tactics in an attempt to enforce trademark rights beyond a reasonable interpretation of the scope of the rights granted to the trademark holder.” While the PTO has acknowledged the problems associated with trademark bullying in litigation,¹ trademark bullying and otherwise frivolous claims also create significant costs and inefficiencies within the TTAB opposition process. Our research indicates that trademark bullying and otherwise frivolous opposition claims are a real problem facing small businesses and entrepreneurs who are seeking to register legitimate trademarks. Often, these smaller companies simply cannot bear the financial burden of defending an opposition—on average, around \$80,000—under the PTO's current rules. Even parties that have the ability to bear these costs can still benefit from a more streamlined and efficient trademark opposition process, especially when faced with so-called “trademark trolls”—that is, smaller entities looking to enforce their trademark rights beyond a reasonable scope of the rights granted to them, in an attempt to extort larger entities into settling or licensing. Our proposals would mitigate these costs, benefitting both large and small trademark holders and making the opposition process more efficient for the PTO.

To address the burden associated with defending trademark oppositions, especially frivolous oppositions meant simply to prevent another company from gaining a foothold in a certain market, we propose that the PTO implement a pre-opposition “Second Look Review” procedure, which would allow trademark holders and other interested parties to request that the examining attorney who approved the trademark application take a “second look” at the application in light of evidence presented by the parties. After giving both the applicant and the potential opposer an opportunity to submit short and plain statements in support of their arguments, the examining attorney would then review the statements presented and make a determination on the merits. While either party could choose to appeal the Second Look Review

¹ See U.S. Patent and Trademark Office, *Report to Congress: Trademark Litigation Tactics and Federal Government Services to Protect Trademarks and Prevent Counterfeiting* (April 27, 2011) available at http://www.uspto.gov/ip/TMLitigationReport_final_2011April27.pdf.

to the TTAB, the TTAB could consider the disposition of the Second Look Review in reaching a determination.

The Second Look Review would both identify frivolous claims before the opposition process and inexpensively provide parties with additional information about their likelihood of success should they choose to appeal an examining attorney's determination to the TTAB. This mechanism could also work to disincentivize incumbent trademark holders from taking claims all the way through TTAB opposition proceedings simply to police a mark or satisfy a vigorous defense of its trademark.

Second, we propose that Congress implement a statutory fee-shifting mechanism for frivolous opposition suits before the TTAB. Current patent regulations allow for similar sanctions for parties who file frivolous patent oppositions in litigation. Because the PTO does not currently have the authority under the Lanham Act to incorporate fee-shifting procedures into TTAB proceedings, we have included within this paper an argument that the PTO or other parties might make to Congress to obtain an explicit grant of this authority. We believe implementing fee shifting within TTAB will encourage attorneys to take opposition cases on a contingency basis, alleviating some of the burden on the many trademark applicants who cannot afford legal representation.

We believe that a Second Look Review mechanism, coupled with fee-shifting authority, would provide a balanced approach to eliminate the incentives for companies or other entities to engage in frivolous-claim practices while allowing incumbent trademark holders an easier avenue to defend potential threats to their trademarks. Furthermore, these proposals would help ensure that only legitimate oppositions from committed parties are admitted to the TTAB docket, which would increase efficiency within the PTO.

II. Background

In this section we examine the current state of trademark bullying and otherwise frivolous opposition claims and how they lead to inefficiencies in TTAB opposition proceedings, even when a trademark holder is simply trying to police its mark. We begin with a discussion of the opposition process within TTAB, including the costs of oppositions and the incentive for incumbent trademark holders to frequently oppose trademark applications. Next, we present our findings from a random sampling of TTAB oppositions, including data on the size of each party and outcome of each opposition. Finally, we provide anecdotes from victims of trademark bullying in the opposition process.

A. Entity Behavior in TTAB Opposition Proceedings

The TTAB has its roots in the Lanham Act, the key federal statute that governs all federal trademark law. The relevant section of the Lanham Act states that “[i]n every case of . . . opposition to registration . . . the Director . . . shall direct a Trademark Trial and Appeal Board

to determine and decide the respective rights of registration.² Thus, the TTAB was created and is empowered by statute.

When it comes to opposition proceedings, the Lanham Act provides that “[a]ny person who believes that he would be damaged by the registration of a mark upon the principal register, including as a result of dilution under section 43(c) [15 U.S.C. 1125(c)], may, upon payment of the prescribed fee, file an opposition in the Patent and Trademark Office.”³ This means that any time a party believes it may be damaged by a trademark application being registered, the only way to oppose that mark under the current system is to file an opposition with the TTAB and commence a full opposition proceeding.

