



THE TIPSHEET

State Bar of Texas Intellectual Property Law Section

Vol. 16 No. 3

MESSAGE FROM THE CHAIR



by Michael G. Locklar

The IP Section has been busy so far this year, with much more to come. This year's virtual Advanced Intellectual Property course was held on February 16 – 18th and had some great content on eCommerce, copyrights, trademark, patents, licensing, NFTs, student athlete name, image, and likeness, and much more. Mark Curriden was the keynote speaker, who described how two African American lawyers forever changed the justice system. If you could not attend this year, please do so next year!

On March 31st and April 1st, Chair Elect Joe Cleveland led a pro bono tour to Odessa and Alpine. These well-attended events provided a great opportunity to share IP knowledge with two communities that do not have ready access to IP professionals and were hungry for information on patents, copyrights, trademarks and other IP subjects. Expect more pro bono tours next year!

We are also excited about our upcoming CLE at this year's Annual Meeting. This year's topics include both a trademark and patent update, vaccine patent rights, and others. It is also a great opportunity to visit with your colleagues and visit other sections.

If you have not yet gotten involved in the section, there are still great opportunities to join one of the committees. Our committees are meeting virtually and in-person and developing valuable relationships. If connecting people is where you think you may best serve the IP community, I would

encourage you to join one of our Connect committees (Women in IP, Diversity, Membership, New Lawyers, or Website) by reaching out to me or the chair of that committee. If service is of interest to you, I encourage you to join one of our Service committees (Pro Bono, Public Relations, or IP Legends) by contacting the chair or reaching out to me.

We also sponsor the work of the Texas IP Law Journal. This year's Symposium examined the interaction of administrative and Article III courts in intellectual property, entitled "Estoppel and Stay Awhile." If you did not make it this year, videos are on the TIPLJ website.

If you are not a member of the Section, I encourage you to join. If you are, I hope you will consider becoming more involved. I'm happy to answer any questions you may have.

Best Regards,

A handwritten signature in black ink, appearing to read "M. Locklar", with a stylized flourish at the end.

Michael G. Locklar, Chair
Intellectual Property Law Section
State Bar of Texas

APRIL 2022 TIPSHEET FEATURED ARTICLES

The Trademark Modernization Act

by Paul Stevenson

TRADEMARK MODERNIZATION ACT OVERVIEW

On December 18, 2021, federal regulations went into effect enacting the [Trademark Modernization Act of 2020](#) (“TMA”). Any party, including the United States Patent and Trademark Office (“USPTO”), can now use the new tools and mechanisms implemented in the TMA to remove all or some of unused goods or services encompassed under registered trademarks from the USPTO’s federal trademark register, and the USPTO can now more efficiently move trademark applications through the registration process.

NEW PROCEDURES TO CANCEL UNUSED REGISTERED TRADEMARKS

Due to the enactment of the TMA, a party now has the option to either commence an ex parte expungement proceeding or an ex parte reexamination proceeding as a potentially faster, cheaper, and more efficient alternative to a contested inter party cancellation proceeding through the Trademark Trial and Appeal Board (“TTAB”). Any goods or services that are cancelled as a result of either of these proceedings will no longer be covered by the registrant’s trademark registration.

In an ex parte expungement proceeding, a party may request cancellation of some or all of the registrant’s goods and/or services due to the registrant never using its trademark in commerce regarding those goods and/or services. According to the USPTO’s [Trademark Manual of Examining Procedure](#) (“TMEP”), “use in commerce” requires a bona fide use of one’s trademark in the ordinary course of trade, such as displaying the trademark on the goods and selling them within the trademark owner’s state lines (in intrastate commerce) and outside of state lines (in interstate commerce), or displaying the trademark in the sale or advertising of the services and rendering such services in intrastate and interstate commerce. *See* TMEP § 901. An expungement proceeding must be requested between three and ten years after the trademark registration date; however, until December 27, 2023, this proceeding may be requested for any registration at least three years old, regardless of the ten-year limit.

