

**DEPARTMENT OF COMMERCE****Patent and Trademark Office****37 CFR Parts 2 and 7**

[Docket No. PTO–T–2021–0008]

RIN 0651–AD55

**Changes To Implement Provisions of the Trademark Modernization Act of 2020****AGENCY:** United States Patent and Trademark Office, Commerce.**ACTION:** Final rule.

**SUMMARY:** The United States Patent and Trademark Office (USPTO or Office) amends the rules of practice in trademark cases to implement provisions of the Trademark Modernization Act of 2020 (TMA). This rule establishes *ex parte* expungement and reexamination proceedings for cancellation of a registration when the required use in commerce of the registered mark has not been made; provides for a new nonuse ground for cancellation before the Trademark Trial and Appeal Board (TTAB or Board); establishes flexible Office action response periods; and amends the existing letter-of-protest rule to indicate that letter-of-protest determinations are final and non-reviewable. The rule also sets fees for petitions requesting institution of *ex parte* expungement and reexamination proceedings, and for requests to extend Office action response deadlines. The rules governing the suspension of USPTO proceedings and attorney recognition in trademark matters are also amended. Finally, a new rule is added to address procedures regarding court orders cancelling or affecting registrations.

**DATES:** This rule is effective on December 18, 2021, except for §§ 2.6(a)(28); 2.62(a) and (c); 2.63(b) introductory text, (b)(1) and (2), (c), and (d); 2.65(a); 2.66(b); 2.163(b) through (e); 2.165; 2.176; 2.184(b); 2.186(b) through (d); 7.6(a)(9); 7.39; and 7.40, which are effective on December 1, 2022.

**FOR FURTHER INFORMATION CONTACT:** Robert Lavache, Office of the Deputy Commissioner for Trademark Examination Policy, USPTO, at 571–272–5881, or by email at [TMPolicy@uspto.gov](mailto:TMPolicy@uspto.gov).

**SUPPLEMENTARY INFORMATION:** The TMA was enacted on December 27, 2020. See Public Law 116–260, Div. Q, Tit. II, Subtit. B, sections 221–228 (Dec. 27, 2020). The TMA amends the Trademark Act of 1946 (the Act) to establish new *ex parte* expungement and

reexamination proceedings to cancel, either in whole or in part, registered marks for which the required use in commerce was not made. *Id.* at section 225(a), (c). Furthermore, the TMA amends section 14 of the Act to allow a party to allege that a mark has never been used in commerce as a basis for cancellation before the TTAB. *Id.* at section 225(b). The TMA also authorizes the USPTO to promulgate regulations to set flexible Office action response periods between 60 days and 6 months, with an option for applicants to extend the deadline up to a maximum of 6 months from the Office action issue date. *Id.* at section 224. In addition, the TMA includes statutory authority for the USPTO’s letter-of-protest procedures, which allow third parties to submit evidence to the USPTO relevant to the registrability of a trademark during the initial examination of the application, and provides that the decision of whether to include such evidence in the application record is final and non-reviewable. *Id.* at section 223. The TMA requires the USPTO to promulgate regulations to implement the provisions relating to the new *ex parte* expungement and reexamination proceedings, and the letter-of-protest procedures, within one year of the TMA’s enactment. *Id.* at sections 223(b), 225(f).

Accordingly, the USPTO revises the rules in 37 CFR part 2 to implement the TMA’s provisions and set fees for the new *ex parte* expungement and reexamination proceedings and for response deadline extensions. The rule also clarifies that the new *ex parte* expungement and reexamination proceedings are subject to suspension in appropriate cases and reflects existing practice regarding suspension of proceedings before the USPTO and the TTAB. The USPTO also amends the rules regarding attorney recognition and correspondence to clarify that the USPTO will not recognize an attorney who has been “mistakenly, falsely, or fraudulently designated” and that an attorney need not formally withdraw under such circumstances. Finally, a new rule is added, formalizing the USPTO’s longstanding procedures concerning action on court orders canceling or affecting a registration under section 37 of the Act, 15 U.S.C. 1119. In formulating this final rule, the USPTO considered the public comments submitted pursuant to the notice of proposed rulemaking (NPRM) published in the **Federal Register** on May 18, 2021, at 86 FR 26862, and made adjustments to the substance of this rule based on these considerations.

Comments the USPTO received about specific requirements or procedures are summarized, and the USPTO’s responses are provided, in section VIII below.

**I. Ex Parte Expungement and Reexamination Proceedings**

As the House Report for the TMA explained, “Trademarks are at the foundation of a successful commercial marketplace. Trademarks allow companies to identify their goods and services, and they ensure that consumers know whose product they are buying. . . . By guarding against deception in the marketplace, trademarks also serve an important consumer protection role.” H.R. Rep. No. 116–645, at 8–9 (2020) (citation omitted).

In order to have a well-functioning trademark system, the trademark register should accurately reflect trademarks that are currently in use. *Id.* at 9. When the register includes marks that are not currently in use, it is more difficult for legitimate businesses to clear and register their own marks. *Id.* It has become apparent in recent years that registrations are being obtained and maintained for marks that are not properly in use in commerce. *Id.* at 9–10. Moreover, this “cluttering” has real-world consequences when the availability of marks is depleted. *Id.* at 9.

The House Report also noted that “[a] recent rise in fraudulent trademark applications has put further strain on the accuracy of the federal register. Although trademark applications go through an examination process, some of these forms of fraud are difficult to detect in individual applications (even if patterns of fraud can be seen across multiple applications), leading to illegitimate registrations. Although the USPTO can try to develop better systems to detect fraud during the examination process, its authority to reconsider applications after registration is currently limited.” *Id.* at 10–11 (citation omitted).

To address these problems, the TMA created two new *ex parte* processes that will allow a third party, or the Director, to challenge whether a registrant made use of its registered trademark in commerce. If the registered mark was not properly used, the Office will be able to cancel the registration. *Id.* at 11. The TMA also provides for improvements to make the trademark examination process more efficient and more effective at clearing applications that may block later-filed applications from proceeding to registration. *Id.*

The two new ex parte proceedings created by the TMA—one for expungement and one for reexamination—provide new mechanisms for removing a registered mark from the trademark register, or cancelling the registration as to certain goods and/or services, when the registrant has not used the mark in commerce as of the relevant date required by the Act. In an expungement proceeding, the USPTO must determine whether the evidence of record supports a finding that the registered mark has never been used in commerce on or in connection with some or all of the goods and/or services recited in the registration. In a reexamination proceeding, the USPTO must determine whether the evidence of record supports a finding that the mark registered under section 1 of the Act was not in use in commerce on or in connection with some or all of the goods and/or services as of the filing date of the application or amendment to allege use, or before the deadline for filing a statement of use, as applicable. If the USPTO determines that the required use was not made for the goods or services at issue in the proceeding, and that determination is not overturned on review, the registration will be cancelled in whole or in part, as appropriate.

These new proceedings are intended to provide a more efficient and less expensive alternative to a contested inter partes cancellation proceeding before the TTAB. While the authority for the expungement and reexamination proceedings is set forth in separate subsections of the Act, the procedures for instituting the proceedings, the nature of the evidence required, and the process for evaluating evidence and corresponding with the registrant, as set forth in this rule, are essentially the same. Thus, for administrative efficiency, proceedings involving the same registration may be consolidated by the USPTO for review.

To implement these new proceedings and related procedures, the USPTO amends its rules to add 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 ex parte expungement and reexamination proceedings; and
- Sections 2.93 and 2.94, setting forth the procedures for expungement and reexamination proceedings, and for action after those proceedings.

In addition, conforming amendments are made to the following existing rules:

- Section 2.6, which sets the fees for petitions for expungement and/or reexamination and for requests for extensions of time to respond to an Office action;
- Section 2.11, which requires U.S. counsel for foreign-domiciled petitioners and registrants;
- Section 2.23, which addresses the duty to monitor the status of a registration;
- Section 2.67, which addresses suspension of action by the USPTO;
- Section 2.117, which addresses suspension of proceedings before the TTAB;
- Section 2.142, which addresses the time and manner of ex parte appeals;
- Section 2.145, which addresses appeals to the U.S. Court of Appeals for the Federal Circuit;
- Section 2.146, which addresses petitions to the Director; and
- Section 2.193, which addresses signature requirements.

#### A. Timing for Requests for Proceedings

The TMA specifies the time periods during which a petitioner can request institution of expungement and reexamination proceedings, and during which the Director may institute such proceedings based on a petition or on the Director's own initiative. Accordingly, under § 2.91(b)(1), a petitioner may request, and the Director may institute, an ex parte expungement proceeding between 3 and 10 years following the date of registration. However, the TMA provides that, until December 27, 2023 (3 years from the TMA's enactment date), a petitioner may request, and the Director may institute, an expungement proceeding for a registration that is at least 3 years old, regardless of the 10-year limit. Under § 2.91(b)(2), a petitioner may request, and the Director may institute, a reexamination proceeding during the first five years following the date of registration.

The TMA gives discretion to the Director to establish by rule a limit on the number of petitions for expungement or reexamination that can be filed against a registration. However, after consideration of the comments received regarding establishing such a limitation, which are discussed below, and to foster clearing of the register of unused marks, the USPTO has determined that it will not impose a limitation on the number of petitions at this time. This will allow the USPTO time to determine whether existing safeguards in the statute and the regulations implemented herein suffice to protect registrants from potential misuse of the proceedings. These

safeguards include the fact that the registrant does not participate until after the Director institutes a proceeding based on a prima facie case of nonuse of the mark, and the registrant cannot be subject to another proceeding for the same goods and/or services for which use of the mark was established in a prior proceeding. If the existing safeguards in the statute and the regulations do not suffice to protect registrants from misuse of the proceedings, the USPTO may establish a limit on the number of petitions for expungement or reexamination that can be filed against a registration in a future rule.

#### B. Petition Requirements

Under the TMA, and § 2.91, any person may file a petition with the USPTO requesting institution of an expungement or reexamination proceeding. In the NPRM, the USPTO sought 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. As discussed below, this rule does not require a petitioner to identify the name of the real party in interest on whose behalf the petition is filed, but retains the Director's authority to require that information in particular cases.

Reexamination and expungement petitions are intended to allow third parties to bring unused registered marks to the attention of the USPTO. To the extent a registrant believes its own mark was not used in commerce, or is no longer used in commerce, on or in connection with some or all of the goods and/or services listed in the registration, the registrant should utilize the existing mechanisms for voluntarily amending the registration to delete the goods and/or services or surrendering the registration in its entirety, pursuant to section 7 of the Act, 15 U.S.C. 1057. To incentivize registrants to keep their registrations accurate and up-to-date as to the goods and/or services on which the mark is actually used in commerce, the USPTO previously established a \$0 fee for voluntary deletions of goods and/or services made outside of a maintenance examination. See Trademark Fee Adjustment rule (85 FR 73197, November 17, 2020).

A petition for expungement must allege that the relevant registered trademark has never been used in commerce on or in connection with some or all of the goods and/or services listed in the registration.

A petition for reexamination must allege that the trademark was not in use in commerce on or in connection with

some or all of the goods and/or services listed in the registration on or before the relevant date, which, for any particular goods and/or services, is determined as follows:

- In a use-based application for registration of a mark with an initial filing basis of section 1(a) of the Act for the goods and/or services listed in the petition, and not amended at any point to be filed pursuant to section 1(b) of the Act, 15 U.S.C. 1051(b), the relevant date is the filing date of the application; or
- In an intent-to-use application for registration of a mark with an initial filing basis or amended basis of section 1(b) of the Act for the goods and/or services listed in the petition, the relevant date is the later of the filing date of an amendment to allege use identifying the goods and/or services listed in the petition, pursuant to section 1(c) of the Act, or the expiration of the deadline for filing a statement of use for the goods and/or services listed in the petition, pursuant to section 1(d), including all approved extensions thereof.

Under § 2.91(c), the Director will consider only complete petitions for expungement or reexamination. To be considered complete, the petition must be made in writing and filed through the USPTO's Trademark Electronic Application System (TEAS), and must include:

- The fee required by § 2.6(a)(26);
- The U.S. trademark registration number of the registration subject to the petition;
- The basis for petition under § 2.91(a);
- The name, domicile address, and email address of the petitioner;
- If the domicile of the petitioner is not located within the United States or its territories, a designation of an attorney, as defined in § 11.1, who is qualified to practice under § 11.14;
- If the petitioner is, or must be, represented by an attorney, as defined in § 11.1, who is qualified to practice under § 11.14, the attorney's name, postal address, email address, and bar information under § 2.17(b)(3);
- Identification of each good and/or service recited in the registration for which the petitioner requests that the proceeding be instituted on the basis identified in the petition;
- A verified statement signed by someone with firsthand knowledge of the facts to be proved that sets forth in numbered paragraphs:
  - a. The elements of the reasonable investigation of nonuse conducted, as defined under § 2.91(d), where for each source of information relied upon, the statement includes a description of how

and when the searches were conducted and what the searches disclosed; and

b. A concise factual statement of the relevant basis for the petition, including any additional facts that support the allegation of nonuse of the mark in commerce on or in connection with the goods and services as specified in § 2.91(a);

- A clear and legible copy of all documentary evidence supporting a prima facie case of nonuse of the mark in commerce and an itemized index of such evidence.

If a petition does not satisfy the requirements for a complete petition, the USPTO will issue a letter providing the petitioner 30 days to perfect the petition by complying with the outstanding requirements, if otherwise appropriate.

#### C. *Petition Fee*

After consideration of the comments discussed below regarding the proposed fee of \$600 per class, this final rule sets a fee of \$400 per class for a petition for expungement or reexamination. In setting this fee, the USPTO intends to strike a balance between recovering the costs associated with conducting these proceedings (including Director-initiated proceedings) and providing a less expensive alternative to a contested inter partes cancellation proceeding before the TTAB.

#### D. *Reasonable Investigation Requirement*

Under § 2.91(c)(8), a petition requesting institution of an expungement or reexamination proceeding must include a verified statement that sets forth the elements of the reasonable investigation the petitioner conducted to determine that the mark was never used in commerce (for expungement petitions) or not in use in commerce as of the relevant date (for reexamination petitions) on or in connection with the goods and/or services identified in the petition.

A reasonable investigation is an appropriately comprehensive search likely to reveal use of the mark in commerce on or in connection with the relevant goods and/or services, if such use was, in fact, made. Thus, what constitutes a reasonable investigation is a case-by-case determination, but any investigation should focus on the mark disclosed in the registration and the identified goods and/or services, keeping in mind their scope and applicable trade channels.

The elements of a petitioner's investigation should demonstrate that a search for use in relevant channels of trade and advertising for the identified

goods and/or services did not reveal any relevant use. In addition, the petitioner's statement regarding the elements of the reasonable investigation should specifically describe the sources searched, how and when the searches were conducted, and what information and evidence, if any, the searches produced.

Sources of information and evidence should include reasonably accessible sources that can be publicly disclosed, because petitions requesting institution of expungement and reexamination proceedings will be entered in the registration record and thus be publicly viewable through the USPTO's Trademark Status & Document Retrieval (TSDR) database. The number and nature of the sources a petitioner must check in order for its investigation to be considered reasonable, and the corresponding evidence that would support a prima facie case, will vary depending on the goods and/or services involved, their normal trade channels, and whether the petition is for expungement or reexamination. Because nonuse for purposes of expungement and reexamination is necessarily determined in reference to a time period that includes past activities (not just current activities), a petitioner's investigation normally would include research into past usage of the mark for the goods and/or services at issue in the petition and thus may include archival evidence.

As a general matter, a single search using an internet search engine likely would not be considered a reasonable investigation. See H.R. Rep. No. 116-645, at 15 (2020). On the other hand, a reasonable investigation does not require a showing that all of the potentially available sources of evidence were searched. Generally, an investigation that produces reliable and credible evidence of nonuse at the relevant time should be sufficient.

As set forth in § 2.91(d)(2), appropriate sources of evidence and information for a reasonable investigation may include, but are not limited to:

- State and Federal trademark records;
- internet websites and other media likely to or believed to be owned or controlled by the registrant;
- internet websites, other online media, and publications where the relevant goods and/or services likely would be advertised or offered for sale;
- Print sources and web pages likely to contain reviews or discussions of the relevant goods and/or services;
- Records of filings made with or of actions taken by any State or Federal

business registration or regulatory agency;

- The registrant's marketplace activities, including, for example, any attempts to contact the registrant or purchase the relevant goods and/or services;
- Records of litigation or administrative proceedings reasonably likely to contain evidence bearing on the registrant's use or nonuse of the registered mark; and
- Any other reasonably accessible source with information establishing that the mark was never in use in commerce (expungement), or was not in use in commerce as of the relevant date (reexamination), on or in connection with the relevant goods and/or services.

A petitioner is not required or expected to commission a private investigation but may choose to generally reference the results of any report from such an investigation without disclosing specific information that would waive any applicable privileges.

Finally, any party practicing before the USPTO, including those filing petitions to request institution of these ex parte proceedings, is bound by all ethical rules involving candor toward the USPTO as the adjudicating tribunal. Of particular relevance in ex parte expungement and reexamination proceedings is 37 CFR 11.303(d), which states: "In an ex parte proceeding, a practitioner shall inform the tribunal of all material facts known to the practitioner that will enable the tribunal to make an informed decision, whether or not the facts are adverse." Also relevant is the USPTO rule concerning submissions in trademark matters, which provides that by presenting any trademark submission to the USPTO, a party, whether a practitioner or non-practitioner, is certifying that "[t]o the best of the party's knowledge, information and belief, formed after an inquiry reasonable under the circumstances, . . . the paper is not being presented for any improper purpose, such as to harass someone or cause unnecessary delay" and "[t]he allegations and other factual contentions have evidentiary support." 37 CFR 11.18(b)(2). See also 37 CFR 11.18(c) (providing that violations of any subparagraphs of § 11.18(b)(2) are "subject to such sanctions or actions as deemed appropriate by the USPTO Director").

#### E. Director-Initiated Proceedings

As authorized by the TMA, § 2.92(b) provides that the Director may, within the time periods set forth in § 2.91(b), institute an expungement or

reexamination proceeding on the Director's own initiative, if the information and evidence available to the USPTO supports a prima facie case of nonuse.

Section 2.92(e)(1) provides that, for efficiency and consistency, the Director may consolidate proceedings (including a Director-initiated proceeding with a petition-initiated proceeding). Consolidated proceedings are related parallel proceedings that may include both expungement and reexamination grounds.

In addition, under § 2.92(e)(2), if two or more petitions under § 2.91 are directed to the same registration and are pending concurrently (*i.e.*, expungement or reexamination proceedings based on these petitions are not yet instituted), or the Director wishes to institute an ex parte expungement or reexamination proceeding on the Director's own initiative under § 2.92(b) concerning a registration for which one or more petitions under § 2.91 are pending, the Director may elect to institute a single proceeding.

#### F. Establishing a Prima Facie Case

Under § 2.92, as provided for explicitly in the TMA, an expungement or reexamination proceeding will be instituted only in connection with the goods and/or services for which a prima facie case of relevant nonuse has been established. See Public Law 116–260, Div. Q, Tit. II, Subtit. B, section 225(a), (c). For the purpose of this rule, a prima facie case requires only that a reasonable predicate concerning nonuse be established. See H.R. Rep. No. 116–645, at 8 (2020) (citing *In re Pacer Tech.*, 338 F.3d 1348, 1351 (Fed. Cir. 2003) and *In re Loew's Theatres, Inc.*, 769 F.2d 764, 768 (Fed. Cir. 1985)). Thus, with respect to these proceedings, a prima facie case includes sufficient notice of the claimed nonuse to allow the registrant to respond to and potentially rebut the claim with competent evidence, which the USPTO must then consider before making a determination as to whether the registration should be cancelled in whole or in part, as appropriate.

For expungement and reexamination proceedings instituted on the basis of a petition under § 2.91, the determination of whether a prima facie case has been made is based on the evidence and information that is collected as a result of the petitioner's reasonable investigation and set forth in the petition, along with the USPTO's electronic record of the involved registration. Appropriate sources of

such evidence and information include those listed in § 2.91(d)(2).

For Director-initiated expungement and reexamination proceedings, the evidence and information that may be relied upon to establish a prima facie case may be from essentially the same sources as those in the petition-initiated proceeding.

#### G. Notice of Petition and Proceedings

When a petitioner files a petition requesting institution of expungement or reexamination proceedings, the petition will be uploaded into the registration record and be viewable through TSDR. The USPTO plans to send a courtesy email notification of the filing to the registrant and/or the registrant's attorney, as appropriate, if an email address is of record. The registrant may not respond to this courtesy notice. No response from the registrant will be accepted unless and until the Director institutes a proceeding under § 2.92.

Once the Director has determined whether to institute a proceeding based on the petition, notice of that determination will be sent to the petitioner and the registrant, along with the means to access the petition and supporting documents and evidence.

If a proceeding is instituted, the petitioner will not have any further involvement. In the case of Director-initiated proceedings, there is no petitioner, and thus all relevant notices will be provided only to the registrant. In both types of proceedings, documents associated with the proceeding will be uploaded into the registration record and will be publicly viewable through TSDR.

Under the TMA and § 2.92(c)(1), any determination by the Director whether to institute an expungement or reexamination proceeding, based either on a petition or on the Director's own initiative, is final and non-reviewable. See Public Law 116–260, Div. Q, Tit. II, Subtit. B, section 225(a), (c).

Finally, for purposes of correspondence relating to these proceedings, the "registrant" is the owner/holder currently listed in USPTO records.

#### H. Procedures for Expungement and Reexamination Proceedings

Under § 2.92(f)(2), the Director's determination to institute a proceeding is set forth in an Office action, which, in accordance with § 2.93(a), will require the registrant to provide such evidence of use, information, exhibits, affidavits, or declarations as may be reasonably necessary to rebut the prima facie case by establishing that the

required use in commerce has been made on or in connection with the goods and/or services at issue, as required by the Act. While institution necessitates a response from the registrant that includes evidence rebutting the prima facie case, the ultimate burden of proving nonuse by a preponderance of the evidence remains with the Office.

Although the Office action will be substantively limited in scope to the question of use in commerce, the registrant will also be subject to the requirements of § 2.11 (requirement for representation), § 2.23 (requirement to correspond electronically), and § 2.189 (requirement to provide a domicile address). Thus, the USPTO will require the registrant to furnish domicile information as necessary to determine if the registrant must be represented by a U.S.-licensed attorney. In addition, all registrants will be required to provide a valid email address for correspondence, if one is not already in the record, and to update the email address as necessary to facilitate communication with the USPTO.

The TMA provides that any documentary evidence of use provided by the registrant need not be the same as that required under the USPTO's rules of practice for specimens of use under section 1(a) of the Act, 15 U.S.C. 1051(a), but must be consistent with the definition of "use in commerce" set forth in section 45 of the Act, 15 U.S.C. 1127, and in relevant case law. Although testimonial evidence may be submitted, it should be supported by corroborating documentary evidence.

The USPTO anticipates that the documentary evidence of use in most cases will take the form of specimens of use, but the TMA contemplates situations where, for example, specimens for particular goods and/or services are no longer available, even if they may have been available at the time the registrant filed an allegation of use. In these cases, the registrant may be permitted to provide additional evidence and explanations supported by declaration to demonstrate how the mark was used in commerce at the relevant time. As a general matter, because the registration file, including any specimens, has already been considered in instituting the proceeding based on a prima facie case of nonuse, merely resubmitting the same specimen of use previously submitted in support of registration or maintenance thereof, or a verified statement alone, without additional supporting evidence, will likely be insufficient to rebut a prima facie case of nonuse.

