

OPPOSITIONS AND OTHER CHALLENGES TO TRADEMARK REGISTRATION

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To Challenge or Not to Challenge?

- Decisions to challenge another person's mark arise in a variety of contexts.
- Variety of procedures may be available to challenge.
- Decisions depend on multiple factors.
- Each situation is unique.

Available Procedures

- Opposition proceedings
- Cancellation, revocation or nullification proceedings
- Infringement litigation
- Warning letters
- Negotiation

Similar Mark Challenge - Reasons to Oppose

- Protection of mark from confusion.
- Prevention of mark from dilution.

Opposition – What Mark is Being Protected?

- House Mark – strong incentive to protect broadly.
- Product Mark – tendency to focus protection on specific goods and services.
- Advertising Slogan – inclination to protect may depend upon current use and fame.
- Inclination to protect increases with fame.

Opposition – What are the Chances of Success?

- Chances of success in the legal proceeding itself.
- Chances of obtaining a satisfactory settlement.
- Consequences if not successful – bad precedent, challenge to one's own mark.

Opposition – What are the Consequences of Not Acting?

- Failure to act will limit future enforcement options.
- Proliferation of similar marks will reduce the zone of protection for the mark.
- Coexistence of similar marks increase likelihood that other third parties will try to use similar marks.
- Can failure to act be justified to others?

Similar Mark Challenge – Opposition versus Cancellation

- Is cancellation action heard by courts or trademark office?
- Are there differences in burden of proof or legal analysis?
- Is there a risk of infringement if one waits to cancel?
- Negotiation leverage greater in an opposition.

Similar Mark Challenge – Opposition or Infringement Suit (I)

- Opposition addresses registration. Infringement suit addresses use.
- Infringement suits tend to be more expensive.
- Negotiations associated with opposition provide an opportunity to challenge a mark already in use.
- In first to file countries, success in opposition is more likely also to halt use, than in first to use countries.

Similar Mark Challenge – Opposition or Infringement Suit (II)

When infringing use cannot be halted through negotiations:

- In which forum is the likelihood of success greatest?
- Is the burden of proof or legal analysis more favorable in one forum?
- Which procedures provides the quickest relief?
- Will initiating an infringement suit contribute to a favorable negotiated outcome?

Similar Mark Challenge – Other Alternatives to an Opposition (I)

Warning Letter

- A possible alternative if the cost of opposing cannot be justified or if chances of success are low.
- May be particularly effective when some level of coexistence seems possible.

Similar Mark Challenge – Other Alternatives to an Opposition (II)

“Wait and See”

- May be justified if it is unclear whether the marks actually conflict or if prospects of success are not high.

Opposition Based Upon Non-Distinctiveness – Why Bother?

- Registration may block registration of current or future mark containing a similar term.
- Risk that use of the term in one's own mark, or otherwise, may be infringing.

Opposition Based Upon Non-Distinctiveness – Factors to Consider

- How serious is the risk?
- Has anyone else challenged?
- Can an industry group or other organization be convinced to challenge?

Opposition Based Upon Non-Distinctiveness - Alternatives

- Can action be deferred?
 - ❖ Can the registration be cancelled later?
 - ❖ Are there limitations on the period to challenge based upon non-distinctiveness?
 - ❖ Is there a risk that by not challenging the mark will acquire distinctiveness?
- Would letter of protest (informal observations) be effective?

Challenging a Mark for Non-Use

- Is not available by opposition.
- May be challenged by cancellation in most, but not all, countries.

Canceling Registration for Non-Use – What is the Objective?

- Eliminate obstacle to use or registration of a mark.
- Eliminate registration used to challenge one's own mark.
- Strong incentive to seek cancellation in either case.

Canceling Registration for Non-Use – Words of Caution

- A thorough investigation is required before filing.
- Expense of proceeding.
- Possibility of retaliation.

Canceling Registration for Non-Use – What Alternatives?

- Where third party registration potentially blocks use or registration of new mark:
 - ❖ Seek a consent.
 - ❖ Request a voluntary cancellation.
 - ❖ Seek non-infringement opinion and run the risk.
- May want to file cancellation action before requesting consent or voluntary cancellation.

Conclusion

- No formula for success.
- Key factors are the extent of the threat, the alternatives to a challenge and a careful assessment of the facts and the applicable law.