



**3510-16P**

**DEPARTMENT OF COMMERCE**

**Patent and Trademark Office**

**37 CFR Parts 2, 7, and 11**

**[Docket No. PTO-T-2018-0021]**

**RIN 0651-AD30**

**Requirement of U.S. Licensed Attorney for Foreign Trademark Applicants and Registrants**

**AGENCY:** Patent and Trademark Office, Commerce.

**ACTION:** Final rule.

**SUMMARY:** The United States Patent and Trademark Office (USPTO or Office) amends the Rules of Practice in Trademark Cases, the Rules of Practice in Filings Pursuant to the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks, and the rules regarding Representation of Others Before the United States Patent and Trademark Office to require applicants, registrants, or parties to a trademark proceeding whose domicile is not located within the United States (U.S.) or

its territories (hereafter foreign applicants, registrants, or parties) to be represented by an attorney who is an active member in good standing of the bar of the highest court of a state in the U.S. (including the District of Columbia or any Commonwealth or territory of the U.S.). A requirement that such foreign applicants, registrants, or parties be represented by a qualified U.S. attorney will instill greater confidence in the public that U.S. trademark registrations that issue to foreign applicants are not subject to invalidation for reasons such as improper signatures and use claims and enable the USPTO to more effectively use available mechanisms to enforce foreign applicant compliance with statutory and regulatory requirements in trademark matters.

**DATES:** This rule is effective on August 3, 2019.

**FOR FURTHER INFORMATION CONTACT:** Catherine Cain, Office of the Deputy Commissioner for Trademark Examination Policy, [TMPolicy@uspto.gov](mailto:TMPolicy@uspto.gov), (571) 272-8946.

**SUPPLEMENTARY INFORMATION:** The USPTO revises the rules in parts 2, 7, and 11 of title 37 of the Code of Federal Regulations to require foreign applicants, registrants, or parties to a proceeding to be represented by an attorney, as defined in § 11.1, 37 CFR 11.1, that is, an attorney who is an active member in good standing of the bar of the highest court of a U.S. state (including the District of Columbia and any Commonwealth or territory of the U.S.) and who is qualified under § 11.14(a), 37 CFR 11.14(a), to represent others before the Office in trademark matters. A requirement that

such foreign applicants, registrants, or parties be represented by a qualified U.S. attorney will (1) instill greater confidence in the public that U.S. registrations that issue to foreign applicants are not subject to invalidation for reasons such as improper signatures and use claims and (2) enable the USPTO to more effectively use available mechanisms to enforce foreign applicant compliance with statutory and regulatory requirements in trademark matters.

### **I. Integrity of the U.S. Trademark Register**

The trademark register must accurately reflect marks that are actually in use in commerce in the U.S. for the goods/services identified in the registrations. By registering trademarks, the USPTO has a significant role in protecting consumers, as well as providing important benefits to U.S. commerce by allowing businesses to strengthen and safeguard their brands and related investments.

The public relies on the register to determine whether a chosen mark is available for use or registration. When a person's search of the register discloses a potentially confusingly similar mark, that person may incur a variety of resulting costs and burdens, such as those associated with investigating the actual use of the disclosed mark to assess any conflict, initiating proceedings to cancel the registration or oppose the application of the disclosed mark, engaging in civil litigation to resolve a dispute over the mark, or choosing a different mark and changing business plans regarding its mark. In addition, such persons may incur costs and burdens unnecessarily if the disclosed registered mark is not actually in use in U.S. commerce, or is not in use in commerce in connection with all the goods/services identified in the registration. An accurate and reliable trademark register helps avoid such needless costs and burdens.

A valid claim of use made as to a registered mark likewise benefits the registrant. Fraudulent or inaccurate claims of use jeopardize the validity of any resulting registration and may render it vulnerable to cancellation. Furthermore, trademark documents submitted in support of registration require statutorily prescribed averments and must be signed in accordance with § 2.193(e)(1), 37 CFR 2.193(e)(1). If signed by a person determined to be an unauthorized signatory, a resulting registration may be invalid.

Therefore, the USPTO anticipates that implementation of this rule will have the benefit of generally reducing costs to applicants, registrants, and other parties and providing greater value to consumers who rely on registered marks.

As discussed below, in the past few years, the USPTO has seen many instances of unauthorized practice of law (UPL) where foreign parties who are not authorized to represent trademark applicants are improperly representing foreign applicants before the USPTO. As a result, increasing numbers of foreign applicants are likely receiving inaccurate or no information about the legal requirements for trademark registration in the U.S., such as the standards for use of a mark in commerce, who can properly aver to matters and sign for the mark owner, or even who the true owner of a mark is under U.S. law. This practice raises legitimate concerns that affected applications and any resulting registrations are potentially invalid, and thus negatively impacts the integrity of the trademark register.

## **II. Enforce Compliance with U.S. Statutory and Regulatory Requirements**

The requirement for representation by a qualified U.S. attorney is also necessary to enforce compliance by all foreign applicants, registrants, and parties with U.S. statutory and regulatory requirements in trademark matters. It will not only aid the

USPTO in its efforts to improve and preserve the integrity of the U.S. trademark register, but will also ensure that foreign applicants, registrants, and parties are assisted only by authorized practitioners who are subject to the USPTO's disciplinary rules.

The USPTO is implementing the requirement for representation by a qualified U.S. attorney in response to the increasing problem of foreign trademark applicants who purportedly are pro se (i.e., one who does not retain a lawyer and appears for himself or herself) and who are filing inaccurate and possibly fraudulent submissions that violate the Trademark Act (Act) and/or the USPTO's rules. For example, such foreign applicants file applications claiming use of a mark in commerce, but frequently support the use claim with mocked-up or digitally altered specimens that indicate the mark may not actually be in use. Many appear to be doing so on the advice, or with the assistance, of foreign individuals and entities who are not authorized to represent trademark applicants before the USPTO. This practice undermines the accuracy and integrity of the U.S. trademark register and its utility as a means for the public to reliably determine whether a chosen mark is available for use or registration, and places a significant burden on the trademark examining operation.

*Current Mechanisms and Sanctions are Inadequate*

(1) Show-Cause Authority: Under 35 U.S.C. 3(b)(2)(A), the Commissioner for Trademarks (Commissioner) possesses the authority to manage and direct all aspects of the activities of the USPTO that affect the administration of trademark operations. The Commissioner may use that authority to investigate and issue an order requiring an applicant to show cause why the applicant's representative, or the applicant itself, should not be sanctioned under § 11.18(c), 37 CFR 11.18(c), for presenting a paper to the

USPTO in violation of § 11.18(b), 37 CFR 11.18(b). However, given the location of foreign applicants and those acting on their behalf, as well as potential language barriers, the show-cause authority has rarely been successful in resolving the underlying issues. Although all those who sign documents in trademark matters before the USPTO do so subject to criminal penalties for knowing and willful false statements made to a government agency under 18 U.S.C. 1001, the criminal perjury prosecution option under 18 U.S.C. 1001 is similarly difficult to enforce against those who are not subject, or are not easily subject, to U.S. jurisdiction. Further, proof to support such sanctions under § 11.18 is often difficult to obtain. For these primary reasons, when a foreign applicant fails to comply with statutory and regulatory requirements in ex parte examination, it has been challenging and, in some cases, impossible for the Commissioner to use her show-cause authority to impose the sanctions available under § 11.18(c).

(2) USPTO Disciplinary Authority Under 35 U.S.C. 32: Requiring foreign applicants, registrants, and parties to retain U.S. counsel in all trademark matters before the USPTO will likely reduce the instances of UPL and misconduct. In addition, when UPL and/or misconduct does occur, requiring foreign applicants, registrants, and parties to retain U.S. counsel will enable the Office of Enrollment and Discipline (OED) to more effectively pursue those who are engaged in UPL and/or misconduct. OED's disciplinary jurisdiction extends to a "Practitioner," as that term is defined in § 11.1, 37 CFR 11.1, or a non-practitioner who offers legal services to people seeking to register trademarks with the USPTO. For practitioners, OED may investigate and institute formal disciplinary proceedings, which can result in discipline of the practitioner, including: (1) exclusion

from practice before the Office; (2) suspension from practice before the Office; (3) reprimand or censure; or (4) probation.

When formal discipline is issued against a U.S. practitioner, OED may also notify other federal agencies and the U.S. state bar(s) where the practitioner is licensed and/or authorized to practice law, as appropriate. A number of states have criminal statutes penalizing UPL. Depending on the state, the state bar, consumer-protection arm of the state's attorney office, and/or state consumer-protection agency may investigate UPL and take action to protect the public. Additionally, consumer-protection organizations and law-enforcement agencies can investigate possible civil or criminal fraud at the federal and state level. OED's ability to refer a disciplinary matter to a state bar for further action or to a federal or state consumer-protection agency, or law-enforcement agency, thus effectively deters disciplined practitioners from violating the terms of their disciplinary orders.

However, the threat of a claim of UPL has not been equally effective with foreign applicants and the unqualified foreign individuals, attorneys, or firms advising them. Although the USPTO investigates possible UPL by such foreign parties, because these parties are not practitioners authorized to practice before the USPTO, the absence of any realistic threat of disciplinary action has impeded the USPTO's efforts to deter foreign parties from engaging in UPL or violating a USPTO exclusion order. In addition, while the USPTO can send a letter to a foreign government regarding the USPTO's exclusion order, foreign government officials have great discretion regarding whether to pursue further sanctions against their own citizens. Further, since foreign parties are representing foreign applicants, there may be few U.S. stakeholders directly affected by UPL by the

foreign party. There is little incentive for a state or federal law-enforcement or consumer-protection agency to take action against a foreign party engaged in UPL to protect U.S. interests, or to pursue further action with consumer-protection agencies in other countries where the foreign national does business. Moreover, the threat of criminal perjury prosecution in U.S. courtrooms does not have the same deterrent effect for foreign nationals as it does for U.S. nationals and domiciles.