Once an opposition proceeding has commenced in the TTAB, it largely follows the roadmap of federal litigation. There are initial filings, discovery, briefing and argument.⁴ The main difference between federal litigation and TTAB proceedings is that TTAB proceedings are conducted entirely by mail—unless both parties agree to oral arguments.

While TTAB proceedings are less expensive than federal trademark litigation, they still impose significant costs, including discovery conferences and other legal fees. The median cost to a party in a TTAB opposition proceeding is \$80,000.⁵ The median cost to get through discovery alone is \$50,000.⁶ This can be prohibitively expensive to small businesses and entrepreneurs. For 91% of small business owners, the cost of an \$80,000 opposition is more than half of their annual household income, and 59% of small business owners report a household income of less than \$80,000.⁷

Since many small business owners cannot afford to pay an attorney \$80,000 to defend their trademark, even if they have a very strong case, business owners will often simply abandon their trademark application when faced with a threat of TTAB proceedings.⁸ This allows large firms to file frivolous oppositions, betting on the fact that the trademark applicant will not have the resources to go through TTAB opposition proceedings. Frivolous opposers take advantage of TTAB proceedings to bully small businesses and entrepreneurs. However, small businesses and entrepreneurs can be unreasonably hurt by good faith oppositions as well. Lastly, even small businesses can take advantage of TTAB proceedings in order to try and squeeze settlements or licensing deals out of larger businesses.

One of the main reasons for trademark holders to oppose new trademark applications is to show a “vigorous defense” of their trademark(s). Under the standard first set forth in *Amstar Corporation v. Domino’s Pizza, Inc.*, federally-registered trademark holders have the duty to defend their trademark(s) by opposing and suing other firms that use a similar mark to their federally

² 15 U.S.C. § 1067(a).

³ 15 U.S. Code § 1063 – Opposition to Registration.

⁴ TBMP § 102.03 (2014).

⁵ American Intellectual Property Association, Report of the Economic Survey, 2013, p. 35.

⁶ *Id.*

⁷ Janet Attard, *How much do small businesses really earn?*, BUSINESSKNOWHOW, <http://www.businessknowhow.com/money/earn.htm> (last visited Apr. 22, 2015).

⁸ See *infra* Appendix C.

registered one.⁹ If they do not, there is a possibility that some of the mark's strength will be lost, as well as lose some of the available remedies for infringement.¹⁰

Large companies or owners have the resources to go out of their way to defend their trademark rights, and many defend their trademarks as vigorously as possible.¹¹ This means that they pay attention to new trademark applications in the *Trademark Official Gazette* (TMOG)¹² and opposing any that could potentially infringe on the rightsholder's trademark. Because filing an opposition is seen as the best way for a firm to show a vigorous defense of its trademark, and because every opposition goes straight to TTAB proceedings unless the applicant abandons its application, rightsholders wishing to show a vigorous defense of their trademark have no choice but to potentially impose hundreds of thousands of dollars in legal costs upon themselves and applicants. Even though "vigorous defense" oppositions are generally initiated in good faith, the effect upon small businesses and entrepreneurs is the same as with bad faith, frivolous oppositions: significant expenditures for the victimized party.

B. Data Analysis

We generated a random sampling of TTAB oppositions through a search of the LexisNexis database.¹³ After gathering the random sample, we were left with two primary groups of TTAB oppositions: small trademark applicants versus large trademark opposers, and large trademark applicants versus large trademark opposers. When comparing the two subgroups, we found that 71.4% of oppositions involving a small trademark applicant were sustained compared to only 50% of oppositions when both parties were considered to be large entities. In addition, 73.3% of small entities that were represented by legal counsel during the TTAB opposition process had the oppositions against them sustained—compared to only 60% of the large entities with legal counsel. We are aware that these numbers are not statistically significant, but we believe that they may be indicative of the power that larger capital can bring to a TTAB opposition proceeding. At the very least, we believe that this exercise might form the basis for the PTO to conduct a more extensive statistical study to determine how the size of a trademark entity impacts proceedings within the TTAB.¹⁴

⁹ *Amstar Corp. v. Domino's Pizza, Inc.*, 615 F.2d 252 (5th Cir. 1980).

¹⁰ *See id.*

¹¹ Parija Cavilanz, *Trademark Wars Heat Up. Be Ready.*, CNN (Dec. 1, 2011, 11:50 AM ET), <http://money.cnn.com/2011/12/01/smallbusiness/trademark/>.

¹² U.S. Patent and Trademark Office, *Trademark Official Gazette*, available at <https://tmog.uspto.gov/>.

