



United States Patent and Trademark Office

Office of the Commissioner for Trademarks

August 11, 2021

Pamela S. Chestek, Esq.
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Raleigh, NC 27602

Dear Ms. Chestek,

Thank you for your recent correspondence to the USPTO regarding your petition filed on September 19, 2019. Please accept my sincere apologies on behalf of the agency for our significantly delayed response. The Office did in fact prepare the attached response, which was signed by me on March 11, 2020.

When we received your recent communication, we searched our files and saw that our response was prepared around the time that our workforce moved to mandatory telework as a result of the pandemic. Because that change had a significant impact on our mailing operations, it appears likely that the physical mailing of the response slipped through the cracks as we quickly transitioned to an all virtual work environment.

With regard to the substance of your inquiry, I hope that the attached addresses your questions and concerns regarding the final rule entitled *Requirement of U.S. Licensed Attorney for Foreign Trademark Applicants and Registrants*, 84 FR 31498 (July 2, 2019). I'd also like to take this opportunity to provide an update on the steps we've taken to further shield applicant's domicile address since the drafting of the attached letter.

Specifically, in Section I.C. of our response, we noted revisions to our new application and change of address/representation forms deployed on February 15, 2020 with the implementation of mandatory electronic filing. I'm pleased to share that we have now revised the majority of our TEAS forms to include a second address field for entering the owner's domicile address, which will not be publicly viewable nor retrievable in bulk-data downloads. This includes post-registration forms, response to Office action forms, and certain petition forms. More information is on the [TEAS release highlights webpage](#). Lastly, we note that the Executive Order 13771, cited in your petition and addressed in our response, has since been revoked.¹

I trust that the above answers your question and do again apologize for the delay in sending you our March 11, 2020 response to your petition.

Best regards,

A handwritten signature in blue ink, appearing to read "David S. Gooder".

David S. Gooder
Commissioner for Trademarks

¹ [Executive Order 13992. Revocation of Certain Executive Orders Concerning Federal Regulation](#), 86 FR 7049 (Jan. 25, 2021).



United States Patent and Trademark Office

Office of the Commissioner for Trademarks

March 11, 2020

Pamela S. Chestek
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Raleigh, NC 27602

Dear Ms. Chestek:

Thank you for the September 18, 2019 petition for rulemaking submitted by Software Freedom Conservancy, Inc., addressed to Andrei Iancu, Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office (USPTO or the Office). The petition under 5 U.S.C. § 553(e) was forwarded to the undersigned for consideration.

The petition asserted (1) policy concerns related to the USPTO's rulemaking entitled Requirement of U.S. Licensed Attorney for Foreign Trademark Applicants and Registrants (U.S. Counsel rule), and (2) that the U.S. Counsel rule failed to observe various procedural requirements of the rulemaking process. The Office's responses to these assertions pursuant to 5 U.S.C. § 555(e) are set forth below.

I. Policy Issues

The petition asserts that the USPTO's implementation of the U.S. Counsel rule requirement that applicants and registrants provide their domicile addresses results in risks of harm that outweigh any of the rule's benefits to the U.S. trademark system. According to the petition, the risk of harm takes many forms, including the potential for personal harm based on public disclosure of domicile address information,¹ the impact on business efficiency and expenses, as well as general privacy concerns. As a result, the petition requests that the rule be suspended and that new rulemaking addressing these privacy concerns be undertaken.

As discussed below, the USPTO must strike an appropriate balance between the concerns raised in the petition, its statutory obligation to collect owner domicile information, and its regulatory and treaty obligations to make owner address information publicly available. The USPTO has implemented procedures to address the privacy concerns raised while maintaining that balance.

Also discussed below, it has always been the case, for example, that if an applicant has only one address and that address is their domicile address, the USPTO is required under the Lanham Act and its implementing regulations, as well as relevant treaty obligations, to collect that address and to publish it. However, the USPTO is sensitive to heightened privacy concerns stakeholders have regarding publication of an address designated as their domicile address.

¹ The USPTO understands the petition's use of "address," "physical address," and "residential address" to refer to domicile address.