As a practical matter, even if U.S. law enforcement is able to devote resources toward prosecution of a foreign national for a violation of 18 U.S.C. 1001, exerting jurisdiction over such a party is not always possible. Furthermore, many foreign unauthorized parties acting on behalf of foreign applicants and registrants who have been excluded by a Commissioner's order typically continue to engage in UPL before the USPTO, often increasing the scale of their efforts and employing tactics intended to circumvent the USPTO's rules.

Under this rule, submissions must be made by practitioners subject to the disciplinary jurisdiction of OED, making it less likely that they will be signed by an unauthorized party or contain statements that are inaccurate, particularly as to any averment of use of the mark in U.S. commerce or intention to use the mark. Further, because it will result in a more accurate and reliable trademark register, fewer U.S. applicants, registrants, and parties will incur the costs associated with investigating the actual use of a mark to assess any conflict, initiating proceedings to cancel a registration or oppose an application, engaging in civil litigation to resolve a dispute over a mark, or changing business plans to avoid use of a chosen mark.

### *Surge in Foreign Filings*

Contributing to concerns regarding UPL, in recent years the USPTO has experienced a significant surge in foreign filings, with the number of trademark applications from foreign applicants increasing as a percentage of total filings, as shown in the following table. The numbers in parentheses indicate the number of applications represented by each percentage:

<b>Filings from Foreign or U.S. Applicants as a Percentage of Total Filings*</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>
Foreign	19% (70,853)	22% (87,706)	26% (115,402)
U.S.	81% (301,098)	78% (306,281)	74% (320,885)

\*Data as of 12/10/2018.

The USPTO predicts that the number of foreign trademark filings will continue to rise based on a variety of economic factors, including the strength of the U.S. economy. This growth is coupled with a significant growth in the number of filings by foreign pro se applicants in FY15 through FY17, especially as compared with filings by U.S. pro se applicants. The information shown below reflects the representation status at the time the USPTO electronic record was searched to obtain the data. Representation status may change over the course of prosecution. However, system limitations only permit the USPTO to retrieve representation status at the time a search is done.

<b>Filings from Foreign or U.S. Applicants – Representation Status*</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>
U.S. - Pro Se	25.3% (76,140)	27.2% (83,161)	28.5% (91,593)

U.S. - Represented	74.7% (224,958)	72.8% (223,120)	71.5% (229,292)
Foreign - Pro Se	25.4% (17,967)	35.9% (31,475)	44.0% (50,742)
Foreign - Represented	74.6% (52,886)	64.1% (56,231)	56.0% (64,660)

\*Data as of 12/10/2018.

The USPTO continues to address numerous instances of UPL by foreign parties who engage in tactics designed to circumvent USPTO rules. When the USPTO identifies UPL by foreign parties in an application, the USPTO sends information to the applicant’s address of record informing the applicant that its appointed representative has been “excluded” from practice before the USPTO and cannot represent the applicant in the matter. In addition, the USPTO publishes the orders excluding foreign unauthorized individuals and entities on its website and suggests that applicants review all application submissions previously submitted on their behalf. However, in many applications, the address information for the applicant is not legitimate (i.e., the address is for the unauthorized individual or entity representing the applicant) or is incomplete or inaccurate, and the USPTO cannot be sure that the affected applicants receive the information regarding the excluded representative. This fact raises concerns that the affected applications are potentially invalid because they were signed by an unauthorized party or contain statements that are inaccurate, particularly as to any averment of use of the mark in U.S. commerce or intention to use the mark, which forms the underlying statutory basis for federal registration.

Efforts to educate foreign applicants about UPL or to impose effective sanctions against the foreign unauthorized individuals or entities have proved ineffective. The problem of foreign applicants who violate U.S. legal and regulatory requirements in trademark matters and do so largely on the advice of foreign unauthorized individuals or entities grows each month. Within the last few years, the scale of the problem has become massive, with the estimated number of total tainted applications now in the tens of thousands. It also is becoming increasingly difficult for the USPTO, with its limited resources, to identify and prove misconduct and UPL, particularly as tactics and technology to mask the misconduct evolve.

### **III. Rule Changes**

(1) *Requirement for Representation.* Under this rule, § 2.11 is amended to require applicants, registrants, or parties to a trademark proceeding whose domicile is not located within the U.S. or its territories to be represented by an attorney who is an active member in good standing of the bar of the highest court of any of the 50 states of the U.S., the District of Columbia, or any Commonwealth or territory of the U.S.

In this final rule, the USPTO has further revised § 2.11 to add paragraph (f), which limits an applicant's or registrant's remedy to a petition to the Director in the situation when the USPTO issues an Office action that maintains only a requirement under paragraphs (a), (b), and/or (c) of this section, or maintains the requirement for the processing fee under § 2.22(c) in addition to one or all of those requirements. These requirements are purely procedural in nature and thus are appropriate subject matter for a petition to the Director. They also raise narrow issues that can be more efficiently reviewed and resolved by the Director on petition than by the Trademark Trial and

Appeal Board on appeal. Therefore, the USPTO believes that it will streamline examination and expedite resolution of challenges to an Office action that maintains only these requirements by requiring that such challenge be made by a petition to the Director.

To ensure clarity regarding who is subject to the requirements of § 2.11, § 2.2 is amended to define “domicile” and “principal place of business.” Although it was not in the proposed rule, the USPTO also amends § 7.1(f) to clarify that the other definitions in §2.2 apply to part 7. The requirement is similar to the requirement that currently exists in many other countries. The majority of countries with a similar requirement condition the requirement on domicile and the USPTO is following this practice. Moreover, requiring a qualified attorney to represent applicants, registrants, and parties whose domicile is not located within the U.S. or its territories is an effective tool for combatting the growing problem of foreign individuals, entities, and applicants failing to comply with U.S. law. For consistency with this requirement, the USPTO has clarified that the address required in §§ 2.22(a)(1) and 2.32(a)(2) is the domicile address. Further, to authorize the USPTO to require an applicant or registrant to provide and maintain a current domicile address, the USPTO codifies a new regulatory section at 37 CFR 2.189.

An affected applicant is required to obtain U.S. counsel to prosecute the application. Therefore, when the USPTO receives a trademark application filed by a foreign domiciliary, with a filing basis under section 1 and/or section 44 of the Act, 15 U.S.C. 1051, 1126, that does not comply with the requirements of § 2.11(a), the applicant will be informed in an Office action that appointment of a qualified U.S. attorney is required. The applicant will have the current usual period of six months to respond to an

Office action including the requirement, and failure to comply will result in abandonment of the application. *See* 37 CFR 2.63, 2.65(a).

Foreign-domiciled applicants who submit an application based on section 66(a) of the Act (Madrid application), 15 U.S.C. 1141f, are also subject to the requirement to appoint a qualified U.S. attorney. Madrid applications are initially filed with the International Bureau (IB) of the World Intellectual Property Organization and subsequently transmitted to the USPTO. There is currently no provision for designating a U.S. or any other local attorney in an application submitted to the IB. Therefore, the USPTO will waive the requirement to appoint a qualified U.S. practitioner prior to publication for the small subset of Madrid applications (2.9% of all Madrid applications in fiscal year 2017) submitted with all formalities and statutory requirements already satisfied and in condition for publication upon first action until the Madrid system is updated to allow for the designation of a U.S. attorney.

(2) *Recognition of representatives and requirement for bar information.* Under § 2.32(a)(4), a recognized representative must provide his or her bar information as a requirement for a complete trademark application. For consistency with requiring this information as to pending applications, the requirement is added to § 2.17(b)(3) to make clear that the requirement for attorney bar information for recognized representatives also applies in post-registration maintenance documents, submissions in Madrid applications, and TTAB proceedings. Also, § 2.17(b)(1)(iii) and (b)(2) is amended to clarify the previous wording “in person” and “personal appearance” regarding how a qualified practitioner is recognized as a representative. Section 2.17(e) is revised to clarify that recognition of all foreign attorneys and agents, not just those from Canada, is governed

by § 11.14(c). The change to § 2.17(g) was made in response to a commenter who requested that the USPTO clarify how long representation continues. Prior to implementation of this rule, § 2.17(g) referred to the duration of a power of attorney. However, under § 2.17(b), a representative may be recognized by methods other than the filing of a power of attorney. Therefore, in order to respond to the commenter's inquiry and to clarify when recognition ends, regardless of the how the representative was recognized, the USPTO felt it was necessary to amend § 2.17(g) to make clear that it refers to the duration of recognition, not just to the duration of a power of attorney. However, no changes were made to the current length of representation. Conforming amendments are also made to § 2.22, for filing a TEAS Plus application.

(3) *Reciprocal recognition.* Under this rule, § 11.14 is amended to clarify that only registered and active foreign attorneys or agents who are in good standing before the trademark office of the country in which the attorney or agent resides and practices may be recognized for the limited purpose of representing parties located in such country, provided the trademark office of such country and the USPTO have reached an official understanding to allow substantially reciprocal privileges. This rule also requires that in any trademark matter where an authorized foreign attorney or agent is representing an applicant, registrant, or party to a proceeding, a qualified U.S. attorney must also be appointed pursuant to § 2.17(b) and (c) as the representative who will file documents with the Office and with whom the Office will correspond.

Currently, only Canadian attorneys and agents are reciprocally recognized under § 11.14(c). This rule removes from the regulations at § 11.14(c) the authorization for reciprocally recognized Canadian patent agents to practice before the USPTO in

trademark matters, but continues to allow reciprocal recognition of Canadian trademark attorneys and agents in trademark matters. Those Canadian patent agents already recognized to practice in U.S. trademark matters continue to be authorized to practice in pending trademark matters on behalf of Canadian parties only (1) so long as the patent agent remains registered and in good standing in Canada and (2) in connection with an application or post-registration maintenance filing pending before the Office on the effective date of this rule for which the recognized patent agent is the representative. Recognized Canadian trademark attorneys and agents continue to be authorized to represent Canadian parties in U.S. trademark matters.