¹³ A search of LexisNexis for "TTAB opposition" yields 2,159 results from between January 1, 2011 and the current date, filling a total of 216 pages at ten entries per page. To get our random sample, we ordered the entries chronologically with the most recent entries first. Then, we selected the first TTAB opposition case on every fourth page until we were left with around fifty (50) TTAB oppositions to analyze. If a page had no completed oppositions on it, the page was skipped and the next fourth page was analyzed. See full data in Appendix B.

¹⁴ Additionally, we would like to make the PTO aware of several technical issues surrounding TTABVue that makes searching for TTAB cases very frustrating and sometimes impossible. There appears to be an issue regarding the query string search method on the website that breaks whenever someone attempts to search any page of TTAB cases beyond the first page of results. We do not have a solution to this issue (continued...)

C. Beyond Data: An Anecdote

Many large firms employ trademark monitoring services to search the TESS database full-time for any new applications that contain even a slight resemblance to an existing mark. Whenever an application is flagged, the firm may file a TTAB opposition or file multiple extensions in order to delay the application. In response to the demand for these services, the trademark monitoring field has blossomed, producing an entire industry of trademark “watchers” whose sole function is to report new applications to paying subscribers for the purpose of enforcement.¹⁵

Many large firms file hundreds of oppositions against small applicants. Many of these small applicants default, leading to a graveyard of abandoned marks that might otherwise have registered. We highlight a particular example below to demonstrate the pernicious effects that a frivolous opposition can have on a small business.

VF International SAGL v. Papyri, Opposition No. 91207052

Papyri, LLC, a single-member limited liability company owned by an individual named David Abdul-Haq, filed for protection of its mark. Papyri’s registration was opposed by VF International, the \$12 billion parent company of over 25 major brands, including Lee, 7 for all Mankind, Wrangler, Nautica, Jansport, The North Face, Timberland, and Vans. The applicant’s trademark was “papyri,” in stylized form, as follows:



The opposer’s mark was “napapijri,” also in stylized form:



The applicant appeared *pro se*, and attempted to defend his mark by showing that his mark and the opposer’s mark were substantially different, and that his mark would not likely cause confusion in the marketplace nor cause damage to the opposer. The applicant also testified that he had never heard of the opposer’s mark until the opposition was filed.

The applicant represented himself *pro se* to avoid an estimated \$100,000 in attorneys’ fees, which are not recoverable in TTAB cases even if the opposition is frivolous. The examining attorney assigned to the case then warned him about proceeding without legal counsel. In a document filed in January 2013, the examining attorney wrote to the applicant that:

ourselves but believe that it could be easily fixed, resulting in increased access to TTAB records and increased efficiency within the TTAB system.

¹⁵ For example, Trademarkia, Markify, Trademark Panda, and others offer monitoring services to trademark registrants, and frequently target new trademark applicants with solicitations.

Legal Representation Is Strongly Encouraged

IT SHOULD ALSO BE NOTED THAT WHILE PATENT AND TRADEMARK RULE 10.14 PERMITS ANY PERSON TO REPRESENT ITSELF, OR HIM OR HERSELF, IT IS GENERALLY ADVISABLE FOR A PERSON WHO IS NOT ACQUAINTED WITH THE TECHNICALITIES OF THE PROCEDURAL AND SUBSTANTIVE LAW INVOLVED IN AN OPPOSITION OR CANCELLATION PROCEEDING TO SECURE THE SERVICES OF AN ATTORNEY IN THE UNITED STATES WHO IS FAMILIAR WITH SUCH MATTERS.

The examining attorney continued to admonish the applicant that he would be responsible for precisely following all technical and legal rules, and that he would be expected to read and understand the latest edition of Title 37 of the Code of Federal Regulations, the Trademark Rules of Practice, and the Trademark Trial and Appeal Board Manual of Procedure.

The applicant continued to represent himself for the next two years, during which the opposer repeatedly subjected the applicant to delays, filing for extensions before almost every holiday and listing the corresponding attorney's personal vacations as grounds. After several such delays, the applicant attempted to explain to the opposer's counsel the detrimental effect that prolonged prosecution was having on the applicant's business. Opposer's counsel responded with the following e-mail:



If you withdraw your trademark applications, the litigation before the trademark office would automatically be over.



On April 10, 2014, after two years of having to handle the opposition, during which his operations were suspended, the applicant withdrew his trademark application. He was thus unable to pursue the case even to a trial on the merits, which arguably may have resulted in a judgment in his favor, given the obvious differences in the marks. On the same day, Papyri filed official dissolution papers with the state of Florida and went out of business. Its website and social media sites were shut down as well.

VF International continues to thrive. It employs a trademark watch service as well as an outside counsel firm solely to monitor the TESS database. The company and its brands have filed over 691 oppositions to date.