The USPTO is actively pursuing measures beyond the existing rulemaking petition process in order to address those concerns, including IT system and form changes that have been implemented to allow owners to provide a mailing address that will be published in the USPTO's records and to separately provide their domicile address, if different from their mailing address, in a field that will not be published.

A. Domicile Information and Address Information Must be Provided to Comply with Various Laws, Regulations, and Treaties

The Lanham Act has always required specification of an applicant's domicile. Under section 1, 15 U.S.C. § 1051, an application for registration of a trademark "shall include specification of the applicant's domicile. . . ." 15 U.S.C. § 1051(a)(2). The Act further provides that foreign domiciliaries may designate a domestic representative on whom may be served notices or process in proceedings affecting the mark. 15 U.S.C. §§1051(e), 1058(f), 1059(c). In addition, domicile or residency is a criterion that foreign trademark offices with local counsel requirements use to determine whether applicants must be represented before them.

Because the Lanham Act requires provision of domicile information, the USPTO reasonably chose domicile as the trigger for requiring representation by a U.S.-licensed attorney in trademark matters before the USPTO.

The USPTO is required to publish or otherwise make available address information for applicants under the Lanham Act's implementing regulations and U.S. treaty obligations. Since 1955, Trademark Rule 2.27 has provided that:

(a) An index of pending applications including the name and address of the applicant . . . will be available for public inspection as soon as practicable after filing.

* * *

(d) (formerly appeared in subsection (b)) Except as provided in paragraph (e) of this section, the official records of applications and all proceedings relating thereto are available for public inspection

37 CFR 2.27(a), (d).

Similarly, treaties contemplate that owner contact addresses be made publicly available. For example, the Madrid Protocol requires an international applicant to provide its name and postal address, with an option for an additional correspondence address. See Rule 9(4)(a) of the *Common Regulations under the Madrid Agreement Concerning the International Registration of Marks and the Protocol Relating to that Agreement* ("The international application shall contain or indicate . . . (ii) the address of the applicant, given in accordance with the Administrative Instructions"); Section 12(d) of the *Administrative Instructions for the Application of the Madrid Agreement Concerning the International Registration of Marks and the Protocol Relating Thereto* ("An address shall be given in such a way as to satisfy the customary requirements for prompt postal delivery and shall consist, at least, of all the relevant administrative units up to, and including, the house number, if any; in addition, telephone and telefacsimile numbers, an e-mail address as well as a different address for correspondence may be indicated."). This information is published in the International Register.

B. Benefits of Collecting Domicile and Address Information

Collecting and making address information publicly available benefits the intellectual property community and the public. An address serves as a means to identify and contact the owner for various legitimate business and legal purposes. For example, the public may use the address information available on the USPTO's public databases to contact application and registration owners about licenses, consent agreements, assignments, and other business interests. The public also relies on the public availability of address information in the USPTO's records to enforce trademark rights via cease-and-desist letters or to effect proper service of process in civil litigation.²

As explained in the NPRM and the final rule, the requirement of *domicile* address information benefits the U.S. trademark system by distinguishing between domestic and foreign filers. Without the U.S. Counsel Rule, which requires domicile address information, many foreign filers were evading statutory and regulatory requirements in trademark registration matters. Additionally, foreign parties were engaged in the unauthorized practice of law (UPL), improperly representing applicants, registrants, or parties before the Office. By requiring foreign-domiciled applicants, registrants, and parties to Trademark Trial and Appeal Board proceedings to be represented by U.S.-licensed attorneys, who are subject to the USPTO's disciplinary jurisdiction, the USPTO helps ensure that those attorneys, and by extension those they represent, fulfill their obligations to comply with U.S. legal requirements, thereby protecting the integrity of the U.S. trademark register.

