



# 54TH ANNUAL IFA LEGAL SYMPOSIUM



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INTERNATIONAL FRANCHISE ASSOCIATION



# Panelists

- Branden Ritchie
  - Senior-Level Trademark Attorney
  - United States Patent and Trademark Office
- Dan Drennen
  - Senior Vice President of Brand Administration
  - Living Assistance Services, Inc. (Visiting Angels)
- Moderator: Jarina Duffy
  - Senior Counsel
  - Saxton & Stump

# Discussion Points

- Trademark Modernization Act
- Policing of Trademarks
- The Importance of a Brand
- Trademark Prohibitions in Labeling Laws

# Trademark Modernization Act (TMA)

- Letters of protest
- Flexible response period
- Non-use cancellation mechanisms
  - Expungement
  - Reexamination
- Presumption of irreparable harm
- USPTO Director's authority

# Letters of Protest - 15 U.S.C. §1051(f)

- Codifies an existing USPTO procedure.
  - TMEP Sections 1715 et seq.
- Third parties may submit to the USPTO **evidence relevant to a ground for refusal** of registration for any application.
- Determinations by the Director as to whether to include evidence in the record are **final and non-reviewable**.

# Letters of Protest - 15 U.S.C. §1051(f)

- The Director must make a **decision** on a Letter of Protest **within two months** after the date of submission.
- TMA provides USPTO authority to prescribe a fee.
  - \$50 per submission as of the January 2, 2021 fee update; 37 C.F.R. §2.6(a)(25)

# Flexible Response Period - 15 U.S.C. §1062(b)

- Allows USPTO to establish response periods for trademark matters that are shorter than six months, but no shorter than 60 days.
- Applicant may request extensions of time to respond – up to six months – with payment of a fee.
  - Director must allow extension upon compliance with timeliness and fee requirements. §1062(b)(3)

# Flexible Response Period - 15 U.S.C. §1062(b)

- Rulemaking conducted in 2021.
- All Office Actions will have a three-month deadline; one extension of three months may be requested for a fee of \$125.
  - Excludes Madrid Protocol extensions of protection
- Effective date: December 1, 2022.



# New Non-Use Cancellation Mechanisms

- TMA creates two new mechanisms to challenge registrations for **non-use**
  - Section 16A – **Expungement**: to allege a mark has **never been used** in commerce
  - Section 16B – **Reexamination**: to allege a mark was **not in use on or before the “relevant date”**
- **Filing date for Section 1(a)-based registrations**
- **Deadline for filing SOU or the filing of an AAU for Section 1(b)-based registrations**

# New Non-Use Cancellation Mechanisms

Petition to institute **must:**

- Identify registration
- Identify each good/service challenged
- Include verified statement regarding reasonable search conducted
- Include supporting evidence
- Include fee

# New Non-Use Cancellation Mechanisms

- Overview of ex parte proceedings
- Who may initiate?
  - Any person
  - The Director
- What registrations may be challenged?
  - Expungement: Sections 1, 23, 44 or 66 registrations
  - Reexamination: Sections 1 or 23 registrations
- When?
  - Expungement: year three to year ten
  - Reexamination: until year five

# New Non-Use Cancellation Mechanisms

## Overview of ex parte proceedings

- **Result?**
  - Cancellation in whole or in part
- **Appeal?**
  - From the examiner to the Trademark Trial and Appeal Board and, if dissatisfied, to U.S. Court of Appeals for the Federal Circuit
- **Abuse?**
  - Estoppel as to the same goods/services
  - Limits on petitions may be set by regulation

# Cancellation Action at TTAB

- Expungement ground for challenge: “never been used in commerce” 15 U.S.C. §1064(6).
- Excusable non-use due to special circumstances will be a defense to those registrations issued on the basis of a foreign or international registration (Sections 44/66 of the Act).

# Presumption of Irreparable Harm

- Rebuttable presumption
- Section 34(a), 15 U.S.C. §1116(a), is amended to add:
  - “A plaintiff seeking any such injunction shall be entitled to a rebuttable presumption of irreparable harm upon a finding of a violation identified in this subsection[.]”
- Despite being a patent infringement case, after the *eBay v. MercExchange, L.L.C.* decision, 547 U.S. 388 (2006), some courts stopped applying the previously recognized presumption in trademark cases.
- The TMA codified this presumption for trademark cases.

