

Preclusive Effect of TTAB Decisions in Subsequent Trademark Litigation After B&B Hardware, Inc. v. Hargis Industries, Inc.

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In 2015, the United States Supreme Court addressed the issue of whether a district court should apply issue preclusion to a decision made by the Trademark Trial and Appeal Board (“TTAB”) regarding likelihood of confusion in *B&B Hardware, Inc. v. Hargis Industries, Inc.* (“B&B Hardware”), holding that a court should give preclusive effect to TTAB decisions if the ordinary elements of issue preclusion are met. Although this ruling resolved the long-standing federal circuit split on this dispute and enhanced the efficiency of judicial proceedings, it led to several concerns and heated debates between academics and practitioners. For instance, academics challenged the legitimacy of an administrative agency acting in a judicial capacity. Practitioners were concerned that trademark lawyers and their clients were more likely to “consider fighting TTAB proceedings as if they were part of an infringement lawsuit.” The reason is that mark owners may tend to expend more energy and resources in an opposition proceeding to avoid an undesirable agency outcome in light of the increased importance of a TTAB decision. They may even “consider appealing more TTAB decisions” to avoid an issue-preclusion surprise in court. On top of that, with much heavier workload, is the TTAB capable of carrying out tedious opposition proceedings?

It has been more than three years since the *B&B Hardware*’s ruling, so it’s time to reexamine it to see whether many concerns raised at that point have come true or sparked further controversy. The aim of this paper is twofold. Firstly, it seeks to explore the impact of the *B&B Hardware*’s ruling on trademark prosecution and enforcement by examining the cases with same issues in recent years. Secondly, it may suggest a way to reform how issue preclusion can work in Taiwan after introducing cases in Taiwan explaining how issue preclusion applies to Taiwan trademark litigation and making comparisons with B&B Hardware’s ruling."