Although there are many similar cases, the Papyri case is an informative example of the kinds of cases that are brought before TTAB, the tactics used by opposers in such cases, and the results such cases can have on small business applicants.

In addition to this case, Appendix C shows a list of oppositions filed by large companies against solo or small ventures that have resulted in abandonments by default. In these cases, the smaller company lacked the resources to even answer the opposition, opting to lose their trademark rather than to fight on the merits, even when such a fight on the merits would have likely have ended in their favor. In a multitude of these examples, applicants were told by attorneys that they were legally in the right, but that, without at least \$80,000 or more to spend on defending their mark before the Board, it would be more cost effective to abandon their mark and start from scratch with a new brand. The cases in Appendix C represent only a small sampling of the defaults that are entered into each year under these circumstances.

III. Second Look Review

In order to address this problem, we propose a pre-opposition motion as an alternative to expensive TTAB proceedings that would benefit both small businesses who cannot afford TTAB oppositions and large firms that want to show a vigorous defense of their trademark without a large expenditure. This pre-opposition motion, or “Second Look Review,” would strengthen the role of examining attorneys in both weeding out frivolous oppositions and letting rightsholders defend their trademarks in a more cost-effective manner. This proposal would shift many oppositions away from expensive, litigation-style proceedings to a more cost-effective, administrative process.

After giving both the applicant and the potential opposer an opportunity to submit short and plain statements in support of their arguments, the examining attorney would then review the new evidence presented and make a determination on the merits. This determination would provide substantial evidence for an incumbent trademark holder to demonstrate a sufficiently vigorous defense of its mark, even if the determination goes against the opposer. While either of the parties could choose to appeal the Second Look Review to the TTAB, the TTAB could consider the disposition of the Second Look Review in reaching a determination as to the merits, and possibly even as to fee shifting in appropriate cases

A. Proposed Review Procedure

In determining how the Second Look Review would function, we focused on procedures that have already been tested and implemented at the PTO. Specifically, the Second Look Review would marry trademark law and procedure with the functionality, cost-effectiveness, and efficiency of patent post-grant proceedings. As such, we envision the Second Look Review functioning in the following manner.

1. Requesting a Second Look Review

Similar to a patent Ex Parte Reexamination, the rightsholder, or any interested third party, could petition for a Second Look Review. Similar to a Post-grant Review, *Inter Partes* Review, or Derivation Proceeding, the opportunity to petition for a Second Look Review could be limited to a certain period of time, such as the thirty-day opposition period, or even up to five years after

registration, at which point the mark would gain secondary meaning and not be able to be challenged for likelihood of confusion.

2. Examination of the Second Look Review

The Second Look Review can be administered at a variety of different locations within the PTO, depending on the needs of the agency. Similar to a Patent Reissue, the Second Look Review could be administered by the original examining attorney. Alternatively, similar to a Post-grant Review, *Inter Partes* Review, or Covered Business Method or Derivation Proceeding, the Second Look Review could be administered by the judicial body of the PTO—that is, the TTAB. Lastly, similar to the Ex Parte Reexamination, the Second Look Review could be administered by a specialized examination group.

3. Evidence in a Second Look Review

To ensure that the Second Look Review is efficient and cost-effective and puts both parties on equal footing, we recommend that the discovery process be limited. Specifically, once the opposer submits a petition for Second Look Review, the opposer would be entitled to provide a short and plain statement of the facts, in which it could provide the grounds on which the opposition is based and evidence to support its claim(s). The applicant would then be able to provide a statement in response to the opposer's petition, under the same length constraints.

4. Effect of the Second Look Review

On appeal, the Second Look Review could be granted some deference by the TTAB. Alternatively, even if the TTAB were to not grant any deference to the second look decision, that decision would still be in the record. The party who won the Second Look Review would thus have a strong piece of evidence to support its arguments in further appeal. The applicant could point to the Second Look Review to show that not only had an examining attorney granted its initial application, but that the examining attorney had granted it a second time, in the face of evidence provided by the opposer. This would be a powerful argument, and small businesses and entrepreneurs (and even large entities) who find themselves in these situations would be greatly benefited by the ability to make this argument before the TTAB.

This review would not affect the Lanham Act right to oppose trademarks at the TTAB, because if an opposer were to lose in a Second Look Review, it could then appeal to the TTAB and have its statutory opposition proceeding. While Second Look Review would be a necessary condition to a TTAB proceeding, it would not be preclusive since any party may appeal to the TTAB. Even if the TTAB gave some deference to the examining attorney's Second Look decision, the right to oppose would not be unduly hindered. The Lanham Act gives opposers the right to a TTAB proceeding, but says nothing about the burden placed on them in such a proceeding.

