

July 30, 2020

Commissioner for Trademarks
Attention: Catherine Cain
Via email: TMFRNotices@uspto.gov

Re: INTA Comments on Proposed Rulemaking Regarding Trademark Fees (85 FR 37040)

Dear Commissioner:

The International Trademark Association (INTA) appreciates the opportunity to provide comments to the notice of proposed rulemaking regarding trademark fees. 85 FR 37040 (Jun. 19, 2020). INTA commends the USPTO's efforts to ensure adequate funding for its operations and reserves. The USPTO Subcommittee of INTA's Trademark Office Practices Committee prepared the following comments.

General Comments

We have reviewed the proposed fee changes and other related documents provided by the USPTO. For the increases with paper filings, INTA understands the goal of encouraging electronic filing and appreciates the role fees play in shaping behavior. INTA also wants to encourage the office to keep TEAS forms current to reduce the need for paper filings.

INTA members will be required to explain these fees to clients, foreign associates and trademark owners, and we need information to explain the rationale for the increases and new fees. Many fees will also affect practice, budgets and prior advice, and practitioners would appreciate time to explain the changes and educate stakeholders before fees are implemented. It is also submitted that the USPTO allow time for its many recent rule-changes to take effect and gauge any influence before imposing new fees as a means to try to change behavior.

Application Fees

INTA appreciates the need for periodic and reasonable increases in application fees. While the fee for new applications filed as TEAS Plus, using ID manual standard IDs was minimal (\$25), the increase of \$75 per class for a TEAS standard filing is substantial. Although we acknowledge that this increase might be associated with influencing filing behavior, and encouraging the use of ID manual standard IDs, we emphasize that in many cases, TEAS Plus is not appropriate for clients. INTA requests a reduction of this \$75 fee increase.

Petition Fees

Two of these fees are particularly striking and could pose a hardship for some trademark owners.

First, the increase in the fee for Petitions to the Director filed through TEAS, from \$100 to \$250. This is a 150% increase and seems significantly beyond a rate that is appropriate for periodic increases.

Second, the new fee for filing a Request for Reconsideration (\$400 if filed electronically; \$500 if filed on paper). This is a new fee. It is not uncommon to receive an Office Action with very little detail (such as identification of goods/services proposals), little explanation of the basis of the refusal, or a basis that has little to no justification. Many times, a final refusal does not even address the Applicant's arguments/explanations. Without evidence from the Examining Attorney, or evidence presented by the Examining Attorney in the final action, the applicant is forced to file a request for reconsideration and notice of appeal. Requiring a fee for a filing that is often driven by an Examiner's behavior remains a strong concern.

Post-Registration Fees

An increase of 80% for the Section 8/71 declaration is dramatic. The increases in the Section 8/71 and Section 15 fees are significant. Further, the Section 15 Declaration seems disproportionately high compared to the unit cost.

INTA appreciates the reduction in the post-registration audit fee proposal from \$100 per each good or service deleted to \$250 per Class. Concern remains over whether this fee will apply outside of the audit response. Would this fee occur if there is a voluntary deletion or a correction of an error? In both cases, the Applicant would be attempting to correct information, prior to an audit, in accordance with the Trademark Office's goal of maintaining an accurate register.

There is concern that this fee could become an incentive to increase and expand the audit process in order to collect more fees.

INTA also has concerns about the implementation of the audit and the overly strict technical requirements related to specimens of use. We are also concerned because it seems that bad actors are driving a lot of policy changes and that the fees are being implemented in ways that amount to practice changes levied on the entire community. INTA believes it would be more appropriate to target applications/registrations that look suspect. Many INTA members report that "deletions" occur for numerous reasons not attributable to fraud.

Trademark Trial and Appeal Board (TTAB) Fees

INTA would first like to point out that there were significant fee increases at the TTAB four years ago and the proposed fee increases at the TTAB are dramatic, in most cases ranging from 50%-100%. The increase to \$600 per class to file a cancellation or notice of opposition is steep and will be a particular hardship to smaller companies or individuals who want to protect their rights. That price, especially in a multi-class application, could deter some Plaintiffs. With recent issues

related to the influx of improperly filed applications, these fees might prevent Plaintiffs from taking action to challenge improper registrations/applications as a matter of routine policing, especially where a high number of these applications/registrations are abandoned/cancelled after default.

We also note that the electronic filing fee is very close to the paper filing fee, which may encourage more paper filings. It appears strange that the cost to the Office for processing paper filings is a fraction of the cost of electronic filings, and INTA would like to better understand this discrepancy.

The \$400 fee to request an extension of time to oppose is a significant increase. The introduction of a fee for requesting an extension of time to oppose is relatively new. Doubling the fee so soon after its introduction seems difficult to justify. Further, potential opposing parties often use that time to pursue settlement. Such a significant fee might deter those efforts. This fee in particular is seen as a hardship to smaller clients and individuals. Moreover, the extension fee increase seems counterproductive to a goal of parties resolving the matters without the need for filing oppositions.

INTA raises concern over the new fee for Oral Hearings. INTA suggests limiting the fee to in-person arguments. INTA suggest lowering or eliminating the fee for virtual hearings.

INTA appreciates the reduction in the Summary judgment fee.

Reconsideration Fees

INTA raises considerable concern over the Request for Reconsideration fees. This is a new fee. There is a general consensus in the community that the fee is exorbitant. Quite simply, 3 months is not a long time to respond. Moreover, if the Applicant responds within the 3 months, the examiner should be obligated to respond within a set time period. INTA also raises concern regarding the type of refusal. Some refusals and informalities simply require more time to respond.

If we can be of any further assistance, please contact INTA's Chief Policy Officer, Bruce MacPherson, at bmacpherson@inta.org.

Respectfully,



Etienne Sanz de Acedo
Chief Executive Officer
International Trademark Association