For expungement proceedings, the registrant's evidence of use must show that the use occurred before the filing date of the petition to expunge under § 2.91(a), or before the date the proceeding was instituted by the Director under § 2.92(b), as appropriate. For reexamination proceedings, the registrant's evidence of use must demonstrate use of the mark in commerce on or in connection with the goods and/or services at issue on or before the relevant date established pursuant to the TMA under the relevant section of the Act.

Under § 2.93(b)(5)(ii), a registrant in an expungement proceeding may provide verified statements and evidence to establish that any nonuse as to particular goods and/or services with a sole registration basis under section 44(e) of the Act, 15 U.S.C. 1126(e), or section 66(a) of the Act, 15 U.S.C. 1141f(a), is due to special circumstances that excuse such nonuse, as set forth in § 2.161(a)(6)(ii). However, excusable nonuse will not be considered for any goods and/or services registered under section 1 of the Act, 15 U.S.C. 1051.

Section 2.93(d) provides that a registrant in an expungement or reexamination proceeding may also respond to an Office action by deleting some or all of the goods and/or services at issue in the proceeding and that an acceptable deletion will be immediately effective, that is, upon deletion the registration is considered cancelled as to the deleted goods and/or services, and the deleted goods and/or services cannot be reinserted. The rule further specifies that no other amendment to the identification of goods and/or services in a registration will be permitted as part of the proceeding. If goods and/or services that are subject to an expungement or reexamination proceeding are deleted after the filing, and before the acceptance, of an affidavit or declaration under section 8 or 71 of the Act, the deletion will be subject to the fee under § 2.161(c) or § 7.37(c).

In addition, a registrant may submit a request to surrender the subject registration for cancellation under § 2.172 or a request to amend the registration under § 2.173, but the mere filing of these requests will not constitute a sufficient response to an Office action requiring the registrant to provide evidence of use of the mark in the expungement or reexamination proceeding. The registrant must affirmatively notify the Office of the separate request in a timely response to the Office action.

Any deletion of goods and/or services at issue in a pending proceeding

requested in a response, a surrender for cancellation under § 2.172, or an amendment of the registration under § 2.173 shall render the proceeding moot as to those goods and/or services, and the Office will not make any further determination regarding the registrant's use of the mark in commerce as to those goods and/or services.

Under § 2.93(b)(1), the registrant must respond to the initial Office action via TEAS within three months of the issue date, but has the option to request a one-month extension of time to respond for a fee of \$125, as set forth in § 2.6(a)(27). As discussed below, the USPTO made this change after consideration of the comments received in response to the proposed response period in the NPRM of two months for an Office action issued in connection with an expungement or reexamination proceeding. If the registrant fails to timely respond, the rule provides that the USPTO will terminate the proceedings and the registration will be cancelled, in whole or in part, as appropriate. However, a registrant may request reinstatement of the registration and resumption of the proceeding if the registrant failed to respond to the Office action because of an extraordinary situation. Under § 2.146(d)(2)(iv), such a petition must be filed no later than two months after the date of actual knowledge of the cancellation of goods and/or services in a registration and not later than six months after the date of cancellation as indicated in TSDR. Section 2.146(c)(2) requires the registrant to include a response to the Office action with the petition.

Relatedly, § 2.23(d)(3) provides that registrants are responsible for monitoring the status of their registrations in the USPTO's electronic systems at least every three months after notice of the institution of an expungement or reexamination proceeding until a notice of termination issues under § 2.94.

The USPTO also sought comments regarding whether § 2.93 should provide that, when a timely response by the registrant is a bona fide attempt to advance the proceeding and is a substantially complete response to the Office action, but consideration of some matter or compliance with a requirement has been omitted, the registrant may be granted 30 days, or to the end of the time period for response in the Office action to which the substantially complete response was submitted, whichever is longer, to resolve the issue. As discussed below, after consideration of the comments received, § 2.93 includes the option for the USPTO to issue a 30-day letter in

such circumstances. However, granting the registrant additional time in such circumstances does not extend the time for filing an appeal to the TTAB or a petition to the Director. In addition, the USPTO sought comments on whether it should take additional action when a registrant's failure to respond in an expungement or reexamination proceeding leads to cancellation of some of the goods and/or services in the registration. Specifically, the USPTO considered whether, in these cases, the registration should also be selected for audit under 37 CFR 2.161(b) or 7.37(b) if a registration maintenance filing is pending or, if one is not pending, when the next maintenance filing is submitted. As under current practice, if selected for audit, the registrant would be required to substantiate use for some or all of the remaining goods and/or services recited in the registration. As discussed below, after consideration of the comments received, the USPTO will not automatically select for audit a registration when the registrant fails to respond to an expungement or reexamination Office action and its registration is cancelled in part.

If the registrant timely responds to the initial Office action in the expungement or reexamination proceeding, the USPTO will review the response to determine if use of the mark in commerce at the relevant time has been established for each of the goods and/or services at issue. If the USPTO finds, during the course of the proceeding, that the registrant has demonstrated relevant use of the mark in commerce on or in connection with the goods and/or services at issue sufficient to rebut the prima facie case, demonstrated excusable nonuse in appropriate expungement cases, or deleted goods and/or services, such that no goods and/or services remain at issue, the proceeding will be terminated upon the USPTO issuing a notice of termination under § 2.94.

If, however, the response fails to establish use of the mark in commerce at the relevant time (or to sufficiently establish excusable nonuse, if applicable) for all of the goods and/or services at issue, or otherwise fails to comply with all outstanding requirements, the USPTO will issue a final action. In an expungement proceeding, the final action will include the examiner's decision that the registration should be cancelled for each good or service for which the mark was determined to have never been used in commerce or for which no excusable nonuse was established. In a reexamination proceeding, the final action will include the examiner's

decision that the registration should be cancelled for each good and/or service for which it was determined the mark was not in use in commerce on or before the relevant date. As appropriate, in either an expungement or reexamination proceeding, the final action will include the examiner's decision that the registration should be cancelled in whole for noncompliance with any requirement under §§ 2.11, 2.23, and 2.189.

If a final action is issued, the registrant will have three months to file a request for reconsideration or an appeal to the TTAB, if appropriate. These deadlines are not extendable. In accordance with § 2.93(c)(3)(ii), if the registrant fails to timely appeal or file a request for reconsideration that establishes use of the mark in commerce at the relevant time for all goods and/or services that remain at issue in a final action (or that deletes the remaining goods and/or services at issue), the USPTO will issue a notice of termination of the proceeding under § 2.94, clearly setting forth the goods and/or services for which relevant use was, or was not, established, as well as any other outstanding requirements. The notice of termination is a statement intended to provide notice to the registrant and the public of the ultimate outcome of the proceedings and is not itself reviewable. The USPTO will also issue, as appropriate, an order canceling the registration in whole or in part, in accordance with the examiner's decision in the final action. Section 2.93(b)(1) provides that, if the registrant fails to timely respond, the USPTO will terminate the proceedings, and the registration will be cancelled, in whole or in part, as appropriate. However, a registrant may request reinstatement of the registration and resumption of the proceeding if the registrant failed to respond to the Office action because of an extraordinary situation. Under § 2.146(d)(2)(iv), such a petition must be filed no later than two months after the date of actual knowledge of the cancellation of goods and/or services in a registration and may not be filed later than six months after the date of cancellation in TSDR. Under § 2.146(c)(2), the registrant must include a response to the Office action with the petition.

Under § 2.94, if the required use in commerce (or excusable nonuse, in appropriate cases) is not established, the notice of termination will indicate a cancellation of either some of the goods and/or services or the entire registration, depending on the circumstances. If the goods and/or services for which use (or excusable nonuse) was not

demonstrated are the only goods and/or services in the registration, or there remain any additional outstanding requirements, the entire registration will be cancelled. However, if the notice of termination relates only to a portion of the goods and/or services in the registration, and there are no other outstanding requirements, the registration will be cancelled in part, as appropriate. A notice of termination will not issue until all outstanding issues are satisfactorily resolved (and thus no cancellation is necessary) or the time for appeal has expired or any appeal proceeding has terminated. Petitioners and other interested parties may monitor the progress of a proceeding by reviewing the status and associated documents through TSDR.

In setting the deadlines for expungement and reexamination proceedings, the USPTO considered the amount of time a registrant might need to research and collect relevant evidence of use, the fact that some proceedings may involve more goods and/or services than others, and the comments it received regarding the proposed deadlines. The USPTO also weighed these considerations against the goal that these proceedings be faster and more efficient than other available options for cancellation of registrations for marks not used with goods and/or services listed therein, as well as the probability that most registrants are likely to have evidence of use that is contemporaneous with the relevant date at issue.

#### *I. Estoppel and Co-Pending Proceedings*

Section 2.92(d) of this rule includes provisions for estoppel and bars co-pending proceedings involving the same registration and the same goods and/or services.

Specifically, § 2.92(d)(1) provides that, upon termination of an expungement proceeding where it was established that the registered mark was used in commerce on or in connection with any of the goods and/or services at issue in the proceedings prior to the date a petition to expunge was filed under § 2.91 or the Director-initiated proceedings were instituted under § 2.92, no further expungement proceedings may be instituted as to those particular goods and/or services. Subsequent reexamination proceedings for marks registered under section 1 of the Act are not barred under these circumstances because reexamination proceedings involve a question of whether the mark was in use in commerce as of a particular relevant date, whereas earlier expungement proceedings would only have involved

a determination of whether the mark was never used. Proof of use sufficient to rebut a prima facie case of nonuse in an expungement proceeding might not establish use in commerce as of a particular relevant date, as required in a reexamination proceeding.

Section 2.92(d)(2) provides that, upon termination of a reexamination proceeding where it was established that the registered mark was used in commerce on or in connection with any of the goods and/or services at issue, on or before the relevant date at issue in the proceedings, no further expungement or reexamination proceedings may be instituted as to those particular goods and/or services. The TMA does not explicitly bar a subsequent expungement proceeding following a determination in a reexamination proceeding. However, the rule takes into account that it would be unnecessary for the registrant to be subjected to a later-instituted proceeding alleging the mark was never used in commerce when the USPTO has already determined that the mark was used in commerce on or before a relevant date.

In addition, § 2.92(d)(3) provides that, with respect to a particular registration, while an expungement proceeding is pending, no later expungement proceeding may be instituted with respect to the same goods and/or services at issue in the pending proceeding. Section 2.92(d)(4) establishes that, with respect to a particular registration, while a reexamination proceeding is pending, no later expungement or reexamination proceeding may be instituted with respect to the same goods and/or services at issue in the pending proceeding.

For the purposes of these rules, the wording “same goods and/or services” refers to identical goods and/or services that are the subject of the pending proceeding or the prior determination. Thus, for example, if a subsequent petition for reexamination identifies goods that are already the subject of a pending reexamination proceeding and goods that are not, only the latter goods could potentially be the subject of a new proceeding. The fact that there is some overlap between the goods and/or services in the pending proceeding and those identified in a petition would not preclude the goods and/or services that are not the same from being the subject of a new proceeding, if otherwise appropriate. This situation is addressed in § 2.92(c)(2), which permits the Director to institute a proceeding on petition for fewer than all of the goods and/or services identified in the petition. The comments received in

connection with the estoppel and co-pending provisions are discussed below.

## II. New Nonuse Ground for Cancellation Before the TTAB

The TMA created a new nonuse ground for cancellation under section 14 of the Act, allowing a petitioner to allege that a mark has never been used in commerce as a basis for cancellation before the TTAB. This ground is available at any time after the first three years from the registration date. Therefore, the USPTO amends § 2.111(b) to indicate when a petition on this ground may be filed and to distinguish it from the timing of other nonuse claims.

## III. Flexible Response Periods

The TMA amended section 12(b) of the Act, 15 U.S.C. 1062(b), to allow the USPTO to set response periods by regulation for a time period between 60 days and 6 months, with the option for extensions to a full 6-month period. Under current § 2.62(a), applicants have six months to respond to Office actions issued during the examination of a trademark application. Many examination issues, particularly formal requirements like amendments to identifications or mark descriptions, can be resolved well before the current six-month deadline. However, the USPTO also recognizes that Office actions containing statutory refusals may present complex issues that require more time to address, and thus applicants and their attorneys may need the full response period to prepare and submit a response.

USPTO data analytics indicate that, in fiscal year (FY) 2020, 42% of represented applicants and 66% of unrepresented applicants responded to an Office action with a single substantive ground of refusal within three months from the issuance of a non-final Office action. Where the Office action covered multiple refusals, 31% of represented applicants and 56% of unrepresented applicants responded within three months.

Accordingly, the USPTO amends § 2.62 to set a response period of three months for responses to Office actions in applications under sections 1 and/or 44 of the Act. Under § 2.62(a)(2), applicants may request a single three-month extension of this three-month deadline, subject to payment of the fee in § 2.6(a)(28), namely, \$125 for an extension request filed through TEAS and \$225 for a permitted paper-filed request. To be considered timely, the request for an extension must be received by the USPTO on or before the deadline for response, which, consistent

with current examination practice, will be set forth in the Office action. If an applicant fails to respond or request an extension within the specified time period, the application will be abandoned. This extension will not affect the existing practice under § 2.65(a)(2) that permits an examiner to grant an applicant 30 days, or to the end of the time period for response to the action to which a substantially complete and timely response was submitted, whichever period is longer, to explain or supply an omission. The amendments to § 2.66 address the requirement for the extension fee in situations where an applicant files a petition to revive past a three-month deadline.

Although post-registration actions are not subject to the response provisions in section 12 of the Act, for convenience and predictability, the same three-month response period and single three-month extension apply to Office actions issued in connection with post-registration review of registration maintenance and renewal filings.

However, applications under section 66(a) of the Act will not be subject to the three-month deadline for Office action responses; the deadline will instead remain at six months. USPTO data analytics indicate that in FY 2020, only 11% of Madrid applicants filed a response to a non-final Office action with multiple grounds within three months, while 62% of Madrid applicants took six months to file a response. The additional processing required for these applications, both at the USPTO and the World Intellectual Property Organization’s International Bureau (IB), per article 5(2) of the Madrid Protocol, introduces time constraints that justify maintaining the current deadlines.

These flexible response periods are intended to promote efficiency in examination by shortening the prosecution timeline for applications with issues that are relatively simple to address, while providing sufficient time, through an optional extension, for responses to Office actions with more complex issues. In addition, shorter response periods may result in faster disposal of applications and thus reduce the potential delay in examination of later-filed applications for similar marks.

The rule includes conforming revisions to §§ 2.63, 2.65, 2.66, 2.141, 2.142, 2.163, 2.165, 2.176, 2.184, 2.186, 7.6, 7.39, and 7.40 to account for the deadlines and extensions. The USPTO inadvertently failed to list § 2.176 in the NPRM but has included it here.

Although the rules regarding expungement and reexamination proceedings must be implemented within one year of the TMA's enactment, there is no required date of implementation for the flexible response and extension provisions. Therefore, because these flexible response periods and extensions will involve significant changes to examination processes and the USPTO's information technology (IT) systems, the Office will delay implementation of them until December 1, 2022. This will also allow customers to update their practices and IT systems for these changes.

The USPTO also sought comments on two alternatives to the procedures discussed above. The comments received regarding the flexible response period implemented herein, as well as the proposed alternatives, are discussed below.

#### IV. Letters of Protest

The TMA amends section 1 of the Act, 15 U.S.C. 1051, to add a new paragraph (f), providing express statutory authority for the USPTO's existing letter-of-protest procedure, which allows third parties to submit to the USPTO for consideration and entry into the record evidence bearing on the registrability of a mark. This procedure is intended to aid in examination without causing undue delay or compromising the integrity and objectivity of the ex parte examination process. The TMA also provides that the Director shall determine whether evidence should be included in the record of the relevant application within two months of the date on which a letter of protest is filed.

The USPTO promulgated letter-of-protest procedures at 37 CFR 2.149 in a final rule published in the **Federal Register** on November 17, 2020 (85 FR 73197). The requirements set out in § 2.149 are consistent with those in the TMA. However, the TMA further provides that any determination by the Director of the USPTO whether to include letter-of-protest evidence in the record of an application shall be final and non-reviewable, and that such a determination shall not prejudice any party's right to raise any issue and rely on any evidence in any other proceeding. See Public Law 116–260, Div. Q, Tit. II, Subtit. B, section 223(a). Therefore, the USPTO revises § 2.149 to include these additional provisions.

The TMA also authorizes the USPTO to charge a fee for letters of protest. Public Law 116–260, Div. Q, Tit. II, Subtit. B, section 223(a). Under existing § 2.6(a)(25), the USPTO currently charges \$50 per letter-of-protest

submission. That fee is not changed in this rulemaking. Comments received in connection with the procedures for letters of protest are discussed below.

#### V. Suspension of Proceedings

The USPTO revises §§ 2.67 and 2.117 to clarify that expungement and reexamination proceedings are included among the types of proceedings for which suspension of action by the Office or the TTAB is authorized. In addition, the USPTO revises these rules to align them with the existing practice regarding suspension of proceedings before the USPTO or the TTAB. Generally, the USPTO will suspend prosecution of a trademark application or a matter before the TTAB during the pendency of a court or TTAB proceeding that is relevant to the issue of registrability of the involved mark; therefore, this rule eliminates the limitation in § 2.117 to other proceedings in which a party or parties are engaged.

Suspension will normally be maintained until the outcome of the proceeding has been finally determined. As set forth in the current version of section 510.02(b) of the Trademark Trial and Appeal Board Manual of Procedure, the USPTO considers a proceeding to have been finally determined when an order or ruling that ends litigation has been rendered and noticed, and no appeal has been filed, or all appeals filed have been decided and the time for any further review has expired without further review being sought. The expiration of time for any further review includes the time for petitioning for rehearing or U.S. Supreme Court review. Thus, the Office will not normally lift a suspension until after the time for seeking such review has expired, a decision denying or granting such review has been rendered, and any further review has been completed. Comments received regarding suspension procedures are discussed below.

#### VI. Attorney Recognition

The USPTO proposed revising § 2.17(g) to indicate that, for the purposes of an application or registration, recognition of a qualified attorney as the applicant's or registrant's representative will continue until the owner revokes the appointment or the attorney withdraws from representation. Accordingly, to end attorney recognition by the USPTO under the proposal, owners and attorneys would be required to proactively file an appropriate revocation or withdrawal document under § 2.19, rather than the current situation, where recognition

automatically ends when one of the events listed in current § 2.17(g) occurs.

Furthermore, under the proposed revision to § 2.17(g), if the applicant or registrant wished to retain a new attorney for submissions to the USPTO following abandonment or registration, the applicant or registrant would be required to revoke the original power of attorney, or the attorney would need to request to withdraw from representation, before a new attorney could be recognized.

In addition, under the proposed rule, recognition of the attorney of record would continue, even when there is a change of ownership, until the attorney affirmatively withdraws or representation is revoked.

After consideration of the comments received in connection with the proposed changes, as discussed below, the USPTO has decided not to implement these proposed changes to the rules governing attorney recognition and withdrawal at this time.

However, as proposed, this rule adds § 2.17(b)(4) to specify that when a practitioner has been mistakenly, falsely, or fraudulently designated as an attorney for an applicant, registrant, or party to a proceeding without the practitioner's prior authorization or knowledge, recognition of that practitioner shall be ineffective.

In addition, the USPTO revises § 2.18(a)(1) to refer to "recognition" instead of "representation," consistent with the wording in § 2.18(a)(2). The term "recognition" reflects the fact that the USPTO does not control representation agreements between practitioners and clients but merely recognizes an attorney for purposes of representation before the USPTO. In addition, revised § 2.18(a)(2) indicates that, as with service of a cancellation petition, the USPTO may correspond directly with a registrant in connection with notices of institution of expungement or reexamination proceedings. Accordingly, the USPTO plans to send notices of institution of expungement and reexamination proceedings to the owner currently identified in the registration record and to the attorney of record, if any, or any previous attorney of record whose contact information is still in the record.

#### VII. Court Orders Concerning Registrations

This rule also adds new § 2.177 to codify the USPTO's longstanding procedures concerning action on court orders cancelling or affecting a registration under section 37, 15 U.S.C. 1119, which are currently set forth in section 1610 of the Trademark Manual



of Examining Procedure (TMEP). The USPTO requires submission of a certified copy of the order and normally does not act on such orders until the case is finally determined.

## VIII. Comments and Responses

### A. Number of Petitions

*Comment 1:* Several commenters submitted comments about whether the USPTO should limit the number of petitions for expungement or reexamination that can be filed against a registration. Two commenters agreed with the approach, stated in the NPRM, that the USPTO would not initially limit the number of petitions. These commenters suggested that the Report on Decluttering Initiatives would inform the USPTO on whether additional safeguards might be needed after some experience with these proceedings and encouraged the USPTO to address patterns of abusive filings by denying institution of bad-faith petitioners' future requests. One commenter was concerned about the possibility of misuse by deferring a limit on the number of petitions that can be filed against a registration, but was amenable to a wait-and-see approach, while encouraging the USPTO to reserve the authority of the Director to limit the number of petitions at his or her discretion or for the USPTO to establish a limit in a future rule. Two commenters stated that the USPTO should limit the number of petitions that can be filed as an additional safeguard against abuse, one opining that allowing multiple ex parte proceedings against a single registration disproportionately impacts small and medium-sized enterprises.

*Response:* As noted above, the USPTO is not imposing a limitation on the number of petitions at this time. The USPTO agrees with those commenters who believe that experience with these proceedings will inform the USPTO as to whether there are patterns of abuse in the filing of petitions for expungement or reexamination. As referenced by the comments, the TMA requires the USPTO to collect data for a congressionally mandated report on the effectiveness of the expungement and reexamination proceedings in addressing inaccurate and false claims of use. Some of these comments suggested that this data could identify whether or not abuses of the proceedings have occurred. In connection with the report, the USPTO is establishing internal systems for collecting data on, among other things, the number of petitions for expungement or reexamination filed, the number of proceedings instituted,

and the final outcome of those proceedings. However, this data is primarily for the purpose of measuring the effectiveness of the proceedings and likely will not inform the USPTO as to the potential for abuse. Thus, the USPTO's Special Task Force for Improper Activities (STF) will be separately analyzing other data elements to evaluate abuse of the proceedings. The USPTO does not intend to make this investigative data collection public because of the potential for bad actors to use that information to evade detection. If it appears that abuse of the petition process or of the nonuse proceedings is occurring, the USPTO may take steps to prevent such abuse from continuing to occur, the USPTO may take steps to prevent it from continuing by establishing a limit on the number of petitions for expungement or reexamination in a future rulemaking or by imposing appropriate sanctions under 37 CFR 11.18, which may include striking submissions and precluding parties from making submissions. Regarding the concern that multiple ex parte proceedings against a single registration would disproportionately impact small and medium-sized enterprises, the USPTO notes that the absence of a limit on petitions to cancel at the TTAB does not appear to have disproportionately impacted these enterprises and there is no evidence to suggest a different result with respect to petitions for reexamination or expungement. It should be noted, however, that, based on information already collected, many of the applications and registrations in which nonuse may be an issue are owned by individuals or small-volume filers. Therefore, the USPTO anticipates that a significant portion of the expungement and reexamination proceedings instituted will be brought against registrants who are considered small enterprises. If so, this fact alone would not indicate that the process was unfairly impacting this group. However, the USPTO will carefully review the data to be collected for the above-referenced report, along with the data to be collected by the STF, which should provide additional insight to allow the USPTO to assess the impact of these proceedings on registrants, as well as potential abuse, and make adjustments if necessary. For now, given the per-class filing fee for submitting a petition for expungement and/or reexamination, the time and resources required to demonstrate the petitioner's search for use in relevant channels of trade and advertising, and the potential ramifications under § 11.18 of

submitting a petition for an improper purpose, the USPTO expects that petitioners will take care to submit petitions that appropriately challenge all goods and/or services for which they allege nonuse.