B. Proposed Language and Alternatives

The full text of the proposed language to be added to the TTAB Manual of Procedure can be found in Appendix A. The proposed language pertains to only one of the described ways of implementing Second Look Review. The specifics could be changed quite easily and still leave an effective Second Look Review in place. For instance, instead of the Second Look Review being

conducted by an examining attorney, the PTO could choose to house the Second Look Review within the TTAB or it could promulgate a specialized examination group.

IV. Fee Shifting: A Statutory Avenue to Discourage Frivolous Claims

To complement the Second Look Review, we propose a statutory change that would amend the Lanham Act to allow for the TTAB to impose reasonable adverse attorney fees on an opposer who loses a trademark opposition appeal that is subsequently found to have been frivolous or otherwise meritless by the TTAB. In conjunction with our Second Look Review proposal, allowing the TTAB to adopt fee shifting in a manner similar to that of trademark litigation will increase efficiency in the trademark appellate system and allow for victims of parties attempting to exploit the system to be able to fully defend their rights and pay for legal representation.

This section first explains how fee shifting can help solve the problem of frivolous oppositions. Next, we examine the current state of fee shifting in the litigation process. Finally, we discuss the functionality of fee shifting within the TTAB.

A. Merits of Fee Shifting in TTAB Proceedings

Fee shifting in TTAB proceedings would provide trademark owners with the ability to fight frivolous or otherwise meritless opposition filings against their marks by allowing for them to hire lawyers on a contingent basis. Even though TTAB proceedings cost less than litigation because they are conducted either electronically or through the mail, the costs associated with knowing how to navigate the TTAB system should not be understated. A company that receives a notice of opposition would likely have no experience in dealing with a trademark opposition proceedings, and without legal counsel, may miss hard deadlines or other formalities that could render their trademark void.

Regardless of the lack of courtroom appearances, the TTAB is important to trademark owners and only legal counsel can appropriately direct trademark owners on how to proceed. In the end, the TTAB should be vested with the authority to shift attorney's fees as a matter of public policy to ensure that businesses and trademark owners have the ability to obtain legal trademarks. Allowing for fee shifting at the TTAB will reduce frivolous or otherwise meritless opposition claims and increase the efficiency of the appellate system.

Fee shifting would work best in conjunction with the proposed Second Look Review. Fee shifting would be available in TTAB proceedings only for cases in which the TTAB were to find the opposition filings as frivolous or otherwise meritless. A Second Look Review determination that found for an applicant would be a strong indication that the opposition lacked merit. After all, the application would have been reviewed and approved twice at that point. If the opposer wanted to appeal to TTAB, he would have to accept the risk of potential fee shifting. This would prevent the problem of a rightsholder filing an otherwise meritless opposition in the hope that the applicant lacks the adequate resources to defend the opposition.

Allowing for fee shifting in meritless oppositions would allow trademark applicants who cannot afford legal representation to hire legal counsel on a contingency basis. Of course, filing oppositions to trademark applications is an important aspect of the trademark system and it

should not be the goal of the TTAB to punish opposers who simply lose an opposition that had merit.

B. How Fee Shifting Works in Litigation

In civil trials, fee shifting is based on Federal Rule of Civil Procedure (FRCP) 54(d)(2). Rule 54 states that a claim for attorney's fees and related nontaxable expenses may be made via motion as long as the timing and contents of the motion are appropriate. This concept of fee shifting has been used in trademark litigation for cases that are "exceptional circumstances."¹⁶ The stated purpose of its use in trademark litigation is to "provide protection against unfounded suits brought by trademark owners for harassment and the like." This purpose is true for both plaintiffs and defendants.

The PTO additionally noted in a report to Congress that fee shifting is a remedy designed to target particularly unreasonable trademark litigation behavior.¹⁷ By allowing for fee shifting in the context of prosecution, mark holders who are subjected to frivolous or otherwise meritless trademark oppositions have the ability to recover the costs that may otherwise be prohibitively expensive by obtaining legal counsel on contingency basis.

C. Functionality of Fee Shifting in the TTAB

At its most basic level, fee shifting in TTAB proceedings would be very similar to how fee shifting works in the context of civil litigation under FRCP 54(d)(2). If a trademark opposition gets filed and advances to the TTAB after the Second Look Review, the review process would proceed as it would have before the implementation of fee shifting in the TTAB. At the conclusion of the appellate procedure, a successful defendant could make a motion in the TTAB for the Board members to consider whether or not the opposition that was filed was frivolous or otherwise meritless. If the Board finds that the opposition filing was frivolous or otherwise meritless, the TTAB would have the ability to impose the costs of the litigation on the party that initiated the frivolous or otherwise meritless TTAB proceeding. The costs of litigation would be determined in the same manner that they are in civil litigation and would not include punitive costs. The attorney's fees would be shifted to the party filing the frivolous or otherwise meritless opposition would only be those attorney's fees that the Board found to be reasonable.