C. Measures in Place to Shield Domicile Address Information

The concerns raised in the petition appear to be predicated on the final rule requiring provision of the owner's domicile address and not allowing a post-office box or "care-of" address to satisfy the domicile address requirement. While requiring domicile address information is warranted based on the compliance problems noted above, the privacy concerns raised in the petition are addressed by several means. First, a party can petition the Director to request waiver of the requirement to make a domicile address public. Second, the USPTO has revised the new application and change of address or representation forms to include two address fields—one field for entering the address where the owner receives mail, which can be a post-office box or "care-of" address that will be displayed in the USPTO's public records, and a second field for entering the "domicile address(es)" for the owner(s), the contents of which will not be displayed in the USPTO's public records. If these forms are used to provide a separate domicile address, it will not be publicly viewable and also will not be retrievable in bulk-data downloads. The changes were deployed with the implementation of mandatory electronic filing on February 15, 2020.

Given the benefit of requiring domicile address information and the ability to shield that information, suspending the U.S. Counsel rule and engaging in a new rulemaking to address these privacy concerns is not warranted.

² The petition highlights the European Union's efforts to protect personal information via the General Data Protection Regulation (GDPR). However, even the European Union Intellectual Property Office, which is subject to the GDPR, makes owner address information publicly available.

II. Administrative Law Issues

The petition asserts that the U.S. Counsel rule is unenforceable because the rulemaking process did not meet the requirements of the Administrative Procedure Act (APA), the Paperwork Reduction Act (PRA), the Regulatory Flexibility Act (RFA), and Executive Order 13771. For the reasons set forth below, we do not agree with these assertions.

A. Administrative Procedure Act

1. The Rulemaking Was not Arbitrary and Capricious

The petition alleges that the U.S. Counsel rule was arbitrary and capricious for requiring every applicant to provide a domicile address, because prior to this rulemaking a mailing address, which could be a residential address or a post office box, was all that was needed for a complete application. Further, the petition argues that any address, whether street address³ or post office box, has no relationship to whether an applicant or registrant has retained a lawyer.

We disagree with the assertion that the U.S. Counsel rule violated the APA by requiring that every applicant provide a domicile address. The USPTO has always required an address for the owners and has not changed this requirement, but rather the U.S. Counsel rule amended the regulations to require that applicants specifically identify their domicile address.

The proposed rule provided a reasoned explanation for requiring domicile address that satisfies the requirements of the APA. The USPTO explained that domicile address was required to identify those applicants and registrants who were not located in the U.S. and thus required to retain a qualified attorney. The primary purpose for requiring foreign-domiciled applicants to retain a U.S. attorney was to combat the growing problem of foreign individuals, entities, and applicants failing to comply with U.S. law. Moreover, this requirement is consistent with the practice of countries with a similar requirement who also condition the requirement on domicile.

³ The final rule defines domicile as the permanent legal place of residence of a natural person or the principal place of business of a juristic entity. The USPTO's Examination Guide 4-19 specifies that a person's "permanent legal place of residence" is the place the person resides and intends to be the person's principal home. The initial determination of whether an applicant's, registrant's, or party's domicile is within or outside the U.S. is based on its street address. In most cases, a post-office box, a "care of" (c/o) address, or other similar variation cannot be a domicile address because it generally does not identify the location of the place the person resides and intends to be the person's principal home (for a natural person). *Examination Guide 4-19 Requirement of U.S. Licensed Attorney for Foreign Trademark Applicants and Registrants* (Sept. 2019), available at <https://www.uspto.gov/sites/default/files/documents/Exam%20Guide%2004-19.pdf>

The USPTO understands that Petitioner uses the term "street address" to refer to the final rule's "permanent legal place of residence" requirement.

The petition also alleges that the USPTO's rulemaking was insufficient because it provided no empirical data on whether or how the absence of street addresses is related to the problem to be solved by the rulemaking. The petition also claims there is no explanation of how requiring a street address, rather than a post office box, "care of" address or other similar variation" will reduce the number of fraudulent or inaccurate claims in a trademark application, whether the applicant is U.S. or foreign. The arguments appear premised on a misunderstanding of the purpose of the collection of domicile addresses. The purpose of the domicile address was to determine those applicants and registrants who were not domiciled in the U.S., and thus subject to the requirement to retain a qualified attorney, which was fully discussed in the NPRM and final rule and supported by empirical data.