### B. Real Party in Interest

*Comment 2:* The USPTO received six comments agreeing that it should not require a petitioner to identify the name of the real party in interest on whose behalf a petition is filed. These commenters stated, among other things, that: (1) Allowing the real party in interest to remain anonymous will encourage filers to take advantage of the system by reducing the likelihood of retaliation, (2) requiring real-party-in-interest information could become an obstacle to the use of the system, (3) it is consistent with the TMA and congressional intent not to require standing, and (4) these proceedings are only between the USPTO and the registrant after institution. Four commenters supported a requirement to identify the real party in interest in order to discourage frivolous, speculative, or abusive filings and so the registrant would know who is challenging its registration. Two commenters suggested that the USPTO adopt a wait-and-see approach and revisit the issue after gaining some experience with processing the petitions, with one stating that the Director should nonetheless retain the discretion to require a petitioner to identify the real party in interest.

*Response:* The USPTO agrees with the rationale articulated by those commenters who stated that the identity of the real party in interest should not be required in order to file a petition for expungement or reexamination. The TMA allows any party to file and does not require the real party in interest to be identified and requiring such information could discourage legitimate petitions from being filed where the potential filers have concerns about being identified in the petitions. However, the USPTO also agrees that there is merit in retaining the Director's discretion to require the identity of the real party in interest in order to discourage and prevent abusive filings. Therefore, this rule retains such discretion in § 2.91(h).

### C. 30-Day Letter—Petition

*Comment 3:* One commenter supported providing petitioners an opportunity to supplement a deficient petition. Another stated that allowing petitioners 30 days to perfect a deficient petition is too long and does not appear fairly balanced with the registrant's

proposed response period of two months to provide evidence of use for a potentially large number of goods and/or services across multiple classes. One commenter requested that the USPTO clarify whether a petitioner's failure to establish a prima facie case will be correctable under the 30-day letter process for perfecting a petition or if the letter will only issue when a petition is incomplete as a result of other formal requirements. Another commenter asked whether the USPTO will place 30-day letters in the TSDR record of the challenged registration, whether it will notify the registrant of the letter, and whether it will issue the 30-day letter under the same current processes and procedures as letters issued in relation to petitions to the Director. That commenter also recommended that any notification to the registrant be made to the email addresses of the registrant, attorney of record, and any secondary email addresses listed in the registration. Finally, one commenter suggested that a technical defect in a petition, such as failing to adequately describe its reasonable investigation, should not preclude the Director from instituting a proceeding.

*Response:* A 30-day letter will be issued in connection with a petition for expungement or reexamination when the petition is incomplete because it fails to include all of the required elements listed in § 2.91(c). For example, a 30-day letter will be issued when: (1) The petition does not include the name, domicile address, or email address of the petitioner; (2) a U.S.-licensed attorney is not designated when the petitioner has a foreign domicile; (3) the petition does not include the required verified statement; or (4) the documentary evidence is not clear and legible. As set out in § 2.91(c)(8)(i), the verified statement must include the elements of the petitioner's reasonable investigation, a description of how and when the searches were conducted, and what the searches disclosed. For purposes of determining whether the petition includes elements required under § 2.91(c), the verified statement will be reviewed for whether it includes the descriptions listed in paragraph (c)(8)(i), but not for the substantive adequacy of those descriptions. If the USPTO determines that the petition does not include the descriptions required in § 2.91(c)(8)(i), the petitioner may be given 30 days to perfect its petition.

The 30-day letter is intended only to give the petitioner an opportunity to provide a required element for a complete petition, consistent with the current procedure regarding missing

required elements for petitions to the Director under § 2.146. It will not include a determination regarding whether the petition establishes a prima facie case, and the petitioner may not include additional evidence in its response. If the petitioner includes additional evidence in its response, such evidence will not be considered. If a proceeding is not instituted because the USPTO ultimately determines that the petition fails to establish a prima facie case based on the evidence originally submitted, the petitioner may submit a new petition with additional evidence.

Regarding the inquiry about whether the USPTO will place 30-day letters in the TSDR record of the challenged registration and whether it will notify the registrant of the letter, as well as the recommendation that any notification to the registrant be made to the email addresses of the registrant, attorney of record, and any secondary email addresses listed in the registration, the USPTO notes that the issue of whether a petition for expungement or reexamination complies with the requirements set out in § 2.91 involves only the petitioner and the USPTO. Therefore, a 30-day letter giving a petitioner an opportunity to perfect an incomplete petition will be sent only to the petitioner. The letter will be loaded into TSDR, as will the petitioner's response, if one is received. The registrant will have received notice of the petition via the courtesy email notification sent by the USPTO when the petition is filed, and will be able to view any 30-day letter issued in connection with an incomplete petition, and the petitioner's response, in TSDR.

Finally, the USPTO agrees with the commenter who suggested that a technical defect in a petition should not preclude a Director-instituted proceeding. If a petitioner fails to perfect its petition by supplying all of the required elements, the petition will be denied, and none of the petitioner's evidence will be reviewed. However, nothing in § 2.92(b) prohibits the Director from instituting a proceeding on the Director's own initiative simply because a third party filed an incomplete petition.

#### *D. Petition Fee*

*Comment 4:* Two commenters agreed with the proposed \$600 per-class fee for filing a petition for expungement or reexamination, with one noting that the fee should be adequate to discourage abuse by petitioners, while also accounting for the increased administrative burden on the Office. Several others thought that it was too

high. Those commenters generally opined that the proposed fee was excessive considering the limited scope and duration of the proceedings and that it would discourage parties from using the process. Four commenters suggested specific fees, ranging from \$250 to \$400 per class. Two commenters also recommended that the USPTO extend the applicability of the fee for deleting goods and/or services after submission and prior to acceptance of a section 8 or section 71 affidavit to goods and/or services deleted as a result of reexamination or expungement, and that the Office issue these fees back to petitioners.

*Response:* The USPTO agrees with the commenter who noted that the fee should be adequate to discourage abuse by petitioners, while also accounting for the increased administrative burden on the Office. As noted above, the USPTO must determine whether the requirements to establish a prima facie case have been satisfied by the petitioner in order to institute a proceeding. Thus, although the proceeding is more limited in scope than examination prior to registration, the USPTO must expend the time and resources to evaluate whether the petitioner has provided sufficient notice of the claimed nonuse to allow the registrant to respond to and potentially rebut the claim. Upon response by the registrant, the USPTO must review and evaluate all evidence provided by the registrant to determine whether it is sufficient to show use in commerce for each challenged good and/or service. Nevertheless, after consideration of the comments recommending a lower fee, the USPTO has adjusted the per-class fee for filing a petition for expungement or reexamination to \$400 per class to ensure that it adequately discourages abuse and accounts for the increased costs to the Office, while also incentivizing the use of these procedures.

Regarding the suggestion to extend the fee for deleting goods and/or services after submission and prior to acceptance of a section 8 or section 71 affidavit to goods and/or services deleted as a result of reexamination or expungement, the USPTO notes that the deletion fee would be charged if goods and/or services are deleted from a registration in response to a petition for expungement or reexamination and a section 8 or section 71 affidavit is pending while the expungement or reexamination proceeding is ongoing. However, extending the applicability of the deletion fee during other periods was not proposed in the NPRM and is outside the scope of this rule.

### *E. Reasonable Investigation Requirements*

*Comment 5:* One commenter stated that allowing internet search engine results, let alone a single internet search, to suffice as a reasonable investigation biases ex parte proceedings against small and medium-sized enterprises. That commenter suggested that: (1) The limitations of internet search engine results should preclude such results alone from constituting a reasonable search and that evidence be required from at least one additional source before a prima facie case can be established; and (2) any internet search relied upon as part of the broader body of evidence should be conducted within the United States and at a time reasonably contemporaneous with the filing of the petition, e.g., within 14 calendar days. Another commenter suggested adding a statement in § 2.91(d)(3) to indicate that a petitioner's investigation will be deemed reasonable if the sources used sufficiently demonstrate that a search for use in the typical relevant channels of trade and advertising for the identified goods and/or services did not reveal any relevant use. A third commenter suggested that "information about domain name registrations presently or previously in the name of the Registrant, including offers of such domain names for sale," be included within the sources of information for a reasonable investigation. Another commenter suggested that the USPTO assign a dedicated group of examiners to review and evaluate whether a petitioner has conducted a reasonable investigation and established a prima facie case. That commenter and two others suggested that such examiners receive specialized training. Another commenter suggested that the notice regarding whether a proceeding will be instituted should clarify what evidence is required to meet the reasonable investigation requirement, whether such evidence is sufficiently provided, and whether the evidence supports a prima facie case. Several commenters also requested clarification regarding whether the petitioner's sources and evidence will be viewable in TSDR in addition to the petition itself.

*Response:* The USPTO appreciates the commenter's concerns regarding the limitations of search-engine results. However, the commenter did not provide evidence that such searches are biased against small and medium-sized enterprises other than to state that they are prone to variation based on such factors as the location of the user, the time the search was conducted, and

prior search history. Even assuming that an internet search would not return evidence of use by small and medium-sized enterprises, the petitioner still bears the responsibility of demonstrating that its investigation was reasonable and producing reliable and credible evidence of nonuse at the relevant time. Moreover, there may be situations in which an investigation comprised only of internet searches would be deemed reasonable, based on the nature of the goods and/or services at issue. Therefore, the USPTO declines to adopt a requirement that evidence be provided from at least one additional source before a prima facie case can be established.

Regarding the commenter's suggestion that any internet search relied upon be conducted within the United States, the USPTO understands that search-engine algorithms may include a geographic component that may lead to different search results for users in different countries. Thus, users outside the United States may not see the same search results that U.S. users see. Generally, a search should encompass the relevant online sources that would be searched and returned if it was conducted by someone seeking information about a product or service that is in use in commerce in or with the United States, as defined by the Act. However, there are means for conducting such a search that do not require the person conducting such a search to be located in the United States; any suggestion that the search be conducted by someone located in the United States may unfairly inhibit foreign parties from submitting legitimate petitions. Therefore, the USPTO declines to adopt such a requirement in the final rule.

As to requiring that searches be conducted at a particular time that is reasonably contemporaneous with the filing of the petition, the USPTO notes that under § 2.91, evidence comprising screenshots from relevant web pages must include the URL and access or print date. This information will allow the USPTO to weigh the value and currency of such evidence when determining whether a prima facie case of nonuse has been established by the petitioner.

As to the request that the regulatory text specifically list information about domain name registrations owned or offered for sale by the registrant as a source for a reasonable investigation, the USPTO notes that § 2.91(d)(2) clearly states that the sources for a reasonable investigation are not limited to those listed in the regulation. Therefore, the rule does not prohibit

petitioners from including such information.

Regarding the suggestion that § 2.91(d)(3) include a statement specifying the circumstances in which a petitioner's investigation will be deemed reasonable, the USPTO declines to include such a statement in the regulations. If the USPTO issues a notice instituting a proceeding after submission of a petition for expungement or reexamination, institution of the proceeding will demonstrate that the USPTO determined the petitioner's investigation was reasonable and provided sufficient evidence of nonuse for the challenged goods and/or services.

Regarding the request that the notice regarding whether a proceeding will be instituted clarify what evidence is required to meet the reasonable investigation requirement, the USPTO notes that examples of the types of evidence required to meet the reasonable investigation requirement are set out in § 2.91(d)(2). Further, what constitutes a reasonable investigation is a case-by-case determination, and the USPTO will not provide specific guidance as to what types of evidence would comprise a reasonable investigation in a particular situation.

As to the suggestion that a specialized group of examiners should be assigned to review and evaluate whether a petitioner has conducted a reasonable investigation and established a prima facie case, and that they receive specialized training, the USPTO assures the commenters that attorneys within the Trademarks organization who are assigned to review petitions for expungement and reexamination will receive appropriate training.

Finally, because the petitioner's sources and evidence are required for a complete petition under § 2.91(c), they are not separate from the petition, but form part of the petition. As noted in the NPRM, petitions requesting institution of expungement and reexamination proceedings will be entered in the registration record, and thus these materials will be publicly viewable in TSDR.

### *F. Professional Responsibility*

*Comment 6:* Two commenters submitted comments regarding the USPTO's reference to a practitioner's responsibility under 37 CFR 11.303(d) to inform the USPTO in an ex parte proceeding of all material facts known to the practitioner that will enable the USPTO to make an informed decision, whether or not the facts are adverse. One commenter requested that the

USPTO clarify whether reference to this rule means that after submission of a petition, but prior to institution of a proceeding, a registrant could provide evidence of use to the petitioner, and thereby obligate the petitioner to submit such evidence to the USPTO or withdraw the petition, if withdrawal is possible. The other commenter inquired whether a petitioner is required to update its evidence to account for adverse evidence discovered after its petition is filed and before a proceeding is instituted.

*Response:* Under the TMA, any person may file a petition to expunge or reexamine a registration of a mark on the basis that the mark has never been used in commerce, or was not used on or before a relevant date, on or in connection with some or all of the goods or services recited in the registration. The petition is the mechanism by which a third party may submit such a challenge to the USPTO. In that way, it is similar to the letter-of-protest process whereby third parties may submit evidence relevant to the registrability of a mark in a pending application. The involvement of the third party in that situation ends with the submission of the letter of protest. Here, if the USPTO determines that the petition establishes a prima facie case of nonuse during the relevant time period and institutes an expungement or reexamination proceeding, such proceeding is *ex parte*, and, as noted in the NPRM and reiterated above, the petitioner will have no further involvement.

As to the first comment, under the procedures set forth in the rules, the registrant should not engage with the petitioner regarding a pending petition, but rather only with the USPTO after a proceeding is instituted. The petitioner's involvement ends with the filing of the petition. Any evidence of use should be submitted by the registrant in a timely response to an Office action issued in connection with the proceeding.

As to the second comment, if the petitioner discovers that its petition included false or fraudulent information, the petitioner should seek to correct the petition by filing a petition under § 2.146(a)(3) to invoke the supervisory authority of the Director to correct the submission and specifying the facts to be corrected. See § 11.18(b)(2) (submission constitutes certification) and § 11.303(d) (duty of candor).

#### G. Director-Initiated Proceedings

*Comment 7:* One commenter requested that the USPTO explain the meaning of “essentially” in the

statement that “for Director-initiated expungement and reexamination proceedings, the evidence and information that may be relied upon to establish a prima facie case may be from essentially the same sources as in the petition-initiated proceeding.” The commenter also asked whether the Director will be able to use evidence submitted in support of one or more failed petitions to establish a prima facie case of non-use in a Director-initiated proceeding against the same registration and whether the reference to a preponderance of the evidence applies only to Director-initiated proceedings. Another commenter asked if the USPTO contemplated further investigating potential nonuse whenever a petition for expungement or reexamination is filed for fewer than all the goods and/or services in a registration and requested clarification as to whether third parties may request consolidation of proceedings. A third commenter suggested that the USPTO consider setting up an email address for parties to notify the Director if there are registrations that may be vulnerable to a Director-initiated expungement or reexamination proceeding.

*Response:* Regarding the inquiry about the use of the term “essentially” in connection with sources of evidence and information relied upon in a Director-initiated proceeding, the term merely emphasized that the Director's evidence will come from the same types of sources as those of a petitioner. In this final rule, § 2.92(a) refers to proceedings instituted upon petition and § 2.92(b) refers to proceedings instituted upon the Director's initiative. In either case, institution of the relevant proceeding must be based on information that supports a prima facie case for expungement or reexamination of a registration for some or all of the goods or services identified in the registration. Section 2.91(c)(9) provides a non-exhaustive list of the types of evidence that may support a prima facie case of nonuse. The USPTO anticipates that the evidence put forth in a Director-initiated proceeding would come from the same types of sources as those relied on in a petition submitted by a third party. As to the commenter's second question, nothing in the rule prohibits the Director from using evidence submitted in support of a petition that failed to establish a prima facie case of non-use in a Director-initiated proceeding against the same registration as part of the prima facie case in a Director-initiated proceeding.

As to whether the USPTO contemplated further investigating potential nonuse whenever a petition

for expungement or reexamination is filed for fewer than all the goods and/or services in a registration, the USPTO has contemplated such a situation. As noted in the NPRM and above, if the Director wishes to institute an *ex parte* expungement or reexamination proceeding on the Director's own initiative concerning a registration for which one or more petitions are pending, the Director may elect to institute a proceeding for other goods and/or services and consolidate the proceedings as related parallel proceedings. Regarding consolidation of proceedings, the rule provides that, for efficiency and consistency, the Director may consolidate consideration of a new proceeding with a pending proceeding. There is no provision for requests by third parties to consolidate proceedings.

Regarding the suggestion that the USPTO provide an email address for parties to notify the Director about registrations they believe may be vulnerable to a Director-initiated expungement or reexamination proceeding, the USPTO will not provide a separate email address for such notifications. If a third party has information and evidence to support a prima facie case of nonuse, the appropriate vehicle for providing such information and evidence to the USPTO is a petition for expungement or reexamination.

#### H. Establishing a Prima Facie Case

*Comment 8:* One commenter requested that the USPTO clarify whether examiners should conduct independent internet searches or rely primarily on the petitioner's evidence, and further stated that the USPTO should conduct such independent searches to ensure the prima facie case is met. The commenter also suggested that the USPTO conduct a more thorough review when the goods and/or services are industrial or business-to-business products, or other goods/services not typically sold or advertised online. Another commenter inquired whether the USPTO will supplement the prima facie evidence of the petitioner to meet the preponderance-of-the-evidence standard of proof. A third commenter suggested that the USPTO corroborate in appropriate cases whether the reasonable predicate concerning nonuse is supported.

*Response:* Under § 2.92, an expungement or reexamination proceeding will be instituted only in connection with the goods and/or services for which a prima facie case of relevant nonuse has been established. Section 2.92(a) provides that the Director will determine “if the petition

sets forth a prima facie case of nonuse to support the petition basis” (emphasis added). It is the petitioner’s burden to establish a prima facie case. Therefore, with regard to a petition for expungement or reexamination, the USPTO will review the evidence provided and determine whether it establishes a prima facie case. The USPTO will not conduct independent research to ensure that the prima facie case is met, nor will it supplement the evidence of the petitioner. The USPTO notes, however, that in a Director-instituted proceeding, the evidence and information that may be relied upon to establish a prima facie case may be from the same types of sources as in the petition-initiated proceeding, as well as independent research conducted by the USPTO and the electronic record of the registration. Regarding goods and/or services not typically sold or advertised online, as noted above, a prima facie case must include sufficient notice of the claimed nonuse to allow the registrant to respond to and potentially rebut the claim with competent evidence. The USPTO will not impose a higher level of review based on the nature of the goods and/or services but will thoroughly review the evidence in all cases to determine whether this standard has been met.

#### *I. Notice of Petition and Proceedings*

*Comment 9:* Three commenters expressed concern that numerous registrations do not have up-to-date email addresses for the registrant and assigned attorneys or details regarding any assignments. One commenter suggested that where a petitioner’s research has disclosed one or more email addresses of appropriate parties, the petitioner should have an ethical duty to provide such information for proper notification of the proceeding by the USPTO. Another commenter asked whether the USPTO would accept a response from a new owner when the registration was assigned, but the assignment was not recorded before the proceeding was instituted, and whether the new owner is required to formally record documents evidencing a change of title to be recognized as the registrant or if it would be sufficient to supply ownership documents with its response.

*Response:* The USPTO appreciates the commenters’ concerns regarding proper notification of a proceeding to the relevant registrant. Under 37 CFR 2.23(b), registrants must provide and maintain a valid email address for correspondence. Therefore, it is the registrant’s responsibility to ensure that any changes to its email address have been properly submitted to the USPTO.

Moreover, in order to change a registrant’s correspondence address, a properly signed written request is required. 37 CFR 2.18(c), 2.193(e)(9). Therefore, the USPTO cannot change the registrant’s email address based on information provided by a third party.

Similarly, it is the registrant’s or the new owner’s responsibility to provide information regarding changes of ownership to the USPTO. In a registration based on section 1 or section 44 of the Act, if the registrant has not recorded a change of ownership with the Assignment Recordation Branch of the USPTO, and a party other than the owner of record attempts to take an action with respect to the registration, the party must establish ownership of the registration. To establish ownership, the new owner must either: (1) Record the assignment (or other document affecting title) with the Assignment Recordation Branch, and notify the Trademarks organization that the document has been recorded; or (2) submit other evidence of ownership, in the form of a document transferring ownership from one party to another, or an explanation, in the form of an affidavit or declaration under 37 CFR 2.20, that a valid transfer of legal title has occurred. 37 CFR 3.73(b)(1). The document(s) must show a clear chain of title from the original owner to the party who is taking the action. See TMEP section 502.01. In an application under section 66(a) of the Act, or a registered extension of protection, the new owner must record changes in ownership or in the name or address of the holder with the World Intellectual Property Organization’s IB in order to take an action with respect to a registration. The new owner does not have the option to submit documentary evidence of ownership pursuant to 37 CFR 3.73(b)(1). 37 CFR 7.22. Therefore, it is in the best interests of both the prior and new owners to provide evidence of changes of title, either by recordation of an assignment or otherwise, in a timely manner.

#### *J. Response Period—Expungement and Reexamination Proceedings*

*Comment 10:* Several commenters encouraged the USPTO to allow registrants longer than two months to respond to an Office action in an expungement or reexamination proceeding. They noted, among other things, that it may be difficult for foreign owners or large corporations to collect use evidence where: (1) Communication with multiple layers of personnel who may be in different countries and time zones is required; (2) the registrant has recently acquired a

company with a large portfolio of marks, including the challenged registration; or (3) the registrant is a large company, and key personnel with knowledge have recently left the company. Two commenters suggested a six-month response period, while another suggested that registrants be given nine months to respond. Four commenters noted that the response period should be consistent with what is contemplated for other Office actions, with five commenters proposing a three-month response period. Multiple commenters also asked that the USPTO allow registrants to request an extension of time to respond, five of whom suggested that such extension include a statement of good cause. In addition, one commenter suggested that the registrant should have an opportunity to set aside a default, for good cause, when correspondence was not received, similar to situations at the TTAB.

*Response:* The USPTO appreciates the concerns the commenters raised about the proposed two-month response period for Office actions issued in connection with expungement and reexamination proceedings, including that registrants likely will need more time to get counsel and gather use evidence in response, especially in proceedings involving multiple goods and/or services. To address these concerns, the USPTO is setting the response period at three months, which has the additional benefit of aligning response deadlines for these proceedings with those the USPTO intends to implement for Office actions in the examination of applications and post-registration submissions, thus making deadline management easier. The rule also provides for a one-month extension of the response deadline to a non-final Office action in expungement and reexamination proceedings, recognizing that there may be situations where a registrant may need an additional month to locate and supply the use evidence and information necessary to respond to the initial Office action. This rule also sets the same fee of \$125 for filing a request for extension of time to file a response to a non-final Office action through TEAS in an expungement or reexamination proceeding as the Office is setting for extensions of time to respond to Office actions in the examination of applications and post-registration submissions. In addition, consistent with the regulation enacted herein permitting requests to extend the time to respond to Office actions issued prior to registration, the USPTO will not require a statement of good cause for extension

requests submitted in connection with responses to expungement/reexamination or to examination/post-registration Office actions.

