

**International Trademark Association (INTA) Comments on:  
Trademark Trial and Appeal Board Participation in Settlement Discussions**

Notice of Inquiry: PTO-C-2011-0011--*Federal Register* Vol. 76, No. 78 on April 22, 2011

INTA welcomes this opportunity to provide comments to the notice of inquiry regarding the participation of the Trademark Trial and Appeal Board (“TTAB” or “the Board”) participation in settlement discussions. The comments, which follow the questions posed in the notice, were prepared by the USPTO Subcommittee of INTA’s Trademark Office Practices Committee in consultation with other relevant INTA committees.

For several years, INTA has encouraged Alternative Dispute Resolution (ADR) through mediation by trained persons such as the INTA Panel of Neutrals. However, based on our experience and expertise in this area, we believe that TTAB participation in the settlement process should be limited to instances where there is a willingness by both parties to participate. Furthermore, we do not believe that administrative trademark judges (ATJs) should be involved in any such settlement discussions as such involvement would add to the TTAB’s already significant workload and might create the appearance of conflicts if the cases are not settled and are subsequently adjudicated.

INTA does not recommend formal triggers during a proceeding that would create an affirmative obligation for the TTAB to take action. However, there may be situations such as when the parties have sought multiple suspensions for settlement negotiations when the TTAB may consider requesting that the parties certify that they have engaged in good faith settlement discussions or mediation. At that point, TTAB personnel might provide information about resources for seeking mediation.

**(1) Should the Board be routinely involved in settlement discussion of parties, or instead, be involved only in particular cases on an “as needed” basis?**

The Board should be available for involvement in settlement discussion if both parties request such involvement or if one party requests such involvement on behalf of both parties. The Board (or a third party mediator) could be helpful in situations involving pro se participants or lawyers who are unfamiliar with Board practice or where the parties are in a deadlock regarding a possible settlement. For instance, pro se litigants and lawyers unfamiliar with TTAB proceedings are more likely to be receptive to a third party explaining that the only issue to be adjudicated is registration, not use, or that no monetary awards are possible from the Board.

However, if neither party is interested in settlement negotiations, the Board’s involvement is unlikely to change that attitude. Mandatory settlement conferences would impose an enormous burden on the Board in terms of the time and resources that would necessarily be allocated to such activity.

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

In those instances where settlement conferences are desirable, the TTAB could delegate that role to other organizations and mediators with experience and training in conducting mediations such as the INTA Panel of Neutrals. To the extent TTAB personnel may become involved, Interlocutory attorneys (IA) or USPTO employees who are trained as mediators would be the logical choice to conduct the discussions. Although anyone from those groups could be objective, an IA would bring some additional weight and authority. To be effective, the mediator must be able to discern the strengths and weaknesses of each party's case. In addition, the mediator must be able to forcefully convey the possible outcomes in conjunction with the analysis of the case. The mediator must have the proper respect and weight in order to achieve the goal of settlement.

Using ATJs as mediators would not be an efficient use of their time which would be better spent reviewing, hearing and deciding those cases which go to trial. Not using ATJs would also reduce the scope of the conflict of interest issue, discussed below.

**(3) How would the involvement be triggered? For example, by stipulation of the parties, by unilateral request or by some other trigger? Examples of situations that might be used as triggers for required settlement discussion involving a non-party could include the use by the parties of multiple suspensions for settlement discussion which provided unsuccessful, or events such as the filing of an answer, the exchange of disclosures, the completion of some discovery, or the close of the discovery period.**

The mediator's involvement would be triggered by a request by or on behalf of both parties after an answer is filed. The timing of the request should be flexible. In other words, after the answer is filed up to the time a decision is rendered, any party should be able to request a settlement conference. A party should be able to request a settlement conference whenever it appears to the party that the conference could be useful, for example, when the parties are receptive to settlement but have reached an impasse in negotiations. In cases where one party is not receptive to settlement discussions, requiring a mediator's involvement would be unproductive.

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

There should be no trigger that would affirmatively obligate the Board or a mediator to enter into settlement discussions and they should only become involved at the request by or on behalf of both parties. In the absence of such a request or if one party has refused to engage in settlement discussions, a mandatory requirement or inquiry from the Board is unlikely to produce settlement results. There is no need to layer additional responsibility on the Board for a mandatory inquiry based on close of discovery or a certain number of suspension requests. However, where parties

have filed many (three or more) suspension requests based on settlement negotiations, an inquiry or request by the Board for more detailed information about the nature and extent of the parties' settlement negotiations such as a certification that the parties have engaged in good faith discussions or mediation may encourage the parties to resolve a case or to seek the assistance of a mediator.

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

Any Board personnel at the level of decision maker (*i.e.*, ATJ or IA) who participates in settlement discussions should be recused from any decision making responsibility on that case. In other words, if an ATJ conducts a settlement discussion that ATJ cannot hear or decide the same case. Likewise, an IA who conducts a settlement conference should be recused from deciding any discovery matters.

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

Summary judgment motions should not be barred in the absence of a settlement conference. If neither party wants to discuss settlement, the conference would be a waste of time. There is no obvious relationship between summary judgment motions and settlement conferences.

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

Discovery should not be limited if the parties have not engaged in detailed settlement discussions. Nor should subsequent discovery depend on the results of the discussion. A predicate for settlement is always at least one, but usually both, willing parties as participants.

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

There is no need to amend the rules to require a motion for summary judgment to be filed before plaintiff's pretrial disclosures or to require the parties to engage in settlement discussions in conjunction with a discussion of plaintiff's pretrial disclosures. Often information comes to light during discovery that provides the basis for a motion for summary judgment.

**Conclusion**

INTA encourages the involvement of trained mediators such as the INTA Panel of Neutrals to attempt to expedite settlement in TTAB proceedings. INTA does not recommend significant involvement by TTAB personnel or the imposition of mandatory requirements related to settlement negotiations. To the extent TTAB personnel participate in settlement discussions, the

role should be limited and focused primarily on educating the parties about mediation and/or the nature of TTAB proceedings and providing information about mediation resources. Significant participation by TTAB personnel will result in a drain on the TTAB's resources and a shift away from their primary roles of deciding motions and reviewing, hearing and deciding cases that proceed to trial.

INTA remains committed to supporting and working with the USPTO and if the Office decides to move forward on a new program that involves greater participation by the TTAB in settlement discussions, INTA would be pleased to assist the Office in any aspect of the program, including development of the process and identification of mediation resources.