Finally, the petition alleges that the USPTO failed to invite comment on, consider, or weigh any countervailing reasons why it would be inadvisable to require a street address, and therefore the rulemaking was not properly promulgated. The USPTO complied with the requirement of the APA in undertaking this rulemaking, and sought comment on the proposed regulations concerning collection of addresses consistent with normal rulemaking procedures. The APA does not require an agency to explicitly invite countervailing arguments against a rule proposal. A proposed rule that provides either the terms or substance of the proposed rule or a description of the subjects and issues involved satisfies the procedural requirements of the APA. *See* 5 U.S.C. § 553(b)(3). The APA contains no requirement that a proposed rule specifically invite comment on countervailing reasons why it would be inadvisable to require a street address in order for the rulemaking to be properly promulgated. We also allowed for comment on the proposed regulation, which stated that the Office may require an applicant to furnish information reasonably necessary to determine whether they are subject to the domicile requirements. In the proposed rule, the USPTO specifically stated the proposed definition of domicile was the permanent legal place of residence. This was consistent with the APA and provided the public with adequate notice that the USPTO was open to comments of all sorts on the rule proposal, including countervailing arguments against the proposal. Given this, we do not agree with the arguments made in the petition that the rulemaking was arbitrary and capricious.

2. The Final Rule Was a Logical Outgrowth of the NPRM

The petition asserts that the U.S. Counsel final rule was not a logical outgrowth of the NPRM because it was unforeseeable that U.S. applicants would be required to provide domicile address based on the content of the NPRM. Specifically, it is asserted that the addition of 37 CFR 2.189 in the final rule, which requires applicants and registrants to provide and keep current the domicile address, was not included in the NPRM.

Logical outgrowth issues arise only where a final rule differs to such a great extent from the proposed rule that it can be said that the public was not apprised of the issues in the proceeding. But, this does not forbid the agency from altering the proposed rule in its final rule. *See Alto Diary v. Veneman*, 336 F3d 560, 569-70 (7th Cir. 2003) ("The purpose of a rulemaking proceeding is not merely to vote up or down the specific proposals advanced before the proceeding begins, but to refine, modify, and supplement the proposals in the light of evidence and arguments presented in the course of the proceeding. If every modification is to require a further hearing at which that modification is set forth in the notice, agencies will be loath to modify initial proposals, and the rulemaking process will be degraded.")

The legal standard for a violation of the APA for when a final rule fails to be a logical outgrowth of the NPRM is whether the notice adequately alerted the interested parties of the possibility of the changes that were eventually adopted. *See National Mining Ass'n v. Mine Safety and Health Administration*, 512 F.3d 696, 699 (D.C. Cir. 2008).

A final rule qualifies as a logical outgrowth “if interested parties ‘should have anticipated’ that the change was possible, and thus reasonably should have filed their comments on the subject during the notice-and-comment period.” *Ne. Md. Waste Disposal Auth. v. EPA*, 358 F.3d 936, 952 (D.C. Cir. 2004) (citations omitted). By contrast, a final rule fails the logical outgrowth test and thus violates the APA's notice requirement where “interested parties would have had to ‘divine [the agency’s] unspoken thoughts,’ because the final rule was surprisingly distant from the proposed rule.” *Int’l Union, United Mine Workers of Am. v. Mine Safety & Health Admin.*, 407 F.3d 1250, 1259-60 (D.C. Cir. 2005) (internal citations omitted).

CSX Transp., Inc. v. Surface Transp. Bd., 584 F.3d 1076, 1079-80 (D.C. Cir. 2009).

The requirements of logical outgrowth are satisfied if there is reasonable anticipation of the new provision in the final rule. In addition, whether and in what circumstances a court will find agency notice to be adequate is a fact-driven inquiry. Here, the USPTO provided adequate notice of the domicile address requirement in the preamble to the NPRM. The proposed definition of domicile was “the permanent legal place of residence of a natural person.” In the final rule, the USPTO only slightly expanded the definition to alternatively include “a principle place of business of a juristic entity” as a domicile. The proposed definition of “domicile” was largely unchanged and clear that the USPTO would be collecting a physical address of an owner. In addition, the NPRM also stated that the Office may require an applicant or registrant to furnish such information or declarations as may be reasonably necessary to the proper determination of whether an applicant or registrant whose domicile or principal place of business is not located within the United States or its territories must be represented by an attorney. *See* 37 CFR 2.11(b). Based on the language in the NPRM, it is clear that the public could reasonably anticipate that both foreign and U.S. applicants and registrants would have to provide domicile address. Consequently, the USPTO does not agree that any logical outgrowth concerns are present in this rule.