Although the response and extension periods for responding to a non-final Office action in expungement and reexamination proceedings being set in the rule double the response timeframe from what was originally proposed, the USPTO believes that the additional time should result in registrants providing complete responses to the initial Office action and should not overly lengthen resolution of the proceedings. To balance the competing interests of providing more time for the registrant to respond against ensuring resolution of the proceedings is not unduly delayed by the registrant, the Office also is setting the deadline to request reconsideration or appeal after a final Office action at three months, but is not providing for any extension of those deadlines. The USPTO does not believe more time to respond is warranted because registrants are expected to file a complete response to the initial Office action and, unlike Office actions issued in the examination of applications that may raise multiple substantive refusals, the scope of Office actions in expungement and reexamination proceedings is limited to a single substantive issue—the mark's use in commerce for particular goods and/or services. The procedural requirements that may be made in Office actions issued in expungement and reexamination proceedings are similarly limited to straightforward and readily resolvable issues, such as a requirement to appoint counsel if the registrant is foreign-domiciled. If the registrant wishes to comply with any unsatisfied requirements or address any remaining issues raised in the final Office action, it now will have three months from the issuance of the final Office action to do so, one month more than initially proposed.

Regarding the request that the USPTO set aside a default when correspondence was not received that resulted in cancellation of the registration, the USPTO notes that the registrant must maintain a current and accurate correspondence address for itself and its attorney, if one is designated. 37 CFR 2.18(c). If any of these addresses change, a properly signed request to change the address must be promptly filed. *Id.* If the registrant did not receive an Office action and the registration was cancelled in whole or in part, the registrant may request reinstatement of the registration pursuant to a petition to the Director under § 2.146(c)(2). Consistent with USPTO practice in

other ex parte matters, the failure to respond to an Office action is not set aside for good cause in the way that a default or notice of default may be cured in inter partes proceedings.

#### *K. Burden and Standards of Proof*

*Comment 11:* Regarding the submission of evidence to prove use, one commenter noted that the USPTO should not rely solely on statements of testimony but should require supporting documentary evidence to show that the use occurred in the United States, that the use occurred on or prior to the relevant date, and possibly that the use was more than a mere token use. Another commenter stated that vagueness exists in what evidence would be required to be submitted for expungement and reexamination issues and any responses related thereto, and that the USPTO should adopt general guidelines, with specific language and examples of acceptable evidence that an attorney or petitioner can follow without any legal knowledge of the process.

*Response:* The USPTO agrees with the commenter that testimonial evidence typically should be supported by corroborating documentary evidence, as stated in section I.H above. Further, § 2.93(b)(7) requires that any evidence of use of the mark in commerce be “consistent with the definition of ‘use in commerce’ set forth in section 45 of the Act and is not limited in form to that of specimens under § 2.56.” Evidence of use must be accompanied by a verified statement setting forth factual information about the use of the mark in commerce and the supporting evidence, including how the evidence demonstrates use of the mark in commerce as of any relevant date for the goods and/or services at issue. *Id.* Therefore, the registrant will be required to verify, under penalty of perjury, the dates of use and that such use was bona fide use in the ordinary course of trade and not merely to reserve a right in the mark.

Regarding the request for general guidelines, examples of acceptable evidence, and specific responses that a registrant could submit in response to an Office action issued in an expungement or reexamination proceeding, this final rule notes that expected documentary evidence of use in most cases will take the form of specimens of use, and that when specimens are no longer available, the registrant may be permitted to provide additional evidence and explanations supported by declaration to explain how the mark was used in commerce at the relevant time. The evidence of use will

differ in each case, and the USPTO cannot provide examples of what might demonstrate sufficient evidence of use during the relevant time period for the vast array of goods and/or services that may be challenged in these proceedings. In addition, under 37 CFR 11.18(b), any registrant or attorney who presents a paper to the USPTO is certifying, among other things, that the statements made therein of the party's own knowledge are true, or are believed to be true; the legal contentions are warranted by existing law; and any allegations are supported by evidence. Therefore, it is incumbent upon the registrant or its attorney to be knowledgeable about the requirements for registering its mark, including the requirement to use the mark in commerce and what constitutes such use.

*Comment 12:* One commenter requested that the USPTO consider adding a provision allowing a registrant to designate certain information or documents submitted with its response as confidential and that such designated information or documents be excluded from the publicly viewable file.

*Response:* The USPTO appreciates that, in rare circumstances, there may be a need for confidentiality with regard to proof of use in commerce for certain goods and/or services. If a registrant believes that responding to an Office action issued in connection with an expungement or reexamination proceeding would require the submission of confidential information in order to prove use in commerce of the mark, the registrant may submit a response to the Office action with the confidential information redacted. However, if the redacted response is not sufficient to establish the required use in commerce for the challenged goods and/or services, the registrant may be required to submit to the Office a non-redacted form of the confidential information. In such a case, the registrant may petition the Director under § 2.146, requesting that the registrant be permitted to submit the information outside of TEAS and that it not be made part of the public record.

*Comment 13:* One commenter stated that the NPRM appeared to contemplate that nonuse is established by a preponderance of the evidence merely by the failure of the registrant to show sufficient use. The commenter requested that the USPTO clarify whether the USPTO considers the registrant's failure to show sufficient use in rebuttal to the prima facie case that led to institution of an expungement and/or reexamination proceeding as necessarily requiring a conclusion that nonuse has been shown by a preponderance of

evidence of nonuse, and whether the reference to a preponderance of the evidence standard applies only to Director-initiated proceedings.

*Response:* The registrant must rebut a prima facie case of nonuse by providing competent evidence of use of the mark on the challenged goods and/or services. If the USPTO determines that the registrant's evidence is not sufficient to rebut the evidence of nonuse, *i.e.*, that the preponderance of evidence shows nonuse, the registration will be cancelled, in whole or in part, as appropriate. If the registrant in either a petition-based or Director-instituted proceeding elects to appeal the decision to cancel the relevant goods and/or services, the ultimate determination of whether the USPTO met its burden of establishing nonuse by a preponderance of the evidence would be made by the TTAB or subsequently by a court.

#### L. Excusable Nonuse

*Comment 14:* One commenter inquired whether the provision in § 2.93(b)(5)(ii) regarding excusable nonuse in an expungement proceeding as to particular goods and/or services with a sole basis under section 44(e) or section 66(a) of the Act rescind current excusable nonuse protection for marks registered under section 1. The commenter also stated that the difference in treatment between domestic versus foreign registrations appears to put domestic trademark owners at a disadvantage versus foreign counterparts.

*Response:* The USPTO assures the commenter that the provision regarding excusable nonuse as to particular goods and/or services in a registration with a sole basis under section 44(e) or section 66(a) applies only to goods and/or services challenged in an expungement proceeding. The provision in § 2.161 regarding a claim of excusable nonuse in connection with an affidavit or declaration of use under section 8 of the Act remains unchanged. Regarding the comment that domestic owners are at a disadvantage because they cannot claim excusable nonuse in an expungement proceeding, the U.S. Congress explicitly provided that treaty entitlement in the TMA only for foreign owners whose marks were registered via the Paris Convention and Madrid Protocol. Therefore, the USPTO cannot eliminate or expand that provision to section 1 registrants through rulemaking. In addition, unlike registrations with a sole basis under section 44(e) or section 66(a) that may register prior to use in commerce, registrations under section 1 issue based on a sworn statement and proof that the mark is in use in

commerce on or in connection with the goods and/or services. In the context of an expungement proceeding, requiring a showing that the mark was never used, allowing for an allegation of excusable nonuse, would conflict with the use requirement under section 1 for issuance of the registration.

#### M. Duty To Monitor Status

*Comment 15:* One commenter stated that the requirement to monitor in § 2.23(d)(3) would require an ongoing responsibility to regularly monitor the registration that is too burdensome and suggested that regular monitoring be required not more often than once a year. Another commenter opined that the new monitoring provisions may be costly for all, and cost-prohibitive for individual applicants and small businesses, and inquired whether this obligation applies retroactively to all existing registrants.

*Response:* After consideration of the comments, the USPTO will not include the requirement in § 2.23(d)(3) that registrants monitor the status of their registrations at least every six months following the issue date of the registration. Although this requirement is not included in the final rule, registrants are still encouraged to monitor the status of their registrations using TSDR every six months from the date of issuance. It is in the registrant's best interests to ensure that it is aware of any challenges to its registration submitted to the USPTO and that it does not miss any deadlines in connection with such challenges.

The USPTO also notes that all registrants must maintain a valid email address for themselves to ensure they receive correspondence from the USPTO relating to their registrations. See 37 CFR 2.23(b). If a registrant neglects to update its own email address, or to notify the USPTO of an assignment of its registration to another party, the new owner will not receive notifications from the USPTO regarding the filing of a petition for expungement or reexamination, the institution of one or both of those proceedings or of a Director-instituted proceeding, or the issuance of an Office action in connection with such a proceeding. In these situations, the owner would lose valuable time to begin collecting evidence to support its showing of use in commerce of the challenged goods and/or services. Further, if the owner does not timely respond to an Office action, the registration may be cancelled in whole or in part based upon the failure to respond. If a registrant does not receive USPTO correspondence because it failed to maintain a valid

email address as required by the USPTO rules, and its registration is cancelled, its failure to comply with § 2.23(b) normally will preclude the registrant from establishing an extraordinary circumstance to waive the timing provisions for a petition to reinstate a registration under § 2.146(d)(2)(iv). Therefore, registrants should ensure that USPTO assignment records are updated and that email addresses are up-to-date so that USPTO correspondence concerning the registration is sent to the proper address, including notification of reexamination or expungement proceedings filed in registrations.

#### N. 30-Day Letter—Expungement/Reexamination Proceeding

*Comment 16:* Several commenters responded to the USPTO's request for comments regarding whether to grant 30 days, or to the end of the response period, whichever is longer, when a timely response to an expungement or reexamination Office action is substantially complete, but consideration of some matter or compliance with a requirement has been omitted. Four commenters agreed with the proposal to issue a 30-day letter, with one commenter requesting that the USPTO clarify what is meant by a "substantially complete" response. One commenter stated that such a provision is not necessary, given that § 2.93(c) provides for a final action with the option to request reconsideration if there are outstanding issues. Another commenter stated that deficiencies in a response to an initial Office action should be addressed through a final action, rather than an additional 30-day response period and that the USPTO should apply the additional 30-day response period to timely requests for reconsideration.

*Response:* During the examination of an application for registration, examining attorneys have discretion to grant an applicant 30 days, or to the end of the time period for response to the Office action, whichever is longer, to perfect a response if: (1) The response was timely filed, (2) the response was a bona fide attempt to advance examination, (3) the response was a substantially complete response to the Office action, and (4) consideration of some matter or compliance with some requirement was omitted. Generally, such 30-day letters are issued only after submission of a response to a final action, and the response is considered to be "substantially complete" because the missing part could put the application in condition for publication or registration. See 37 CFR 2.65(a)(2).

Consistent with existing examination procedures, the USPTO proposed a similar procedure in connection with responses to initial or final actions in expungement or reexamination proceedings, or requests for reconsideration in such proceedings, to further its stated goal of making these proceedings faster and more efficient than pre- or post-registration processes. For example, if a registrant submits a response to an initial expungement or reexamination Office action that establishes use of the mark in commerce (or excusable nonuse, when applicable), but fails to provide the URL and date accessed or printed for any web pages, or submits an improperly signed response, the USPTO may issue a 30-day letter requiring the missing information or a response that is properly signed pursuant to § 2.193. If the registrant supplies the required information within the 30-day period (or the time remaining in the initial response period), the USPTO can terminate the proceeding faster and more efficiently because it will not have to issue a final action giving the registrant another three months to respond. In addition, registrants who are able to establish use will benefit by having the proceeding terminated at an earlier date than might otherwise occur. For these reasons, this final rule provides discretion to grant a registrant 30 days, or to the end of the time period for response to the previous Office action, whichever is longer, to perfect a response. However, granting the registrant additional time in such circumstances does not extend the time for filing an appeal to the TTAB or a petition to the Director.

#### *O. Timeline for Proceedings and Combined Proceedings*

*Comment 17:* One commenter stated that the USPTO should require that the Director issue a decision on an expungement or reexamination petition within a certain amount of time and specify the consequences to the petitioner, registrant, and subject registration if a timely decision is not rendered. The commenter also stated that the USPTO should provide that a petitioner may assert both expungement and reexamination bases in a single petition under § 2.92(a) for a single filing fee.

*Response:* The USPTO intends to review a petition for expungement or reexamination and to determine whether to institute a proceeding in a timely manner after receipt of the petition. It is in the interest of the USPTO to remove unused registrations from the trademark register as

expeditiously as possible. However, the TMA does not impose a deadline for deciding such petitions, and the USPTO does not know how many petitions will be submitted within, for example, the first six months after implementation of this rule. Therefore, it is not possible to predict the level of staffing and the amount of time that will be required to review and make determinations regarding such petitions. However, the USPTO assures the commenter, and all interested parties, that the goal of these proceedings is faster and more efficient cancellation of registrations for marks not used with goods and/or services listed therein. As such, the USPTO's goal is to issue these decisions promptly.

As to allowing a petitioner to assert both expungement and reexamination grounds in a single petition, the USPTO does not believe that doing so would be an efficient way to implement these proceedings. The evidence required for each ground will differ based on the relevant time period, and combining them would complicate the review of evidence to determine what applies to which ground, and would not be the most efficient use of USPTO resources.

#### *P. Post Registration Audit*

*Comment 18:* The USPTO received several responses regarding its request for comments on whether a registration should be pre-selected for audit during any concurrent or subsequent review of a post-registration maintenance filing when a registrant fails to respond in an expungement or reexamination proceeding, leading to cancellation of some of the goods and/or services in the registration. Eleven commenters stated that a registration should not automatically be selected for audit in such circumstances. One of those commenters suggested that the USPTO wait until it can evaluate how many registrations would be impacted by such a procedure, and another commenter proposed specific criteria for selecting a registration for audit after failure to respond in an expungement or reexamination procedure. Some of the commenters also noted that the audit procedure is intended to be random; that selecting a registration for audit in this situation appears to be punitive; and that failure to respond, resulting in deletion of some goods and/or services, does not lead to a presumption that the remaining goods and/or services are not in use. Four commenters were in favor of selecting a registration for audit if a registrant's failure to respond leads to cancellation of some goods and/or services. One of those commenters also suggested that the Director evaluate

whether there is sufficient evidence to institute an expanded proceeding against the entire registration.

*Response:* To promote the accuracy and integrity of the trademark register and preserve the register as a reliable reflection of marks in use in commerce, the USPTO conducts audits of section 8 and section 71 affidavits or declarations in which the mark is registered for more than one good or service per class. TMEP sections 1604.22, 1613.22. After careful consideration of the comments, the USPTO will not at this time automatically select a registration for audit because a registrant failed to respond to an expungement or reexamination Office action and its registration is cancelled in part. However, cancellation in part as a result of an expungement or reexamination proceeding, either for failure to respond to an Office action or failure to rebut a prima facie case of nonuse, does not shield a registration from being selected for audit under the current procedures after submission of a post-registration maintenance filing. Thus, a registration that still includes at least one class with four or more goods or services, or at least two classes with two or more goods or services, could be subject to audit following submission of a section 8 or section 71 affidavit or declaration. Regarding the suggestion of particular criteria for selecting a registration for audit, specifically, that registrations be selected for audit based upon the number of items in the original registration, the number of items in the expungement proceeding, and whether the registrant deletes items from the registration at or before the submission of a section 8 declaration, the USPTO declines to adopt a second set of criteria that would unnecessarily complicate the procedures for selecting registrations for audit.

#### *Q. Estoppel*

*Comment 19:* One commenter requested that the rule expressly state that the Director will have the burden of ensuring an expungement or reexamination proceeding is not initiated if estoppel applies. Another commenter: (1) Sought clarification as to whether the USPTO will automatically review petitions and registration records to determine whether estoppel should apply or whether the burden will be on the registrant to show it should apply; (2) suggested permitting registrants to petition the Director to prove that additional goods and/or services may be considered the "same" goods and/or services for purposes of estoppel where they are highly similar to previously challenged goods/services, but not



identical; (3) proposed adding a mechanism by which a registrant subject to an expungement proceeding can also show use as to the same goods/services at issue on or before the relevant date for a reexamination proceeding, so that future reexamination proceedings may also be estopped; and (4) requested clarification concerning the extent to which, or whether, termination of an expungement or reexamination proceeding in favor of the registrant may bar future nonuse cancellation actions with respect to the registration.

*Response:* Regarding the request that the rule expressly state that it is the Director's burden to ensure that an expungement or reexamination proceeding is not initiated if estoppel applies, the USPTO believes that such an express provision is not necessary. The TMA and § 2.92(d)(1) specifically prohibit institution of a later expungement proceeding as to goods and/or services when it has been established that a registered mark was used in commerce on or in connection with those goods and/or services at issue in a prior expungement proceeding. Section 2.92(d)(2) specifically prohibits institution of a later reexamination proceeding as to goods and/or services when it has been established that a registered mark was used in commerce on or in connection with any of those goods and/or services at issue in a prior reexamination proceeding. Because of these prohibitions, when the USPTO receives a petition to institute an expungement or reexamination proceeding, the USPTO examiner must review the entire record to determine whether there was a prior proceeding. If estoppel applies, no new proceeding will be instituted. However, the fee for the petition requesting expungement or reexamination will not be refunded in such circumstances. Therefore, it would be prudent for petitioners to ensure that estoppel does not apply to the goods and/or services identified in the petition prior to submitting a petition for expungement or reexamination.

Regarding the suggestion that registrants be permitted to petition the Director to prove that additional goods/services may be considered the "same" goods and/or services for purposes of estoppel where they are highly similar to previously challenged goods and/or services, but not identical, as noted above, the wording "same goods and/or services" refers to identical goods and/or services that are the subject of the pending proceeding or the prior determination. The registrant's burden in expungement and reexamination

proceedings is to demonstrate use of its mark in commerce on the challenged goods and/or services. Although certain goods may be related, demonstrating acceptable use on one of the challenged goods listed in an identification does not establish use on other listed related goods. Further, the TMA and § 2.92(d)(1) and (2) specifically provide that no further expungement or reexamination proceedings may be instituted only as to those "particular" goods and/or services that were previously challenged and determined to be in use in commerce. Therefore, the wording "particular" cannot be read to include similar goods and/or services.

The commenter also requested that the USPTO add a mechanism by which a registrant subjected to an expungement proceeding can also show use as to the same goods and/or services at issue on or before the relevant date for a reexamination proceeding, so that future reexamination proceedings may also be estopped. A registrant in an expungement proceeding can include specific dates of use for each challenged good and/or service when it provides proof of use in commerce as to each. If a petition for reexamination of the same goods and/or services was submitted after the registrant prevailed in the expungement proceeding, the USPTO examiner would review the entire registration record, which would include any dates of use established in the prior proceeding, in order to determine whether institution of a reexamination proceeding would be appropriate.

Regarding the question about the extent to which, or whether, termination of an expungement or reexamination proceeding in favor of the registrant may bar future nonuse cancellation actions before the TTAB with respect to the registration, the USPTO clarifies here that termination of an expungement or reexamination proceeding in favor of the registrant does not bar future nonuse cancellation actions under § 2.111 with respect to the registration.

#### *R. Flexible Response Periods*

*Comment 20:* The USPTO received a significant number of comments on the proposal to implement flexible periods for responding to Office actions in the examination of applications and post-registration submissions. Some commenters favored the primary proposal to implement a three-month response period with an optional three-month extension, or some variation thereof. These commenters noted that this option would be administratively simpler to implement compared to the proposed alternatives and that the three-

month response period would be adequate in most cases to provide a sufficient response. Other commenters opposed any reduction to the current six-month response deadline and urged the USPTO to retain the current response deadline framework. These commenters cited concerns that three months may be an insufficient amount of time to properly respond to some Office actions, especially if foreign applicants or substantive refusals are involved; that the change in deadlines creates an administrative burden on stakeholders, particularly with regard to updating and managing case docketing systems; and that a system involving extensions could increase costs for applicants.

Of the comments that opposed changing the current deadline framework, most indicated that if one of the three flexible response deadline options were to be implemented, the primary proposal of a three-month response period with a single optional three-month extension would be preferred.

Overall, the comments reflected little support for the two alternative flexible response proposals, namely, the two-phase examination option and the "patent model" option involving progressively higher extension fees for each successive monthly extension after two months. Comments about these proposals noted that they would be more burdensome and complicated than the primary proposal, and that they do not appear to support the USPTO's objectives in implementing flexible response periods.

Of those comments voicing an opinion on extensions of time to respond to an Office action, most expressed a preference for a single three-month extension. Regarding the proposed \$125 fee (if filed through TEAS) for these extensions, some comments were in favor, while others opposed charging a fee or suggested that the fee be reduced.

One commenter supported the USPTO's proposal to implement flexible response periods only for applications based on section 1 or section 44 of the Act, while retaining the six-month deadline for applications based on section 66(a) of the Act, but others were concerned that such an implementation would disadvantage section 1 and section 44 applicants. To address this, a couple of commenters suggested that section 66(a) applicants should not be required to proactively seek extension requests, but should be required to pay the same fees based on the timing of the response.

Another commenter noted that the NPRM suggests that only applications with more complex issues would be permitted to obtain the optional extension and requested clarification on this point.

Finally, a number of commenters agreed that the USPTO should delay the implementation of flexible response periods until June 2022 or beyond, to enable the USPTO to gather additional stakeholder feedback.

*Response:* The USPTO appreciates the comments regarding flexible response periods and understands the concerns some of these expressed about the potential effects of reducing the current six-month deadline for responses to Office actions. However, based on a review of all the comments, the USPTO has determined that a three-month response deadline with a single optional three-month extension for a fee of \$125 (if filed through TEAS) is the best option to promote efficiency in examination by shortening the overall prosecution timeline for applications and facilitating faster disposal of applications that may delay the disposition of later-filed applications. As some commenters noted, three months should be sufficient time to review an Office action and submit a response in many, if not most, cases, especially those with issues that are relatively easy to address. The USPTO's historical data on response times support this conclusion. For those applicants who need more time to respond, a full six months will still be available by requesting the three-month extension.

While the USPTO acknowledges the concerns some commenters expressed about imposing a \$125 fee (if filed through TEAS) for the extension, and has considered them carefully, the USPTO believes that charging no fee or a nominal fee would undercut the USPTO's objective of encouraging applicants to respond sooner. If an extension were available at a low cost, or at no cost, many applicants and their attorneys would have no incentive to respond within the three-month period. The fee for an extension under this rule is set at a level to address this reality and is the same amount as the analogous fee for requesting an extension of time for filing a statement of use through TEAS.

Regarding the comments about retaining the six-month deadline for section 66(a) applications, while implementing flexible response deadlines for section 1 and section 44 applications, the USPTO has determined that this difference in implementation is appropriate, based on

data showing that, in contrast with section 1 and section 44 applicants, only 11% of section 66(a) applicants filed a response to a non-final Office action with multiple grounds within three months, while 62% of Madrid applicants took six months to file a response. In short, as noted in the NPRM, the additional processing required for these applications, both at the USPTO and the IB, per article 5(2) of the Madrid Protocol, justifies maintaining the current six-month deadline.

As to the comment requesting clarification of the NPRM's statement that optional extensions would provide sufficient time for responses to Office actions with more complex issues, this statement was not intended to suggest that only Office actions with certain refusals or requirements would be eligible for an extension. Rather, the statement was intended to indicate that the extension option is available if the applicant or its attorney felt there were complex issues in an Office action that required more time to respond. To be clear, under this rule, an extension can be requested regardless of the type or level of complexity of the issues raised in the Office action.

Finally, the USPTO recognizes that changes to the deadline for responding to Office actions would require stakeholders to change their processes for reviewing, docketing, and submitting responses. Likewise, the USPTO must perform a significant amount of work and planning to adjust its IT systems and processes to accommodate new deadlines. Therefore, to allow sufficient time for this planning and work to be carried out by both the USPTO and its stakeholders, the USPTO has determined that the implementation of the rules regarding flexible deadlines for Office actions issued in connection with pending applications or post-registration maintenance documents should be delayed beyond the initially proposed effective date of June 27, 2022, to a new effective date of December 1, 2022.

