

**Robinson+Cole**

Intelligence



## TRENDING

### [Unauthorized Filings with the PTO](#)

If you own trademark registrations in the United States, you are required to make certain filings with the U.S. Patent and Trademark Office (PTO) to keep your trademark registration(s) alive. In particular, prior to the sixth year of registration, you are required to submit evidence to the PTO that the mark is still in use, and every ten years you must file a renewal to keep the registration active (Maintenance Filings). If you have engaged a law firm to handle your intellectual property portfolio, you may receive letters from the firm advising you of upcoming Maintenance Filings and requesting authorization to make such filings on your behalf. If your in-house counsel maintains your portfolio, that person should be aware of these filing deadlines.

A recent trend involves individuals who obtain registration information from the PTO's online trademark database and then, without authorization from the trademark owners, are making Maintenance Filings on the owner's behalf. After the filings are made, the trademark owner receives an invoice from the individual. The filings are not always made using the proper ownership information or during the time frames set out by the PTO and often are accompanied by an exorbitant fee.

If you receive such an invoice from an individual not authorized to act on your behalf, you should not pay the fee; rather, you may want to discuss what steps you can take with your legal counsel. In some instances, it may be necessary to contact the PTO to request that the unauthorized filings be disregarded on the record. You may then need to submit new Maintenance Filings to the PTO. It should be noted that the PTO cannot assist trademark owners in obtaining a refund from these individuals for the filings made on the owner's behalf.

In addition to the above, please note that companies may also reach out to you to offer services to register your mark on private registries or various monitoring types of services. These companies may use business names that resemble the PTO's name and include the words "United States," "Trademark," "Patent," or "Office." This correspondence typically looks like a letter or invoice, but the services these companies offer have no connection with the official PTO. If you receive such a letter or invoice, do not pay the fees. You may wish to call or send the letter or invoice to your legal counsel to discuss various approaches. For a list of companies sending out these

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## FEATURED TOPICS

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[GC Survivor Kit](#)

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solicitation letters, please visit the [PTO's website](#).

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## GC SURVIVOR KIT

### [For Whom the Bill Trolls: Getting Your Legal Fees Paid by Patent Trolls](#)

Two recent cases suggest that the odds for a patent infringement defendant to recover legal fees have improved.

Until the Supreme Court's 2014 *Octane Fitness* decision, it was almost a given that a successful defendant in a patent case would have to bear its own litigation expenses. In *Octane Fitness*, the Supreme Court held that a prevailing defendant could recover its fees in "exceptional" cases.

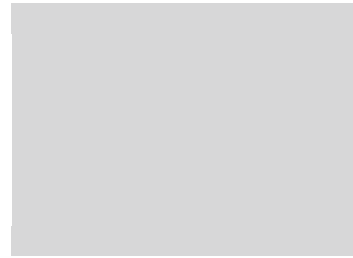
Last month, courts ordered the same troll to pay up in two separate cases. In the first case, *Shipping and Transit LLC v. Hall Enterprises, Inc.*, Civil No. 2:16-cv-06535 (C.D. Cal.), Judge Andrew Guilford focused on the plaintiff's business model of "filing hundreds of patent infringement lawsuits, mostly against small companies, and leveraging the high cost of litigation to extract settlements for amounts less than \$50,000." This practice, coupled with the Court's ruling that the patent-in-suit covered a nonpatentable abstract idea under the Supreme Court's 2014 decision in *Alice Corp. Pty. Ltd. v. CLS Bank Int'l*, 134 S. Ct 2347 (2014), tipped the scales in favor of declaring the case "exceptional." The Court also noted the troll went forward with the case despite the fact that the defendant had "made it clear from the start its position that the asserted claims [covered nonpatentable abstract ideas invalid under Section 101], and its intent to seek early judgment of invalidity, plus attorney fees if plaintiff did not dismiss the case."

In the second case, *Shipping and Transit LLC v. Lens Discounters.com*, Case No. 9:16-cv-80980 (S.D. Fla.), Magistrate Judge David Lee Brennan recommended the same troll be ordered to pay over \$36,000 in fees based on its prosecution of an infringement action involving different patents from those asserted in the *Hall* case in California. In the Florida case, the judge found fault with the troll's "nuisance value settlement motivation" or business model. Such pattern and practice supported an "exceptional" finding where the patents-in-suit were of dubious validity. In the magistrate's view, it was not a sufficient defense to the attorney's fees motion to maintain that, when faced with an invalidity challenge, the troll sent a covenant-not-to-sue letter followed by a motion to dismiss that sought an involuntary dismissal based on the covenant not to sue.

What are the takeaways for a defendant facing patent trolls? First, you may want to take an aggressive position in writing up-front regarding the baseless nature of the claims, either from an invalidity or a noninfringement standpoint. Second, you may want to put the troll on written notice of your intent to seek an award of attorney's fees if the troll persists with the litigation. Third, you may want to take the opportunity at every step of the litigation to restate your position

as to the baseless nature of the claims and your intent to seek fees. For example, it may become absolutely clear at some stage (for example, following the *Markman* order construing certain terms in the patent) that the plaintiff has no basis to proceed further.

Recording as you go along places you in a better position to later obtain a fee award.



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