B. USPTO Complied with the Paperwork Reduction Act

The petition asserts that the USPTO violated the requirements of the Paperwork Reduction Act (PRA) by failing to receive approval from the Office of Management and Budget for the collection of attorney bar information and associated documentation, the collection of domicile address and associated documentation, and the submission of petitions requesting waiver of the requirement to make a domicile address public.

The USPTO has complied with all requirements of the PRA, including coordination with and review by OMB of any adjustments to existing OMB control numbers impacted by the final rule. OMB determined that no new OMB control numbers were required, and that existing forms impacted by the final rule were not substantially changed. The adjustments made by UPSTO to existing OMB control numbers update the respondent estimates and burden hours for affected forms. The requirement for the domicile address in particular is not a change to the collection of this information. The USPTO has always collected address information from an applicant or registrant.

The burdens associated with the collection of address information is accounted for in the respondent estimates and burden hours reported to and approved by OMB (Control No. 0651-0009). No changes are required for this collection. Regarding the burdens associated with the submission of petitions requesting that the domicile address be withheld from public view, such petitions are made under the general petition provision at 37 CFR 2.146(a)(5), which is approved by OMB (Control No. 0651-0054, 0651-0050). However, a change worksheet was submitted to OMB to adjust the respondent estimates and burden hours in light of the possibility of an increase in the number of petitions requesting such action by the USPTO. Regarding the respondent burdens associated with the collection of attorney bar information, a change worksheet was submitted to OMB (Control No. 0651-0009) to adjust the respondent estimates and burden hours for this information collection.

With respect to complaints raised about post-application follow-up, any follow-up questions and documentation that may be collected to clarify attorney bar information or domicile address is considered to be exempt from the Paperwork Reduction Act under 5 CFR 1320(h)(9), which expressly excludes from the definition of “information” any facts or opinions obtained or solicited through nonstandardized follow-up questions designed to clarify responses to approved collections of information. Because any follow-up or clarification questions regarding attorney bar information or domicile address would be obtained or solicited through nonstandardized follow-up questions, it is not considered to be “information” under the PRA and thus is exempt from its requirements. The USPTO’s handling such potential follow-up questions and documentations is consistent with the PRA.

C. USPTO Complied with the Regulatory Flexibility Act

The petition alleges that the USPTO’s analysis violated the Regulatory Flexibility Act (RFA), for failing to consider the costs that would be borne by U.S. domiciled applicants and registrants who would now have to provide their domicile address and for providing attorney bar information.

The USPTO considered the impact on U.S. domiciled applicants and determined that no additional cost burdens would be incurred for providing a domicile address. The USPTO has always collected address information from an applicant or registrant, and the change for applicants to specifically identify their domicile address imposes no new costs. The costs for providing attorney bar information is de minimis, and would have no impact on the certification that this rule would not have a significant economic impact on a substantial number of small entities.

Regarding the argument that there will be a burden on small firm lawyers based on costs that may not be recoverable (for example, under fixed fee arrangements), the petition does not provide an estimate of the impact other than to argue that the rule may create substantial new malpractice liability that should be considered in the analysis but that were omitted. This rule does not directly regulate the conduct of small firm lawyers. Further, the USPTO does not have data that supports the conclusion that small firm lawyers will be subject to additional liability through potential business they may take on as a result of more clients seeking legal services following implementation of this rule. The USPTO conducts its rulemaking in compliance with the relevant laws and guidance that require it to estimate burdens on small entities, where applicable. While the USPTO is sensitive to any burdens that might arise directly from its rules, particularly for small entities, the USPTO did not receive public comment during the rulemaking process providing any information that suggested the rule would produce the argued impact on such practitioners. Any expense potentially incurred for malpractice liability arising from increased business would be costs that are outside the scope of this rulemaking.

