



Intellectual Property 101: Trademarks, Copyrights and Patents

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Intellectual Property 101

William J. Robers

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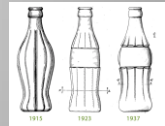
Patents 101

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What is a Patent?

- A patent is a proprietary right granted by the federal government pursuant to laws passed by Congress. Article I, Section 8, Clause 8 of the Constitution provides that Congress has the power “to promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries.”
- It conveys exclusive rights to inventors.
- Three types:
 - Utility patent – covers the functional aspects of products and processes
 - Design patent – covers the ornamental design of useful objects
 - Plant patent – covers a new variety of a living plant



What Protections are Given?

- A patent confers “the right to exclude others from making, using, offering for sale, or selling” an invention in the U.S. or importing the invention into the U.S.
- **PATENTS DO NOT PROTECT IDEAS!** They only protect inventions that exhibit subject matter deemed allowable.
- Also known as a “ticket to court.”
- It does not give an owner the right to make, use, sell or offer to sell the invention. It prevents others from doing those things.

Myth #1

- A patent gives you the right to make, use and sell the invention.
 - False. It is the right to block others from making, using and selling the invention.
- The invention may be illegal (a bomb or an unapproved drug).
- Others may own patents that cover some aspect of your invention.

Myth #2

- “We don’t copy anyone’s product, so we don’t infringe anyone’s patents.”
 - There are lots of inventions that are patented but are not on the market.
 - Whether you know of a patent or not, you may be liable for infringing it.

Myth #3

- “I haven’t seen this product on the market, so it must be patentable.”
 - To qualify for patent protection, an invention must be new, useful and non-obvious.
 - Whether or not a similar product is “on the market” is not the test.

What is Patentable?

- To receive a patent:
 - Statutory subject matter (process, machine, manufacture, composition of matter)
 - **NOT** Laws of Nature, Natural Phenomena, Abstract Ideas
 - Utility requirement – invention must be “useful”
 - Use must be specific, substantial and credible
 - Novelty requirement – the invention may not be in the public domain
 - Nonobviousness requirement – it can’t differ from prior art only by way of an “obvious” modification

Prosecution of Application

- File application, including the disclosure of all pertinent prior art of which the applicant is aware
- First office action nearly always rejects the claims on various grounds
- Applicant responds to each ground of rejection with arguments, factual evidence, and/or amendments, as appropriate
- If examiner was not fully satisfied by Applicant's response, examiner will send a second office action, most likely final, explaining what issues remain
- Various options after final action, including appeal

Prosecution of Application

- Eventually, prosecution concludes with either an allowance of all claims still in the case, or abandonment
- After allowance, applicant pays the issue fee and the patent issues
- Generally, patent takes from two to four years from application to receiving a granted patent
- Although the application fee starts at only about \$70 for an application, you should hire a patent attorney to assist in the process, which can run upwards of \$20,000

Life of a Patent

- Complicated to determine
 - Patents issued from applications before June 8, 1995, have the longer of (a) a 17-year term, measured from the date of issuance; or (b) a 20-year term, measured from earliest U.S. priority date.
 - Patents issued from application filed after June 8, 1995, have the 20 year term described above.
- **BUT**
 - The term may be shortened if the applicant was required to file a “terminal disclaimer”
 - The term may be lengthened if it qualifies
 - Maintenance fees must be paid when due (@ 3.5, 7.5 and 11.5 years after issuance) or the patent will expire prematurely

Inventorship

- Only the inventor(s) (not organizations) may apply for a U.S. patent – even if the company owns the invention.
- Getting inventorship rights is important.
- Can't be over-inclusive or under-inclusive in listing inventors.
- Good-faith errors can be corrected, but that can be difficult to do (e.g., an inventor leaves the company).
- Errors made with an intent to deceive cannot be fixed, and can be deadly to the entire patent.



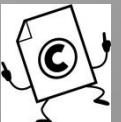
Copyrights 101

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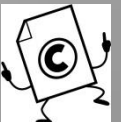
What is a Copyright?

- Protection for original works of authorship fixed in any tangible medium of expression
- “Works” include
 - Literary works
 - Musical works
 - Dramatic works
 - Pantomimes and choreographic works
 - Pictorial, graphic and sculptural works
 - Motion pictures and other audiovisual works
 - Sound recordings
 - Architectural works



What is a Copyright?