#### *S. Letters of Protest*

*Comment 21:* The USPTO received a few comments on the proposed amendment to § 2.149 to add provisions from the TMA relating to the USPTO's letter-of-protest procedures. While the comments generally supported the proposed amendment, a couple of commenters expressed concerns about the TMA's provision that, within two months of submission of a letter of protest, the USPTO must determine whether the evidence submitted in the letter of protest should be included in

the relevant application record. One commenter suggested that § 2.149 should specify a shorter time period for making that determination, because the two-month time period could lead to examining attorneys acting on applications before receiving relevant letter-of-protest evidence. Another commenter recommended that the USPTO should identify the consequences for the USPTO failing to meet the two-month requirement, specifically whether the letter-of-protest evidence will be entered into the record if the requirement is not met.

*Response:* The USPTO understands the desire to ensure timely forwarding of relevant letter-of-protest evidence to examining attorneys, which is, in fact, the objective of the TMA's two-month requirement. *See* H.R. Rep. No. 116-645, at 12 (2020). Any failure of the USPTO to meet the two-month requirement is subject to oversight by the U.S. Congress. The USPTO will dedicate appropriate resources to meet the requirement, taking into account letter-of-protest filing levels and examination pendency timelines.

The USPTO does not believe a shorter time frame for determining whether the evidence submitted in the letter of protest should be included in the relevant application record is necessary or administratively feasible, given the recent increases in application filings and the number of letters of protest the USPTO has historically received, particularly over the last year. Section 2.149 and the USPTO's current procedures allow for letter-of-protest evidence to be forwarded and considered even after an application is approved for publication, under appropriate circumstances. Thus, the fact that an examining attorney has already acted on an application does not necessarily preclude the examining attorney's consideration of relevant evidence included in a timely, properly filed letter of protest.

Regarding the comment suggesting that the USPTO specify the consequences for failing to meet the two-month requirement, the USPTO notes that the TMA imposes the two-month deadline on the USPTO, and the statute does not itself specify any consequences for failing to meet the requirement. *See* H.R. Rep. No. 116-645, at 12 (2020). In view of this and the USPTO's general obligation to meet the statutory mandate, the USPTO has determined that it is not necessary for § 2.149 to specify consequences for the USPTO for failing to meet the deadline. Nor would it be appropriate for the rule to establish any consequences affecting letter-of-protest filers, who have no

control over whether the USPTO meets the deadline. If a timely and properly filed letter of protest contains relevant evidence that should be included in the application record of a pending application, but the USPTO fails to make that determination within the required two months, the USPTO may still forward the evidence to the examining attorney for consideration, if possible under the circumstances.

#### T. Suspension of Proceedings

*Comment 22:* The USPTO received two comments regarding including expungement and reexamination proceedings among the types of proceedings for which suspension of action by the Office or the TTAB is authorized. One commenter supported suspension while expungement or reexamination proceedings are pending. The other commenter disagreed that inter partes proceedings should be suspended during the pendency of ex parte proceedings under any circumstances. The commenter stated further that unless ex parte proceedings are stayed while inter partes proceedings are pending, the ex parte proceedings will have the unintended consequence of undermining inter partes proceedings, because faster resolution of an ex parte proceeding resulting in cancellation of a registration potentially moots or impacts the more robust proceedings in inter partes forums and that the proposed rules depart from the Office's longstanding practice of staying the more jurisdictionally limited forum. Finally, the commenter proposed amending § 2.67 to provide for suspension when "ownership" was an issue in another pending proceeding.

*Response:* The USPTO appreciates the comment in support of the revision to §§ 2.67 and 2.117. Regarding the concerns of the other commenter, the USPTO notes that suspension of a Board proceeding pending the final determination of another proceeding is solely within the discretion of the Board. If a cancellation proceeding pending before the TTAB includes nonuse as basis for cancellation, and there is an expungement or reexamination proceeding involving some or all of the goods and/or services in the cancellation proceeding, the outcome of the expungement or reexamination proceeding may have a bearing on the Board proceeding. The expungement or reexamination may result in the cancellation of the registration at issue in the Board proceeding. Therefore, the TTAB may exercise its discretion to suspend. As the commenter noted, ex parte

proceedings generally are less costly and time-consuming, and thus an ex parte proceeding may resolve a nonuse issue more efficiently. Suspending Board proceedings in favor of expungement and reexamination proceedings is consistent with the TMA's objective to provide a faster and more efficient alternative to address claims of lack of proper use.

The commenter expresses concern about suspending "more robust proceedings" at the TTAB in favor of ex parte proceedings. While the commenter refers to inter partes Board proceedings having larger evidentiary records and more thorough fact-finding, these characteristics primarily result from the broader scope of claims and issues addressed in inter partes Board proceedings, which range well beyond nonuse. The ex parte reexamination and expungement proceedings will address a more limited inquiry regarding lack of proper use of a registered mark, and within that context the proceedings are designed to provide the registrant a sufficiently robust, full and fair opportunity to be heard.

While the commenter characterized suspension of Board proceedings in favor of expungement or reexamination proceedings as a change in practice, the USPTO disagrees. As set forth in section 510.02(b) of the Trademark Trial and Appeal Board Manual of Procedure, the longstanding practice of the Board has been that "[u]nless there are unusual circumstances, the Board will suspend proceedings in the case before it if the final determination of the other proceeding may have a bearing on the issues before the Board." Pursuant to this practice, the Board has suspended its proceedings in favor of many types of other proceedings, including arbitration proceedings, state court cases, and foreign actions. *Id.* The USPTO considers suspending Board proceedings in favor of expungement and reexamination proceedings under the same conditions to be a continuation of longstanding TTAB practice rather than a departure from it.

With regard to the addition of "ownership" as a reason to suspend, the wording as proposed is broad enough to include the issue of ownership and there is no need to list separately that specific issue pertaining to the initial or continued registrability of a mark.

#### U. Attorney Recognition

*Comment 23:* The USPTO received a significant number of comments regarding attorney recognition and withdrawal. The comments regarding the proposed amendments to § 2.17(g), providing for ongoing attorney

recognition, were mixed. Several commenters supported ongoing recognition, while others preferred the USPTO continue to cease recognition under specified circumstances. One commenter noted that the existing rule was a "familiar and practical approach" to representation, while another noted that the change "would simplify how an attorney can be removed from recognition." Some commenters expressed concern about how the transition from the current rules to the new rules would be implemented. Other commenters sought additional information regarding the specifics on the implementation of the role-based access control system intended to improve USPTO database security and integrity, which was referenced in the NPRM. One comment suggested that any rule change to implement such a system would be premature until the plans for the system could be discussed in detail.

Commenters also raised questions about the obligations imposed by the requirements for withdrawal under § 2.19, citing issues pertaining to attorney discharge and change of ownership.

*Response:* After carefully considering all of the comments, the USPTO has decided not to implement any of the NPRM's proposed changes to the rules governing attorney recognition and withdrawal at this time, except for § 2.17(b)(4), which provides that a false, fraudulent, or mistaken attorney designation will be considered ineffective; § 2.18(a)(1), which replaces "representation" with "recognition"; § 2.18(a)(2), which indicates that, with respect to notices of institution of expungement and reexamination proceedings and ineffective attorney designations under § 2.17(b)(4), the Office may correspond directly with the applicant, registrant, or party to a proceeding; and § 2.19(d), which indicates that an attorney need not formally withdraw when recognition is not effective under § 2.17(b)(4).

While the USPTO may make changes to the attorney recognition and withdrawal rules in a future rulemaking, it has determined that additional work, planning, and stakeholder communications should be carried out before any such changes are made.

#### V. Court Orders Concerning Registrations

*Comment 24:* One commenter expressed concerns about proposed § 2.177, regarding action on court orders canceling or affecting a registration under section 37 of the Act, 15 U.S.C. 1119. Specifically, the commenter

requested that proposed § 2.177 be revised to remove the requirement that a party obtain and submit the certified copy of the court order to the USPTO, noting that the requirement adds an unnecessary burden on litigant parties. In addition, the commenter found the proposed rule's reference to "a party" to be vague because it does not identify which party to the litigation is responsible for submitting the court order, nor does it specify a penalty for failing to submit the order.

*Response:* The intent of § 2.177 is to codify the USPTO's longstanding procedures concerning action on court orders cancelling or affecting a registration under section 37, 15 U.S.C. 1119, that are currently set forth in TMEP section 1610. These procedures enable parties to litigation to properly notify the USPTO of a court order so that the USPTO may take appropriate action. Thus, § 2.177 imposes the obligation to file a certified court order only on those parties who wish for the USPTO to take action on the order. To address the concerns about possible ambiguity resulting from the wording "a party," the text of § 2.177 has been amended to clarify that if a party wishes that the USPTO take action on a court order, that party must submit a certified copy of the order.

#### *W. Paperwork Reduction Act— Respondent Burden Hours*

*Comment 25:* One commenter expressed concerns about the USPTO's estimated burden hours for preparing petitions for expungement and/or reexamination and responses to Office actions issued in connection with such petitions. The commenter noted that accurate estimates are necessary for realistic assessments of the regulatory burden of complying with the rules and weighing the costs with the benefits of the rules. The commenter opined that it may generally take, on average, at least 12 hours or more, rather than the 1–1.5 hours posited by the USPTO.

*Response:* The USPTO appreciates the feedback regarding burden estimates. As these are new proceedings, it is difficult to predict the average amount of time that will be required to research, collect, and compile the evidence required for an expungement and/or reexamination petition or response to an Office action regarding such petition. However, upon consideration of the commenter's concerns, the USPTO agrees that its original estimate did not sufficiently account for the time burden to submit these petitions and responses. Therefore, the USPTO has adjusted the time burdens to 4.5 hours for petitions for expungement and/or reexamination

and 4 hours for responses to Office actions issued in connection with such petitions. The USPTO does not believe more time is warranted because the scope of both the petitions and Office actions in expungement and reexamination proceedings is limited to a single substantive issue—the mark's use in commerce for particular goods and/or services. However, the USPTO will continue to consider public feedback regarding the burden estimates for these items and will raise the burden estimates as needed.

#### Changes From the NPRM

Based on the comments and responses above, the USPTO has made the following changes to the proposals in the NPRM. Section 2.6(a) is revised to include a request for extension of time for filing a response to a non-final Office action under § 2.93(b)(1) via TEAS, with a fee of \$125.00. The proposed revisions to § 2.17(g) are not implemented in this rule. Section 2.18(a)(1) is revised to refer to "recognition" instead of "representation." The proposed revisions regarding § 2.19(b) and (c) are not implemented in this rule. However, proposed § 2.19(d) is added as § 2.19(c). Section 2.93(b)(1) is revised to change the deadline for response from two months to three months and to provide for a one-month extension of time to respond to a non-final Office action, and § 2.93(c)(1) is revised to change the deadline for filing a response to a final Office action to three months.

#### Discussion of Rule Changes

The USPTO adds § 2.6(a)(26) to establish a fee of \$400, per class, for filing a petition for expungement or reexamination under § 2.91. The USPTO adds § 2.6(a)(27) to establish a fee of \$125 for filing through TEAS a request for an extension of time for filing a response to a non-final Office action under § 2.93(b)(1). The USPTO adds § 2.6(a)(28)(i) to establish a fee of \$225 for filing on paper a request for an extension of time for filing a response to an Office action under § 2.62(a)(2), § 2.163(c), § 2.165(c), § 2.176, § 2.184(b)(2), or § 2.186(c), and § 2.6(a)(28)(ii) to establish a fee of \$125 for filing through TEAS a request for an extension of time for filing a response to an Office action under § 2.62(a)(2), § 2.163(c), § 2.165(c), § 2.176, § 2.184(b)(2), or § 2.186(c).

The USPTO amends § 2.11(d) to add cross-references to §§ 2.93, 2.163, and 7.39, and amends § 2.11(f) to add a cross-reference to § 2.93(c)(1).

The USPTO adds § 2.17(b)(4) to specify that when a practitioner has been falsely, fraudulently, or mistakenly

designated as a representative for an applicant, registrant, or party to a proceeding without the practitioner's prior authorization or knowledge, recognition of that practitioner shall be ineffective.

The USPTO amends § 2.18 to revise paragraphs (a)(1) and (2) to clarify the circumstances under which the Office will communicate directly with an applicant, registrant, or party to a proceeding.

The USPTO amends § 2.19 to add paragraph (c) to indicate that an attorney need not formally withdraw when recognition is not effective under § 2.17(b)(4).

The USPTO amends § 2.23 to revise paragraph (c) to clarify that certain submissions are not subject to the exemption allowing paper filing and to add paragraph (d)(3) to address the duty to monitor the status of a registration once an expungement or reexamination proceeding has been instituted.

The USPTO amends § 2.61 to remove paragraph (c).

The USPTO amends § 2.62 to revise paragraph (a) to provide for flexible response periods and extensions of time to respond and paragraph (c) to include a reference to requests for extensions of time to respond.

The USPTO amends § 2.63 to revise paragraph (b) to include a request for an extension of time to respond or appeal under § 2.62(a)(2) as a response option, and makes other minor stylistic changes; revises paragraph (c) to include a reference to requests for extensions of time to respond or appeal under § 2.62(a)(2), and makes other minor stylistic changes; and revises paragraph (d) to remove the wording "six-month."

The USPTO amends § 2.65 to revise paragraph (a) to replace "six months from the date of issuance" with "the relevant time period for response under § 2.62(a)(1), including any granted extension of time to respond under § 2.62(a)(2)."

The USPTO amends § 2.66 to revise paragraph (b)(1) to replace the citation to § 2.6 with a citation to § 2.6(a)(15); revises paragraph (b)(3) by removing a portion of the current paragraph to add new paragraph (b)(5); and adds paragraph (b)(4) to include a provision for Office actions with a three-month response period.

The USPTO amends § 2.67 to codify the existing practice regarding suspension of proceedings before the USPTO and the TTAB.

The USPTO revises the undesignated center heading appearing before § 2.91 from "CONCURRENT USE PROCEEDINGS" to "EX PARTE

**EXPUNGEMENT AND REEXAMINATION.”**

The USPTO adds § 2.91 to set forth the procedures for petitions for expungement or reexamination.

The USPTO adds § 2.92 to set forth the procedures for instituting ex parte expungement and reexamination proceedings.

The USPTO adds § 2.93 to set forth the procedures for conducting expungement and reexamination proceedings.

The USPTO adds § 2.94 to set forth the procedures for action after expungement or reexamination.

The USPTO adds the undesignated center heading “CONCURRENT USE PROCEEDINGS” before existing § 2.99.

The USPTO revises the undesignated center heading appearing before § 2.111 from “CANCELLATION” to “CANCELLATION PROCEEDINGS BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD” to differentiate cancellation proceedings before the TTAB from ex parte expungement and reexamination proceedings.

The USPTO amends § 2.111(b) to specify the time for filing a petition for cancellation with the TTAB on the ground specified in section 14(6) of the Act and to distinguish it from the timing of other nonuse claims.

The USPTO amends § 2.117(a) to include a reference to an expungement or reexamination proceeding instituted under § 2.92, to eliminate the limitation to other proceedings in which a party or parties are engaged, and to indicate that a civil action or proceeding is not considered to have been terminated until an order or ruling that ends litigation has been rendered and noticed and the time for any further review has expired with no further review sought.

The USPTO amends § 2.141 to revise the heading to “Ex parte appeals”; adds the title “Appeal from final refusal of application” to paragraph (a) and replaces the six-month deadline with a reference to § 2.142(a)(1); adds a new paragraph (b) regarding expungement and reexamination appeals with the title “Appeal from expungement or reexamination proceeding”; and renumbers current paragraph (b) as paragraph (c) and clarifies that (1) if the applicant or registrant does not pay the appeal fee for at least one class of goods or services before expiration of the time for appeal, the application will be abandoned or the proceeding will be terminated and (2) if the applicant or registrant does not submit the required fee or specify the class(es) being appealed from either a final refusal of an application or from an expungement or reexamination proceeding within the set

time period, the TTAB will apply the fee(s) to the class(es) in ascending order, beginning with the lowest-numbered class.

The USPTO amends § 2.142 to revise paragraph (a) to replace the six-month deadline with a reference to the deadline for appeal from the final refusal of an application in paragraph (a)(1) and the deadline for appeal from an expungement or reexamination proceeding in paragraph (a)(2); adds wording in current paragraph (a) to new paragraph (a)(3); revises paragraph (b)(3) to include a reference to proceedings involving registrations; and revises paragraph (d) for clarity and adds paragraphs (d)(1) and (2) to address appeals from a refusal to register and appeals from an expungement or reexamination proceeding, respectively.

The USPTO amends § 2.145 to revise paragraph (a)(1) to include a reference to ex parte expungement or reexamination proceedings, to delete the heading from paragraph (a)(3) and add introductory text, and to revise paragraph (c)(1) to add an exception for ex parte expungement or reexamination proceedings.

The USPTO amends § 2.146 to include expungement and reexamination in paragraph (b); revises paragraph (c) to indicate that a petition requesting reinstatement of a registration cancelled in whole or in part for failure to timely respond to an Office action issued in an expungement and/or reexamination proceeding must include a response to the Office action, signed in accordance with § 2.193; and adds paragraph (d)(2)(iv) to specify the filing deadline for a petition in connection with an expungement or reexamination proceeding.

The USPTO amends § 2.149 to revise paragraph (a) to replace the word “entry” with “inclusion” and amends paragraph (i) for clarity and to replace the words “not petitionable” with “final and non-reviewable, and a determination to include or not include evidence in the application record shall not prejudice any party’s right to raise any issue and rely on any evidence in any other proceeding.”

The USPTO amends § 2.163 to revise paragraph (b) to specify a response deadline of three months; revise paragraph (c) to provide for extensions of time to respond; add paragraph (d) to address substantially complete responses; and add paragraph (e) to set forth the wording formerly in paragraph (c) with conforming revisions.

The USPTO amends § 2.165 to revise paragraph (a) to revise the internal citation to § 2.163(b)–(c); revise paragraph (b) to include a citation to the

response deadlines in § 2.163(b)–(c); add new paragraph (c) to specify that a registration will be cancelled if a petition is not timely filed; and renumber previous paragraph (c) as paragraph (d).

The USPTO amends § 2.176 to revise the title to “Consideration of above matters in §§ 2.171 through 2.175” and to specify a response deadline of three months and to provide for an extension of time to respond.

The USPTO adds the undesignated center heading “COURT ORDERS UNDER SECTION 37” before § 2.177.

The USPTO adds § 2.177 to address procedures concerning action on court orders cancelling or affecting a registration under section 37 of the Act.

The USPTO amends § 2.184 to revise paragraph (b)(1) to specify a response deadline of three months; revise paragraph (b)(2) to provide for extensions of time to respond; add paragraph (b)(3) to address substantially complete responses; add paragraph (b)(4) to set forth wording formerly in paragraph (b)(1); and add paragraph (b)(5) to set forth wording formerly in paragraph (b)(2).

The USPTO amends § 2.186 to revise paragraph (b) to include a citation to the response deadlines in § 2.184(b); add new paragraph (c) to specify that a registration will expire if a petition is not timely filed; and renumber previous paragraph (c) as paragraph (d).

The USPTO amends § 2.193(e)(5) to include a reference to petitions for expungement or reexamination.

The USPTO amends § 7.6 to add paragraph (a)(9)(i) to establish a fee of \$225 for a request for an extension of time for filing a response to an Office action under § 7.39(b) or § 7.40(c) on paper and to add paragraph (a)(9)(ii) to establish a fee of \$125 for a request for an extension of time for filing a response to an Office action under § 7.39(b) or § 7.40(c) via TEAS.

The USPTO amends § 7.39 to revise paragraph (a) to specify a response deadline of three months; revise paragraph (b) to provide for extensions of time to respond; revise paragraph (c) to address substantially complete responses; revise paragraph (d) to set forth wording formerly in paragraph (b); add paragraph (e) to set forth wording formerly in paragraph (c); and add paragraph (f) to set forth wording formerly in paragraph (d).

The USPTO amends § 7.40 to revise paragraph (a) to revise the internal citation to § 7.39(a)–(c); revise paragraph (b) to include a citation to the response deadlines in § 7.39(a)–(c); add new paragraph (c) to specify that a registration will be cancelled if a

petition is not timely filed; and renumber previous paragraph (c) as paragraph (d).

#### Rulemaking Requirements

*A. Administrative Procedure Act:* The changes in this rulemaking involve rules of agency practice and procedure, and/or interpretive rules. See *Bachow Commc'ns Inc. v. FCC*, 237 F.3d 683, 690 (D.C. Cir. 2001) (rules governing an application process are procedural under the Administrative Procedure Act); *Inova Alexandria Hosp. v. Shalala*, 244 F.3d 342, 350 (4th Cir. 2001) (rules for handling appeals are procedural where they do not change the substantive standard for reviewing claims); *Nat'l Org. of Veterans' Advocates v. Sec'y of Veterans Affairs*, 260 F.3d 1365, 1375 (Fed. Cir. 2001) (rule that clarifies interpretation of a statute is interpretive).

Accordingly, prior notice and opportunity for public comment for this rulemaking are not required pursuant to 5 U.S.C. 553(b) or (c), or any other law. See *Cooper Techs. Co. v. Dudas*, 536 F.3d 1330, 1336–37 (Fed. Cir. 2008) (stating that 5 U.S.C. 553, and thus 35 U.S.C. 2(b)(2)(B), do not require notice and comment rulemaking for “interpretative rules, general statements of policy, or rules of agency organization, procedure, or practice” (quoting 5 U.S.C. 553(b)(A))). However, the USPTO chose to seek public comment before implementing the rule to benefit from the public’s input.

*B. Regulatory Flexibility Act:* The USPTO publishes this Final Regulatory Flexibility Analysis (FRFA), as required by the Regulatory Flexibility Act (RFA) (5 U.S.C. 601 *et seq.*), to examine the impact of the Office’s changes to trademark fees on small entities. Under the RFA, whenever an agency is required by 5 U.S.C. 553 (or any other law) to publish an NPRM, the agency must prepare and make available for public comment an Initial Regulatory Flexibility Analysis (IRFA), unless the agency certifies under 5 U.S.C. 605(b) that the rule, if implemented, will not have a significant economic impact on a substantial number of small entities. 5 U.S.C. 603, 605. The USPTO published an IRFA, along with the NPRM, on May 18, 2021 (86 FR 26862). The USPTO received no comments from the public directly applicable to the IRFA, as stated below in Item 2.

Items 1–6 below discuss the six criteria specified in 5 U.S.C. 604(a)(1)–(6) to be addressed in a FRFA. Item 6 discusses alternatives considered by the Office.

1. *Succinct statement of the need for, and objectives of, the rule:*

The USPTO amends the rules of practice in trademark cases to implement provisions of the (TMA), Public Law 116–260, Div. Q, Tit. II, Subtit. B, section 228 (Dec. 27, 2020). The TMA sets a deadline of December 27, 2021, for the USPTO to promulgate rules governing letter-of-protest procedures and implementing ex parte expungement and reexamination proceedings for cancellation of a registration when the required use in commerce of the registered mark has not been made. In addition, the TMA authorizes the USPTO to promulgate rules to provide for flexible Office action response periods. The USPTO also sets fees for petitions requesting the institution of ex parte expungement and reexamination proceedings and for requests to extend Office action response deadlines, as required or authorized by the TMA, and to amend the rules concerning the suspension of USPTO proceedings and the rules governing attorney recognition in trademark matters.