#### **IV. Cost to Retain U.S. Counsel**

The following tables estimate the costs for complying with this rule, using FY17 filing numbers for pro se applicants and registrants with a domicile outside the U.S. or its territories and for Madrid applicants and registrants. The professional rates shown below are the median charges for legal services in connection with filing and prosecuting an application, or filing a post-registration maintenance document, as reported in the 2017 Report on the Economic Survey, published by the American Intellectual Property Law Association.

As noted above, applicants subject to this rule are required to retain U.S. counsel to prosecute an application and to handle post-registration maintenance requirements and proceedings before the Trademark Trial and Appeal Board (TTAB). The tables below reflect two sets of aggregate costs — those for applicants who filed pro se in FY17 and would have retained counsel prior to filing and those who would have retained counsel after filing. As discussed above, the information shown below reflects the representation

status at the time the USPTO electronic record was searched to obtain the data. Representation status may change over the course of prosecution and after registration. The USPTO does not collect information or statistics on applicants who file pro se but subsequently retain counsel during the prosecution of their application. The USPTO recognizes that there may have been a higher number of pro se applicants at filing than is reflected below because some of those applicants subsequently retained counsel prior to the date the search report was generated. Therefore, although it is possible that a higher number of pro se applicants may incur the cost of having counsel prepare and file an application, some applicants would have already incurred the additional cost for prosecution of the application.

The following table sets out the estimated costs, based on filing basis, if pro se applicants in FY17 with a domicile outside the U.S. or its territories retained counsel prior to filing their applications. A filing basis is the statutory basis for filing an application for registration of a mark in the U.S. An applicant must specify and meet the requirements of one or more bases in a trademark or service mark application. 37 CFR 2.32(a)(5). There are five filing bases: (1) use of a mark in commerce under section 1(a) of the Act; (2) bona fide intention to use a mark in commerce under section 1(b) of the Act; (3) a claim of priority, based on an earlier-filed foreign application under section 44(d) of the Act; (4) ownership of a registration of the mark in the applicant's country of origin under section 44(e) of the Act; and (5) extension of protection of an international registration to the U.S. under section 66(a) of the Act. 15 U.S.C. 1051(a)-(b), 1126(d)-(e), 1141f(a). The number of applicants shown within each filing-basis category in the tables

below reflects the basis status at the time the USPTO electronic record was searched to obtain the representation status.

Although the USPTO believes that applicants who are subject to the requirement should retain U.S. counsel prior to filing an application, the USPTO recognizes that not all will do so. Therefore, the USPTO expects that the total estimated costs reflected in the table below would be reduced by the number of applicants within each filing-basis category who file an application without retaining U.S. counsel.

<b>FY 17 Pro se Applications by Basis (excluding Madrid) – Cost if Counsel Retained Before Filing*</b>							
<b>Activity Performed by Counsel</b>	<b>Median Charge</b>	<b>1(a)<sup>‡</sup> 35,506</b>	<b>1(b) 4,010</b>	<b>1(a)/1(b) 69</b>	<b>44 1,142</b>	<b>44/1(b) 137</b>	<b>Total Cost</b>
Filing foreign origin registration application received ready for filing	\$600	N/A	N/A	N/A	\$603,000 <sup>§</sup>	N/A	\$603,000
Preparing and filing application	\$775	\$27,517,150	\$3,107,750	\$53,475	N/A	\$106,175	\$30,784,550
Prosecution, including amendments and interviews but not appeals	\$1,000	\$35,506,000	\$4,010,000	\$69,000	\$1,142,000	Included in 44 applications	\$40,727,000
Statement of use <sup>†</sup>	\$400	N/A	\$1,604,000	\$27,600	N/A	\$54,800	\$1,686,400
<b>TOTAL</b>		<b>\$63,023,150</b>	<b>\$8,721,750</b>	<b>\$150,075</b>	<b>\$1,745,000</b>	<b>\$160,975</b>	<b>\$73,800,950</b>

\*Data as of 12/10/2018. In addition to the number of applications shown for each filing basis, an additional 62 applications did not indicate a basis on the date of filing and currently have no filing basis, either because the application abandoned or because the applicant had not yet responded to the requirement to indicate a basis.

<sup>†</sup>If an application is filed under section 1(b) of the Act, the applicant must file a statement of use prior to registration.

<sup>‡</sup>The numbers underneath the filing basis indicate the number of applications filed for that basis.

<sup>§</sup>The cost shown is for 1,005 section 44 applications, which is the total number of section 44 applications minus the subset that also includes a section 1(b) filing basis.

Alternatively, the table below sets out the estimated costs, based on filing basis, if pro se applicants in FY17 with a domicile outside the U.S. or its territories retained counsel after filing their applications. As in the situation described above, the USPTO anticipates that a certain number of these applicants would retain U.S. counsel prior to

filing an application. Therefore, the USPTO expects that the total estimated costs reflected in the table below would be increased by the number of applicants within each filing-basis category who chose to do so.

<b>FY17 Pro se Applications by Basis (excluding Madrid) – Cost if Counsel Retained After Filing*</b>							
<b>Activity Performed by Counsel</b>	<b>Median Charge</b>	<b>1(a) 35,506<sup>‡</sup></b>	<b>1(b) 4,010</b>	<b>1(a)/1(b) 69</b>	<b>44 1,142</b>	<b>44/1(b)<sup>§</sup> 137</b>	<b>Total Cost</b>
Filing foreign origin registration application received ready for filing	\$600	N/A	N/A	N/A	N/A	N/A	
Preparing and filing application	\$775	N/A	N/A	N/A	N/A	N/A	
Prosecution, including amendments and interviews but not appeals	\$1,000	\$35,506,000	\$4,010,000	\$69,000	\$1,142,000	Included in prior column	\$40,727,000
Statement of use <sup>†</sup>	\$400	N/A	\$1,604,000	\$27,600	N/A	\$54,800	\$1,686,400
<b>TOTAL</b>		<b>\$35,506,000</b>	<b>\$5,614,000</b>	<b>\$96,600</b>	<b>\$1,142,000</b>	<b>\$54,800</b>	<b>\$42,413,400</b>

\*Data as of 12/10/2018. In addition to the number of applications shown for each filing basis, an additional 62 applications did not indicate a basis on the date of filing and currently have no filing basis, either because the application abandoned or because the applicant had not yet responded to the requirement to indicate a basis.

<sup>†</sup>If an application is filed under section 1(b) of the Act, the applicant must file a statement of use prior to registration.

<sup>‡</sup>The numbers underneath the filing basis indicate the number of applications filed for that basis.

<sup>§</sup>This column represents the subset of section 44 applications that also includes a section 1(b) filing basis.

As discussed above, Madrid applications are initially filed with the IB and subsequently transmitted to the USPTO. In FY17, the USPTO received 24,418 Madrid applications in which the applicant had an address outside the U.S. or its territories, and thus would be subject to the requirement to retain U.S. counsel. There is currently no provision for designating a U.S. attorney in an application submitted to the IB. Therefore, the USPTO presumes that none of the Madrid applicants subject to the requirement retained U.S. counsel prior to filing. However, USPTO records indicate that at some point after filing, 14,602 of those FY17 Madrid applicants were represented by counsel.

Therefore, only the remaining 9,816 Madrid applicants would be subject to the requirement to retain U.S. counsel to prosecute their applications, as shown in the following table:

<b>FY17 Madrid Applications – Cost if Counsel Retained After Filing*</b>			
<b>Activity Performed by Counsel</b>	<b>FY17</b>	<b>Median Charge</b>	<b>Total Charge</b>
Prosecution, including amendments and interviews but not appeals	9,816	\$1,000	\$9,816,000
<b>TOTAL</b>			<b>\$9,816,000</b>

\*Data as of 12/10/2018.

The following table sets out the estimated costs to FY17 pro se registrants who would be subject to § 2.11(a) when filing a post-registration maintenance document.

<b>FY17 Pro se Post-Registration Filings – Cost if Counsel Retained Before Filing*</b>			
<b>Activity Performed by Counsel</b>	<b>FY17</b>	<b>Median Charge</b>	<b>Total Charge</b>
Section 8 and 15 <sup>†</sup>	976	\$500	\$488,000
Renewal <sup>‡</sup>	405	\$500	\$202,500
Section 71 <sup>§</sup>	522	\$500	\$261,000
Madrid Renewal <sup>  </sup>	134	\$500	\$67,000
<b>TOTAL</b>			<b>\$1,018,500</b>

\*Data as of 12/10/2018.

<sup>†</sup>Under section 8 of the Act, 15 U.S.C. 1058, an affidavit or declaration of continued use is required during the sixth year after the date of registration for registrations issued under section 1 or section 44 of the Act. Section 15 of the Act, 15 U.S.C. 1065, provides a procedure by which the exclusive right to use a registered mark in commerce on or in connection with the goods or services covered by the registration can become “incontestable,” if the owner of the registration files an affidavit or declaration stating, among other criteria, that the mark has been in continuous use in commerce for a period of five years after the date of registration.

<sup>‡</sup>Section 9 of the Act, 15 U.S.C. 1059, requires that registrations resulting from applications based on section 1 or section 44 be renewed at the end of each successive 10-year period following the date of registration.

<sup>§</sup>Under section 71 of the Act, 15 U.S.C. 1141k, an affidavit or declaration of use is required during the sixth year after the date of registration for registered extensions of protection of international registrations to the U.S.

<sup>||</sup>The term of an international registration is ten years, and it may be renewed for ten years upon payment of the renewal fee. Articles 6(1) and 7(1) of the Common Regulations Under the Madrid Agreement Concerning the International Registration of Marks and the Protocol Relating to That Agreement.