In an ex parte reexamination proceeding, a party may request cancellation of some or all of the registrant’s goods and/or services due to the registrant not using those goods and/or services in commerce on or before a certain relevant date. The relevant date for a [section 1\(a\) trademark application](#) based on use in commerce will be the filing date of the application. The relevant date for a [section 1\(b\) trademark application](#) filed on an intent-to-use basis is the later of the date that a statement of use was filed or the date the deadline to file a statement of use expired. A reexamination proceeding must be requested within the first five years after the trademark registration date.

INITIATING AN EXPUNGEMENT OR REEXAMINATION PROCEEDING

As of the date this article was written, approximately forty petitions for expungement or reexamination have been [received](#) by the USPTO. When a party submits a [Petition for Expungement or Reexamination](#) (which requires a USPTO account) requesting to initiate a proceeding to cancel some or all of the trademark registrant's goods or services, the request must include the following:

- A verified statement establishing that a reasonable investigation was performed regarding whether the subject trademark had been used in commerce with certain goods or services and that includes a brief factual statement explaining the basis for the petition;
- Evidence of a prima facie case of nonuse in commerce (“a reasonable predicate”); and
- A \$400 fee per class of goods or services subject to the cancellation request.

If the submitted petition does not satisfy the aforementioned requirements, the USPTO will issue a letter providing the petitioner thirty days to correct the deficiencies or complete the petition. The petition containing the request for expungement or reexamination and its evidence will be uploaded into the registration record viewable through the [Trademark Status and Document Retrieval](#) (“TSDR”) system. The USPTO will also send a courtesy email notice to the trademark registrant or its attorney, and all correspondence regarding the petition will be viewable in TSDR.

The USPTO Director will review both the petitioner's evidence and the electronic record of the trademark registration at issue in determining whether to initiate a proceeding. The USPTO Director will initiate a proceeding if the petition for expungement establishes a prima facie case that the trademark was never used in commerce for the specified goods or services or if the petition for reexamination establishes a prima facie case that the trademark was not in use in commerce as of the relevant date for the specified goods or services. However, if the Director determines that a prima facie case has not been established, the Director will not initiate a proceeding.

The USPTO will then provide notice of the Director's final, non-reviewable decision of whether or not to initiate the proceeding to the petitioner and the trademark registrant and/or its attorney.

THE PROCESS OF AN EXPUNGEMENT OR REEXAMINATION PROCEEDING

If the USPTO Director does initiate a proceeding, a USPTO examining attorney will issue an office action to the trademark registrant and/or its attorney requiring a [response to the office action for post-registration matters](#) with evidence of use in commerce regarding the goods and/or services subject to the proceeding.

The trademark registrant may respond to the office action by submitting appropriate evidence and/or deleting some or all of the goods and/or services at issue. If the registrant needs additional time to respond to a nonfinal office action, the registrant can request a one-month extension for a \$125 fee. If the registrant timely responds to the office action but the response is incomplete, the USPTO may decide to grant the registrant thirty days to complete the response.

If the trademark registrant does not respond to the USPTO-issued office action by the deadline, the expungement or reexamination proceeding will be terminated and the registrant's registration will be cancelled in whole or part, as appropriate. If the registration is cancelled because the registrant failed to respond to the office action due to an extraordinary situation, the registrant may file a petition requesting reinstatement of the registration and resumption of the proceeding. The petition for reinstatement must be filed within two months from the date of the registrant's actual knowledge of the cancellation, and it must include an explanation of the extraordinary situation, a response to the office action, and the required fee.

If the trademark registrant does timely respond to the office action, the USPTO examining attorney will consider all the evidence and determine whether the registration should be cancelled in whole or in part regarding the goods and/or services at issue. Determinations will be made as follows:

- If the registrant shows use in commerce of the trademark for all of the goods and/or services at issue, the USPTO will issue a notice of termination of the proceeding and the registration will not be cancelled.
- If the registrant deletes all of the goods and/or services at issue, the USPTO will issue a notice of termination of the proceeding and the registration will be cancelled in whole or in part as to the deleted goods and/or services.
- If the registrant does not show use in commerce of the trademark for some or all of the goods and/or services at issue, the USPTO will issue a final action addressing the registrant's evidence or arguments and stating that the registration should be cancelled as to the goods and/or services at issue.