V. Conclusion

The expensive nature of TTAB proceedings can cause inefficiencies for all parties involved, especially for small businesses and entrepreneurs—many of whom cannot afford legal representation. Currently, PTO guidelines provide no easy avenue of relief for a business owner who has filed an application for an otherwise legitimate trademark but finds herself the victim of a frivolous opposition.

¹⁶ Fair Wind Sailing, Inc. v. Dempster, 764 F.3d 303 (3d Cir.).

¹⁷ See U.S. Patent and Trademark Office, *Report to Congress: Trademark Litigation Tactics and Federal Government Services to Protect Trademarks and Prevent Counterfeiting* (April 27, 2011) available at http://www.uspto.gov/ip/TMLitigationReport_final_2011April27.pdf.

To increase efficiency and prevent frivolous claims in the opposition process, we propose two solutions: (1) a Second Look Review mechanism where the original trademark examining attorney is asked to make a second determination on the merits of the application based on new information before him/her and (2) statutorily-granted fee shifting procedures at the TTAB to eliminate incentives for trademark bullies and trolls to push all oppositions through lengthy and expensive TTAB proceedings. Taken together, these proposals—the Second Look Review and fee shifting within TTAB—have the ability to change unnecessary and economically harmful behavior within the trademark opposition sphere.

Appendix A: Proposed TTAB Manual of Procedure Language

To be added to the Trademark Trial and Appeal Manual of Procedure, Section 300:

320: Motions for Second Look Review

Prior to opposition proceedings, a pre-opposition Motion for Second Look Review shall be filed by a potential opposer with the examining attorney who initially approved the application for publication in the *Trademark Official Gazette*. The Motion shall be filed during the thirty-day period in which trademarks are posted in the *Trademark Official Gazette* for review and opposition under 15 U.S.C. §1063(a). Any entity that believes the published application would infringe on its trademark rights may file a Motion, which must be sent to the examining attorney who initially approved the application for publication in the *Trademark Official Gazette*. This pre-opposition Motion must contain a short and plain statement of the reasons for a Second Look Review by the examining attorney, including evidence specifically detailing the reason or reasons that the applied-for trademark infringes on the potential opposer's trademark. The trademark applicant shall have thirty business days to submit a short and plain answer that responds to the initial pre-opposition Motion, including evidence specifically detailing the reason or reasons that the trademark does not infringe on the potential opposer's trademark. If the trademark applicant does not submit an answer within thirty business days, the examining attorney shall make the determination based only on the information already presented in the original application and the potential opposer's Motion for Second Look Review.

321: Second Look Review Process

In Second Look Review proceedings under Rule 320, the examining attorney will review the materials submitted from both parties and make a determination based on the same standard that the examining attorney used to initially grant the application. The examining attorney's determination shall be communicated to both parties via a Letter of Action that either approves the application again or refuses it based on the new evidence from the petitioner. The examining attorney's determination may be appealed to the Trademark Trial and Appeal Board (TTAB). The examining attorney's Letter of Action and the parties' materials submitted for the Second Look Review shall be entered into the record of the case before the TTAB. Additionally, a Letter of Action by the examining attorney that dismisses a Motion for Second Look Review shall suffice as prima facie evidence of a trademark holder's vigorous defense of its intellectual property rights for purposes of future litigation or TTAB proceedings involving questions of vigorous trademark defense.