D. USPTO Complied with Executive Order 13771

Finally, the petition also alleges that the USPTO's rulemaking for the U.S. Counsel rule failed to comply with Executive Order (E.O.) 13771 for several reasons: (1) adding a new regulation without repealing two others; (2) failing to inform OMB or the Department of Commerce that it was "not in compliance with the President's regulatory budget concept"; and (3) omitting or failing to consider significant costs.

The USPTO, as part of the Department of Commerce, complied with all requirements of E.O. 13771 in the development of the U.S. Counsel rule, and all of the allegations in the petition concerning the Executive Order are without merit. This rulemaking was determined to be a significant regulatory action under E.O. 12866 by OMB's Office of Information and Regulatory Affairs (OIRA). Pursuant to that designation, the USPTO submitted both the NPRM and final rule to OIRA for review, and it was determined that the rule was not subject to the requirements of E.O. 13771. OIRA maintains the discretion to exempt any category of rulemakings from the requirements of E.O. 13771. *See* Section 4, E.O. 13771. *See also* Memorandum M-17-21 from Dominic J. Mancini, Acting Administrator of the Office of Information and Regulatory Affairs to Regulatory Policy Officers at Executive Departments and Agencies and Managing and Executive Directors of Certain Agencies and Commissions, "Guidance Implementing E.O. 13771, Titled 'Reducing Regulation and Controlling Regulatory Costs,'" April 5, 2017. Such determination was properly disclosed in the "Rulemaking Requirements" section of the NPRM and final rule. Furthermore, because compliance with E.O. 13771 is assessed on an agency-wide basis,⁴ rather than on a rule-by-rule basis, it is misleading to speak of an individual rule "complying" with E.O. 13771.

Notwithstanding the above, E.O. 13771 contains no private right of action to enforce the order as law. Specifically, section 5(c) of E.O. 13771 clearly states "[t]his order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person." Thus, an agency's failure to comply with any of the requirements of the E.O. is not judicially reviewable. The unreviewability of an executive order is supported in case law. *See Independent Meat Packers Ass'n v. Butz*, 526 F.2d 228 (8th Cir. 1975) (no judicial enforcement of executive order requiring consideration of inflationary impact of regulations, in part because such order had not been issued pursuant to delegation from Congress). Thus, the determination of compliance with E.O. 13771 is solely within the discretion of OIRA.

III. Conclusion

The September 19, 2019 petition for rulemaking of Software Freedom Conservancy has been considered and denied. As discussed above, the Office does not agree that the rulemaking process for this rule violated the APA or any other relevant requirements of statute, regulation or guidance, and the Office will not be vacating or suspending implementation of the U.S. Counsel rule. In light of concerns raised in the petition and by other members of the public since publication of the U.S. Counsel rule, the Office has determined that certain revisions to the USPTO's procedures concerning the collection and publication of domicile addresses are warranted.

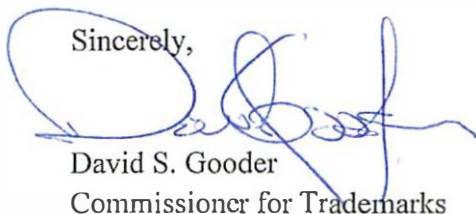
⁴ Here, the Department of Commerce, not the USPTO, is the relevant "agency."

The Office has made available the petition procedures, as warranted, to address the Petitioner's privacy concerns, and also undertook additional changes, as described above, when the USPTO's Mandatory Electronic Filing final rule became effective on February 15, 2020. As always, the USPTO continues to assess its electronic systems and procedures to determine where improvements are needed to address concerns raised by the public and our stakeholders.

If you have any further questions related to this matter, please contact the Deputy Commissioner for Trademark Examination Policy, Sharon R. Marsh.

I hope this information is helpful in addressing your concerns.

Sincerely,

A handwritten signature in blue ink, appearing to read "David S. Gooder", is written over the typed name and title. The signature is stylized and somewhat illegible due to the cursive nature of the handwriting.

David S. Gooder
Commissioner for Trademarks