Small Claims Patent Court Comments

There already exists a trademark small claims court at the USPTO, but the TTAB absolutely refuses to allow it to be used. Hopefully appropriate measures will be taken when creating a patent small claims court so as to ensure it will be used.

Trademarks can be registered either on the principal register (where most trademarks are registered), or on the supplemental register. According to 15 USC 1091, marks “not registerable on the principal register” may be registered on the supplemental register. This registration imbues the owner with practically no rights, which means no right to claim infringement against another user of the same mark. Consequently, trademark applicants do not prefer this registration.

The legislative history of the Lanham Act shows that the supplemental register was created to satisfy a trade treaty with Latin American countries. Consequently, Congress did not want the owner of a mark on this register to abuse it by claiming rights the owner does not have. So they created 15 USC 1092 which, although it doesn’t use the words “small claims court,” describes a procedure which is exactly that. This procedure allows a complaint to be made, a hearing to be held, and the offending mark cancelled. It’s that simple. By my estimation this should take two or maybe three months. But when I attempted this, it took me six years to cancel a supplemental registration, and I only did so at a federal court, because the TTAB will not follow this law.

The law reads in pertinent part as follows.

Whenever any person believes that such person is or will be damaged by the registration of a mark on the supplemental register—

(1) such person may at any time, upon payment of the prescribed fee and the filing of a petition stating the ground therefor, apply to the Director to cancel such registration.

The Director shall refer such application to the Trademark Trial and Appeal Board, which shall give notice thereof to the registrant. If it is found after a hearing before the Board that the registrant is not entitled to registration, or that the mark has been abandoned, the registration shall be canceled by the Director.

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On April 11, 2011, I filed a Petition to Cancel the mark URBAN HOMESTEADING, registered on the Supplemental Register. The owner had made a false infringement complaint about my client’s Facebook page, which resulted in the loss of this marketing Page. However, as I stated above, there can be no infringement of a mark on the supplemental register. See Cancellation No. 92053896. Also, see Cancellation No. 92053837 (for a period of time my case was consolidated with this other case.)

The TTAB treated my case as one to cancel a mark on the principal register, and consolidated it with a similar case challenging URBAN HOMESTEAD, which was on the principal register. I objected and explained that the Lanham Act creates two different procedures for the two registers, and that my case must be put on the fast track for a decision as required by 1092. In one of the most unusual opinions I have read, the Board dismissed my argument on March 31, 2014, stating that where the law requires the USPTO to give me “a hearing,” this doesn’t actually mean a hearing. It means access to the judicial system, i.e. years of litigation as if it was a mark on the principal register. The Board concluded that I am simply confused about the meaning of such common words.

The decision also stated that “The Board applies the same procedural rules in cancellation proceedings involving registrations on the both the Principal and Supplemental Registers.” This constitutes an express admission that the TTAB will not follow 1092.

After challenging the Board’s refusal to follow the Lanham Act, the TTAB judges suspended my case indefinitely. I then took the case to federal court, where a judge immediately cancelled the URBAN HOMESTEADING trademark as soon as he reviewed the merits on a motion for summary judgment.

This issue is not unknown to upper management since I also filed a Petition to the Director.

Hopefully, a law establishing a patent small claims court will be allowed to operate by the PTAB.

James Bertini
Attorney