Appendix B: Random Sampling: TTAB Docket

Citation	Applicant	Opposer	Applicant represented?	Outcome
2015 TTAB LEXIS 67	GFA Brands (big)	ProMark Brands (big)	Yes	Opposition dismissed
2015 TTAB LEXIS 45	Amy Goetz (small)	Karma Fine Beverages (big)	Yes	Opposition sustained
2014 TTAB LEXIS 492	VIP Premier Realty (big)	VIP Trust Deed Company (small)	No	Opposition sustained
2014 TTAB LEXIS 444	Yael Mamroud (small)	Victoria's Secret (big)	No	Opposition sustained
2014 TTAB LEXIS 418	Pin Hsiu Rubber Co., Ltd. (big)	Aktas Hava Suspansiyon Sistemleri Sanayi Ve Ticaret AS (big)	Yes	Opposition dismissed
2014 TTAB LEXIS 340	Mark A. Robinson (small)	John A. Galbreath (small)	No	Opposition sustained
2014 TTAB LEXIS 314	Super T Financial Inc. (small)	Zillow, Inc. (big)	Yes	Opposition dismissed
2014 TTAB LEXIS 268	Kent G. Anderson (small)	The Pep Boys Manny, Moe & Jack of California (big)	Yes	Oppositions sustained in part, dismissed in part
2014 TTAB LEXIS 217	Jerzy Makarczyk (small)	Chanel, Inc. (big)	No	Opposition sustained
2014 TTAB LEXIS 166	Akea, LLC (small)	Inter IKEA Systems B.V. (big)	Yes	Opposition sustained in part, dismissed in part
2014 TTAB LEXIS 157	Patti's Enterprises, L.L.C (small)	Indigo Star, Inc. and H2d Properties, Inc.(small)	Yes	Opposition sustained
2014 TTAB LEXIS 83	Frank B. Spencer (small)	The Crazy Horse Memorial Foundation (big)	Yes	Opposition dismissed
2013 TTAB LEXIS 621	Martin Mamani (small)	Gruppo Cimbali S.p.A. (big)	No	Opposition sustained in part, dismissed in part




2013 TTAB LEXIS 547	PVM International, Inc (small)	MedBox, LLC (big)	Yes	Opposition sustained
2013 TTAB LEXIS 513	James Michael Ewing DBA Me So Hungry (small)	Solohay, Inc. (small)	Yes	Opposition dismissed
2013 TTAB LEXIS 477	Implant Direct, Int'l (big)	Clear Choice Holdings LLC (big)	Yes	Opposition sustained in part, dismissed in part
2013 TTAB LEXIS 409	E&D Trading, Inc. (small)	Coach Services, Inc. (big)	Yes	Opposition dismissed
2013 TTAB LEXIS 427	EZ, Inc. (small)	Isaco International Corporation (big)	Yes	Opposition sustained
2013 TTAB LEXIS 314	Rehoboth Von Gott (small)	Joel Gott Wines (big)	Yes	Opposition sustained
2013 TTAB LEXIS 338	George Stirling, Jr. (small)	Pacific Poultry Company (big)	Unknown	Opposition sustained on summary judgment
2013 TTAB LEXIS 270	Casella Wines Pty, Ltd. (big)	KC Brang's Food and Beverage Company (small)	Unknown	Opposition dismissed on summary judgment
2013 TTAB LEXIS 236	Heckethorn Products, Inc. (big)	TBC Trademarks, LLC (small)	Yes	Opposition sustained
2013 TTAB LEXIS 191	Cuervo Media, LLC (small)	Tequila Cuervo La Rojena (big)	Yes	Opposition dismissed
2013 TTAB LEXIS 80	Shlomo David Jehonadav (small)	Comite Interprofession el du Vin de Champagne and Institut National de l'Origine et de la Qualite (big)	Yes	Dismissed with prejudice
2013 TTAB LEXIS 77	Katz Marketing Solutions (big)	Katz Communicatio ns Inc. (big)	Yes	Opposition Sustained
2012 TTAB LEXIS 490	Grape Technology Group (small)	ChaCha Search Inc. (big)	Yes	Opposition Sustained
2012 TTAB LEXIS 427	Rodale Inc. (big)	Wet Dog Media (small)	Yes	Opposition Sustained

2012 TTAB LEXIS 334	Steven. E. Moore (small)	Virgin Enterprises Media (big)	No	Dismissed with prejudice
2012 TTAB LEXIS 296	Saint Lucia Distillers (big)	Luxco Inc. and Heaven Disilleries Inc. (big)	Yes	Dismissed
2012 TTAB LEXIS 262	Corvus Cellars (big)	Duca de Salaparuta (big)	Yes	Opposition Sustained
2012 TTAB LEXIS 228	Jay. A. Taplin (small)	FMR LLC (big)	Yes	Opposition Sustained
2012 TTAB LEXIS 142	API Cryptek (big)	Rubicon Communicatio ns (big)	Yes	Dismissed
2012 TTAB LEXIS 104	Sensors In Motion (big)	Research in Motion (big)	No	Dismissed
2012 TTAB LEXIS 45	Defining Presence Marketing Group and Axel Ltd. Group (small)	Research in Motion (big)	Yes	Opposition Sustained
2011 TTAB LEXIS 397	10 Star Enterprises (small)	Cloverhill Pastry-Vend Corporation (small)	Yes	Opposition Sustained
2011 TTAB LEXIS 351	Andrea Gallagher (small)	Everett W. James (small)	Yes	Dismissed
2011 TTAB LEXIS 324	Raytheon (big)	Lockheed Martin (big)	Yes	Opposition Sustained
2011 TTAB LEXIS 260	American Syrian Lebanese Associated Charities (small)	Child Health Research Institute (big)	Yes	2 Sustained, 3 dismissed
2011 TTAB LEXIS 224	University of Southern Mississippi (big)	University of Iowa (big)	Yes	Opposition Sustained
2011 TTAB LEXIS 150	Anthony R. Falwell (small)	Daniel Ryan Way and CMDW Inc (small)	No	Dismissed
2011 TTAB LEXIS 121	Test Masters Educational Services (big)	Robin Singh Educational Services (small)	Yes	Opposition Sustained

