

MSF CLIENT ALERT

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U.S. Patent and Trademark Office's Implementation of The Trademark Modernization Act of 2020 and its Impact on Brand Owners

The United States Patent and Trademark Office (USPTO) is implementing new procedures pursuant to the Trademark Modernization Act of 2020 (TMA), the majority of which will take effect on December 18, 2021.

December 17, 2021

Among these procedures, are two new forms of proceedings designed to provide brand owners with additional methods by which to proactively cancel trademark registrations for trademarks that have either never been used in commerce or were not in use when required during the registration process. These proceedings will help brand owners seeking to enhance the value of their brands and expand their portfolios by clearing away unused marks currently blocking their efforts. The new proceedings are in addition to other benefits afforded to brand owners pursuant to the TMA.

New USPTO Proceedings Against Prior Registrations

Brand owners often encounter the situation in which they cannot register trademarks with the USPTO due to prior registrations. The USPTO's implementation of the TMA provides additional methods by which brand owners can seek to remove prior-registered trademarks from the USPTO's database, which should not have been registered, clearing the way for legitimate brand owners to register their marks.

- **Expungement Proceedings:** An expungement proceeding is appropriate for the situation in which the prior registered trademark was *never* used in commerce in connection with particular goods or services, and the registration has been in effect between **3 and 10 years**. However, an expungement proceeding can be filed for any registration at least three years old, regardless of the ten-year limit, until December 27, 2023. Anyone can file a petition for expungement of a registration. The petitioner must provide a statement explaining the basis for the petition and an explanation of the reasonable investigation of the non-use of the trademark which has been undertaken. The USPTO will begin accepting petitions for expungement proceedings on or after **December 27, 2021**.
- **Reexamination Proceedings:** A reexamination proceeding is appropriate for the situation in which the prior registered trademark was not being used in commerce in connection with the particular goods or services recited in the registration *by the relevant date required by the USPTO for the applicant to provide proof of use of the trademark*, and as long as the trademark has been registered for **less than 5 years**. Anyone can file a petition for reexamination of a registration. For this proceeding also, the petitioner must provide a statement explaining the basis for the petition and an explanation of the reasonable investigation of non-use of the trademark which has been undertaken. The USPTO will begin accepting petitions for reexamination proceedings on or after **December 27, 2021**.

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The key takeaway of these proceedings is that they are ex parte, meaning that they do not involve the owner of the registration being challenged, and are intended to be more efficient and less costly methods by which to attack a prior registration as compared to typical inter partes cancellation proceedings in the USPTO.

Changes to Current Trademark Prosecution Procedures

- **Letters of Protest:** The USPTO has long accepted “letters of protest” during examination of trademark applications. This procedure allows third parties to provide relevant information, such as a possible likelihood of confusion with another mark, to the USPTO for its consideration when reviewing newly-filed trademark applications. The USPTO may use the information provided in a letter of protest to refuse registration of the application. The TMA now provides statutory authority for this practice, establishing a two-month deadline by which the USPTO must act on the submitted letter of protest, and providing that the USPTO's decision on a letter of protest is final and non-reviewable. This procedure is helpful for brand owners to potentially stop an application at the examination stage.
- **Three-Month Response Periods for Office Actions:** The TMA has authorized the USPTO to exercise flexibility regarding Office Action response deadlines. Accordingly, the USPTO will be shortening the standard Office Action response period from 6 months to 3 months. However, Applicants will have the option to extend the response period to 6 months by paying an official fee. This shortened response period works in conjunction with the above-noted registration removal proceedings where a brand owner may be able to more easily and timely cancel a blocking registration. It will also act to more quickly allow prior-filed blocking applications to lapse when the three-month deadline to respond is missed. This revision to Office Action response times will not take effect until [December 1, 2022](#).

Injunctive Relief in Civil Actions

- The TMA also established that a brand owner is entitled to a “rebuttable presumption of irreparable harm.” This standard is applied upon a finding of trademark infringement, when seeking permanent injunctive relief, or upon a finding of a likelihood of trademark infringement, when seeking preliminary injunctive relief. The statutory implementation of this standard can significantly reduce the evidentiary burden for brand owners seeking injunctive relief, which can be crucial in the protection of brand assets. It also creates a nationwide standard resolving a split among the federal courts where different standards for obtaining injunctive relief were previously being followed.

Implementation of the TMA will significantly change the practice of U.S. trademark prosecution and trademark enforcement, and the benefits to brand owners will be considerable. If you would like to learn more about the TMA and its benefits, please contact Susan Schlesinger who heads up MSF's trademark practice.



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***MSF Intellectual Property Associate, John Miranda contributed to the content in this client alert.*

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