31 January 2018

Honorable Mary Boney Denison
U.S. Patent and Trademark Office
Trademark Trial and Appeals Board
Commission of Trademarks
600 Dulany Street
Alexandria, VA 22314

Re: Comments on Revising TTAB's Standard Protective Order

Commissioner Denison:

The TTAB Policy Collaboration Site has issued a request for comments relating to the Trademark Trial and Appeal Board's Standard Protective Order ("SPO") in effect as of June 24, 2016. Intellectual Property Owners Association ("IPO") appreciates the opportunity to submit comments in response to this request.

IPO is an international trade association representing companies and individuals in all industries and fields of technology who own or are interested in intellectual property rights. IPO's membership includes roughly 200 companies and more than 12,000 individuals who are involved in the association, either through their companies or as inventor, author, law firm, or attorney members. IPO membership spans more than 30 countries. IPO advocates for effective and affordable IP ownership rights and provides a wide array of services to members.

We write to request that the SPO be revised to eliminate the distinction between in-house and outside counsel as it relates to accessing confidential documents and information. The SPO describes two levels of confidentiality: "**Parties** and their **attorneys** shall have access to information designated as **confidential**, subject to any agreed exceptions." "Attorneys" are defined by the order as "including **in-house counsel** and **outside counsel**." The order further states, however, that "**Outside counsel, but not in-house counsel,** shall have access to information designated as **Confidential – Attorneys' Eyes Only (trade secret/commercially sensitive)**." (Emphases in original). The SPO thus assumes that in-house counsel—solely because of their status as in-house counsel—should be treated differently than outside counsel.

IPO submits that this distinction is inconsistent with the Federal Circuit's opinion in *U.S. Steel Corp. v. United States*, 730 F.2d 1465, 1469 (Fed. Cir. 1984), which stated, "denial of access sought by in-house counsel on the sole ground of their status as in-house counsel is error," and vacated and remanded the lower court's decision denying in-house counsel's access to confidential information. The court went on to say, "[l]ike retained counsel, in-house counsel are officers of the court, are bound by the same Code of Professional Responsibility, and are subject to the same sanctions." *Id.* at 1468*; see*

Helene Curtis Inc. v. Derma-Cure Inc., 43 U.S.P.Q.2d 1316, 1317-18 (T.T.A.B. July 9, 1996) ("[R]espondent has not persuaded the Board that access to confidential information by in-house counsel would result in inadvertent disclosure or substantial harm.").

Although the Federal Circuit acknowledged there might be some circumstances that make denial of access appropriate—for example, where in-house attorneys are involved in competitive decision-making – it explained that the facts should still be weighed "on a counsel-by-counsel basis" by reviewing "the particular counsel's relationship and activities." *U.S. Steel Corp*., 730 F.2d at 1468; *see Matsushita Elec. Indus. Co. v. United States*, 929 F.2d 1577, 1579 (Fed. Cir. 1991) (finding reversible error where in-house counsel, who also held the titles "Senior Vice President" and "Secretary," but who was not involved in competitive decision-making, was barred access to confidential documents). Moreover, the cases indicate the threshold showing is high: the party seeking to deny access must prove there is a "serious risk" of disclosure, *see, e.g., U.S. Steel Corp*., 730 F.2d at 1469, or even that access "*would* result in" disclosure. *See, e.g., Helene Curtis*, 43 U.S.P.Q.2d at 1318 (emphasis added).

The SPO, however, treats in-house counsel and outside counsel differently simply on the basis of in-house counsel's status. Although the SPO may be revised upon stipulation of the parties, a party without in-house counsel may demand a concession in return, believing they are giving something up, or they may refuse the request altogether. If they refuse to stipulate, the party seeking to amend the SPO must file a motion with the Board, which (unnecessarily, in our view) takes up resources of the parties and the Board.

Moreover, it is important for outside and in-house counsel to work as a team serving their mutual client, with a free flow of information and documents in connection with their collaboration. The current SPO creates a situation where outside counsel might be required to withhold documents or information from their in-house counterpart, potentially impairing the representation, including interfering with candid settlement discussions.

Consequently, we request that the SPO be amended to remove the difference in treatment between in-house and outside counsel, as reflected below:

(Section 1) **"Confidential – Attorneys' Eyes Only (Trade Secret/Commercially Sensitive)** Material to be shielded by the Board from public access, restricted from any access by the parties, and available for review by **in-house** and **outside counsel** for the parties…"

(Section 3) **"Outside counsel and ~~but not~~ in-house counsel** shall have access to information designated as **Confidential – Attorneys' Eyes Only (trade secret/commercially sensitive)"**

IPO acknowledges that there are situations in which disparate treatment of in-house and outside counsel might be appropriate, such as when in-house counsel additionally has a role or position where they are responsible for making business decisions and not just providing legal advice. Therefore, if the TTAB accepts this comment and adopts the changes proposed herein, we suggest that the revised SPO include language that the parties might want to consider revising the SPO if either party has in-house counsel with such a business decision-making role. The SPO could encourage the parties to discuss this question at the discovery conference and, if a party represents that its in-house counsel does not have competitive decision-making authority, to so certify to the other party in writing.[1]

Thank you for the opportunity to provide our comments.

Henry Hadad
President

[1] This language could be similar to the current SPO's encouragement of the parties to sign the SPO so that the terms are enforceable after the conclusion of the board proceeding.