As required or authorized by the TMA, the objective of the rule is to implement the provisions of the TMA by: (1) Establishing ex parte expungement and reexamination proceedings for cancellation of a registration when the required use in commerce of the registered mark has not been made, to ensure an accurate trademark register that supports and promotes commerce; (2) amending the rules governing the USPTO’s letter-of-protest procedures, which allow third parties to submit evidence to the USPTO regarding a trademark’s registrability during the initial examination of the trademark application, to provide that the decision whether to include such evidence in the application record is final and non-reviewable and that such a determination shall not prejudice any party’s right to raise any issue and rely on any evidence in any other proceeding; and (3) implementing flexible response periods, along with optional extensions of time, to promote efficiency in examination by shortening the prosecution timeline for applications with issues that are relatively simple to address, while providing sufficient time for response to Office actions with more complex issues. In addition, this rule also formalizes existing practice regarding the suspension of proceedings before the Office and the TTAB; specifies when recognition of a practitioner shall be ineffective; and adds a new rule to address procedures regarding court orders cancelling or affecting

registrations. Finally, the rule establishes fees for the ex parte expungement and reexamination proceedings and for extensions of time to respond to an Office action.

2. *A statement of the significant issues raised by the public comments in response to the initial regulatory flexibility analysis, a statement of the assessment of the agency of such issues, and a statement of any changes made in the proposed rule as a result of such comments:*

The USPTO did not receive any public comments in response to the IRFA. However, the Office received comments about particular fees, and their impact on small entities, that are further discussed in the preamble.

3. *The response of the agency to any comments filed by the Chief Counsel for Advocacy of the Small Business Administration in response to the proposed rule, and a detailed statement of any change made to the proposed rule in the final rule as a result of the comments:*

The USPTO did not receive any comments filed by the Chief Counsel for Advocacy of the Small Business Administration in response to the proposed rule.

4. *Description of and an estimate of the number of small entities to which the rule will apply or an explanation of why no such estimate is available:*

The USPTO does not collect or maintain statistics in trademark cases on small- versus large-entity applicants, and this information would be required in order to determine the number of small entities that would be affected by the rule. The rule would apply to all persons who are filing a response to an Office action, are represented by an attorney, are seeking to submit a petition requesting institution of an expungement or reexamination proceeding, or are providing a response in such a proceeding. However, as noted above, based on information already collected, many of the applications and registrations in which nonuse may be an issue are owned by individuals or small-volume filers. Therefore, the USPTO anticipates that a significant portion of the expungement and reexamination proceedings instituted will be brought against registrants who are considered small enterprises. If so, this fact alone would not indicate that the process was unfairly impacting this group. However, the USPTO will carefully review the data to be collected for the above-referenced report, along with the data to be collected by the STF, which should provide additional insight to allow the USPTO to assess the impact of these

proceedings on registrants and make adjustments if necessary.

The rule includes provisions for flexible response periods to respond to Office actions. Under this rule, all filers would have an option to file a no-cost response if they do so within three months of the Office action's issue date. The changes would benefit all trademark owners by encouraging faster prosecution of applications and review of post-registration maintenance documents, and the USPTO believes this three-month response period is reasonable for all applicants and registrants, including small entities, given the efficiencies of current practices utilizing electronic filing and email notification of all documents.

In addition, the provisions governing the ex parte expungement and reexamination proceedings created under the TMA will benefit all parties, including small entities, by helping to ensure the accuracy of the USPTO's trademark register by cancelling registrations, in whole or in part, for which the required use of the registered mark in commerce has not been made. Moreover, these proceedings will provide a more efficient and less costly alternative to contested inter partes proceedings before the TTAB or civil litigation in the courts. This should decrease or eliminate the potential costs that otherwise would have been incurred to litigate in proceedings to cancel a registration or resolve a dispute over a mark, or to change business plans to avoid the use of a chosen mark when the required use has not been made.

*5. Description of the reporting, recordkeeping, and other compliance requirements of the final rule, including an estimate of the classes of small entities which will be subject to the requirement and the type of professional skills necessary for preparation of the report or record:*

The final rule will require the creation of new online forms to submit a request to institute an expungement or reexamination proceeding, to respond to Office actions issued during such proceedings, and to request extensions of time to respond to Office actions, as further described in the preamble of this proposed rule.

The USPTO does not anticipate the rule to have a disproportionate impact upon any particular class of small or large entities. Any entity that has a pending trademark application or a registered trademark could potentially be impacted by this rule.

The professional skills necessary for completion of the online forms are not more burdensome than the skills necessary for completion of current

USPTO reporting requirements and would not be disproportionately burdensome for small entities.

*6. Description of the steps the agency has taken to minimize the significant economic impact on small entities consistent with the stated objectives of applicable statutes, including a statement of the factual, policy, and legal reasons for selecting the alternative adopted in the final rule and why each one of the other significant alternatives to the rule considered by the agency which affect the impact on small entities was rejected:*

The TMA mandates the framework for many of the procedures in this rulemaking, particularly with respect to changes to the letter-of-protest procedures and most of the procedures for the new ex parte expungement and reexamination proceedings, except for those indicated below. Thus, the USPTO has little to no discretion in the rulemaking required to implement those procedures. Accordingly, the discussion below addresses only those provisions for which alternatives were possible because the TMA provided the Director discretion to implement regulations. In those cases, the USPTO chose the option that best balanced the need to achieve the stated objectives with the need to create processes that are the least burdensome on all parties.

*Fees:* As authorized by the TMA, the rule establishes fees for petitions requesting ex parte expungement or reexamination of a registration and for extensions of time to respond to an Office action. After the USPTO considered the comments received regarding the proposed fee of \$600 per class for a petition requesting ex parte expungement or reexamination of a registration, and as discussed in the preamble, this rule sets a fee of \$400 per class for such petitions, with the intent to balance the need for cost recovery with the objective of providing a lower-cost alternative for third parties to seek cancellation of registered marks for which the required use in commerce has not been made. The USPTO considered alternative fee proposals for these newly created ex parte proceedings. One option was to charge \$250 per petition, which is the same amount as the current fee for electronically filed petitions to the Director under § 2.146. However, that amount was determined to be insufficient for cost recovery because petitions for expungement or reexamination are different proceedings than other petitions to the Director, and reviewing these petitions and conducting any resulting proceeding will require more time and resources. Therefore, these petitions are likely to

incur higher processing costs. In addition, the USPTO considered setting the fee at \$1,000 per class of goods or services involved in the petition. However, this amount was deemed too high in view of the USPTO's objective to provide an inexpensive mechanism for cancellation of a registration when the required use in commerce of the registered mark has not been made.

This rule sets a fee of \$125 for electronically filed requests for extensions of time to respond to an Office action issued in connection with an application or a post-registration maintenance filing and a fee of \$225 for such extensions that are filed on paper. The rule also sets a fee of \$125 for requests for extensions of time to respond to a non-final Office action issued in connection with an expungement or reexamination proceeding, which are required to be filed electronically. These fees are consistent with the current fees for requesting an extension of time to file a statement of use and are intended to recover associated costs while incentivizing applicants to respond to Office actions within the initial three-month deadline. The USPTO considered the alternative of not charging a fee for such extensions, but that option would not aid in cost recovery and would not provide an incentive to respond earlier, undermining the purpose of the flexible response periods.

*Limit on petitions requesting expungement or reexamination:* This rule does not limit the number of petitions for expungement or reexamination that can be filed against a registration. However, the Office did consider such a limit of petition-initiated proceedings against a registration that had already been the subject of instituted proceedings in order to provide a definite end to challenges, leaving any further challenges to TTAB cancellation proceedings. Considering that there are already safeguards in place to prevent abuse, the Office was concerned that imposing artificial limitations might undermine the utility of the proceedings to clear the register of unused marks. In addition, the USPTO considered the alternatives of limiting the number of petitions a particular petitioner or real party in interest may file, but those options did not further the ultimate purpose of the expungement or reexamination proceeding, which is to cancel a registration in whole or in part when evidence shows that use of the mark in commerce has not been made.

*Reasonable investigation and evidence:* Under the TMA and this rule, a petition for expungement or

reexamination must include a verified statement that sets forth the elements of the reasonable investigation the petitioner conducted to determine that the mark was never used in commerce (for expungement petitions) or not in use in commerce as of the relevant date (for reexamination petitions) on or in connection with the goods and/or services identified in the petition. The rule defines a “reasonable investigation” as one that is based on available information and must include searches calculated to return information about the underlying inquiry from reasonably accessible sources where evidence concerning use of the mark during the relevant time period on or in connection with the relevant goods and/or services would normally be found. The rule indicates that a sufficient, reasonable investigation will depend on the individual circumstances, but includes a non-exhaustive list of sources of evidence for a reasonable investigation. These include State and Federal trademark records, internet websites, records from State and Federal agencies, litigation records, knowledge of marketplace activities, and any other reasonably accessible source with information relevant to whether the mark at issue was used in commerce.

The USPTO considered an alternative approach of providing a more exhaustive list of the types of evidence that would meet the burden for these newly created proceedings. However, the USPTO acknowledges that the types of evidence will vary by industry and the types of goods and/or services being challenged. Therefore, it is not practical to create a complete list in the rule that would apply in all situations. Instead, the USPTO opted to identify a standard in line with the statute and legislative history, and to include a non-exhaustive list of efforts and evidence that may meet the standard. This alternative provides guidance to filers while not limiting them to specific types of evidence listed in the rule.

*Director-initiated proceedings:* The TMA authorizes Director-initiated expungement and reexamination proceedings. In addition to the requirements in the TMA, the rule provides that the Director may institute a proceeding that includes additional goods and/or services identified in the subject registration on the Director’s own initiative and consolidate consideration of the new proceeding with the pending proceeding. The USPTO considered an alternative approach that involved not allowing the consolidation of proceedings in this circumstance, but this option would

hinder proper and efficient management of multiple related proceedings.

*Response time periods in new ex parte proceedings:* The rule sets a deadline of three months for responding to a non-final Office action and for requesting reconsideration of or appealing from a final Office action issued in a reexamination and/or expungement proceeding, making the periods the same as the response period the USPTO intends to implement for Office actions in the examination of applications and post-registration submissions. The rule also provides an option for a one-month extension of time to respond to a non-final Office action. The USPTO considered a number of alternatives to this response deadline framework. These alternatives included a two-month response period with an optional one-month extension, a three-month response period for the initial Office action and a three-month response period for the final Office action, and different response periods for the initial Office action and the final Office action.

In weighing these options, the Office considered the fact that, once an Office action has been received by a registrant, the registrant will need time to review the content of the Office action, hire counsel if needed, and conduct fact-finding and evidence gathering in order to provide a response. The Office also considered the fact that a traditional six-month response period maximizes the time for the registrant to engage in these necessary activities but could potentially result in prolonged review, which is contrary to the objective to provide a faster and more efficient alternative to addressing claims of lack of proper use.

The selected three-month response period with an option for a one-month extension of the period for a non-final Office action balances the Office’s objectives with the registrant’s need for time to engage in the necessary activities to provide a response to the Office action. Furthermore, the USPTO plans to provide a courtesy notification to the registrant that a petition has been filed so as to facilitate early notice of a possible proceeding.

*Flexible response periods:* The TMA authorizes the USPTO to establish flexible response periods to respond to Office actions. The rule sets a period of three months for responding to an Office action in applications under sections 1 and/or 44 of the Act, but provides an option for applicants to request a single three-month extension of this three-month deadline, for a total response time of up to six months. The same response deadline framework also

applies to post-registration Office actions issued in connection with the examination of registration maintenance documents. This alternative was selected because it is supported by the USPTO’s data analytics regarding average response times, is the option with the least burden and lowest costs for filers, and avoids uncertainty in filing deadlines by providing consistent deadlines for responses.

The USPTO considered three alternatives to the proposals to implement flexible response periods. The first alternative was to maintain six-month response periods for any Office action that contains a substantive refusal and provide a shorter response period for any Office action that contained only formal requirements, because responses for these typically require less time. This alternative was rejected because it may require some discretion by examining attorneys to decide which response period applies if, for example, it is not clear whether the Office action contains a substantive refusal. Additionally, public feedback indicated that this approach results in the length of the response period being unknown until the Office action is received and would require the monitoring of multiple possible deadlines.

A second alternative considered was to offer shorter response periods for all Office actions, but to offer an initial response period of two months, with one-month extensions with a corresponding fee, to reach the full six months. The fee for extension would be progressively higher, depending on when the response and extension request were filed. For example, responses filed in the third, fourth, fifth, or sixth month would, respectively, have an extension fee of \$50, \$75, \$125, and \$150. An application would be abandoned when a response is not received within the two-month period or such other extended deadline as requested and paid for by applicant, not to exceed six months from the Office action issue date. This alternative added more complexity to the trademark Office action response process than the other proposed options and was not adopted.

Finally, the USPTO considered a two-phase examination system. Under this approach, a USPTO examiner could review application formalities and issue a formalities Office action with a shortened response period of two months, extendable in two-month increments to a full six months upon request and payment of a fee. Once the formalities were addressed, the application could enter the second phase of the examination, whereby an



examiner would issue an Office action containing any substantive refusals that identifies a response deadline of three months, extendable for another three months to a total of six months, upon request and payment of a fee. Due to the significant time and system changes it would take to implement a phased examination system, the USPTO decided against pursuing this alternative at this time.

*Suspension of proceedings:* The rule amends the rules concerning the suspension of proceedings to align them with current practice and to clarify that the new ex parte expungement and reexamination proceedings are among the types of proceedings for which suspension of action by the Office or the TTAB is authorized.

The alternative was to take no action in amending these rules, but that option would result in a continued misalignment of the rules and USPTO practice, and could hinder proper and efficient management of multiple related proceedings.

*Attorney recognition:* The rule provides that when a practitioner has been mistakenly, falsely, or fraudulently designated as a representative for an applicant, registrant, or party to a proceeding without the practitioner's prior authorization or knowledge, recognition of that practitioner shall be ineffective.

The USPTO considered not updating the current rules on attorney recognition. However, leaving the regulations as they are currently written would potentially hinder the USPTO's ability to combat misleading solicitations sent to trademark applicants and registrants as well as other improper activities.

*C. Executive Order 12866 (Regulatory Planning and Review):* This rule has been determined to be Significant for purposes of Executive Order 12866 (Sept. 30, 1993).

*D. Executive Order 13563 (Improving Regulation and Regulatory Review):* The USPTO has complied with Executive Order 13563 (Jan. 18, 2011). Specifically, the USPTO has, to the extent feasible and applicable: (1) Made a reasoned determination that the benefits justify the costs of the rule; (2) tailored the rule to impose the least burden on society consistent with obtaining the regulatory objectives; (3) selected a regulatory approach that maximizes net benefits; (4) specified performance objectives; (5) identified and assessed available alternatives; (6) provided the public with a meaningful opportunity to participate in the regulatory process, including soliciting the views of those likely affected prior

to issuing an NPRM, and provided online access to the rulemaking docket; (7) attempted to promote coordination, simplification, and harmonization across government agencies and identified goals designed to promote innovation; (8) considered approaches that reduce burdens and maintain flexibility and freedom of choice for the public; and (9) ensured the objectivity of scientific and technological information and processes, to the extent applicable.

*E. Executive Order 13132 (Federalism):* This rulemaking does not contain policies with federalism implications sufficient to warrant preparation of a Federalism Assessment under Executive Order 13132 (Aug. 4, 1999).

*F. Executive Order 13175 (Tribal Consultation):* This rulemaking will not: (1) Have substantial direct effects on one or more Indian tribes, (2) impose substantial direct compliance costs on Indian tribal governments, or (3) preempt tribal law. Therefore, a tribal summary impact statement is not required under Executive Order 13175 (Nov. 6, 2000).

*G. Executive Order 13211 (Energy Effects):* This rulemaking is not a significant energy action under Executive Order 13211 because this rulemaking is not likely to have a significant adverse effect on the supply, distribution, or use of energy. Therefore, a Statement of Energy Effects is not required under Executive Order 13211 (May 18, 2001).

*H. Executive Order 12988 (Civil Justice Reform):* This rulemaking meets applicable standards to minimize litigation, eliminate ambiguity, and reduce burden as set forth in sections 3(a) and 3(b)(2) of Executive Order 12988 (Feb. 5, 1996).

*I. Executive Order 13045 (Protection of Children):* This rulemaking does not concern an environmental risk to health or safety that may disproportionately affect children under Executive Order 13045 (Apr. 21, 1997).

*J. Executive Order 12630 (Taking of Private Property):* This rulemaking will not affect a taking of private property or otherwise have taking implications under Executive Order 12630 (Mar. 15, 1988).

*K. Congressional Review Act:* Under the Congressional Review Act provisions of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 801 *et seq.*), the USPTO will submit a report containing the final rule and other required information to the United States Senate, the United States House of Representatives, and the Comptroller General of the Government Accountability Office. The changes in

this rule are not expected to result in an annual effect on the economy of \$100 million or more, a major increase in costs or prices, or significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets. Therefore, this rule is not expected to result in a "major rule" as defined in 5 U.S.C. 804(2).

*L. Unfunded Mandates Reform Act of 1995:* The changes set forth in this rulemaking do not involve a Federal intergovernmental mandate that will result in the expenditure by State, local, and tribal governments, in the aggregate, of \$100 million (as adjusted) or more in any one year, or a Federal private sector mandate that will result in the expenditure by the private sector of \$100 million (as adjusted) or more in any one year, and will not significantly or uniquely affect small governments. Therefore, no actions are necessary under the provisions of the Unfunded Mandates Reform Act of 1995. See 2 U.S.C. 1501 *et seq.*

*M. National Environmental Policy Act of 1969:* This rulemaking will not have any effect on the quality of the environment and is thus categorically excluded from review under the National Environmental Policy Act of 1969. See 42 U.S.C. 4321 *et seq.*

*N. National Technology Transfer and Advancement Act of 1995:* The requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) are not applicable because this rulemaking does not contain provisions that involve the use of technical standards.

*O. Paperwork Reduction Act of 1995:* In accordance with section 3507(d) of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), some of the paperwork and other information collection burdens discussed in this rulemaking have been approved under Office of Management and Budget (OMB) Control Numbers 0651-0040 (Trademark Trial and Appeal Board (TTAB) Actions), 0651-0050 (Response to Office Action and Voluntary Amendment Forms), and 0651-0055 (Trademark Post Registration). This rulemaking does not impose additional costs or revisions to the burden estimates for the previously mentioned existing information collections.

The new reporting requirements and fees associated with this rulemaking, which were filed under OMB Control Number 0651-0086 (Changes To Implement Provisions of the Trademark Modernization Act of 2020), have been

submitted to OMB for approval. For reference, the following is a summary of that information collection's data:

*Estimated Annual Number of Respondents:* 14,931.

*Estimated Time per Response:* The USPTO estimates that it takes the public approximately between .25 hours (15 minutes) and 4.5 hours, to complete the information in this information collection. This includes the time to gather the necessary information, prepare the appropriate documents, and submit the completed responses to the USPTO.

*Estimated Total Annual Burden Hours:* 36,908.

*Estimated Total Annual Non-Hour Cost Burden:* \$2,421,403.

*Affected Public:* Private sector; individuals or households.

*Frequency:* On occasion.

*Respondent's Obligation:* Required to obtain or retain benefits.

Approved information collection requests may be viewed at [www.reginfo.gov/public/do/PRAMain](http://www.reginfo.gov/public/do/PRAMain). If approval is denied, the USPTO will publish a document in the **Federal Register** providing notice of what action(s) the USPTO plans to take.

Notwithstanding any other provision of law, no person is required to respond to, nor shall any person be subject to, a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information has a valid OMB control number.

*P. E-Government Act Compliance:* The USPTO is committed to compliance with the E-Government Act to promote the use of the internet and other information technologies to provide increased opportunities for citizen access to Government information and services, and for other purposes. For information pertinent to E-Government Act compliance related to this rule, please contact Kimberly Hardy, USPTO Information Collection Officer, via email at [Information.Collection@uspto.gov](mailto:Information.Collection@uspto.gov) or via telephone at 571-270-0968.

**List of Subjects**

37 CFR Part 2

Administrative practice and procedure, Courts, Lawyers, Trademarks.

37 CFR Part 7

Administrative practice and procedure, Trademarks.

For the reasons stated in the preamble and under the authority contained in 15 U.S.C. 1123 and 35 U.S.C. 2, as amended, the USPTO amends parts 2 and 7 of title 37 as follows:

**PART 2—RULES OF PRACTICE IN TRADEMARK CASES**

■ 1. The authority citation for part 2 is revised to read as follows:

**Authority:** 15 U.S.C. 1113, 1123; 35 U.S.C. 2; sec. 10, Pub. L. 112-29, 125 Stat. 284; Pub. L. 116-260, 134 Stat. 1182, unless otherwise noted. Sec. 2.99 also issued under secs. 16, 17, 60 Stat. 434; 15 U.S.C. 1066, 1067.

■ 2. Amend § 2.6 by adding paragraphs (a)(26) and (27) to read as follows:

**§ 2.6 Trademark fees.**

(a) \* \* \*

(26) *Petition for expungement or reexamination.* For filing a petition for expungement or reexamination under § 2.91, per class—\$400.00.

(27) *Extension of time for filing a response to a non-final Office action under § 2.93(b)(1).* For filing a request for extension of time for filing a response to a non-final Office action under § 2.93(b)(1) via TEAS—\$125.00.

\* \* \* \* \*

■ 3. Effective December 1, 2022, amend § 2.6 by adding paragraph (a)(28) to read as follows:

(a) \* \* \*

(28) *Extension of time for filing a response to an Office action under § 2.62(a)(2), § 2.163(c), § 2.165(c), § 2.176, § 2.184(b)(2), or § 2.186(c).* (i) For filing a request for extension of time for filing a response to an Office action under § 2.62(a)(2), § 2.163(c), § 2.165(c), § 2.176, § 2.184(b)(2), or § 2.186(c) on paper—\$225.00.

(ii) For filing a request for extension of time for filing a response to an Office action under § 2.62(a)(2), § 2.163(c), § 2.165(c), § 2.176, § 2.184(b)(2), or § 2.186(c) via TEAS—\$125.00.

\* \* \* \* \*

■ 4. Amend § 2.11 by revising paragraphs (d) and (f) to read as follows:

**§ 2.11 Requirement for representation.**

\* \* \* \* \*

(d) Failure to respond to requirements issued pursuant to paragraphs (a) through (c) of this section is governed by §§ 2.65, 2.93, and 2.163 and § 7.39 of this chapter, as appropriate.

\* \* \* \* \*

(f) Notwithstanding §§ 2.63(b)(2)(ii) and 2.93(c)(1), if an Office action maintains only requirements under paragraphs (a), (b), and/or (c) of this section, or only requirements under paragraphs (a), (b), and/or (c) of this section and the requirement for a processing fee under § 2.22(c), the requirements may be reviewed only by filing a petition to the Director under § 2.146.

■ 5. Amend § 2.17 by adding paragraph (b)(4) to read as follows:

**§ 2.17 Recognition for representation.**

\* \* \* \* \*

(b) \* \* \*

(4) *False, fraudulent, or mistaken designation.* Regardless of paragraph (b)(1) of this section, where a practitioner has been falsely, fraudulently, or mistakenly designated as a representative for an applicant, registrant, or party to a proceeding without the practitioner's prior authorization or knowledge, such a designation shall have no effect, and the practitioner is not recognized.

\* \* \* \* \*

■ 6. Amend § 2.18 by revising paragraphs (a)(1) and (2) to read as follows:

**§ 2.18 Correspondence, with whom held.**

(a) \* \* \*

(1) If an attorney is not recognized as a representative pursuant to § 2.17(b)(1), the Office will send correspondence to the applicant, registrant, or party to the proceeding.

