

# USPTO PROPOSES RULEMAKING TO IMPLEMENT PROVISIONS OF THE TRADEMARK MODERNIZATION ACT OF 2020

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## U.S. Intellectual Property Alert

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On 18 May 2021, the U.S. Patent and Trademark Office (USPTO) published a notice of proposed rulemaking concerning the Trademark Modernization Act of 2020 (TMA). The USPTO proposed to amend the rules to implement certain provisions of the TMA, as detailed below. The proposed new and amended rules: (1) establish procedures and fees for *ex parte* expungement and reexamination proceedings, (2) provide nonuse grounds for cancellation before the Trademark Trial and Appeal Board (TTAB), (3) establish flexible office action response periods, and (4) amend the existing letter-of-protest rule to indicate that letter-of-protest determinations are final and nonreviewable. Amendments are also proposed for the rules concerning the suspension of USPTO proceedings and rules governing attorney recognition in trademark matters. Finally, a new rule is proposed to address procedures regarding court orders cancelling or affecting registrations. The USPTO must receive written comments regarding these proposed rules on or before 19 July 2021.

To implement the new *ex parte* expungement and reexamination proceedings, as required by the TMA, the USPTO proposes the following new rules:

- Section 2.91, setting forth the requirements for a petition requesting the institution of expungement or reexamination proceedings.
- Section 2.92, regarding the institution of expungement and reexamination proceedings.
- Sections 2.93 through 2.94, setting forth the procedures for expungement and reexamination proceedings.
- Section 2.143, addressing appeals to the TTAB in connection with these new proceedings.

Among other things, the USPTO proposes to set fees for petitions requesting *ex parte* expungement and reexamination proceedings to US\$600 per class. The proposed rules also specify the petition requirements, elaborate on the reasonable investigation requirement, and identify appropriate sources of evidence and information to establish a *prima facie* case of nonuse for institution of expungement and reexamination proceedings. While the USPTO does not anticipate requiring real-party-in-interest information from the petitioner, the USPTO is seeking comments on whether and when the Director should require a petitioner to identify the name of the real party in interest on whose behalf the petition is filed.

To provide more flexible response periods in accordance with the TMA, the USPTO proposes a response period of three months for office actions in applications under Sections 1 and 44 of the TMA. Under the proposed rules,

applicants may request a single three-month extension of this three-month deadline, subject to a fee of US\$125 (for an extension filed through the Trademark Electronic Application System). Applications filed under Section 66(a) will not be subject to the three-month deadline for office action responses; instead, the deadline will remain at six months. The USPTO also asks for comments on two alternatives to this approach consisting of: (1) a two-phased approach, with each phase having a separate shortened but extendable response period; or (2) an initial two-month response period, with extensions available in the third, fourth, fifth, and six months where the extension fee increases with time.

To further implement the newly-codified letters of protest under the TMA, the proposed rule amends the existing letter-of-protest rule to indicate that letter-of-protest decisions are final and nonreviewable.

Amendments are also proposed for the rules concerning the suspension of USPTO proceedings and rules governing attorney recognition and correspondence in trademark matters. The rule proposes that recognition of a power of attorney will continue until the applicant or registrant revokes the power of attorney or the attorney withdraws from representation. Finally, the USPTO proposes a new rule formalizing its longstanding procedures concerning action on court orders cancelling or affecting a registration, currently set forth in Section 1610 of the Trademark Manual of Examining Procedure, which requires submission of a certified copy of a court order.

The USPTO's proposed rules to implement the TMA can be found [here](#), and written comments on the proposed rules can be submitted to the USPTO [here](#).

In addition to the written comments deadline, the USPTO will hold two roundtables to field questions and hear public opinion on the proposed rulemaking. The first roundtable will take place 1 June 2021 from 1:00 - 3:00 p.m. EST. The roundtable is open to the public but registration is required. A recording of the roundtable will be posted on the USPTO website within two weeks of its conclusion. A second roundtable is scheduled for 14 June 2021.

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