# Confirmation of Director's Authority Regarding TTAB Decisions

- *“The Director may reconsider, and modify or set aside, a decision of the Trademark Trial and Appeal Board under this section.”*

# TMA Resources – USPTO Information Page

The screenshot shows the top portion of the USPTO website. On the left is the 'uspto' logo and the text 'UNITED STATES PATENT AND TRADEMARK OFFICE'. On the right are links for 'About Us', 'Jobs', 'Contact Us', and 'MyUSPTO'. Below these is a search bar with the text 'Search uspto.gov' and a magnifying glass icon. A navigation bar contains 'Patents', 'Trademarks', 'IP Policy', and 'Learning and Resources', with a 'Find It Fast' button on the right. A blue breadcrumb trail reads 'Home > Trademarks > Laws > USPTO implements the Trademark Modernization Act'. To the right of the breadcrumb are 'Share' and 'Print' icons.

## Main menu

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## USPTO implements the Trademark Modernization Act

Regulations implementing the [Trademark Modernization Act of 2020](#) (TMA) went into effect on December 18, 2021. Individuals, businesses, and the United States Patent and Trademark Office (USPTO) now have new tools to clear away unused registered trademarks from the federal trademark register and the USPTO has the ability to move applications through the registration process more efficiently.

Read the [final rule](#) to learn more about these changes. A summary of the new features is provided below.

### New procedures

#### Two ex parte proceedings to cancel unused registered trademarks

The new ex parte expungement and reexamination proceedings provide a faster, more efficient, and less expensive alternative to a contested inter partes cancellation proceeding at the Trademark Trial and Appeal Board (TTAB).

#### Expungement proceeding



# Duty to Police Trademarks

- All trademark owners have the duty to police their trademarks
  - “You are responsible for enforcing your rights if you receive a registration, because the USPTO does not "police" the use of marks. While the USPTO attempts to ensure that no other party receives a federal registration for an identical or similar mark for or as applied to related goods/services, the owner of a registration is responsible for bringing any legal action to stop a party from using an infringing mark.”
- What to police:
  - Unauthorized uses of a trademark
  - Confusingly similar trademarks
  - Uses of trademarks by licensees and franchisees

# Steps for Policing

- Determine your Territory
  - USPTO registration grants federal protection
  - Unregistered trademarks have only local protection
  - International rights are on a country-by-country basis
- Conduct your Search
  - General web-based searches and Google alerts
  - USPTO, WIPO and other trademark databases
  - Watchdog companies
  - Educate your employees

# Steps for Policing

- Determine whether a threat exists
  - Length of use by both parties
  - Similarity of the trademarks and services
  - Evidence of actual confusion
  - Similarity of consumers and/or marketplace
- Actions
  - Send a cease and desist letter
  - File an opposition or cancellation proceeding
  - If the above actions do not resolve the issue, then take formal legal action

# The Importance of a Brand



- Visiting Angels Franchise System
  - Franchising in the United States since 1998
  - More than 500 locations in the United States
  - International locations in the United Kingdom, Mexico and South Korea
  - Locations in Canada operate under the “Senior Home Care by Angels” brand

# Visiting Angels' Trademarks

- 14 registered trademarks with the USPTO
- Trademark registrations in Canada, the United Kingdom, Mexico and South Korea

Living Assistance Services Visiting Angels

Visiting Angels

Senior Homecare by Angels

Senior Care by Angels

Select Your Caregiver

You Choose Your Caregiver

America's Choice In Homecare

We Care Every Day In Every Way

America's Choice in Senior Homecare

Life Care Navigation

Life Care Navigator

Visiting Angels University

Safe and Steady



비지팅 엔젤스

["Visiting Angels" in Korean Transliteration]

천사방문

[Angel Visiting in Korean]



# Trademark Prohibitions in Labeling Laws

- There is a growing trend to prohibit the use of certain types of trademarks on the packaging of food products that contain high fat, high sugar, or high caloric content.
- A number of countries in the western hemisphere, including Chile (2018), Mexico (2020), and Argentina (2021), have enacted such laws.
- The USPTO is monitoring this development and its impact on trademark owners in the United States.

# Trademark Prohibitions in Labeling Laws

- Examples:
  - Trademarks that feature characters aimed at children, such as cartoon or otherwise animated characters.
  - Trademarks or logos featuring athletes or pets.
  - Trademarks associated with visual-space games or digital downloads.

# Examples of Banned Depictions

- Banned depiction of cartoon character mascots
- Banned depiction of Santa Claus on chocolate





# Thank you for attending!