(2) If an attorney is recognized as a representative pursuant to § 2.17(b)(1), the Office will correspond only with that attorney, except as set forth in paragraphs (a)(2)(i) through (iv) of this section. A request to change the correspondence address does not revoke a power of attorney. The Office will not correspond with another attorney from a different firm and, except for service of a cancellation petition and notices of institution of expungement or reexamination proceedings, will not correspond directly with the applicant, registrant, or a party to a proceeding, unless:

(i) The applicant or registrant files a revocation of the power of attorney under § 2.19(a) and/or a new power of attorney that meets the requirements of § 2.17(c);

(ii) The attorney has been suspended or excluded from practicing in trademark matters before the USPTO;

(iii) Recognition of the attorney has ended pursuant to § 2.17(g); or

(iv) The attorney has been falsely, fraudulently, or mistakenly designated under § 2.17(b)(4).

\* \* \* \* \*

■ 7. Amend § 2.19 by adding paragraph (c) to read as follows:

**§ 2.19 Revocation or withdrawal of attorney.**

\* \* \* \* \*

(c) *Recognition ineffective.* If recognition is not effective under § 2.17(b)(4), then revocation under paragraph (a) of this section or

withdrawal under paragraph (b) of this section is not required.

■ 8. Amend § 2.23 by revising paragraphs (c) and (d) to read as follows:

**§ 2.23 Requirement to correspond electronically with the Office and duty to monitor status.**

\* \* \* \* \*

(c) Except for submissions under §§ 2.91, 2.93, and 2.149, if the applicant or registrant is a national of a country that has acceded to the Trademark Law Treaty, but not to the Singapore Treaty on the Law of Trademarks, the requirements of paragraphs (a) and (b) of this section do not apply.

(d) Notices issued or actions taken by the USPTO are displayed in the USPTO's publicly available electronic systems. Applicants and registrants are responsible for monitoring the status of their applications and registrations in the USPTO's electronic systems during the following time periods:

(1) At least every six months between the filing date of the application and issuance of a registration;

(2) After filing an affidavit of use or excusable nonuse under section 8 or section 71 of the Act, or a renewal application under section 9 of the Act, at least every six months until the registrant receives notice that the affidavit or renewal application has been accepted; and

(3) After notice of the institution of an expungement or reexamination proceeding under § 2.92, at least every three months until the registrant receives a notice of termination under § 2.94.

**§ 2.61 [Amended]**

■ 9. Amend § 2.61 by removing paragraph (c).

■ 10. Effective December 1, 2022, amend § 2.62 by revising paragraphs (a) and (c) to read as follows:

**§ 2.62 Procedure for submitting response.**

(a) *Deadline.* Each Office action shall set forth the deadline for response.

(1) *Response periods.* Unless the applicant is notified otherwise in an Office action, the response periods for an Office action are as follows:

(i) Three months from the issue date, for an Office action in an application under section 1 and/or section 44 of the Act; and

(ii) Six months from the issue date, for an Office action in an application under section 66(a) of the Act.

(2) *Extensions of time.* Unless the applicant is notified otherwise in an Office action, the time for response designated in paragraph (a)(1)(i) of this section may be extended by three

months up to a maximum of six months from the Office action issue date, upon timely request and payment of the fee set forth in § 2.6(a)(28). To be considered timely, a request for extension of time must be received by the Office on or before the deadline for response set forth in the Office action.

\* \* \* \* \*

(c) *Form.* Responses and requests for extensions of time to respond must be submitted through TEAS pursuant to § 2.23(a). Responses and requests for extensions of time to respond sent via email or facsimile will not be accorded a date of receipt.

■ 11. Effective December 1, 2022, amend § 2.63 by revising paragraphs (b) introductory text, (b)(1) and (2), (c), and (d) to read as follows:

**§ 2.63 Action after response.**

\* \* \* \* \*

(b) *Final refusal or requirement.* Upon review of a response, the examining attorney may state that any refusal to register or requirement is final.

(1) If the examining attorney issues a final action that maintains any substantive refusal to register, the applicant may respond by timely filing:

(i) A request for reconsideration under paragraph (b)(3) of this section that seeks to overcome any substantive refusal to register, and comply with any outstanding requirement, maintained in the final action;

(ii) An appeal to the Trademark Trial and Appeal Board under §§ 2.141 and 2.142; or

(iii) A request for extension of time to respond or appeal under § 2.62(a)(2).

(2) If the examining attorney issues a final action that contains no substantive refusals to register, but maintains any requirement, the applicant may respond by timely filing:

(i) A request for reconsideration under paragraph (b)(3) of this section that seeks to comply with any outstanding requirement maintained in the final action;

(ii) An appeal of any requirement to the Trademark Trial and Appeal Board under §§ 2.141 and 2.142;

(iii) A petition to the Director under § 2.146 to review any requirement, if the subject matter of the requirement is procedural, and therefore appropriate for petition; or

(iv) A request for extension of time to respond or appeal under § 2.62(a)(2).

\* \* \* \* \*

(c) *Denial of petition.* A requirement that is the subject of a petition decided by the Director may not subsequently be the subject of an appeal to the Trademark Trial and Appeal Board. If a

petition to the Director under § 2.146 is denied, the applicant will have the later of the following periods to comply with the requirement:

(1) The time remaining in the period for response to the Office action that repeated the requirement or made it final;

(2) The time remaining after the filing of a timely request for extension of time to respond or appeal under § 2.62(a)(2); or

(3) Thirty days from the date of the decision on the petition.

(d) *Amendment to allege use.* If an applicant in an application under section 1(b) of the Act files an amendment to allege use under § 2.76 during the response period after issuance of a final action, the examining attorney will examine the amendment. The filing of such an amendment does not stay or extend the time for filing an appeal or petition.

■ 12. Effective December 1, 2022, amend § 2.65 by revising paragraph (a) to read as follows:

**§ 2.65 Abandonment.**

(a) An application will be abandoned if an applicant fails to respond to an Office action, or to respond completely, within the relevant time period for response under § 2.62(a)(1), including any granted extension of time to respond under § 2.62(a)(2). A timely petition to the Director pursuant to §§ 2.63(a) and (b) and 2.146 or notice of appeal to the Trademark Trial and Appeal Board pursuant to § 2.142, if appropriate, is a response that avoids abandonment (see § 2.63(b)(4)).

(1) If all refusals and/or requirements are expressly limited to certain goods and/or services, the application will be abandoned only as to those goods and/or services.

(2) When a timely response by the applicant is a bona fide attempt to advance the examination of the application and is a substantially complete response to the examining attorney's action, but consideration of some matter or compliance with a requirement has been omitted, the examining attorney may grant the applicant 30 days, or to the end of the time period for response to the action to which the substantially complete response was submitted, whichever is longer, to explain and supply the omission before the examining attorney considers the question of abandonment.

\* \* \* \* \*

■ 13. Effective December 1, 2022, amend § 2.66 by revising paragraph (b) to read as follows:

**§ 2.66 Revival of applications abandoned in full or in part due to unintentional delay.**

\* \* \* \* \*

(b) *Petition to revive application abandoned in full or in part for failure to respond to an Office action.* A petition to revive an application abandoned in full or in part because the applicant did not timely respond to an Office action must include:

(1) The petition fee required by § 2.6(a)(15);

(2) A statement, signed by someone with firsthand knowledge of the facts, that the delay in filing the response on or before the due date was unintentional; and

(3) A response to the Office action, signed pursuant to § 2.193(e)(2), or a statement that the applicant did not receive the Office action or the notification that an Office action issued. If the applicant asserts that the unintentional delay is based on non-receipt of an Office action or notification, the applicant may not assert non-receipt of the same Office action or notification in a subsequent petition.

(4) If the Office action was subject to a three-month response period under § 2.62(a)(1), and the applicant does not assert non-receipt of the Office action or notification, the petition must also include the fee under § 2.6(a)(28) for a request for extension of time to respond under § 2.62(a)(2).

(5) If the abandonment was after a final Office action, the response is treated as a request for reconsideration under § 2.63(b)(3), and the applicant must also file:

(i) A notice of appeal to the Trademark Trial and Appeal Board under § 2.141 or a petition to the Director under § 2.146, if permitted by § 2.63(b)(2)(iii); or

(ii) A statement that no appeal or petition is being filed from any final refusal or requirement.

\* \* \* \* \*

■ 14. Revise § 2.67 to read as follows:

**§ 2.67 Suspension of action by the Patent and Trademark Office.**

Action by the Office may be suspended for a reasonable time for good and sufficient cause. The fact that a proceeding is pending before the Office or a court that is relevant to the issue of initial or continued registrability of a mark and that proceeding has not been finally determined, or the fact that the basis for registration is, under the provisions of section 44(e) of the Act, registration of the mark in a foreign country and the foreign application is still pending, will be considered *prima facie* good and

sufficient cause. An Office or court proceeding is not considered finally determined until an order or ruling that ends the proceeding or litigation has been rendered and noticed, and the time for any appeal or other further review has expired with no further review sought. An applicant's request for a suspension of action under this section, filed within the response period set forth in § 2.62(a), may be considered responsive to the previous Office action. The Office may require the applicant, registrant, or party to a proceeding to provide status updates and information relevant to the ground(s) for suspension, upon request.

■ 15. Revise the undesignated center heading preceding § 2.91 to read as follows:

**EX PARTE EXPUNGEMENT AND REEXAMINATION**

■ 16. Add § 2.91 to read as follows:

**§ 2.91 Petition for expungement or reexamination.**

(a) *Petition basis.* Any person may file a petition requesting institution of an *ex parte* proceeding to cancel a registration of a mark, in whole or in part, on one of the following bases:

(1) Expungement, if the mark is registered under sections 1, 44, or 66 of the Act and has never been used in commerce on or in connection with some or all of the goods and/or services recited in the registration; or

(2) Reexamination, if the mark is registered under section 1 of the Act and was not in use in commerce on or in connection with some or all of the goods and/or services recited in the registration on or before the relevant date, which for any particular goods and/or services is determined as follows:

(i) In an application for registration of a mark with an initial filing basis of section 1(a) of the Act for the goods and/or services listed in the petition, and not amended at any point to be filed pursuant to section 1(b) of the Act, the relevant date is the filing date of the application; or

(ii) In an application for registration of a mark with an initial filing basis or amended basis of section 1(b) of the Act for the goods and/or services listed in the petition, the relevant date is the later of the filing date of an amendment to allege use identifying the goods and/or services listed in the petition, pursuant to section 1(c) of the Act, or the expiration of the deadline for filing a statement of use for the goods and/or services listed in the petition, pursuant to section 1(d), including all approved extensions thereof.

(b) *Time for filing.* The petition must be filed while the registration is in force and:

(1) Where the petition requests institution of an expungement proceeding under paragraph (a)(1) of this section, at any time following the expiration of 3 years after the date of registration and, for petitions made after December 27, 2023, before the expiration of 10 years following the date of registration; or

(2) Where the petition requests institution of a reexamination proceeding under paragraph (a)(2) of this section, at any time not later than 5 years after the date of registration.

(c) *Requirements for complete submission.* Petitions under this section must be timely filed through TEAS. Only complete petitions under this section will be considered by the Director under § 2.92, and, once complete, may not be amended by the petitioner. A complete petition must be made in writing and must include the following:

(1) The fee required by § 2.6(a)(26);

(2) The U.S. trademark registration number of the registration subject to the petition;

(3) The basis for petition under paragraph (a) of this section;

(4) The name, domicile address, and email address of the petitioner;

(5) If the domicile of the petitioner is not located within the United States or its territories, a designation of an attorney, as defined in § 11.1 of this chapter, who is qualified to practice under § 11.14 of this chapter;

(6) If the petitioner is, or must be, represented by an attorney, as defined in § 11.1 of this chapter, who is qualified to practice under § 11.14 of this chapter, the attorney's name, postal address, email address, and bar information under § 2.17(b)(3);

(7) Identification of each good and/or service recited in the registration for which the petitioner requests that the proceeding be instituted on the basis identified in the petition;

(8) A verified statement signed by someone with firsthand knowledge of the facts to be proved that sets forth in numbered paragraphs:

(i) The elements of the reasonable investigation of nonuse conducted, as defined under paragraph (d) of this section, where for each source of information relied upon, the statement includes a description of how and when the searches were conducted and what the searches disclosed; and

(ii) A concise factual statement of the relevant basis for the petition, including any additional facts that support the allegation of nonuse of the mark in

commerce on or in connection with the goods and services as specified in paragraph (a) of this section; and

(9) A clear and legible copy of all documentary evidence supporting a prima facie case of nonuse of the mark in commerce and an itemized index of such evidence. Evidence that supports a prima facie case of nonuse may include, but is not limited to:

- (i) Verified statements;
- (ii) Excerpts from USPTO electronic records in applications or registrations;
- (iii) Screenshots from relevant web pages, including the uniform resource locator (URL) and access or print date;
- (iv) Excerpts from press releases, news articles, journals, magazines, or other publications, identifying the publication name and date of publication; and
- (v) Evidence suggesting that the verification accompanying a relevant allegation of use was improperly signed.

(d) *Reasonable investigation of nonuse.* A petitioner must make a bona fide attempt to determine if the registered mark was not in use in commerce or never in use in commerce on or in connection with the goods and/or services specified in paragraph (c)(7) of this section by conducting a reasonable investigation.

(1) A reasonable investigation is an appropriately comprehensive search, which may vary depending on the circumstances but is calculated to return information about the underlying inquiry from reasonably accessible sources where evidence concerning use of the mark during the relevant time period on or in connection with the relevant goods and/or services would normally be found.

(2) Sources for a reasonable investigation may include, but are not limited to:

- (i) State and Federal trademark records;
- (ii) internet websites and other media likely to or believed to be owned or controlled by the registrant;
- (iii) internet websites, other online media, and publications where the relevant goods and/or services likely would be advertised or offered for sale;
- (iv) Print sources and web pages likely to contain reviews or discussion of the relevant goods and/or services;
- (v) Records of filings made with or of actions taken by any State or Federal business registration or regulatory agency;
- (vi) The registrant's marketplace activities, including, for example, any attempts to contact the registrant or purchase the relevant goods and/or services;
- (vii) Records of litigation or administrative proceedings reasonably

likely to contain evidence bearing on the registrant's use or nonuse of the registered mark; and

(viii) Any other reasonably accessible source with information establishing nonuse of the mark as specified in paragraph (a) of this section.

(3) A petitioner need not check all possible appropriate sources for its investigation to be considered reasonable.

(e) *Director's authority.* The authority to act on petitions made under this section is reserved to the Director, and may be delegated.

(f) *Oral hearings.* An oral hearing will not be held on a petition except when considered necessary by the Director.

(g) *No stay.* The mere filing of a petition for expungement or reexamination by itself will not act as a stay in any appeal or inter partes proceeding that is pending before the Trademark Trial and Appeal Board, nor will it stay the period for replying to an Office action in any pending application or registration.

(h) *Real party in interest.* The Director may require that the real party or parties in interest be identified in connection with any petition filed under this section.

■ 17. Add § 2.92 to read as follows:

**§ 2.92 Institution of ex parte expungement and reexamination proceedings.**

Notwithstanding section 7(b) of the Act, the Director may institute a proceeding for expungement or reexamination of a registration of a mark, either upon petition or upon the Director's initiative, upon determining that information and evidence supports a prima facie case of nonuse of the mark for some or all of the goods or services identified in the registration. The electronic record of the registration for which a proceeding has been instituted forms part of the record of the proceeding without any action by the Office, a petitioner, or a registrant.

(a) *Institution upon petition.* For each good and/or service identified in a complete petition under § 2.91, the Director will determine if the petition sets forth a prima facie case of nonuse to support the petition basis and, if so, will institute an ex parte expungement or reexamination proceeding.

(b) *Institution upon the Director's initiative.* The Director may institute an ex parte expungement or reexamination proceeding on the Director's own initiative, within the time periods set forth in § 2.91(b), and for the reasons set forth in § 2.91(a), based on information that supports a prima facie case for expungement or reexamination of a

registration for some or all of the goods or services identified in the registration.

(c) *Director's authority.* (1) Any determination by the Director whether to institute an expungement or reexamination proceeding shall be final and non-reviewable.

(2) The Director may institute an expungement and/or reexamination proceeding for fewer than all of the goods and/or services identified in a petition under § 2.91. The identification of particular goods and/or services in a petition does not limit the Director from instituting a proceeding that includes additional goods and/or services identified in the subject registration on the Director's own initiative, under paragraph (b) of this section.

(d) *Estoppel.* (1) Upon termination of an expungement proceeding under § 2.93(c)(3), including after any appeal, where it has been determined that the registered mark was used in commerce on or in connection with any of the goods and/or services at issue in the proceedings prior to the date a petition to expunge was filed under § 2.91 or the Director-initiated proceedings under this section, no further expungement proceedings may be instituted as to those particular goods and/or services.

(2) Upon termination of a reexamination proceeding under § 2.93(c)(3), including after any appeal, where it has been determined that the registered mark was used in commerce on or in connection with any of the goods and/or services at issue, on or before the relevant date established in the proceedings, no further expungement or reexamination proceedings may be instituted as to those particular goods and/or services.

(3) With respect to a particular registration, once an expungement proceeding has been instituted and is pending, no later expungement proceeding may be instituted with respect to the same goods and/or services at issue in the pending proceeding.

(4) With respect to a particular registration, while a reexamination proceeding is pending, no later expungement or reexamination proceeding may be instituted with respect to the same goods and/or services at issue in the pending proceeding.

(e) *Consolidated proceedings.* (1) The Director may consolidate expungement and reexamination proceedings involving the same registration. Consolidated proceedings will be considered related parallel proceedings.

(2) If two or more petitions under § 2.91 are directed to the same registration and are pending

concurrently, or the Director wishes to institute an ex parte expungement or reexamination proceeding on the Director's own initiative under paragraph (b) of this section concerning a registration for which one or more petitions under § 2.91 are pending, the Director may elect to institute a single proceeding.

(3) Unless barred under paragraph (d) of this section, if any expungement or reexamination proceeding is instituted while a prior expungement or reexamination proceeding directed to the same registration is pending, the Director may consolidate the proceedings.

(f) *Notice of Director's determination whether to institute proceedings.* (1) In a determination based on a petition under § 2.91, if the Director determines that no prima facie case of nonuse has been made and thus no proceeding will be instituted, notice of this determination will be provided to the registrant and petitioner, including information to access the petition and supporting documents and evidence.

(2) If the Director determines that a proceeding should be instituted based on a prima facie case of nonuse of a registered mark as to any goods and/or services recited in the registration, or consolidates proceedings under paragraph (e) of this section, the Director's determination and notice of the institution of the proceeding will be set forth in an Office action under § 2.93(a). If a proceeding is instituted based in whole or in part on a petition under § 2.91, the Office action will include information to access any petition and the supporting documents and evidence that formed the basis for the Director's determination to institute. Notice of the Director's determination will also be provided to the petitioner.

(g) *Other mark types.* (1) Registrations subject to expungement and reexamination proceedings include collective trademarks, collective service marks, and certification marks.

(2) The use that is the subject of the inquiry in expungement and reexamination proceedings for these mark types is defined in § 2.2(k)(2) for collective trademarks and collective service marks, and § 2.2(k)(4) for certification marks.

■ 18. Add § 2.93 to read as follows:

**§ 2.93 Expungement and reexamination procedures.**

(a) *Office action.* An Office action issued to a registrant pursuant to § 2.92(f)(2) will require the registrant to provide such evidence of use, information, exhibits, affidavits, or declarations as may be reasonably

necessary to rebut the prima facie case of nonuse by establishing that the required use in commerce has been made on or in connection with the goods and/or services at issue as of the date relevant to the proceeding. The Office action may also include requirements under §§ 2.11, 2.23, and 2.189, as appropriate.

(b) *Response—(1) Deadline.* Unless the registrant is notified otherwise in an Office action, the registrant's response to an Office action must be received by the Office within three months from the issue date. The time for response to a non-final Office action may be extended by one month upon timely request and payment of the fee set forth in § 2.6(a)(27). To be considered timely, a request for extension of time must be received by the Office on or before the deadline for response set forth in the non-final Office action. If the registrant fails to timely respond to a non-final Office action or timely submit a request for extension of time, the proceeding will terminate, and the registration will be cancelled as to the relevant goods and/or services.

(2) *Substantially complete response.* When a timely response is a bona fide attempt to advance the proceeding and is a substantially complete response to the outstanding Office action, but consideration of some matter or compliance with a requirement has been omitted, the registrant may be granted 30 days, or to the end of the time period for response to the action to which the substantially complete response was submitted, whichever is longer, to explain and supply the omission.

(3) *Signature.* The response must be signed by the registrant, someone with legal authority to bind the registrant (e.g., a corporate officer or general partner of a partnership), or a practitioner qualified to practice under § 11.14 of this chapter, in accordance with the requirements of § 2.193(e)(2).

(4) *Form.* Responses and requests for extensions of time must be submitted through TEAS. Responses sent via email or facsimile will not be accorded a date of receipt.

(5) *Response in an expungement proceeding.* In an expungement proceeding, an acceptable response consists of one or more of the following:

(i) Evidence of use, in accordance with paragraph (b)(7) of this section, establishing that use of the mark in commerce occurred on or in connection with the goods and/or services at issue either before the filing date of the relevant petition to expunge under § 2.91(a)(1) or before the date the Director-initiated proceeding was

instituted by the Director under § 2.92(b), as appropriate;

(ii) Verified statements signed by someone with firsthand knowledge of the facts to be proved and supporting evidence to establish that any nonuse as to particular goods and/or services with a sole basis under section 44(e) or section 66(a) of the Act is due to special circumstances that excuse such nonuse; and/or

(iii) Deletion of some or all of the goods and/or services at issue in the proceeding, if appropriate, subject to the provisions of paragraph (d) of this section.

(6) *Response in a reexamination proceeding.* In a reexamination proceeding, an acceptable response consists of one or more of the following:

(i) Evidence of use, in accordance with paragraph (b)(7) of this section, establishing that use of the mark in commerce occurred on or in connection with each particular good and/or service at issue, on or before the relevant date set forth in § 2.91(a)(2); and/or

(ii) Deletion of some or all of the goods and/or services at issue in the proceeding, if appropriate, subject to the provisions of paragraph (d) of this section.

(7) *Evidence of use.* Evidence of use of the mark in commerce on or in connection with any particular good and/or service must be consistent with the definition of "use in commerce" set forth in section 45 of the Act and is not limited in form to that of specimens under § 2.56. Any evidence of use must be accompanied by a verified statement signed by someone with firsthand knowledge of the facts to be proved, setting forth in numbered paragraphs factual information about the use of the mark in commerce, including a description of the supporting evidence and how the evidence demonstrates use of the mark in commerce as of any relevant date for the goods and/or services at issue. Evidence must be labeled, and an itemized index of the evidence must be provided such that the particular goods and/or services supported by each item submitted as evidence of use are clear.

(c) *Action after response.* After response by the registrant, the Office will review the registrant's evidence of use or showing of applicable excusable nonuse, and/or arguments, and determine compliance with any requirement.

(1) *Final Office action.* If the registrant's timely response fails to rebut the prima facie case of nonuse or fully comply with all outstanding requirements, a final Office action will issue that addresses the evidence,

includes the examiner's decision, and maintains any outstanding requirement. After issuance of a final Office action, the registrant may respond by filing within three months from the issue date of the final Office action:

(i) A request for reconsideration of the final Office action that seeks to further address the issue of use of the mark in commerce and/or comply with any outstanding requirement maintained in the final action; or

(ii) An appeal to the Trademark Trial and Appeal Board under § 2.141.

