The United States Patent and Trademark Office Seeks Comments on whether the Trademark Trial and Appeal Board should become More Involved in Settlement Discussions

April 22, 2011

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The USPTO issued a notice of inquiry in the April 22, 2011 Federal Register seeking stakeholder comments on whether the TTAB "should become more directly involved in settlement discussions of parties to inter partes proceedings. . ." *See* http://edocket.access.gpo.gov/2011/pdf/2011-9801.pdf. Specifically, the USPTO wants to determine whether the involvement of an Administrative Trademark Judge ("ATJ"), Interlocutory Attorney ("IA"), or third-party mediator would be desirable. The deadline to submit comments is June 21, 2011.

The comments on the notice of inquiry suggest that a procedural requirement to discuss settlement with Board personnel might increase the speed with which Board proceedings settle, if not the frequency. The USPTO, therefore, also requests comments on when in a proceeding the Board should intervene, *e.g.*, after initial disclosures or prior to the answer being filed. The USPTO further posits that, even if Board involvement does not help settlement progress, it could help parties to narrow issues for trial.

The USPTO posed the following eight specific questions for commentators to answer:

1. Should the Board routinely be involved in settlement discussions of parties, or instead, be involved only in particular cases on an "as needed" basis?

2. If you believe parties would benefit from involvement of a non-party, would it be preferable for settlement discussions to be handled by (a) an ATJ, (b) an IA, (c) a USPTO employee trained as a mediator but who is not an ATJ or IA, or (d) a third-party mediator?

3. How would the involvement be triggered? For example, by stipulation of the parties, by unilateral request or by some other trigger? Examples of situations that might be used as triggers for required settlement discussions involving a non-party could include the use by the

parties of multiple suspensions for settlement discussions which proved unsuccessful, or events such as the filing of an answer, the exchange of disclosures, the completion of some discovery, or the close of the discovery period.

4. How many triggers should there be that would prompt Board or mediator involvement in settlement talks? For example, apart from the initial discovery conference, should there be a follow-up inquiry from the Board in the middle of discovery, at the end of discovery, or before pre-trial disclosures are made and commencement of trial is imminent? Should there be a required phone conference after the second or any subsequent request to extend or suspend discovery for settlement?

5. To what extent should Board personnel involved in settlement discussions be recused from working on the case?

6. Should motions for summary judgment, the vast majority of which are denied and do not result in judgment, be barred unless the parties have been involved in at least one detailed settlement conference? Should an exception to such a rule be made for motions based on jurisdictional issues or claim or issue preclusion?

7. Should the parties be accorded only limited discovery until they have had a detailed settlement discussion with a Board judge, attorney, or mediator, with the need for subsequent discovery dependent on the results of the discussion?

8. Should the Board amend its rules to require that a motion for summary judgment be filed before a plaintiff's pre-trial disclosures are due, and that the parties be required to engage in a settlement conference in conjunction with a discussion of plaintiff's pre-trial disclosures?

These questions address some issues that should be familiar to experienced TTAB practitioners, including the Board's reluctance to grant summary judgment. One issue that the USPTO's questions do not address is the Board's inability to award monetary sanctions for discovery abuses or other discouraged tactics. Although the Board can award procedural sanctions, or even default judgment as a sanction for particularly egregious conduct, discovery practices in Board proceedings could benefit from a more severe punishment for such abuses.

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