In *CFA Institute v. American Society of Pension Professionals and Actuaries*, 2020 WL 555391 (W.D. Va. Feb. 4, 2020), a trademark infringement case, Magistrate Judge Robert Ballou granted in part the defendants' motion to compel the plaintiff to respond to discovery requests about the plaintiff's efforts to enforce its mark but limited the scope of such responses given plaintiff's widespread enforcement activity.

Plaintiff CFA Institute (CFA) brought a trademark-infringement action against defendant American Retirement Assoc. (ARA) alleging that defendant's CPFA mark overlapped too closely and violated CFA trademarks (CFA Marks). During discovery, defendant requested that CFA provide three general categories of information relating to CFA's history of protecting its trademark: 1) CFA's agreements relating to its CFA Marks; 2) CFA's enforcement actions against third parties involving its CFA Marks, along with the resolution of any enforcement action; and 3) CFA's awareness of third-party trademarks, including trademark watch notices and search reports. CFA objected to the discovery requests on grounds that (1) ARA had not shown that the bulk of the requested information actually existed, (2) the information sought by ARA was irrelevant, and (3) the requests imposed an undue burden that outweighed any probative value of the information sought.

The magistrate judge began by noting that the Federal Rules of Civil Procedure broadly allow discovery regarding matters that may be relevant to a claim or defense, subject to consideration of proportionality and burden. *Id.* at *4. After a thorough review of the record, Magistrate Judge Ballou concluded that "the categories of information sought by ARA are relevant areas of inquiry in this trademark litigation," but it was appropriate to limit the scope of ARA's requests "such that the discovery sought remains proportional to the needs of this case." *Id.* at *2.

The magistrate judge noted that as a threshold matter, third-party trademark use "is relevant to determining the conceptual and commercial strength" of a plaintiff's trademark and that "the strength of [a] mark is paramount" in determining the likelihood that observers would be confused by competing uses of the mark. *Id.* (quotation marks and citations omitted). Furthermore, a mark's strength "is diminished if many third-parties in the same field as the mark holder have used a portion of the text of the senior mark in their own marks." *Id.* (citations omitted). Thus, he ruled ARA's request for CFA's prior agreements to let others use its mark was a relevant discovery inquiry. For similar reasons, he also held that information regarding any actions (or lack thereof) taken by CFA against other third parties who used its mark was relevant, and therefore ARA's request for such information was proper:

The magistrate judge emphasized that "[r]elevant ESI [electronically stored information] may still not be discoverable under Rule 26 if the [objecting] party can show that the information is not reasonably accessible because of undue burden or cost." *Id.* (internal quotations omitted). Due to the scope of CFA's previous enforcement actions — CFA stated it routinely sends out more than 100 demand letters per year, has prosecuted at least eight trademark infringement cases over the past decade, and entered into "arrangements with a number of third-party users of marks or designations" that incorporate its letters — Magistrate Judge Ballou found it appropriate to limit defendant's discovery. *Id.* at *4.

First, given the scope of the plaintiff's enforcement activity, he limited most discovery to the past five years, with a 10-year period for the specific judicial, administrative, and legal proceedings

brought by the CFA and provided in a chart to the court. Magistrate Judge Ballou also held that ARA's requests for information regarding "all third parties Plaintiff is aware of that offer certifications or credentials relating to any sort of financial analysis" and "all third-party certification marks, etc. that contain two or three of the letters 'C' 'F' 'A' " were overly broad and vague and should be addressed through other discovery. With respect to enforcement activity, rather than requiring CFA to produce all documents involving its trademark-enforcement efforts, the magistrate judge limited these requests to require CFA to produce "its demand letters and any responses, charging documents (i.e. complaints, claims, etc.) and resolutions of such claims." *Id.* at *5. If the defendant believed further documents were needed from particular enforcement actions, it could propound "carefully tailored requests targeted for specific information."