(2) *Time for filing a request for reconsideration or petition to the Director.* (i) A request for reconsideration must be filed prior to the expiration of time provided for an appeal in § 2.142(a)(2). Filing a request for reconsideration does not stay or extend the time for filing an appeal or a petition under paragraph (c)(2)(ii) of this section.

(ii) Prior to the expiration of time for filing an appeal to the Trademark Trial and Appeal Board under § 2.142(a)(2), a registrant may file a petition to the Director under § 2.146 for relief from any outstanding requirement under §§ 2.11, 2.23, and 2.189 made final. If the petition is denied, the registrant will have 3 months from the date of issuance of the final action that contained the final requirement, or 30 days from the date of the decision on the petition, whichever date is later, to comply with the requirement. A requirement that is the subject of a petition decided by the Director may not subsequently be the subject of an appeal to the Trademark Trial and Appeal Board.

(3) *Termination of proceeding.* (i) If, upon review of any timely response, the Office finds that the registrant has rebutted the prima facie case of nonuse and complied with all outstanding requirements, the proceeding will terminate and a notice of termination shall be issued under § 2.94.

(ii) If, after issuance of the final action, the registrant fails to timely comply with any outstanding requirement, or the Office finds that the registrant has failed to rebut the prima facie case of nonuse of the mark on or in connection with any of the goods and/or services at issue in the proceeding, the proceeding will terminate, and a notice of termination shall be issued under § 2.94 after the time for appeal has expired or any appeal proceeding has terminated, pursuant to §§ 2.142 through 2.145.

(d) *Deletion of goods and/or services.* The registrant may respond to an Office action under this section by requesting that some or all of the goods and/or services at issue in the proceeding be

deleted from the registration. No other amendment to the identification of goods or services in a registration will be permitted in a response.

(1) An acceptable deletion requested in a response under this section shall be immediate in effect, and reinsertion of goods and/or services or further amendments that would add to or expand the scope of the goods and/or services shall not be permitted. Deletion of goods and/or services in an expungement or reexamination proceeding after the submission and prior to the acceptance of an affidavit or declaration under section 8 or 71 of the Act will result in a fee under § 2.161(c) or § 7.37(c) of this chapter.

(2) A submission other than one made under this section, including a request to surrender the subject registration for cancellation under § 2.172 or a request to amend the registration under § 2.173, filed after the issuance of an Office action under this section, does not constitute a sufficient response to an Office action under this section. The registrant must notify the Office of such submission in a timely response.

(3) Deletion of goods and/or services at issue in a pending proceeding in a response, a surrender for cancellation under § 2.172, an amendment of the registration under § 2.173, or any other accepted submission, shall render the proceeding moot as to those goods and/or services, and no further determination will be made regarding the registrant's use of the mark in commerce as to those goods and/or services.

■ 19. Add § 2.94 to read as follows:

**§ 2.94 Action after expungement or reexamination.**

Upon termination of an expungement or reexamination proceeding, the Office shall issue a notice of termination that memorializes the final disposition of the proceeding as to each of the goods and/or services at issue in the proceeding. Where appropriate, the registration will be cancelled, in whole or in part.

■ 20. Add an undesignated center heading preceding § 2.99 to read as follows:

**CONCURRENT USE PROCEEDINGS**

■ 21. Revise the undesignated center heading preceding § 2.111 to read as follows:

**Cancellation Proceedings Before the Trademark Trial and Appeal Board**

■ 22. Amend § 2.111 by revising paragraph (b) to read as follows:

**§ 2.111 Filing petition for cancellation.**

\* \* \* \* \*

(b) Any person who believes that he, she, or it is or will be damaged by a registration may file a petition, addressed to the Trademark Trial and Appeal Board, for cancellation of the registration in whole or in part. The petition for cancellation need not be verified, but must be signed by the petitioner or the petitioner's attorney, as specified in § 11.1 of this chapter, or other authorized representative, as specified in § 11.14(b) of this chapter. Electronic signatures pursuant to § 2.193(c) are required for petitions submitted electronically via ESTTA. The petition for cancellation may be filed at any time in the case of registrations on the Supplemental Register or under the Act of 1920, or registrations under the Act of 1881 or the Act of 1905, which have not been published under section 12(c) of the Act, on any ground specified in section 14(3) or section 14(5) of the Act, or at any time after the three-year period following the date of registration on the ground specified in section 14(6) of the Act. In all other cases, including nonuse claims not specified in section 14(6), the petition for cancellation and the required fee must be filed within five years from the date of registration of the mark under the Act or from the date of publication under section 12(c) of the Act.

\* \* \* \* \*

■ 23. Amend § 2.117 by revising paragraph (a) to read as follows:

**§ 2.117 Suspension of proceedings.**

(a) Whenever it shall come to the attention of the Trademark Trial and Appeal Board that a civil action, another Board proceeding, or an expungement or reexamination proceeding may have a bearing on a pending case, proceedings before the Board may be suspended until termination of the civil action, the other Board proceeding, or the expungement or reexamination proceeding. A civil action or proceeding is not considered to have been terminated until an order or ruling that ends litigation has been rendered and noticed and the time for any appeal or other further review has expired with no further review sought.

\* \* \* \* \*

■ 24. Revise § 2.141 to read as follows:

**§ 2.141 Ex parte appeals.**

(a) *Appeal from final refusal of application.* After final refusal by the trademark examining attorney, an applicant may appeal to the Trademark Trial and Appeal Board, upon payment of the prescribed fee for each class in the application for which an appeal is

taken, within the time provided in § 2.142(a)(1). A second refusal on the same grounds may be considered as final by the applicant for the purpose of appeal.

(b) *Appeal from expungement or reexamination proceeding.* After issuance of a final Office action in an expungement or reexamination proceeding under § 2.93, a registrant may appeal to the Trademark Trial and Appeal Board, upon payment of the prescribed fee for each class in the registration for which the appeal is taken, within the time provided in § 2.142(a)(2).

(c) *Appeal fee required.* The applicant or registrant must pay an appeal fee for each class for which the appeal is taken. If an appeal fee is not paid for at least one class of goods or services before the expiration of the time for appeal, when the appeal is from a final refusal of an application, the application will be abandoned or, when the appeal is from an expungement or reexamination proceeding, the Office will terminate the proceeding. When a multiple-class application or registration is involved, if an appeal fee is submitted for fewer than all classes, the applicant or registrant must specify the class(es) for which the appeal is taken. If the applicant or registrant timely submits a fee sufficient to pay for an appeal in at least one class, but insufficient to cover all the classes, and the applicant or registrant has not specified the class(es) to which the fee applies, the Board will issue a written notice setting a time limit in which the applicant or registrant may either pay the additional fees or specify the class(es) being appealed. If the applicant or registrant does not submit the required fee or specify the class(es) being appealed within the set time period, the Board will apply the fee(s) to the class(es) in ascending order, beginning with the lowest numbered class.

■ 25. Amend § 2.142 by revising paragraphs (a), (b)(3), and (d) to read as follows:

**§ 2.142 Time and manner of *ex parte* appeals.**

(a)(1) An appeal filed under the provisions of § 2.141(a) from the final refusal of an application must be filed within the time provided in § 2.62(a).

(2) An appeal filed under the provisions of § 2.141(b) from an expungement or reexamination proceeding must be filed within three months from the issue date of the final Office action.

(3) An appeal is taken by filing a notice of appeal, as prescribed in § 2.126, and paying the appeal fee.

(b) \* \* \*

(3) Citation to evidence in briefs should be to the documents in the electronic record for the subject application or registration by date, the name of the paper under which the evidence was submitted, and the page number in the electronic record.

\* \* \* \* \*

(d) The record should be complete prior to the filing of an appeal. Evidence should not be filed with the Board after the filing of a notice of appeal.

(1) In an appeal from a refusal to register, if the appellant or the examining attorney desires to introduce additional evidence after an appeal is filed, the appellant or the examining attorney should submit a request to the Board to suspend the appeal and to remand the application for further examination.

(2) In an appeal from an expungement or reexamination proceeding, no additional evidence may be included once an appeal is filed, and the Board may not remand for further examination.

\* \* \* \* \*

■ 26. Amend § 2.145 by revising paragraphs (a)(1) and (3) and (c)(1) to read as follows:

**§ 2.145 Appeal to court and civil action.**

(a) \* \* \* (1) An applicant for registration, a registrant in an *ex parte* expungement or reexamination proceeding, any party to an interference, opposition, or cancellation, or any party to an application to register as a concurrent user, hereinafter referred to as *inter partes* proceedings, who is dissatisfied with the decision of the Trademark Trial and Appeal Board, and any registrant who has filed an affidavit or declaration under section 8 or section 71 of the Act, or filed an application for renewal under section 9 of the Act, and is dissatisfied with the decision of the Director (§§ 2.165 and 2.184 and § 7.40 of this chapter), may appeal to the United States Court of Appeals for the Federal Circuit. It is unnecessary to request reconsideration before filing any such appeal; however, any request to reconsider the decision must be made before filing a notice of appeal.

\* \* \* \* \*

(3) The following requirements must also be satisfied:

(i) The notice of appeal shall specify the party or parties taking the appeal and shall designate the decision or part thereof appealed from.

(ii) In *inter partes* proceedings, the notice of appeal must be served as provided in § 2.119.

\* \* \* \* \*

(c) \* \* \* (1) Any person who may appeal to the United States Court of Appeals for the Federal Circuit (paragraph (a) of this section), except for a registrant subject to an *ex parte* expungement or reexamination proceeding, may have remedy by civil action under section 21(b) of the Act. It is unnecessary to request reconsideration before filing any such civil action; however, any request to reconsider the decision must be made before filing a civil action.

\* \* \* \* \*

- 27. Amend § 2.146 by:
  - a. Revising paragraphs (b) and (c);
  - b. Removing the word “or” at the end of paragraph (d)(2)(ii);
  - c. Removing the citation “§ 7.13” and the period at the end of paragraph (d)(2)(iii) and adding “§ 7.13 of this chapter” and “; or”, respectively, in their places; and
  - d. Adding paragraph (d)(2)(iv).

The revision and addition read as follows:

**§ 2.146 Petitions to the Director.**

\* \* \* \* \*

(b) Questions of substance arising during the *ex parte* prosecution of applications, or expungement or reexamination of registrations, including, but not limited to, questions arising under sections 2, 3, 4, 5, 6, 16A, 16B, and 23 of the Act of 1946, are not appropriate subject matter for petitions to the Director.

(c)(1) Every petition to the Director shall include a statement of the facts relevant to the petition, the points to be reviewed, the action or relief requested, and the fee required by § 2.6. Any brief in support of the petition shall be embodied in or accompany the petition. The petition must be signed by the petitioner, someone with legal authority to bind the petitioner (*e.g.*, a corporate officer or general partner of a partnership), or a practitioner qualified to practice under § 11.14 of this chapter, in accordance with the requirements of § 2.193(e)(5). When facts are to be proved on petition, the petitioner must submit proof in the form of verified statements signed by someone with firsthand knowledge of the facts to be proved, and any exhibits.

(2) A petition requesting reinstatement of a registration cancelled in whole or in part for failure to timely respond to an Office action issued in an expungement and/or reexamination proceeding must include a response to the Office action, signed in accordance with § 2.193, or an appeal.

(d) \* \* \*

(2) \* \* \*



(iv) Where an expungement or reexamination proceeding has been instituted under § 2.92, two months after the date of actual knowledge of the cancellation of goods and/or services in a registration and not later than six months after the date the trademark electronic record system indicates that the goods and/or services are cancelled.

\* \* \* \* \*

■ 28. Amend § 2.149 by revising paragraphs (a) and (i) to read as follows:

**§ 2.149 Letters of protest against pending applications.**

(a) A third party may submit, for consideration and inclusion in the record of a trademark application, objective evidence relevant to the examination of the application for a ground for refusal of registration if the submission is made in accordance with this section.

\* \* \* \* \*

(i) Any determination whether to include evidence submitted under this section in the record of an application is final and non-reviewable, and a determination to include or not include evidence in the application record shall not prejudice any party's right to raise any issue and rely on any evidence in any other proceeding.

\* \* \* \* \*

■ 29. Effective December 1, 2022, amend § 2.163 by revising paragraphs (b) and (c) and adding paragraphs (d) and (e) to read as follows:

**§ 2.163 Acknowledgment of receipt of affidavit or declaration.**

\* \* \* \* \*

(b) A response to the refusal must be filed within three months of the date of issuance of the Office action, or before the end of the filing period set forth in section 8(a) of the Act, whichever is later. The response must be signed by the owner, someone with legal authority to bind the owner (e.g., a corporate officer or general partner of a partnership), or a practitioner qualified to practice under § 11.14 of this chapter, in accordance with the requirements of § 2.193(e)(2).

(c) Unless notified otherwise in the Office action, the three-month response period designated in paragraph (b) of this section may be extended by three months up to a maximum of six months from the Office action issue date, upon timely request and payment of the fee set forth in § 2.6(a)(28). To be considered timely, a request for extension of time must be received by the Office on or before the deadline for response set forth in the Office action.

(d) When a timely response is a bona fide attempt to advance the examination

of the affidavit or declaration and is a substantially complete response to the outstanding Office action, but consideration of some matter or compliance with a requirement has been omitted, the owner may be granted 30 days, or to the end of the time period for response to the action to which the substantially complete response was submitted, whichever is longer, to explain and supply the omission before the cancellation is considered.

(e) If no response is filed within the time periods set forth in paragraphs (b) through (d) of this section, the registration will be cancelled, unless time remains in the grace period under section 8(a)(3) of the Act. If time remains in the grace period, the owner may file a complete new affidavit.

■ 30. Effective December 1, 2022, revise § 2.165 to read as follows:

**§ 2.165 Petition to Director to review refusal.**

(a) A response to the examiner's initial refusal to accept an affidavit or declaration is required before filing a petition to the Director, unless the examiner directs otherwise. See § 2.163(b) and (c) for the deadline for responding to an examiner's Office action.

(b) If the examiner maintains the refusal to accept the affidavit or declaration, the owner may file a petition to the Director to review the action within the time periods specified in § 2.163(b) and (c).

(c) If no petition is filed within the time periods set forth in paragraphs (a) and (b) of this section, the registration will be cancelled and a notice of cancellation will issue.

(d) A decision by the Director is necessary before filing an appeal or commencing a civil action in any court.

■ 31. Effective December 1, 2022, revise § 2.176 to read as follows:

**§ 2.176 Consideration of matters in §§ 2.171 through 2.175.**

The matters in §§ 2.171 through 2.175 will be considered in the first instance by the Post Registration examiners, except for requests to amend registrations involved in inter partes proceedings before the Trademark Trial and Appeal Board, as specified in § 2.173(a), which shall be considered by the Board. If an action of the examiner is adverse, the owner of the registration may petition the Director to review the adverse Office action under § 2.146. If the owner does not respond to an adverse Office action within three months of the issue date of the action, the matter will be considered abandoned. Unless notified otherwise in

the adverse Office action, the three-month response period may be extended by three months up to a maximum of six months from the adverse Office action issue date, upon timely request and payment of the fee set forth in § 2.6(a)(28). To be considered timely, a request for extension of time must be received by the Office on or before the deadline for response set forth in the adverse Office action.

■ 32. Add an undesignated center heading and § 2.177 to read as follows:

**Court Orders Under Section 37**

**§ 2.177 Action on court order under section 37.**

(a) *Requesting USPTO action on an order.* If a Federal court has issued an order concerning a registration under section 37 of the Act, a party to the court action who is requesting that the USPTO take action on the order must make the request in writing and include the following:

(1) Submit a certified copy of the order to the Director, addressed to the Office of the General Counsel, as provided in § 104.2 of this chapter; and

(2) If the party is aware of proceedings concerning the involved registration that are pending or suspended before the Trademark Trial and Appeal Board, file a copy of such order with the Trademark Trial and Appeal Board via ESTTA.

(b) *Time for submission.* A submission under paragraph (a) of this section should not be made until after the court proceeding has been finally determined. A court proceeding is not considered finally determined until an order or ruling that ends the litigation has been rendered and noticed, and the time for any appeal or other further review has expired with no further review sought.

(c) *Action after submission.* After the court proceeding has been finally determined, appropriate action on a court order submitted under this section will normally be taken by the Office without the necessity of any further submission by an interested party. In circumstances where the Director or the Trademark Trial and Appeal Board, if the order under section 37 involves a registration over which the Board has jurisdiction, determines that it would be helpful to aid in understanding the scope or effect of the court's order, a show cause or other order may issue directing the registrant, and if appropriate, the opposing parties to the action from which the order arose, to respond and provide information or arguments regarding the order. The Director may also request clarification of

the order from the court that issued the order.

■ 33. Effective December 1, 2022, amend § 2.184 by revising paragraph (b) to read as follows:

**§ 2.184 Refusal of renewal.**

\* \* \* \* \*

(b)(1) The registrant must file a response to the refusal of renewal within three months of the date of issuance of the Office action or before the expiration date of the registration, whichever is later.

(2) Unless notified otherwise in the Office action, the three-month response period designated in paragraph (b)(1) of this section may be extended by three months up to a maximum of six months from the Office action issue date, upon timely request and payment of the fee set forth in § 2.6(a)(28). To be considered timely, a request for extension of time must be received by the Office on or before the deadline for response set forth in the Office action.

(3) When a timely response is a bona fide attempt to advance the examination of the renewal application and is a substantially complete response to the outstanding Office action, but consideration of some matter or compliance with a requirement has been omitted, the owner may be granted 30 days, or to the end of the time period for response to the action to which the substantially complete response was submitted, whichever is longer, to explain and supply the omission before the expiration is considered.

(4) If no response is filed within the time periods set forth in paragraphs (b)(1) through (3) of this section, the registration will expire, unless time remains in the grace period under section 9(a) of the Act. If time remains in the grace period, the registrant may file a complete, new renewal application.

(5) The response must be signed by the registrant, someone with legal authority to bind the registrant (e.g., a corporate officer or general partner of a partnership), or a practitioner who meets the requirements of § 11.14 of this chapter, in accordance with the requirements of § 2.193(e)(2).

\* \* \* \* \*

■ 34. Effective December 1, 2022, amend § 2.186 by revising paragraphs (b) and (c) and adding paragraph (d) to read as follows:

**§ 2.186 Petition to Director to review refusal of renewal.**

\* \* \* \* \*

(b) If the examiner maintains the refusal of the renewal application, a petition to the Director to review the

refusal may be filed. The petition must be filed within the time periods specified in § 2.184(b).

(c) If no petition is filed within the time periods set forth in paragraphs (a) and (b) of this section, the renewal application will be abandoned and the registration will expire.

(d) A decision by the Director is necessary before filing an appeal or commencing a civil action in any court.

■ 35. Amend § 2.193 by revising paragraph (e)(5) introductory text to read as follows:

**§ 2.193 Trademark correspondence and signature requirements.**

\* \* \* \* \*

(e) \* \* \*

(5) *Petitions to Director under § 2.146 or § 2.147 or for expungement or reexamination under § 2.91.* A petition to the Director under § 2.146 or § 2.147 or for expungement or reexamination under § 2.91 must be signed by the petitioner, someone with legal authority to bind the petitioner (e.g., a corporate officer or general partner of a partnership), or a practitioner qualified to practice under § 11.14 of this chapter, in accordance with the following guidelines:

\* \* \* \* \*

**PART 7—RULES OF PRACTICE IN FILINGS PURSUANT TO THE PROTOCOL RELATING TO THE MADRID AGREEMENT CONCERNING THE INTERNATIONAL REGISTRATION OF MARKS**

■ 36. The authority citation for part 7 is revised to read as follows:

**Authority:** 15 U.S.C. 1123, 35 U.S.C. 2, Pub. L. 116–260, 134 Stat. 1182, unless otherwise noted.

■ 37. Effective December 1, 2022, amend § 7.6 by adding paragraph (a)(9) to read as follows:

**§ 7.6 Schedule of U.S. process fees.**

(a) \* \* \*

(9) *Extension of time for filing a response to an Office action under § 7.39(b) or § 7.40(c).* (i) For filing a request for extension of time for filing a response to an Office action under § 7.39(b) or § 7.40(c) on paper—\$225.00.

(ii) For filing a request for extension of time for filing a response to an Office action under § 7.39(b) or § 7.40(c) via TEAS—\$125.00.

\* \* \* \* \*

■ 38. Effective December 1, 2022, revise § 7.39 to read as follows:

**§ 7.39 Acknowledgment of receipt of and correcting deficiencies in affidavit or declaration of use in commerce or excusable nonuse.**

The Office will issue a notice as to whether an affidavit or declaration is acceptable, or the reasons for refusal.

(a) A response to the refusal must be filed within three months of the date of issuance of the Office action, or before the end of the filing period set forth in section 71(a) of the Act, whichever is later. The response must be signed by the holder, someone with legal authority to bind the holder (e.g., a corporate officer or general partner of a partnership), or a practitioner qualified to practice under § 11.14 of this chapter, in accordance with the requirements of § 2.193(e)(2) of this chapter.

(b) Unless notified otherwise in the Office action, the three-month response period designated in paragraph (a) of this section may be extended by three months up to a maximum of six months from the Office action issue date, upon timely request and payment of the fee set forth in § 7.6(a)(9). To be considered timely, a request for extension of time must be received by the Office on or before the deadline for response set forth in the Office action.

(c) When a timely response is a bona fide attempt to advance the examination of the affidavit or declaration and is a substantially complete response to the outstanding Office action, but consideration of some matter or compliance with a requirement has been omitted, the holder may be granted 30 days, or to the end of the time period for response to the action to which the substantially complete response was submitted, whichever is longer, to explain and supply the omission before the cancellation is considered.

(d) If no response is filed within this time period, the extension of protection will be cancelled, unless time remains in the grace period under section 71(a)(3) of the Act. If time remains in the grace period, the holder may file a complete, new affidavit.

(e) If the affidavit or declaration is filed within the time periods set forth in section 71 of the Act, deficiencies may be corrected after notification from the Office, as follows:

(1) *Correcting deficiencies in affidavits or declarations timely filed within the periods set forth in sections 71(a)(1) and 71(a)(2) of the Act.* If the affidavit or declaration is timely filed within the relevant filing period set forth in section 71(a)(1) or section 71(a)(2) of the Act, deficiencies may be corrected before the end of this filing period without paying a deficiency surcharge. Deficiencies may be

corrected after the end of this filing period with payment of the deficiency surcharge required by section 71(c) of the Act and § 7.6.

(2) *Correcting deficiencies in affidavits or declarations filed during the grace period.* If the affidavit or declaration is filed during the six-month grace period provided by section 71(a)(3) of the Act, deficiencies may be corrected before the expiration of the grace period without paying a deficiency surcharge. Deficiencies may be corrected after the expiration of the grace period with payment of the deficiency surcharge required by section 71(c) of the Act and § 7.6.

(f) If the affidavit or declaration is not filed within the time periods set forth in

section 71 of the Act, the registration will be cancelled.

■ 39. Effective December 1, 2022, revise § 7.40 to read as follows:

**§ 7.40 Petition to Director to review refusal.**

(a) A response to the examiner's initial refusal to accept an affidavit or declaration is required before filing a petition to the Director, unless the examiner directs otherwise. See § 7.39(a) through (c) for the deadline for responding to an examiner's Office action.

(b) If the examiner maintains the refusal of the affidavit or declaration, the holder may file a petition to the Director to review the examiner's action.

The petition must be filed within the time periods specified in § 7.39(b) and (c).

(c) If no petition is filed within the time periods set forth in paragraphs (a) and (b) of this section, the registration will be cancelled.

(d) A decision by the Director is necessary before filing an appeal or commencing a civil action in any court.

**Andrew Hirshfeld,**

*Commissioner for Patents, Performing the Functions and Duties of the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office.*

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