For applicants, registrants, and parties not subject to the requirement to retain U.S. counsel, the USPTO anticipates that implementation of this rule will result in a more

accurate and reliable trademark register, which will have the benefit of generally reducing costs to applicants, registrants, and parties and providing greater value to consumers who rely on registered marks. Under this rule, submissions will be made by practitioners subject to the disciplinary jurisdiction of OED, making it less likely that they will be signed by an unauthorized party or contain statements that are inaccurate, particularly as to any averment of use of the mark in U.S. commerce or intention to use the mark. Because it will result in a more accurate and reliable trademark register, fewer U.S. applicants, registrants, and parties will incur the costs associated with investigating the actual use of a mark to assess any conflict, initiating proceedings to cancel a registration or oppose an application, engaging in civil litigation to resolve a dispute over a mark, or changing business plans to avoid use of a chosen mark.

#### **Proposed Rule: Comments and Responses**

The USPTO published a notice of proposed rulemaking (NPRM) on February 15, 2019, at 84 FR 4393, soliciting comments on the proposed amendments. In response, the USPTO received comments from five groups and thirty-three commenters representing law firms, organizations, individuals, and other interested parties. The majority (74%) expressed support for the proposed requirement, with several noting that it was long overdue. Other commenters objected to the proposed requirement and suggested alternatives. In addition, some commenters raised concerns regarding discrimination against foreign-domiciled applicants and registrants while others were worried that applicants and registrants would find ways to bypass the requirement. Similar or related comments are grouped together and summarized below, followed by the USPTO's responses. All comments are posted on the USPTO's Web site at

<https://www.uspto.gov/trademark/trademark-updates-and-announcements/comments-proposed-rulemaking-require-foreign-domiciled>.

*Comment:* One commenter inquired about the “international considerations” taken into account in drafting the rule to require U.S. counsel for a complete application but not as a condition to obtain a filing date.

*Response:* Two such considerations for not making the requirement for U.S. counsel a filing date requirement are Article 5 (“Filing Date”) of both the World Intellectual Property Organization’s Singapore Treaty on the Law of Trademarks (2006) and the Trademark Law Treaty (1994). The U.S. is a contracting party to both treaties.

*Comment:* In response to the USPTO’s invitation to submit comments regarding whether the USPTO should defer full examination of an application until the applicant complies with the requirement to appoint U.S. counsel or should conduct a complete examination and issue an Office action that includes the requirement along with other applicable refusals and requirements, four commenters supported the first option and two commenters supported the second. One commenter also noted that the proposed rule was unclear on the effective date and how the proposed rules would be implemented not only with regard to newly filed trademark applications, but also as to pending applications and existing registrations, pending proceedings before the TTAB, petitions, and letters of protest.

*Response:* The USPTO is sympathetic to the comments submitted by those who support deferred examination of an application filed by a foreign applicant who is not represented by U.S. counsel and thus has not complied with the requirements of § 2.11. Having an application reviewed by a U.S. licensed attorney prior to examination on the

merits would help ensure that the application was signed by an authorized party and that all statements made in the application are accurate, particularly as to any averment that the mark is in use or intended to be used in U.S. commerce. However, the USPTO's internal electronic systems currently are not designed to accommodate a deferred examination workflow, and our current understanding is that implementing changes to those systems would require substantial investment and take at least a year or more to complete. The USPTO is currently exploring ways in which it may be able to update its electronic systems to accommodate deferred examination.

Therefore, upon the effective date of this rule and until such time as the USPTO's electronic systems may be updated to accommodate deferred examination, the USPTO will examine all newly filed applications for compliance with this rule in accordance with current examination guidelines by, in most cases, conducting a complete review of the application and issuing an Office action that includes the requirement for U.S. counsel and for domicile, when appropriate, as well as any other refusals and/or requirements. The USPTO retains its discretion to defer substantive examination and examine only for this or other requirements in appropriate circumstances. Similarly, upon the effective date of this final rule, the USPTO will examine all newly filed post-registration maintenance documents for compliance with this rule in accordance with current examination guidelines.

Furthermore, the USPTO believes it is likely that most applicants who would be subject to the requirement to appoint U.S. counsel will make the appointment in their initial application filing. Most pro se foreign applicants have historically filed their applications using TEAS Plus, which is the lowest-cost filing option, requires a complete

application, and usually results in a quicker approval for publication and registration. The revisions to § 2.22(a) enacted herein require foreign applicants who file using the TEAS Plus option to designate a U.S. attorney as the applicant's representative in order to submit the application. Assuming that these applicants continue to avail themselves of this attractive lower-cost option, the USPTO will not need to issue an Office action requiring the appointment of a U.S. counsel for TEAS Plus applicants because the application will necessarily include the required designation at filing in order to be able to successfully file with TEAS Plus. If a foreign applicant does not designate a U.S. attorney as the applicant's representative on the TEAS Plus application, the applicant will be unable to validate and file the application.

The USPTO will also implement the following procedures regarding application and registration documents filed prior to the effective date of this rule. If a document submitted by a foreign applicant or registrant prior to the effective date of this rule requires no further action by the applicant or registrant, the USPTO will not require appointment of U.S. counsel as to that filing. For example, if a foreign applicant submits a new application that is in condition for approval for publication or issuance of a registration on first action, the examining attorney will approve the application for publication or issuance of the registration. Similarly, if a response to an Office action that was filed prior to the effective date of the rule satisfies all outstanding requirements or overcomes all outstanding refusals, the examining attorney will approve the application for publication or issuance of a registration. However, if a further Office action must be issued, the Office action will include the requirement for appointment of U.S. counsel and for domicile, when appropriate.

The same procedure will be followed for post-registration maintenance documents. If a post-registration maintenance document filed before the effective date of this rule is acceptable as filed, the USPTO will not require appointment of U.S. counsel as to that document. If a post-registration Office action must be issued, however, the Office action will include the requirement for appointment of U.S. counsel. The same procedures will be followed for petitions submitted prior to the effective date of this rule. Note that third-parties who submit letters of protest regarding pending applications, pursuant to section 1715 of the Trademark Manual of Examining Procedure, are not applicants, registrants, or parties to a proceeding. Therefore, they are not subject to the requirement of this rule to appoint U.S. counsel.

The TTAB generally will apply this rule to all proceedings filed on or after the effective date of this rule, and to all proceedings pending on the effective date of this rule in which the parties must take further action. If it is necessary to require a foreign party to obtain U.S. counsel, the TTAB will suspend the proceedings and inform the party of the time frame within which it must obtain U.S. counsel.

*Comment:* The USPTO received five comments that raised concerns about the rule discriminating against foreign-domiciled applicants and registrants.

*Response:* The USPTO disagrees that the requirement for foreign-domiciled applicants and registrants to retain U.S. counsel discriminates against foreign-domiciled applicants and registrants. This rule is necessary to ensure compliance with U.S. trademark law and USPTO regulations. In order to maintain the integrity of the federal trademark register, for the benefit of all its users, the USPTO must have the appropriate tools to enforce compliance by all applicants and registrants. As discussed in the NPRM

and in the preamble, while the USPTO has effective mechanisms to sanction U.S.-domiciled applicants and registrants, the currently available mechanisms for the USPTO to sanction foreign-domiciled applicants and registrants for violations have proven to be ineffective. As the NPRM and preamble also note, a significant number of trademark offices around the world require foreign-domiciled applicants and registrants to obtain local counsel as a condition for filing papers with those trademark offices.

*Comment:* One commenter did not agree with the proposal to waive the requirement to appoint a qualified U.S. practitioner prior to publication for the small subset of Madrid applications submitted with all formalities and statutory requirements satisfied and in condition for publication upon first action until the Madrid system is updated to allow for the designation of a U.S. attorney. The commenter suggested that Madrid applicants be subject to the requirement for U.S. counsel to ensure compliance with the requirement for a bona fide intention to use the mark in U.S. commerce in connection with the goods or services identified in the application.

*Response:* The USPTO appreciates the concern raised by the commenter and has given it careful consideration. However, there is currently no mechanism for the USPTO to require a U.S. attorney to be appointed as a condition for a foreign national to file an international application under the Madrid Protocol that includes a request for extension of protection into the U.S. Moreover, the subset of Madrid applications that would not be subject to this rule is very small and, in the interests of the Madrid System, the USPTO will waive the requirement for U.S. counsel in this limited situation. Additionally, there are existing mechanisms to challenge the bona fide intention to use of an applicant filing via section 66 or section 44 of the Act.

*Comment:* Some commenters noted that the proposed rule may increase costs for foreign applicants.

*Response:* The USPTO acknowledges that the costs to comply with this rule will be incurred by foreign applicants, registrants, and parties. However, the USPTO also agrees with the commenter who stated that “the costs created by misuse of our existing system is [sic] borne by all good faith trademark users regardless of where they live or whether or not they are represented.” This rule provides qualitative value to all applicants and registrants, as well as to consumers, because it will result in a more accurate and reliable trademark register. As noted above, fraudulent or inaccurate claims of use jeopardize the validity of any registration and may render it vulnerable to cancellation. Under this rule, submissions will be made by practitioners subject to the disciplinary jurisdiction of OED, making it less likely that they will be signed by an unauthorized party or contain statements that are inaccurate, particularly as to any averment of use of the mark in U.S. commerce or intention to use the mark in U.S. commerce. Because it will result in a more accurate and reliable trademark register, fewer applicants, registrants, and parties will incur the costs associated with changing business plans to avoid use of a chosen mark. As noted by one commenter, “[b]eing forced to adopt a different mark because a first choice is blocked by a bad faith application or registration significantly adds to the cost of adopting a new trademark. The cost of delaying a brand launch for years pending the outcome of an opposition or cancellation action, however, is much greater and, in most cases, not feasible.”

*Comment:* Some commenters suggested that the USPTO allow trademark agents to represent others in trademark matters before the USPTO.