If the USPTO examining attorney determines the trademark registration should be cancelled in whole or in part regarding the goods and/or services at issue, the registrant will have three months to request reconsideration of this determination or appeal it to the TTAB. If the registrant does not file a request for reconsideration or an appeal, the USPTO will issue a notice of termination of the proceeding explaining the final determination regarding the goods and/or services at issue, and the registration will be cancelled in whole or in part.

CONCLUSION

The Trademark Modernization Act of 2020, officially enacted on December 18, 2021, provides parties with new procedures to remove all or some of unused registered trademarks from the USPTO's federal trademark register. As a potentially cheaper and more efficient alternative to a contested inter party cancellation proceeding, a party now has the option to commence an ex parte expungement proceeding or an ex parte reexamination proceeding seeking cancellation of a registrant's trademark in whole or in part based on nonuse in commerce of its trademark for some or all of the goods and/or services at issue. The Trademark Modernization Act will indeed help in clearing away unused registered trademarks and fraudulent filings from the USPTO's federal trademark register.

Paul Stevenson is an associate attorney with Ritter Spencer PLLC who practices trademark law and represents clients in all facets of the cannabis and hemp industries, including dispensaries, growers, processors, manufacturers, retailers, and more.

Article Disclaimer: This article is for informational purposes only, and the author is not providing legal guidance, so please consult with an attorney for specific legal advice.

Q: As a non-specialist, what do I need to know about trademarks?

A: Select, Protect, and Inspect

by Tim D. Chheda

There are four types of trademarks: fanciful/arbitrary, suggestive, descriptive, and generic. From the point of view of the U.S. Patent and Trademark Office, or PTO, the first two types are green lights (easy to approve and you are given strong rights), the third is a yellow light (difficult to approve and you are given weaker rights), and the fourth is a red light (will never be approved and you are given no rights). As a non-specialist, what do you need to know about trademarks? Select, protect, and inspect.

Selecting a Mark

From your point of view, the above means that you should select a mark from the first two types in order to save money. Only select a mark from the third type if you “fall in love” with it. In other words, if the expense of a difficult approval process is worth the marketing value the mark will provide. Avoid selecting a mark from the fourth type because you will waste your money.

A fanciful mark is a word, phrase, or design that has no other meaning—it is “made up.” Examples are Exxon, Clorox, and Polaroid. These words are not part of any language. An arbitrary mark is a common word, phrase, or design that does not describe or suggest the good or service sold under the mark—it is a “real” word, phrase, or design that has no relation to the good or service. Examples are Shell (gasoline), Ice Cream (chewing gum), and GUESS? (fashion brand). The word “shell” can be found in an English dictionary, but the definitions listed do not describe or suggest gasoline, making it an arbitrary mark for that good.

A suggestive mark is a word, phrase, or design that suggests, but does not describe, characteristics or functions of the good or service sold under the mark. If the characteristics or functions of the good or service are not explicit from the mark, but with an exercise of imagination could be conveyed by the mark, the mark is suggestive. Examples are Stronghold (nails), Coppertone (tanning goods), and Rapid Shave (shaving cream).

A descriptive mark is a word, phrase, or design that immediately identifies the characteristics, functions, ingredients, or purpose of the good or service sold under the mark. Examples are ChapStick (chapped lip treatment), International Business Machines (computers), and Sharp (televisions). Descriptive marks straddle the border of what is protectable.

Generic marks are the common name of a class of things such as books, water, and phones. They are not protectable for the good or service named—the word “phone” cannot be protected by itself in order to sell phones.

Protecting Your Mark

After you have selected your mark, registering your mark with the PTO puts others on notice of your rights to the mark and affords additional protections. The registration application may be filed before or after you begin using the mark.

The registration application includes the mark itself and a listing of the goods or services offered under the mark. If the mark is in use, it is necessary to provide a specimen showing how the mark is used. If the mark is not in use, a specimen can be provided at a later date.

