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HOUSE OF REPRESENTATIVES REPORT No. 2021

TRADEMARK TRIAL AND APPEAL BOARD JUNE 26, 1958.----Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. WILLIS, from the Committee on the Judiciary, submitted the following

REPORT
[To accompany H.R. 8826]
The Committe on the Judiciary, to when was referred the bill (H.R. 8826) to amend the act entitled "An act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of international conventions, and for other purposes," approved July 5, 1946, with respect to proceedings in the Patent Office, having considered the same report favorably thereon with amendments and recommend that the bill do pass. The amendments are as follows:

Strike out line 8 of page 1, and lines 1 to 3 of page 2 (subsec (a) of sec 1 of the bill) and insert in lieu thereof:
(a) Section 17 (15 U.S.C. 1067) is amended by striking the words "the examiner in charge of interferences" and substituting in lieu thereof "a Trademark Trial and Appeal Board," and by adding the following paragraph at the end thereof:

"The Trademark Trial and Appeal Board shall include the Commissioner, the Assistant Commissioners, and such Patent Office employees of competent legal knowledge as may be designated by the Commissioner. Each case shall be heard by at least three members of the Board, the members hearing such cases to be designated by the Commissioner."

Page 3, lines 7 and 8 and on line 12, strike out "or decided".
The purpose of the amendment is to specify with greater particularity the composition of the Board provided by the bill.

[2]

PURPOSE
The purpose of this legislation is to eliminate the appeal to the Commissioner from the decisions of the examiner in charge of interferences in the Trademark Office. It also proposes to transfer the duties and functions of the examiner in charge of interferences to a proposed Trademark Trial and Appeal Board. The bill further places all the remaining appellate functions now vested in the Commissioner in trademark cases in the jurisdiction of the proposed Trademark Trial and Appeal Board.

STATEMENT
The bill relates to appeals within the Patent Office in trademark matters.
The Trademark Act (Public Law 489, 79th Cong., ch. 540, approved July 5, 1946, 60 Stat. 427) provides that when the examiner of trademarks refuses to register a trademark the applicant may appeal to the Commissioner of Patents (sec. 20: 15 U.S.C. 1070).

The Trademark Act also provides for certain inter partes or contested proceedings: namely, interferences between pending applications (sec. 16: 15 U.S.C. 1066), oppositions to a registration, which may be filed by any person having the necessary interest (sec. 13: 15 U.S.C. 1063), cancellations, which may be instituted by any person having the necessary interest (secs. 14, 24: 15 U.S.C. 1064, 1092), and applications to register as concurrent users (sec. 2(d); 15 U.S.C. 1052 (d)). These contested proceedings are heard by an examiner of trademark interferences and decided on the evidence which has been presented by the parties. The statute provides for an appeal to the Commissioner of Patents from the decision of the examiner of trademark Interferences.

In other words, the statute provides for appeals to the Commissioner in trademark cases from two sources: appeals from refusals of the examiner of trademarks to register a trademark and appeals from the decisions of the examiner of trademark interferences made when one or more parties contest another's right to registration, the latter being more numerous and also more time consuming. These appeals are customarily heard and decided by an Assistant Commissioner of Patents by delegation from the Commissioner.

The caseload of appeals now presented to the Commissioner for hearing and decision is between 200 and 300 annually, and when there is added to this the numerous administrative duties relating to the trademark operation of the Patent Office, it becomes apparent that the burden imposed upon the Assistant Commissioner charged with trademark matters is unnecessarily heavy.

It is proposed in the bill that the appeal to the Commissioner in contested trademark cases be abolished and that the initial and only decision will be made by a panel of three members of a board instead of by a single individual as at present. This proposal is similar to the practice which presently obtains in the case of patent interferences (35 U.S.C. 135), an internal appeal having been abolished in 1939. The decision of the panel of three would be the final decision of the Patent Office in the case, and the parties would have their right of appeal to the court from that decision, as they now have from the final decision of the Commissioner of Patents. The bill further provides that the appeals in cases involving the

examiner's refusal to register, which are now decided by the Commissioner, be decided by a panel of three members of this same Board.

The members of the Board contemplated by the bill would include the necessary number of specially qualified persons occupying a position in the Patent Office established for that purpose. The Commissioner and Assistant Commissioners would be ex officio members of this Board, as they are of the Board of Appeals in patent cases (35 U.S.C. 7), and could participate in hearing and deciding cases. Each case would be heard and decided by a panel of three members of the Board.

It is estimated that the total manpower required to handle trademark cases under this procedure would be approximately the same as the total manpower required under the present procedure. This result would follow from the abolition of appeals within the Office in contested cases, thereby saving the time presently required for hearing and deciding some 30 to 40 percent of such cases twice.

The following diagrams illustrate the changes in procedures made by the bill:

CONTESTED CASES n1

Effect of H.R. 8826, 85th Congress, on trademark contested cases; interference, cancellation, and opposition proceedings

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EX PARTE CASES n2

FOOTNOTES:
(n1) Footnote 1. The changes in the practice are twofold: First, the appeal to the Commissioner of Patents is abolished, and, second, the initial decision will be made by a panel of three members of the proposed Trademark Trial and Appeal Board instead of by a single individual, and this decision will be the final decision of the office.
The proposed practice is similar to that now followed in patent Interferences. The case is heard and decided in the Office by a panel of three members of a Board of Patent Interferences and from there it may go directly to the courts.
Effect of H.R. 8826, 85th Congress, on practice in ex parte examination to register trademarks

(n2) Footnote 1. The only change is to have the ex parte appeals within the Office heard and decided by the proposed new Trademark Trial and Appeal Board instead of by the Commissioner.
The proposed practice is similar to the practice in the case of the examination of applications for patent. From the refusal by the examiner there is an appeal to Patent Office Board of Appeals, and from there the applicant may go directly to the courts.