

Publications

Client Alert: Are You Prepared To Be Audited By The Trademark Office?

Related Services

Intellectual Property

Trademarks

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Currently, to maintain or renew a United States trademark registration, the registrant must file a Declaration of Use stating the mark is in use in commerce in connection with each listed good or service in the registration. Goods or services not in use must be deleted and the registrant must provide one specimen of use per class. For example, if the registration claims use of the mark in connection with:

Class 25 "Shirts; Hats; Socks; Footwear; Pants," and

Class 35 "Retail store services featuring clothing; Wholesale services by direct solicitation by sales agents in the field of clothing,"

the registrant is declaring use of the mark with five individual goods in class 25 and two types of services in class 35. However, the registrant need only provide two specimens of use, one for each class.

Audit

While the filing requirements remain the same for maintaining a registration, we now strongly recommend having documents to prove use of **each** good or service. As we forewarned in **February 2017**, the Trademark Office has begun conducting random audits for maintained registrations to assess and promote the accuracy and integrity of the trademark register. See 37 C.F.R. §§2.161(h), 7.37(h). Making an accurate declaration in the maintenance documents of what goods/services are in use bearing the mark **and having evidence to support each claim** is now even more important than in the past. Registrations with the following characteristics are susceptible to audit:

- at least one class containing four or more goods or services,
- at least two classes with two or more goods or services in at least two classes, or
- are based on a foreign registration or international registration.

Notice and Deadline

If a registration is audited, the Trademark Office will issue an Office Action to that effect. The deadline to respond is the later of:

- six months after the issue date of the office action, or
- the end of the statutory filing period (not including grace period).

We encourage earlier filing within the statutory period as it provides more time to respond. **Failure to respond will cause the registration to be cancelled in its entirety.**

Process

In response to the audit Office Action the registrant must provide evidence of use of the mark in connection with the two particular goods and/or services per audited class identified in the Office Action. A declaration that the registrant *"was using the mark in commerce on or in connection with the goods and/or services identified in the registration for which use of the mark in commerce is claimed, as evidenced by the submitted proof of use, during the relevant period for filing the affidavit of use"* must accompany the response.

If the registrant is unable to provide evidence for the identified goods/services, it may delete such (and any others). However, if items are deleted, the Trademark Office will issue a second Office Action requesting evidence of use of the mark with **all** of the remaining goods or services. If the registrant is deleting goods or services, it may preclude a second Office Action by providing evidence of use for all of the remaining goods and services in response to the first Office Action. If the registrant disagrees with the examiner's determination regarding the acceptability of evidence, the registrant will have to file a Petition to the Director for a determination as to whether the examining attorney made an error.

Evidence for Goods

Evidence of use of a mark with services in response to an audit Office Action remains the same as specimens for renewal or maintenance. However, the evidence required to respond to an audit Office Action concerning goods is stricter than the criteria for a specimen for renewal or maintenance. In response to an audit, the evidence must demonstrate that the registrant is actively using the mark with the goods identified in the Office Action. Thus, a label alone would not suffice because it does not show use of the mark with the particular good identified. Following are examples of acceptable evidence of use for goods:

- Photographs that show the mark on a tag or label affixed to the goods,
- Hang tags or labels with the mark and the generic name of the specific goods on the tag or label,
- Screen shots of webpages that show the mark being used in connection with the goods at their point of sale,
- Photographs of the mark on packaging where the goods are visible through the packaging, or

- Photographs of the mark on packaging where the packaging identifies the specific goods included in the package.

Practice Tips

If a registration has the characteristics noted above, it is important that the registrant determine precisely which goods and services are being offered now bearing the mark, collect proper evidence of the same in the event of an audit, and delete goods or services for which there is no evidence of current use.

Of course Vorys trademark attorneys are available to help navigate this new process.