After a registration application is filed, an examiner at the PTO examines the application. Upon approval, the mark is published by the PTO. After publication, others will have a limited time to oppose the application; if no opposition occurs, the registration is issued by the PTO.

A trademark registration can remain valid as long as the mark is being used and the registration is periodically renewed at the PTO.

Inspecting Competitors' Marks as Well as Your Own Mark

It is vital to inspect your competitors' websites, advertising, and other branding for marks confusingly similar to your mark. Additionally, such inspection allows you to discern their strategy regarding their own marks. Consider setting up a monitoring schedule, such as a quarterly review, to keep tabs on trends in the industry.

It is also vital to inspect your website, advertising, and other branding for quality assurance and to avoid loss of rights. This inspection may be part of the quarterly review described above. A checklist of items for such an inspection may include:

- Are we using trademark registration symbols appropriately—the “®” symbol?
- Are our marks featured prominently and appropriately—not as nouns or verbs?
- Are there words, phrases, or designs important to our marketing that we have not registered?
- Have we expanded our goods or services into new markets (requiring updating our listing with the PTO)?

In conclusion, remember to select, protect, and inspect!

UPCOMING EVENTS AND ANNOUNCEMENTS

2022 DIVERSITY SCHOLARSHIP APPLICATION

The Intellectual Property Law Section of the State Bar of Texas will award two \$5,000 scholarships to eligible law students. Any student enrolled in an ABA-accredited law school in Texas during any part of the application submission period may apply. Students who have been accepted to law school but have not yet started classes at the time the application is filed are not eligible. Students who have graduated at the time the scholarship is awarded are eligible.

The purpose of the scholarships is to encourage law students who have not traditionally been represented in the Intellectual Property practice to enter the Intellectual Property profession in Texas by providing financial assistance to help defray the expenses of a law-school education. Selection criteria for the scholarships include but are not limited to:

- Scholastic merit;
- Financial need;
- Membership in a socio-economic group traditionally under-represented in the practice;
- Diverse background, including diverse, marginalized or underserved populations or geographic regions;
- Demonstrated commitment to promoting diversity and inclusion in the legal profession;
- Demonstrated experience and interest in the practice of law in Intellectual Property;
- Texas roots;
- First generation in a family to go to college or law school;
- Science and engineering undergraduate education or experience;
- Contributions to or participation in minority or diversity programs;
- Disabilities;
- Community service; and
- Extracurricular activities both inside and outside law school, including legal externships or internships in the field of Intellectual Property.

This application should be completed and returned either by (1) mail to the IP Section's Diversity Scholarship Committee, c/o Chris Joe, Buether Joe & Counselors, LLC, 1700 Pacific, Suite 4750, Dallas, TX 75201 or (2) email to Chris Joe at Chris.Joe@BJCIPLaw.com (entire applications only, i.e., applications including the recommendations, essays, and transcripts).

This application form is available online at www.texasbariplaw.org or from the student's law school's Financial Aid or Dean's office. Applications must be postmarked or emailed by no later than May 1, 2022. The scholarships will be awarded on or before June 2022. The recipients will be recognized at an IP Section event or at the IP Section's next Annual Meeting.



STATEWIDE VIRTUAL CHAPTER FOR TEXAS PRACTITIONERS

- The State Bar of Texas IP Section Patent Committee is starting a statewide, virtual chapter for intellectual property practitioners across the state who are not geographically aligned with the Austin, Dallas, or Houston bar association intellectual property sections.
- Our first meeting is **April 28, 2022 at 1 PM** Central Time. The zoom info and calendar entry will be sent to you after you send an email to the address below.
- Please email contact information including your email address and geographic location for the meeting to texasbaripsection.patent@gmail.com.
- Please also email this address if you are interested in this chapter but are unable to attend April 28.