2011 TTAB LEXIS 76	Anibal de Oliveria Fortuna (small)	The Laryngeal Mask Company Limited (big)	No	Opposition Sustained
2011 TTAB LEXIS 44	Crown Confectionary Co. (big)	Morinaga & Co. (big)	Yes	Opposition Sustained

Case Makeup (Holder v. Opposer)	Number	%Represented	%Sustained	%Represented and Sustained	%Unrepresented and Sustained
Big vs. Small	5	80%	80%	75%	100%
Small vs. Big	21	71%	71%	73%	67%
Small vs. Small	6	67%	50%	50%	33%
Big vs. Big	12	83%	50%	60%	0%

Appendix C: Big v. Small Companies: Judgments by Default

Title	Opposer's Mark	Applicant's Mark	Outcome
<i>Wolverine World Wide, Inc. vs. Niels Skou</i>	Wolverine World Wide, Inc.	PUPPIES	Judgment by Default
<i>Winn Incorporated vs. Wilson Sporting Goods Co.</i>	WINN	MORE WIN.	Judgment by Default
<i>1793161 Ontario, Inc. vs. François Labet</i>	LABATT	LABET	Judgment by Default
<i>Moosehead Breweries Limited vs. Coast to Coast Marketing Services, Inc.</i>			Judgment by Default
<i>ER Marks, Inc. - QVC, Inc. vs. Macro Q, Inc.</i>	Q CHECK		Judgment by Default
<i>Ate My Heart, Inc. vs. Berlin LLC.</i>	LADY GAGA	GAGAFIT	Judgment by Default
<i>Construction Research & Technology GmbH vs. Robin Samuelson</i>	Master Builders	range master buildings	Judgment by Default
<i>Facebook, Inc. vs. Automation Tools, LLC dba Scoutbook</i>	FACEBOOK	Scoutbook	Judgment by Default
<i>PayPal, Inc. vs. BodyPal Internet Services, S.L.</i>	Paypal	BodyPal	Judgment by Default
<i>Under Armour, Inc. vs. Clam Corporation</i>	UNDER ARMOUR	ICEARMOR	Judgment by Default

<i>Pepperidge Farm, Inc. vs. Goldfish Music CC</i>	GOLDFISH	GOLDFISH	Judgment by Default
<i>Major League Baseball Properties, Inc. vs. Keith Raymond</i>	Major League Baseball Properties, Inc.	MAJOR LE BASEBALL	Judgment by Default
<i>StubHub, Inc. vs. Goody Tickets LLC</i>	STUBHUB		Judgment by Default
<i>Pandora Media, Inc. vs. Gene Simmons Company</i>	PANDORA	PANDORA'S BOX	Judgment by Default
<i>24 Hour Fitness USA, Inc. vs. Workout Anytime Franchising Systems, LLC</i>	24 7 FITNESS		Judgment by Default
<i>J. Strickland & Co. vs. La Joya Tonetta Coleman</i>	DOO GRO	Doo Yoo Hair Care & Accessories	Judgment by Default
<i>Vans, Inc. vs. John Wood</i>	SYNDICATE		Judgment by Default
<i>The Echo Design Group, Inc. vs. By Design L.L.C.</i>	<i>Echo</i>	Echo Park	Judgment by Default

<p><i>Glen Raven, Inc. vs. Suntory Flowers Limited</i></p>		<p>SUNBELIA</p>	<p>Judgment by Default</p>
<p><i>MasterCard International Incorporated vs. Project Oona GmbH</i></p>			<p>Judgment by Default</p>
<p><i>Cytosport, Inc. vs. Attitude Drinks Incorporated</i></p>	<p>Muscle Milk</p>	<p>MILK WITH AN ATTITUDE</p>	<p>Judgment by Default</p>
<p><i>Gap (Apparel), LLC vs. Piper Boutique L.L.C.</i></p>	<p>PIPERLIME</p>	<p>PIPER BOUTIQUE</p>	<p>Judgement by Default</p>