*Response:* Part 11 of title 37 of the Code of Federal Regulations governs the practice of trademark law before the USPTO. Under § 11.14(a), 37 CFR 11.14(a), only an attorney, as defined in § 11.1, may represent others before the USPTO in trademark matters. Under § 11.1, an attorney is defined as an individual who is an active member in good standing of the bar of the highest court of any State, which is defined as any of the 50 states of the U.S., the District of Columbia, and any Commonwealth or territory of the U.S. The only exception is § 11.14(c), which is amended under this rule to clarify that only registered and active foreign attorneys or agents who are in good standing before the trademark office of the country in which the attorney or agent resides and practices may be recognized for the limited purpose of representing parties located in such country, provided the trademark office of such country and the USPTO have reached an official understanding to allow substantially reciprocal privileges. This rule also requires that in any trademark matter where an authorized foreign attorney or agent is representing an applicant, registrant, or party to a proceeding, a qualified U.S. attorney must also be appointed pursuant to § 2.17(b) and (c) as the representative who will file documents with the USPTO and with whom the Office will correspond. As noted above, currently, only Canadian attorneys and agents are reciprocally recognized under § 11.14(c).

Revising the USPTO's current rules to allow representation by other trademark agents would not provide a solution to the ever-growing problem of UPL in trademark matters.

*Comment:* One commenter suggested that the USPTO consider instituting a secondary bar certification, as is required for patent attorneys, in order for an attorney to

provide trademark representation. Another commenter expressed concern that the USPTO might require such certification.

*Response:* Although the USPTO appreciates the first commenter's rationale that a secondary bar certification would help to ensure that practitioners who represent parties in trademark matters are knowledgeable in this area of practice, the USPTO does not plan at this time to require such certification. However, the USPTO will continue to review such suggestions in light of the statutory framework set forth in the Administrative Procedure Act. See 5 U.S.C. 500.

*Comment:* Some commenters expressed concerns regarding efforts by foreign applicants and registrants to circumvent the proposed requirement by using temporary or fraudulent U.S. addresses or by fraudulently using the address and contact information of U.S. attorneys. One commenter suggested that the USPTO train employees to identify suspicious domicile, attorney, and email addresses and several others suggested that the USPTO set up a secure system, similar to that used for patent applications, for filing and prosecuting trademark applications.

*Response:* The USPTO appreciates the concerns expressed by the commenters regarding efforts to circumvent this rule. The USPTO does not have the resources to investigate each U.S. domicile address provided by a non-U.S. citizen to determine whether it legitimately identifies a permanent legal residence or a principal place of business. However, the USPTO will train examining attorneys on identifying characteristics of applicant information that would warrant inquiry as to whether the applicant is subject to the requirement. Further, if the USPTO becomes aware of a potentially fictitious or false domicile address or attorney information, the USPTO can,

under § 2.61(b), require the applicant, registrant, or party to provide proof of the validity of the domicile address or attorney information.

Currently, under § 11.18(b), any party who signs, files, or submits a paper to the USPTO is certifying that all statements made of the party's own knowledge are true, or made on information and belief are believed to be true and that the paper is not being presented for an improper purpose. Under § 2.189 of this rule, each applicant and registrant must provide and keep current the address of its domicile. Further, under § 2.11(e) of this rule, a foreign applicant, registrant, or party who attempts to circumvent the requirements of § 2.11(a) of this rule by providing false, fictitious, or fraudulent information regarding its domicile address or its attorney will be subject to the sanctions in § 11.18(c), which includes terminating the proceedings before the USPTO, for example, abandoning an application or cancelling a registration.

The USPTO is also in the process of updating its electronic systems to make them more secure, including to require login to take action in trademark files.

*Comment:* One commenter stated that “U.S. licensed attorneys are not required to independently verify the validity of specimens submitted by their clients when prosecuting a trademark application and may rely on the sworn statements and specimens provided by their clients.” Another commenter inquired as to the due-diligence requirements of U.S.-licensed attorneys to ensure that use claims are valid in all of the trademark applications they file, not just those of foreign applicants.

*Response:* Under USPTO rules, attorneys must conduct a reasonable inquiry, before submitting any filing, to determine that the filing is not being presented for any improper purpose and that the facts have evidentiary support. 37 CFR 11.18. Thus,

attorneys have an independent obligation to ensure to the best of their knowledge, information, and belief that the requirements for use in U.S. commerce are met in the filings they sign or submit to the Office on behalf of their clients and it is the responsibility of the applicant and the applicant's attorney to determine whether an assertion of use in commerce has a basis in existing law and is supported by the relevant facts, including that the specimen of use is valid. 37 CFR 11.18; TMEP section 901.04.

Sanctions for violating these rules could include striking the filing, terminating the proceedings, and referring the attorney to OED for appropriate action. In addition, attorneys could be disciplined for such violations, including exclusion or suspension from practice before the USPTO, reprimand, censure, or probation. Attorneys disciplined by the USPTO also may be disciplined by their state bar.

*Comment:* Some commenters recommended that the USPTO amend the application form to reference the rule requirements in several languages, to include a section for the attorney bar information, and to mask the bar information.

*Response:* The USPTO has no plans to update the application form to reference required information in languages other than English. Under § 2.21(a), which sets out the requirements for receiving a filing date, an application under section 1 or section 44 of the Act must be in the English language. Regarding bar information, on the effective date of this rule, the application form will include specific fields to enter attorney address and bar information, including attorney bar numbers for those jurisdictions that provide them.

Attorney address and bar information is publicly available from multiple sources such as firm websites, state boards of bar overseers, and various bar associations. Because such information is so widely available to the public, it appears unnecessary to

mask the information in the USPTO's publicly available records. However, because the USPTO appreciates the concern that attorney bar information may be misused by bad actors in trademark filings, the USPTO intends to mask in the public database bar information that is entered in the dedicated fields for such information on a Trademark Electronic Application System (TEAS) form.

*Comment:* One commenter requested that the USPTO clarify whether, under this rule, representation by U.S. counsel continues after registration and through any TTAB proceedings unless properly withdrawn under §§ 2.19 and 11.116.

*Response:* Prior to implementation of this rule, § 2.17(g) referred to the duration of a power of attorney. However, under § 2.17(b), a representative may be recognized by methods other than the filing of a power of attorney. Therefore, in order to respond to the commenter's inquiry and to clarify when recognition ends, regardless of the how the representative was recognized, the USPTO felt it was necessary to amend § 2.17(g) to make clear that it refers to the duration of recognition, not just to the duration of a power of attorney. However, no changes were made to the current length of representation. Under § 2.17(g), representation during the pendency of an application ends when the mark registers, when ownership changes, or when the application is abandoned. Representation by a practitioner recognized after registration ends when the mark is cancelled or expired, when ownership changes, or when an affidavit under section 8, 12(c), 15, or 71 of the Act, renewal application under section 9 of the Act, or request for amendment or correction under section 7 of the Act, is accepted or finally rejected. Representation in TTAB proceedings may end when a written revocation of the authority to represent a party is filed with the TTAB or when the TTAB grants permission for the

practitioner to withdraw. The USPTO notes that even after representation is considered to have ended under these rules, if the attorney does not formally withdraw as representative, the USPTO's systems may still reflect the attorney's information and the USPTO may send courtesy reminders of post-registration filing deadlines to the attorney.

*Comment:* One commenter stated that it supports the USPTO's proposal to seek more reciprocal agreements with other countries, but requested information regarding how the USPTO identifies, negotiates, and implements reciprocal agreements. Another commenter indicated that he was in favor of the rule because it "adds reciprocity."

*Response:* The USPTO notes that the NPRM did not include a proposal to seek or add additional reciprocal agreements.

#### **Discussion of Regulatory Changes**

The USPTO revises § 2.2 to add § 2.2(o), defining "domicile" and § 2.2(p), defining "principal place of business."

The USPTO revises § 2.11 to change the heading to "Requirement for representation," deletes the first sentence, includes the remaining sentence in new § 2.11(a) and adds § 2.11(b) - (f), which set out the requirements regarding representation of applicants, registrants, or parties to a proceeding whose domicile is not located within the U.S. or its territories.

The USPTO revises § 2.17(b)(1)(iii) and (b)(2) to clarify how a qualified practitioner is recognized and authorized as a representative. The USPTO adds § 2.17(b)(3) to require the bar information of recognized representatives. The USPTO revises § 2.17(e) to change the word "Canadian" in the heading to "Foreign," to state that recognition of foreign attorneys and agents is governed by § 11.14(c) of this chapter, and

to delete current § 2.17(e)(1) and (2). The USPTO also revises § 2.17(g) to change the heading to “Duration of recognition” and to amend paragraphs (g)(1) and (2) to clarify when recognition of a representative ends.

The USPTO revises § 2.22(a)(1) to require the applicant’s domicile address and adds § 2.22(a)(21) to require representation by a U.S. attorney for applicants, registrants, or parties to a proceeding whose domicile is not located within the U.S. or its territories as well as the attorney’s name, postal address, email address, and bar information.

The USPTO revises § 2.32(a)(2) to include the requirement for the domicile address of each applicant and § 2.32(a)(4) to delete the current text and to indicate that when the applicant is, or must be, represented by an attorney, the attorney’s name, postal address, email address, and bar information are required.

The USPTO adds § 2.189 to require applicants and registrants to provide and keep current their domicile addresses.

The USPTO revises § 7.1(f) to indicate that all definitions in § 2.2 apply to part 7 and not just paragraphs (k) and (n) in § 2.2.

The USPTO redesignates current § 11.14(c) as § 11.14(c)(1) and clarifies the requirements for reciprocal recognition in revised paragraph (c)(1). The USPTO also adds § 11.14(c)(2) to require that in any trademark matter where an authorized foreign attorney or agent is representing an applicant, registrant, or party to a proceeding, a qualified U.S. attorney must also be appointed pursuant to § 2.17(b) and (c) as the representative who will file documents with the Office and with whom the Office will correspond. The USPTO revises § 11.14(e) to add the heading “Appearance,” and the prefatory phrase “Except as specified in § 2.11(a) of this chapter” and the wording “or on

behalf of” to the second sentence, and deletes the third sentence. The USPTO also deletes the wording “if such firm, partnership, corporation, or association is a party to a trademark proceeding pending before the Office” from § 11.14(e)(3).