Pro Bono Opportunities

- The Patent Committee of the IP Section of the State Bar of Texas encourages Texas patent attorneys to help with the pro bono program of the USPTO Texas Regional Office which is administered in Texas by the Texas Accountants and Lawyers for the Arts (TALA). The pro bono program offers financially under-resourced, independent inventors in Texas assistance to turn their invention disclosures into filed patent applications. To that end, TALA hosts training courses and periodic clinics where volunteer attorneys provide initial evaluations of patentability and readiness for entry into the program and answer initial questions from inventors. TALA needs on-going volunteer support to assist with both filing of patent applications and with the intake process at its patent clinics.
- <https://talarts.org/volunteer/> (volunteering)
- <https://talarts.org/inventors/> (pro bono)
- <https://www.uspto.gov/patents/basics/using-legal-services/pro-bono/patent-pro-bono-program?MURL=probonopatents> (pro bono)

2021-2022 IP SECTION OFFICERS & COUNCIL

The officers and council members for the Section were elected at the Annual Meeting last summer. They are as follows:

| | Name | Firm | City |
|-----------------------------|--------------------------|---------------------------------|-------------|
| Chair | Michael Locklar | Ewing Jones | Houston |
| Chair-Elect | Joseph Cleveland | Brackett & Ellis, P.C. | Fort Worth |
| Immediate Past Chair | Leisa Talbert Peschel | Jackson Walker LLP | Houston |
| Vice Chair | Devika Kornbacher | Vinson & Elkins LLP | Houston |
| Secretary | Craig Stone | Phillips 66 | Houston |
| Treasurer | Thomas Kelton | Haynes & Boone, LLP | Richardson |
| Newsletter Officer | Erin Choi | Weil, Gotshal & Manges LLP | Dallas |
| Website Officer | Nick Guinn | Gunn Lee & Cave | San Antonio |
| | | | |
| Council | | | |
| <i>Term ends 2022</i> | David Cho | AT&T Services | Dallas |
| | Michele Connors | Cirrus Logic | Austin |
| | Kat Li | Kirkland & Ellis | Austin |
| <i>Term ends 2023</i> | Yocel Alonso | Alonso PLLC | Sugar Land |
| | Marylaura Ilagen | Mary Kay Inc. | Addison |
| | George W. Jordan, III | Norton Rose Fulbright US LLP | Houston |
| <i>Term ends 2024</i> | Michael Smith | Scheef & Stone, LLP | Marshall |
| | Austin Teng | Holland & Knight, LLP | Dallas |
| | Saurabh Vishnubhakat | Texas A&M School of Law | Fort Worth |

IP SECTION COMMITTEES

Much of the Section's work is performed by committees, which help carry out its mission of educating, connecting and serving the Section's members. This year's committees and chairs are as follows:

| Activities | Committees | Committee Chairs/Officers |
|-------------------|-------------------|----------------------------------|
| <i>Educate:</i> | Copyright | Yocel Alonso |
| | Patent | Nick Guinn |
| | Trademark | Craig Stone |
| | Trade Secret | Austin Teng |
| | Newsletter | Erin Choi |
| | Advanced IP CLE | Devika Kornbacher |
| | Annual Meeting | Joe Cleveland |
| <i>Connect:</i> | Women in IP | Michele Connors |
| | Diversity | George Jordan |
| | Membership | Saurabh Vishnubhakat |
| | New Lawyers | David Cho |
| | Website | Nick Guinn |
| <i>Serve:</i> | Pro Bono/TALA | Michele Connors |
| | Public Relations | Marylaura Ilagen |
| | Tex IP Law | Kat Li |
| | IP Legends | Derrick Pizarro |

CALL FOR SUBMISSIONS

The TIPSHEET welcomes the submission of articles for potential publication in upcoming issues, as well as any information regarding IP-related meetings and CLE events. If you are interested in submitting an article to be considered for publication or adding an event to the calendar, please email erin.choi@weil.com.

Article Submission Guidelines

STYLE: Journalistic, such as a magazine article, in contrast to scholarly, such as a law review article. We want articles that are current, interesting, enjoyable to read, and based on your opinion or analysis.

LENGTH: We accept a wide range of articles, with most falling into the 500-2500 word range.

FOOTNOTES AND ENDNOTES: Please use internal citations.

PERSONAL INFO: Please provide a one-paragraph bio and a photograph, or approval to use a photo from your company or firm website.

If you have any questions, please email erin.choi@weil.com.