SR 1960

TRADEMARK TRIAL AND APPEAL BOARD JULY 24 (legislative day. JULY 23), 1958.----Ordered to be printed

Mr. O'MAHONEY, from the Committee on the Judiciary, submitted the following

REPORT
[To accompany H.R. 8826]
The Committee on the Judiciary, to which 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, reports favorably thereon with an amendment and recommends that the bill, as amended, do pass.

AMENDMENT
On page 2, line 7, after the word "employees", strike out all down to and including the period on line 8, and insert in lieu thereof the following: designated by the Commissioner and whose qualifications have been approved by the Civil Service Commission as being adequate for appointment to the position of examiners in charge of interferences.

PURPOSE OF AMENDMENT
The purpose of the proposed amendment is to fix in the legislation the qualifications necessary for proposed members on the Trademark Trial and Appeal Board.

PURPOSE
The purpose of the proposed legislation, as amended, 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

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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 facts in connection with this legislation are contained in House Report No. 2021 on H.R. 8826, and are as follows:
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.

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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 office 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
Present Practice
Proposed Practice

Effect of H.R. 8826, 85th Congress, on practice in ex parte examination to register trademarks

SECTION ANALYSIS OF BILL
Section 1 of the bill makes the necessary changes in the trademark statute to carry out the above purposes of the bill. Paragraph (a) amends section 17 of the Trademark Act to provide for the hearing of contested cases by the proposed Trial and Appeal Board, and adds a statement of the composition of this Board. Paragraph (b) amends the section of the Trademark Act relating to appeals within the office to accord with the change. Paragraphs (c), (d), and (e) make necessary changes in wording in other sections of the Trademark Act.
Section 2 of the bill preserves the effect of Reorganization Plan No. 5 of 1950 (64 Stat. 1263).
Section 3 of the bill relates to the time of taking effect.
The committee, after a review, agrees with the conclusions of the House of Representatives and recommends that the bill. H.R. 8826, be favorably considered.
Attached hereto and made a part hereof is a letter from the Secretary of Commerce in which a draft of this legislation was submitted and its enactment recommended as well as a statement of the need for and purpose of the proposed legislation. Also attached are letters from the Department of State and the Department of Justice submitted in connection with H.R. 8826.

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DEPARTMENT OF COMMERCE.
Washington, D.C., June 27, 1957.
Hon. SAM RAYBURN,
Speaker of the House of Representatives,
Hon. RICHARD M. NIXON.
President of the Senate, Washington, D.C.

DEAR MR. SPEAKER AND MR. PRESIDENT: There are attached four copies of a proposed bill 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.
There is also attached a statement of purpose and need for the proposed legislation.
We are advised by the Bureau of the Budget that it would interpose no objection to the submission of this proposed legislation.
Sincerely yours. SINCLAIR WEEKS,
Secretary of Commerce.

STATEMENT OF NEED FOR AND PURPOSE OF PROPOSED LEGISLATION
The proposed legislation relates to appeals within the Patent Office in trademark cases and to the procedure in contested trademark cases.
The Trademark Act 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 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.

It is seen, therefore, that the statute provides for appeals to the Commissioner in trademark cases from two sources ex parte appeals from the examiner of trademarks and inter partes appeals from the decision of the examiner of trademark interferences, 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. During recent years the number of appeals has increased to such an extent that the volume of work is greater than can be handled by one person. It is estimated that the volume of appeals would require the work of at least 1 1//2 persons per year in order to be kept current. In view of this fact and the further fact that numerous administrative duties relating to the trademark operation of the Patent Office also devolve upon the Assistant Commissioner handling trademark appeals, the appeal work has

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fallen greatly into arrears and will continue to fall farther behind unless steps are taken.

The proposed legislation sets forth changes in procedures for handling trademark cases. It is proposed that the appeal to the Commissioner in inter partes trademark cases be abolished and that the initial and only decision will be made by a board of three, 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. 134), an internal appeal having been abolished in 1939. The decision of the Board 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 decision of the Commissioner of Patents.

The proposal further provides that the appeals in ex parte cases which are now decided by the Commissioner be decided by this same Board of Three.

The Board contemplated by the bill would consist of a group of specially qualified members with a position designed for that purpose. The Commissioner and Assistant Commissioners would be ex officio members of this Board and would participate in hearing and deciding cases as time might permit.

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 proceedings were sufficient persons detailed to do the work of the appeals. This result would obtain from abolition of appeals in inter partes cases within the Office, thereby saving the time required for hearing and deciding some 20 to 25 percent of such cases twice.

DEPARTMENT OF STATE.
Washington, March 18, 1958.
Hon. EMANUEL CELLER.
Chairman, Committee on the Judiciary.
House of Representatives.

DEAR MR. CELLER: Reference is made to your letter of January 24, 1958, and the Department's interim reply of January 28, 1958, concerning 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.

The bill is related exclusively to the Patent Office's internal administrative procedures. The Department therefore would perceive no objection to the bill on the basis of foreign--policy consideration.
The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this report.
Sincerely yours, WILLIAM B. MACOMBER, Jr.,
Assistant Secretary
(For the Secretary of State).

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JUNE 9, 1958.

DEAR MR. CHAIRMAN: This is in response to your request for the views of the Department of Justice concerning 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.
The bill would make a number of amendments to the Trademark Act of 1946 designed to relieve the Commissioner of Patents of certain quasi--judicial duties. It would provide for the abolition of the Office of Examiner in Charge of Interferences and transfer his duties and functions to a proposed Trademark Trial and Appeal Board. The appeal to the Commissioner from the decisions of the examiner in charge of interferences would also be abolished. The bill would place all the remaining appellate functions now vested in the Commissioner in trademark cases in the jurisdiction of the proposed new Appeal Board.
Whether the bill should be enacted involves a question of policy concerning which the Department of Justice prefers to make no recommendation.
The Bureau of the Budget has advised that there is no objection to the submission of this report.
Sincerely yours, LAWRENCE E. WALSH,
Deputy Attorney General.
[Changes in existing law section OMITTED]

36th Congress, 1st Session

IN THE SENATE OF THE UNITED STATES JULY 23, 1959

Mr. WILEY introduced the following bill: which was read twice and referred to the Committee on the Judiciary

A BILL
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, as amended.

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.

(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.