### **Rulemaking Requirements**

**A. Administrative Procedure Act:** The changes in this rulemaking involve rules of agency practice and procedure, and/or interpretive rules. *See Perez v. Mortg. Bankers Ass’n*, 135 S. Ct. 1199, 1204 (2015) (Interpretive rules “advise the public of the agency’s construction of the statutes and rules which it administers.” (citation and internal quotation marks omitted)); *Nat’l Org. of Veterans’ Advocates v. Sec’y of Veterans Affairs*, 260 F.3d 1365, 1375 (Fed. Cir. 2001) (Rule that clarifies interpretation of a statute is interpretive.); *Bachow Commc’ns Inc. v. FCC*, 237 F.3d 683, 690 (D.C. Cir. 2001) (Rules governing an application process are procedural under the Administrative Procedure Act.); *Inova Alexandria Hosp. v. Shalala*, 244 F.3d 342, 350 (4th Cir. 2001) (Rules for handling appeals were procedural where they did not change the substantive standard for reviewing claims.).

Accordingly, prior notice and opportunity for public comment for the changes in this rulemaking are not required pursuant to 5 U.S.C. 553(b) or (c), or any other law. *See Perez*, 135 S. Ct. at 1206 (Notice-and-comment procedures are required neither when an agency “issue[s] an initial interpretive rule” nor “when it amends or repeals that interpretive rule.”); *Cooper Techs. Co. v. Dudas*, 536 F.3d 1330, 1336-37 (Fed. Cir. 2008) (stating that 5 U.S.C. 553, and thus 35 U.S.C. 2(b)(2)(B), does not require notice and comment rulemaking for “interpretative rules, general statements of policy, or rules of agency organization, procedure, or practice” (quoting 5 U.S.C. 553(b)(A))). However,

the Office has chosen to seek public comment before implementing the rule to benefit from the public's input.

**B. Final Regulatory Flexibility Analysis:** The USPTO publishes this Final Regulatory Flexibility Analysis (FRFA) as required by the Regulatory Flexibility Act (RFA) (5 U.S.C. 601 et seq.) to examine the impact of the Office's changes to require U.S. counsel for foreign-domiciled applicants, registrants, and parties to a proceeding. Under the RFA, whenever an agency is required by 5 U.S.C. 553 (or any other law) to publish a notice of proposed rulemaking (NPRM), the agency must prepare and make available for public comment a FRFA, unless the agency certifies under 5 U.S.C. 605(b) that the proposed rule, if implemented, will not have a significant economic impact on a substantial number of small entities. 5 U.S.C. 603, 605. The USPTO published an Initial Flexibility Analysis (IRFA), along with the NPRM, on February 15, 2019 (84 FR 4393). The USPTO received no comments from the public directly applicable to the IFRA, as stated below in Item 2.

Items 1-6 below discuss the six items specified in 5 U.S.C. 604(a)(1)-(6) to be addressed in a FRFA. Item 6 below discusses alternatives considered by the Office.

**1. Succinct statement of the need for, and objectives of, the rule:**

This rule requires applicants, registrants, or parties to a proceeding whose domicile is not located within the U.S. or its territories to be represented by an attorney who is an active member in good standing of the bar of the highest court of a U.S. state (including the District of Columbia and any Commonwealth or territory of the U.S.) and who is qualified to represent others before the Office in trademark matters.

The requirement for representation by a qualified U.S. attorney is in response to the increasing problem of foreign trademark applicants who purportedly are pro se and who are filing what appear to be inaccurate and even fraudulent submissions that violate the Act and/or the USPTO's rules. In the past few years, the USPTO has seen many instances of UPL where foreign parties who are not authorized to represent trademark applicants are improperly representing foreign applicants before the USPTO. As a result, increasing numbers of foreign applicants are likely receiving inaccurate or no information about the legal requirements for trademark registration in the U.S., such as the standards for use of a mark in commerce, who can properly aver to matters and sign for the mark owner, or even who the true owner of a mark is under U.S. law. This practice raises legitimate concerns that affected applications and any resulting registrations are potentially invalid, particularly as to averments of use of the mark in U.S. commerce or intention to use the mark, and thus negatively impacts the integrity of the federal trademark register.

The requirement is also necessary to enforce compliance by all foreign applicants, registrants, and parties with U.S. statutory and regulatory requirements in trademark matters. Thus, it will not only aid the USPTO in its efforts to improve and preserve the integrity of the U.S. trademark register, but will also ensure that foreign applicants, registrants, and parties are assisted only by authorized practitioners who are subject to the USPTO's disciplinary rules.

The policy objectives of this rule are to: (1) instill greater confidence in the public that U.S. registrations that issue to foreign applicants are not subject to invalidation for reasons such as improper signatures and use claims and (2) enable the

USPTO to more effectively use available mechanisms to enforce foreign applicant compliance with statutory and regulatory requirements in trademark matters. As to the legal basis for this rule, section 41 of the Act, 15 U.S.C. 1123, as well as 35 U.S.C. 2, provide the authority for the Director to make rules and regulations for the conduct of proceedings in the Office.

**2. A statement of the significant issues raised by the public comments in response to the initial regulatory flexibility analysis, a statement of the assessment of the Agency of such issues, and a statement of any changes made in the proposed rule as a result of such comments:**

The USPTO did not receive any public comments in response to the IRFA. However, the Office received comments about the proposed requirement for U.S. counsel, which are discussed in the preamble.

**3. The response of the Agency to any comments filed by the Chief Counsel for Advocacy of the Small Business Administration in response to the proposed rule, and a detailed statement of any change made to the proposed rule in the final rule as a result of the comments:**

The USPTO did not receive any comments filed by the Chief Counsel for Advocacy of the Small Business Administration in response to the proposed rule.

**4. Description of and an estimate of the number of small entities to which the rule will apply or an explanation of why no such estimate is available:**

To comply with this rule, foreign applicants, registrants, or parties are required to be represented by an attorney who is an active member in good standing of the bar of the highest court of a U.S. state (including the District of Columbia and any Commonwealth

or territory of the U.S.). Applicants for a trademark are not industry specific and may consist of individuals, small businesses, non-profit organizations, and large corporations. The USPTO does not collect or maintain statistics on small- versus large-entity applicants, registrants, or parties, and this information would be required in order to determine the number of small entities that would be affected by the proposed rule.

**5. Description of the projected reporting, recordkeeping, and other compliance requirements of the rule, including an estimate of the classes of small entities which will be subject to the requirement and the type of professional skills necessary for preparation of the report or record:**

There are no recordkeeping requirements imposed by this rule. The reporting requirement of this rule consists of entering the attorney name, address, and bar information in the required fields on the USPTO's electronic forms or providing the information on documents submitted to the USPTO by other methods. There are no professional skills necessary for the reporting of the attorney name, address, and bar information.

To comply with this rule, applicants, registrants, and parties to a proceeding whose domicile is not located within the U.S. must hire an attorney who is an active member in good standing of the bar of the highest court of a U.S. state (including the District of Columbia and any Commonwealth or territory of the U.S.) and who is qualified under § 11.14(a), 37 CFR 11.14(a), to represent them before the Office in trademark matters.

**6. Description of the steps the Agency has taken to minimize the significant economic impact on small entities consistent with the stated objectives of applicable**

**statutes, including a statement of the factual, policy, and legal reasons for selecting the alternative adopted in the final rule and why each one of the other significant alternatives to the rule considered by the Agency which affect the impact on small entities was rejected:**

The USPTO considered three alternatives before recommending that foreign applicants, registrants, or parties be represented by a qualified U.S. attorney. The USPTO chose the alternative herein because it will enable the Office to achieve its goals effectively and efficiently. Those goals are to (1) instill greater confidence in the public that U.S. registrations that issue to foreign applicants are not subject to invalidation for reasons such as improper signatures and use claims and (2) enable the USPTO to more effectively use available mechanisms to enforce foreign applicant compliance with statutory and regulatory requirements in trademark matters.

Due to the difficulty in quantifying the intangible benefits associated with the preferred alternative, the Office provides below a discussion of the qualitative benefits to trademark applicants and registrants. One of the primary benefits of the preferred alternative is ensuring the accuracy of the trademark register. The accuracy of the trademark register as a reflection of marks that are actually in use in commerce in the U.S. for the goods/services identified in the registrations listed therein serves a critical purpose for the public and for all registrants. By registering trademarks, the USPTO has a significant role in protecting consumers, as well as providing important benefits to American businesses, by allowing them to strengthen and safeguard their brands and related investments. Such benefits would be especially valuable for small entities for the following reasons. The public relies on the register to determine whether a chosen mark

is available for use or registration. When a person's search of the register discloses a potentially confusingly similar mark, that person may incur a variety of resulting costs and burdens, such as those associated with investigating the actual use of the disclosed mark to assess any conflict, initiating proceedings to cancel the registration or oppose the application of the disclosed mark, engaging in civil litigation to resolve a dispute over the mark, or changing business plans to avoid use of the party's chosen mark. In addition, such persons may incur costs and burdens unnecessarily if a registered mark is not actually in use in commerce in the U.S., or is not in use in commerce in connection with all the goods/services identified in the registration. An accurate and reliable trademark register helps avoid such needless costs and burdens. A valid claim of use made as to a registered mark likewise benefits the registrant. Fraudulent or inaccurate claims of use jeopardize the validity of any resulting registration and may subject it to attack and render it vulnerable to cancellation.

The chosen alternative also addresses the increasing problem of foreign trademark applicants who purportedly are pro se and who are filing what appear to be inaccurate and possibly even fraudulent submissions that violate the Act and/or the USPTO's rules. Requiring foreign applicants, registrants, and parties to retain U.S. counsel in all trademark matters before the USPTO will likely reduce the instances of UPL and misconduct and, when misconduct does occur, it will enable OED to more effectively pursue those who are engaged in UPL and/or misconduct. The threat of a claim of UPL has not been effective with foreign applicants and the unqualified foreign individuals, attorneys, or firms advising them.