- A copyright does NOT protect any idea, procedure, process, system, method of operation, concept, principle or discovery
- Copyright owners have the exclusive right to do certain things with their original work:
 - Reproduce the work
 - Distribute the work
 - Publicly display or perform the work
 - Create derivative works of the original work



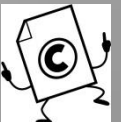
Who Owns the Rights?

- Can often be complicated
- Creator is deemed the copyright owner, unless:
 - The creator transfers the copyright to another person or entity in writing
 - The creator created the work in the course of employment, in which case the employer is deemed the owner
 - The creator created the work as an independent contractor and the work was designated a “work for hire” in a written agreement



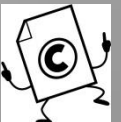
What Constitutes Infringement?

- Someone, without authorization, exercises one of the exclusive rights of a copyright holder
- Copy need not be “identical.” Anything “substantially similar” can constitute infringement.
- Fair Use



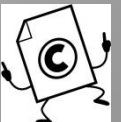
What's this "Fair Use" thing?

- There are certain statutory limitations to exclusive rights of a copyright holder.
- One can use copyrighted works for purposes of criticism, comment, news reporting, teaching, scholarship, or research without infringing.
- Factors courts consider:
 - Purpose and character of the use (commercial or nonprofit/educational?)
 - Nature of the work
 - Amount and substantiality of the portion used
 - The effect of the use upon the potential market for or value of the copyrighted work



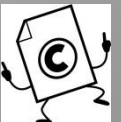
How long does copyright protection last?

- In general, any copyright in a work created on or after January 1, 1978, subsists from creation and endures for a term consisting of the life of the author and 70 years after the author's death.
- In the case of an anonymous work, pseudonymous work, or work made for hire, copyright endures for a term of 95 years of first publication, or 120 years from the year of creation, whichever expires first.



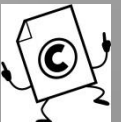
Copyright Notice

- Not required by law, but generally beneficial. Prior to 1976, notice was required.
- Benefits:
 - Informs the public that the work is protected by copyright
 - Identifies the owner
 - Shows the year of first publication
 - In an infringement case, proper notice defeats a defendant’s claim of “innocent infringement” when determining damages
- How?
 - Symbol © or the word “Copyright,” or the abbreviation “Copr.”
 - Year of first publication of the work
 - Name of the owner of the copyright (or abbreviation, if recognizable)Sample: © 2019 Sparks Willson
- Where? Anywhere so as to “give reasonable notice of the claim of copyright”



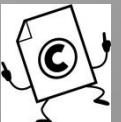
Benefits of Registration

- Although not a requirement for protection, the Copyright Act provides several advantages to encourage registration
 - Establishes a public record of the copyright claim
 - Before an infringement suit may be filed in court, registration is necessary
 - If made before or within five years of publication, registration establishes prima facie evidence in court of the validity of the copyright and the facts stated in the certificate
 - If registration is made within three months after publication of the work, or prior to infringement, statutory damages and attorneys' fees are available (otherwise only actual damages and profits)
 - Registration allows recordation with the U.S. Customs Service for protection against the importation of infringing copies
- Registration can be filed at any time within the life of the copyright



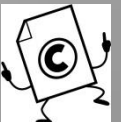
How to Register

- Application
 - Title
 - Author(s)
 - Creation and publication
 - Claimant(s)
 - Derivative Work or Compilation
- Filing Fee
 - Single application (single author, not made for hire): \$35
 - Standard application: \$55
- Nonreturnable deposit
 - Deposited for the use of the Library of Congress



Infringement Penalties/Remedies

- Anyone who violates any rights of a copyright owner may be liable for:
 - Actual damages and any additional profits – any actual damages suffered and any profits of the infringer that are attributable to the infringement.
 - Statutory damages – copyright owner may elect to recover an award of statutory damages in a sum of not less than \$750 or more than \$30,000, as deemed just by the court. If infringement is willful, court may increase the statutory damages to not more than \$150,000.
- In addition, an infringer who willfully infringes may be found guilty of a federal crime.





Trademarks 101

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What is a Trademark (Service Mark)?

- Source Indicator
 - It tells consumers that particular goods or services originate from a particular source.
 - Helps distinguish the goods or services of one party from those of another.
 - Federally governed by the Lanham Act.
 - Designed to protect consumers, not the owner (different than copyrights and patents)



Types of Trademarks?

- Words (Under Armour, Apple)
- Stylized Words 
- Phrases (“Just Do It,” “I’m Loving It”)
- Symbols 
- Designs
- Sounds 
- