

# Solicitor General Supports Cert in Case on Preclusive Effect of TTAB Likelihood of Confusion Findings

**May 29, 2014**

As we reported in our February 28 Client Alert, a petition for certiorari has been filed asking the Supreme Court to decide whether likelihood of confusion determinations by the Trademark Trial and Appeal Board ("TTAB") are entitled to preclusive effect in federal court and, if not, what level of deference, if any, such determinations should be accorded. The petition went to conference on January 10, 2014, and on January 13, 2014 the Supreme Court invited the Solicitor General to submit a brief expressing the views of the United States. In its amicus brief submitted on May 23, 2014, the United States argued that certiorari should be granted. Notably, available data shows that the Supreme Court's decision to grant or deny a petition often follows the Solicitor General's recommendation.[\[1\]](#)

With respect to the United States' position on the merits, the Solicitor General rejected out of hand the idea that an agency determination is never afforded preclusive effect in subsequent federal court litigation. When the TTAB evaluates an opposition to a trademark registration, it acts in a judicial capacity, resolving a concrete dispute between two parties in an adversarial proceeding. Accordingly, its likelihood of confusion determination should be accorded preclusive effect in subsequent federal court infringement actions if the generally-applicable requirements of issue preclusion are met—i.e., if the TTAB decided the precise issue for which preclusion is sought in federal court. This in turn depends on whether the mark's scope of usage considered by the TTAB in the opposition proceeding materially differed from the mark's actual usage presented in the subsequent infringement action.

When the TTAB performs a likelihood of confusion analysis in the context of an opposition based solely on the opposer's ownership of a registered mark, its analysis is limited to the marks, goods and channels of trade set forth in the trademark application and in the opposer's registration. It does not take into account whether the actual usage of the marks by either party in the real world is broader or narrower. By contrast, infringement actions typically concern the parties' actual usage of the marks in the marketplace, which may differ from the scope of usage disclosed in the application or in the opposer's registration. In the United States' view, issue preclusion should apply when the usages considered by the TTAB are materially identical to those at issue in the infringement action or when the usages at issue in the infringement action represent a subset of the usages considered by the TTAB. However, when the infringement action concerns usages not ruled on by the TTAB, issue preclusion should not apply.

The United States also acknowledged that opposition proceedings before the TTAB are not always based exclusively on an opposer's registered mark but are sometimes based on the opposer's common-law rights in the unregistered mark. In those cases, the TTAB *does* consider actual usage. If it renders a likelihood of confusion determination with respect to usage encompassed by such common-law rights, then, in the United States' view, that determination should be accorded preclusive effect.

Finally, the United States took the position that when a TTAB decision is not entitled to preclusive effect because the TTAB resolved a question different from that which is at issue in the infringement action, there is no basis to afford the TTAB's decision any measure of deference.

Proskauer's False Advertising & Trademark attorneys will continue to monitor this case and will continue to update our clients. The case is *B&B Hardware, Inc. v. Hargis Industries, Inc.*, No. 13-352.

[\[1\]](#) See David C. Thompson and Melanie F. Wachtell, *An Empirical Analysis of Supreme Court Certiorari Petition Procedures: The Call for Response and The Call For The Views of The Solicitor General*, 16 Geo. Mason L. Rev. 237, 275-76 (2009).