The USPTO estimated the costs for complying with the rule using FY17 filing numbers for pro se applicants and registrants with a domicile outside the U.S. or its territories, and for Madrid applicants and registrants. As discussed in the preamble, the cost estimates reflect the representation status at the time the USPTO electronic record was searched to obtain the data.

Applicants under section 1 or section 44 of the Act who are subject to this rule are required to retain U.S. counsel to meet the requirements for a complete application under § 2.32(a)(4). Based on FY17 filing numbers, if such applicants did not retain counsel prior to filing an application, the USPTO estimates that the cost for representation would be \$42,413,400. The estimated cost if such applicants had retained counsel prior to filing their applications would be \$73,800,950. Madrid applications, which are based on section 66(a) of the Act, are initially filed with the IB and subsequently transmitted to the USPTO. In FY17, the USPTO received 24,418 Madrid applications in which the applicant had an address outside the U.S. or its territories, and thus would be subject to the requirement. There is currently no provision for designating a U.S. attorney in an application submitted to the IB. Therefore, the USPTO presumes that none of the Madrid applicants subject to the requirement would have retained U.S. counsel prior to filing. However, USPTO records indicate that at some point after filing, 14,602 of those FY17 Madrid applicants were represented by counsel. Therefore, only the remaining 9,816 Madrid applicants would be subject to the requirement to retain U.S. counsel to prosecute their applications. Therefore, the USPTO estimates the cost to all FY17 Madrid applicants to retain counsel after filing their applications as \$9,816,000. The estimated costs to FY17 pro se registrants who registered under section 1, section 44, or section

66(a) of the Act and who would be subject to the requirement to retain U.S. counsel when filing a post-registration maintenance document is \$1,018,500.

The costs to comply with this rule would be incurred by foreign applicants, registrants, and parties. This rule does not impact individuals or large or small entities with a domicile within the U.S. Moreover, this rule provides qualitative value to all applicants and registrants, as well as to consumers, because it will result in a more accurate and reliable trademark register. Under this rule, submissions will be made by practitioners subject to the disciplinary jurisdiction of OED, making it less likely that they will be signed by an unauthorized party or contain statements that are inaccurate, particularly as to any averment of use of the mark in U.S. commerce or intention to use the mark. Because it will result in a more accurate and reliable trademark register, fewer applicants, registrants, and parties will incur the costs associated with investigating the actual use of a mark to assess any conflict, initiating proceedings to cancel a registration or oppose an application, engaging in civil litigation to resolve a dispute over a mark, or changing business plans to avoid use of a chosen mark.

The second alternative considered would be to take no action at this time. This alternative was rejected because the Office has determined that the requirement is needed to accomplish the stated objectives of instilling greater confidence in the public that U.S. registrations that issue to foreign applicants are not subject to invalidation for reasons such as improper signatures and use claims and enabling the USPTO to more effectively use available mechanisms to enforce foreign applicant compliance with statutory and regulatory requirements in trademark matters.

A third alternative considered was to propose a revision to § 2.22 that would require foreign applicants to retain U.S. counsel in order to obtain a filing date for an application under section 1 and/or section 44 of the Act. This alternative was rejected due to international considerations. Thus, when the USPTO receives an application filed by a foreign domiciliary, with a filing basis under section 1 and/or section 44 of the Act that does not comply with the requirements of § 2.11(a), the USPTO must inform the applicant that appointment of a qualified U.S. attorney is required. Although this places an additional burden on the USPTO, it minimizes the impact of this rule on small entities. Although such entities may choose to incur the cost of retaining counsel to prepare and file an application, they would not be required to do so.

**C. Executive Order 12866 (Regulatory Planning and Review):** This rulemaking has been determined to be significant for purposes of Executive Order 12866 (Sept. 30, 1993).

**D. Executive Order 13563 (Improving Regulation and Regulatory Review):** The Office has complied with Executive Order 13563 (Jan. 18, 2011). Specifically, the Office has, to the extent feasible and applicable: (1) made a reasoned determination that the benefits justify the costs of the rule; (2) tailored the rule to impose the least burden on society consistent with obtaining the regulatory objectives; (3) selected a regulatory approach that maximizes net benefits; (4) specified performance objectives; (5) identified and assessed available alternatives; (6) involved the public in an open exchange of information and perspectives among experts in relevant disciplines, affected stakeholders in the private sector and the public as a whole, and provided on-line access to the rulemaking docket; (7) attempted to promote coordination, simplification, and

harmonization across government agencies and identified goals designed to promote innovation; (8) considered approaches that reduce burdens and maintain flexibility and freedom of choice for the public; and (9) ensured the objectivity of scientific and technological information and processes.

***E. Executive Order 13771 (Reducing Regulation and Controlling Regulatory Costs):***

This rule is not subject to the requirements of Executive Order 13771 (Jan. 30, 2017) because it is expected to result in no more than *de minimis* costs to citizens and residents of the United States.

***F. Executive Order 13132 (Federalism):*** This rulemaking does not contain policies with federalism implications sufficient to warrant preparation of a Federalism Assessment under Executive Order 13132 (Aug. 4, 1999).

***G. Executive Order 13175 (Tribal Consultation):*** This rulemaking will not: (1) have substantial direct effects on one or more Indian tribes; (2) impose substantial direct compliance costs on Indian tribal governments; or (3) preempt tribal law. Therefore, a tribal summary impact statement is not required under Executive Order 13175 (Nov. 6, 2000).

***H. Executive Order 13211 (Energy Effects):*** This rulemaking is not a significant energy action under Executive Order 13211 because this rulemaking is not likely to have a significant adverse effect on the supply, distribution, or use of energy. Therefore, a Statement of Energy Effects is not required under Executive Order 13211 (May 18, 2001).

***I. Executive Order 12988 (Civil Justice Reform):*** This rulemaking meets applicable standards to minimize litigation, eliminate ambiguity, and reduce burden as set forth in sections 3(a) and 3(b)(2) of Executive Order 12988 (Feb. 5, 1996).

***J. Executive Order 13045 (Protection of Children):*** This rulemaking does not concern an environmental risk to health or safety that may disproportionately affect children under Executive Order 13045 (Apr. 21, 1997).

***K. Executive Order 12630 (Taking of Private Property):*** This rulemaking will not affect a taking of private property or otherwise have taking implications under Executive Order 12630 (Mar. 15, 1988).

***L. Congressional Review Act:*** Under the Congressional Review Act provisions of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 801 et seq.), prior to issuing any final rule, the USPTO will submit a report containing the final rule and other required information to the United States Senate, the United States House of Representatives, and the Comptroller General of the Government Accountability Office. The changes in this notice are not expected to result in an annual effect on the economy of 100 million dollars or more, a major increase in costs or prices, or significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets. Therefore, this notice is not expected to result in a “major rule” as defined in 5 U.S.C. 804(2).

***M. Unfunded Mandates Reform Act of 1995:*** The changes set forth in this notice do not involve a Federal intergovernmental mandate that will result in the expenditure by State, local, and tribal governments, in the aggregate, of 100 million dollars (as adjusted)

or more in any one year, or a Federal private sector mandate that will result in the expenditure by the private sector of 100 million dollars (as adjusted) or more in any one year, and will not significantly or uniquely affect small governments. Therefore, no actions are necessary under the provisions of the Unfunded Mandates Reform Act of 1995. *See* 2 U.S.C. 1501 et seq.

***N. National Environmental Policy Act:*** This rulemaking will not have any effect on the quality of the environment and is thus categorically excluded from review under the National Environmental Policy Act of 1969. *See* 42 U.S.C. 4321 et seq.

***O. National Technology Transfer and Advancement Act:*** The requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) are not applicable because this rulemaking does not contain provisions that involve the use of technical standards.

***P. Paperwork Reduction Act:*** This rulemaking involves information collection requirements that are subject to review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.). The collection of information involved in this rule has been reviewed and previously approved by OMB under control numbers 0651-0009, 0651-0050, 0651-0051, 0651-0054, 0651-0055, 0651-0056, and 0651-0061. We estimate that 41,000 applications will have an additional burden of 5 minutes due to this rulemaking, adding in 3,000 burden hours across all trademark collections.

Notwithstanding any other provision of law, no person is required to respond to nor shall a person be subject to a penalty for failure to comply with a collection of

information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB control number.

## **List of Subjects**

### **37 CFR Part 2**

Administrative practice and procedure, Courts, Lawyers, Trademarks.

### **37 CFR Part 7**

Administrative practice and procedure, International registration, Trademarks.

### **37 CFR Part 11**

Administrative practice and procedure, Inventions and patents, Lawyers, Reporting and recordkeeping requirements, Trademarks.

For the reasons stated in the preamble and under the authority contained in 15 U.S.C. 1123 and 35 U.S.C. 2, as amended, the Office amends parts 2, 7, and 11 of title 37 as follows:

## **PART 2—RULES OF PRACTICE IN TRADEMARK CASES**

1. The authority citation for 37 CFR part 2 continues to read as follows:

**Authority:** 15 U.S.C. 1123 and 35 U.S.C. 2 unless otherwise noted. Sec. 2.99 also issued under secs. 16, 17, 60 Stat. 434; 15 U.S.C. 1066, 1067.

2. Amend § 2.2 by adding paragraphs (o) and (p) to read as follows:

### **§ 2.2 Definitions.**

\* \* \* \* \*

(o) The term *domicile* as used in this part means the permanent legal place of residence of a natural person or the principal place of business of a juristic entity.

(p) The term *principal place of business* as used in this part means the location of a juristic entity's headquarters where the entity's senior executives or officers ordinarily direct and control the entity's activities and is usually the center from where other locations are controlled.

3. Revise § 2.11 to read as follows:

**§ 2.11 Requirement for representation.**

(a) An applicant, registrant, or party to a proceeding whose domicile is not located within the United States or its territories must be represented by an attorney, as defined in § 11.1 of this chapter, who is qualified to practice under § 11.14 of this chapter. The Office cannot aid in the selection of an attorney.

(b) The Office may require an applicant, registrant, or party to a proceeding to furnish such information or declarations as may be reasonably necessary to the proper determination of whether the applicant, registrant, or party is subject to the requirement in paragraph (a) of this section.

(c) An applicant, registrant, or party to a proceeding may be required to state whether assistance within the scope of § 11.5(b)(2) of this chapter was received in a trademark matter before the Office and, if so, to disclose the name(s) of the person(s) providing such assistance and whether any compensation was given or charged.

(d) Failure to respond to requirements issued pursuant to paragraphs (a) through (c) of this section is governed by § 2.65.

(e) Providing false, fictitious, or fraudulent information in connection with the requirements of paragraphs (a) through (c) of this section shall be deemed submitting a

paper for an improper purpose, in violation of § 11.18(b) of this chapter, and subject to the sanctions and actions provided in § 11.18(c).

(f) Notwithstanding § 2.63(b)(2)(ii), if an Office action maintains only requirements under paragraphs (a), (b), and/or (c) of this section, or only requirements under paragraphs (a), (b), and/or (c) of this section and the requirement for a processing fee under § 2.22(c), the requirements may be reviewed only by filing a petition to the Director under § 2.146.

4. Revise § 2.17 to read as follows:

**§ 2.17 Recognition for representation.**

(a) *Authority to practice in trademark cases.* Only an individual qualified to practice under § 11.14 of this chapter may represent an applicant, registrant, or party to a proceeding before the Office in a trademark case.

(b)(1) *Recognition of practitioner as representative.* To be recognized as a representative in a trademark case, a practitioner qualified under § 11.14 of this chapter may:

(i) File a power of attorney that meets the requirements of paragraph (c) of this section;

(ii) Sign a document on behalf of an applicant, registrant, or party to a proceeding who is not already represented by a practitioner qualified under § 11.14 of this chapter from a different firm; or

(iii) Appear by being identified as the representative in a document submitted to the Office on behalf of an applicant, registrant, or party to a proceeding who is not already represented by a practitioner qualified under § 11.14 of this chapter from a different firm.

(2) *Authorization to represent.* When a practitioner qualified under § 11.14 of this chapter signs a document or appears pursuant to paragraph (b) of this section, his or her signature or appearance shall constitute a representation to the Office that he or she is authorized to represent the person or entity on whose behalf he or she acts. The Office may require further proof of authority to act in a representative capacity.

(3) *Bar information required.* A practitioner qualified under § 11.14(a) of this chapter will be required to provide the name of a State, as defined in § 11.1 of this chapter, in which he or she is an active member in good standing, the date of admission to the bar of the named State, and the bar license number, if one is issued by the named State. The practitioner may be required to provide evidence that he or she is an active member in good standing of the bar of the specified State.

(c) *Requirements for power of attorney.* A power of attorney must:

(1) Designate by name at least one practitioner meeting the requirements of § 11.14 of this chapter; and

(2) Be signed by the individual applicant, registrant, or party to a proceeding pending before the Office, or by someone with legal authority to bind the applicant, registrant, or party (e.g., a corporate officer or general partner of a partnership). In the case of joint applicants or joint registrants, all must sign. Once the applicant, registrant, or party has designated a practitioner(s) qualified to practice under § 11.14 of this chapter, that practitioner may sign an associate power of attorney appointing another qualified practitioner(s) as an additional person(s) authorized to represent the applicant, registrant, or party. If the applicant, registrant, or party revokes the original power of attorney (§ 2.19(a)), the revocation discharges any associate power signed by the practitioner

whose power has been revoked. If the practitioner who signed an associate power withdraws (§ 2.19(b)), the withdrawal discharges any associate power signed by the withdrawing practitioner upon acceptance of the request for withdrawal by the Office.

(d) *Power of attorney relating to multiple applications or registrations.* (1) The owner of an application or registration may appoint a practitioner(s) qualified to practice under § 11.14 of this chapter to represent the owner for all existing applications or registrations that have the identical owner name and attorney through TEAS.

(2) The owner of an application or registration may file a power of attorney that relates to more than one trademark application or registration, or to all existing and future applications and registrations of that owner, on paper. A person relying on such a power of attorney must:

- (i) Include a copy of the previously filed power of attorney; or
- (ii) Refer to the power of attorney, specifying the filing date of the previously filed power of attorney; the application serial number (if known), registration number, or inter partes proceeding number for which the original power of attorney was filed; and the name of the person who signed the power of attorney; or, if the application serial number is not known, submit a copy of the application or a copy of the mark, and specify the filing date.

(e) *Foreign attorneys and agents.* Recognition to practice before the Office in trademark matters is governed by § 11.14(c) of this chapter.

(f) *Non-lawyers.* A non-lawyer may not act as a representative except in the limited circumstances set forth in § 11.14(b) of this chapter. Before any non-lawyer who meets the requirements of § 11.14(b) of this chapter may take action of any kind with

respect to an application, registration or proceeding, a written authorization must be filed, signed by the applicant, registrant, or party to the proceeding, or by someone with legal authority to bind the applicant, registrant, or party (e.g., a corporate officer or general partner of a partnership).

(g) *Duration of recognition.* (1) The Office considers recognition as to a pending application to end when the mark registers, when ownership changes, or when the application is abandoned.

(2) The Office considers recognition obtained after registration to end when the mark is cancelled or expired, or when ownership changes. If a practitioner was recognized as the representative in connection with an affidavit under section 8, 12(c), 15, or 71 of the Act, renewal application under section 9 of the Act, or request for amendment or correction under section 7 of the Act, recognition is deemed to end upon acceptance or final rejection of the filing.

5. Amend § 2.22 by revising paragraphs (a)(1), (19), and (20) and adding paragraph (a)(21) to read as follows:

**§ 2.22 Requirements for a TEAS Plus application.**

(a) \* \* \*

- (1) The applicant's name and domicile address;

\* \* \* \* \*

(19) If the applicant owns one or more registrations for the same mark, and the owner(s) last listed in Office records of the prior registration(s) for the same mark differs from the owner(s) listed in the application, a claim of ownership of the registration(s) identified by the registration number(s), pursuant to § 2.36;

(20) If the application is a concurrent use application, compliance with § 2.42; and

(21) An applicant whose domicile is not located within the United States or its territories must designate an attorney as the applicant's representative, pursuant to § 2.11(a), and include the attorney's name, postal address, email address, and bar information.

\* \* \* \* \*

6. Amend § 2.32 by revising paragraphs (a)(2) and (4) to read as follows:

**§ 2.32 Requirements for a complete trademark or service mark application.**

(a) \* \* \*

(2) The name and domicile address of each applicant;

\* \* \* \* \*

(4) When the applicant is, or must be, represented by an attorney, as defined in § 11.1 of this chapter, who is qualified to practice under § 11.14 of this chapter, the attorney's name, postal address, email address, and bar information;

\* \* \* \* \*

7. Add § 2.189 to read as follows:

**§ 2.189 Requirement to provide domicile address.**

An applicant or registrant must provide and keep current the address of its domicile, as defined in § 2.2(o).

**PART 7—RULES OF PRACTICE IN FILINGS PURSUANT TO THE  
PROTOCOL RELATING TO THE MADRID AGREEMENT CONCERNING  
THE INTERNATIONAL REGISTRATION OF MARKS**

8. The authority citation for 37 CFR part 7 continues to read as follows:

**Authority:** 15 U.S.C. 1123, 35 U.S.C. 2, unless otherwise noted.

9. Amend § 7.1 by revising paragraph (f) to read as follows:

**§ 7.1 Definitions of terms as used in this part.**

\* \* \* \* \*

(f) The definitions specified in § 2.2 of this chapter apply to this part.

**PART 11—REPRESENTATION OF OTHERS BEFORE THE UNITED STATES  
PATENT AND TRADEMARK OFFICE**

10. The authority citation for 37 CFR part 11 continues to read as follows:

**Authority:** 5 U.S.C. 500, 15 U.S.C. 1123, 35 U.S.C. 2(b)(2), 32, 41; Sec. 1, Pub. L 113-227, 128 Stat. 2114.

11. Amend § 11.14 by revising paragraphs (c) and (e) to read as follows:

**§ 11.14 Individuals who may practice before the Office in trademark and other non-patent matters.**

\* \* \* \* \*

(c) *Foreigners.* (1) Any foreign attorney or agent not a resident of the United States who shall file a written application for reciprocal recognition under paragraph (f) of this section and prove to the satisfaction of the OED Director that he or she is a registered and active member in good standing before the trademark office of the country in which he or she resides and practices and possesses good moral character and reputation, may be recognized for the limited purpose of representing parties located in such country before the Office in the presentation and prosecution of trademark matters, provided: the trademark office of such country and the USPTO have reached an official

understanding to allow substantially reciprocal privileges to those permitted to practice in trademark matters before the Office. Recognition under this paragraph (c) shall continue only during the period that the conditions specified in this paragraph (c) obtain.

(2) In any trademark matter where a foreign attorney or agent authorized under paragraph (c)(1) of this section is representing an applicant, registrant, or party to a proceeding, an attorney, as defined in § 11.1 and qualified to practice under paragraph (a) of this section, must also be appointed pursuant to § 2.17(b) and (c) of this chapter as the representative who will file documents with the Office and with whom the Office will correspond.

\* \* \* \* \*

(e) *Appearance*. No individual other than those specified in paragraphs (a), (b), and (c) of this section will be permitted to practice before the Office in trademark matters on behalf of a client. Except as specified in § 2.11(a) of this chapter, an individual may appear in a trademark or other non-patent matter in his or her own behalf or on behalf of:

- (1) A firm of which he or she is a member;
- (2) A partnership of which he or she is a partner; or
- (3) A corporation or association of which he or she is an officer and which he or she is authorized to represent.

\* \* \* \* \*

Dated: June 27, 2019.

**Andrei Iancu,**

*Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office.*

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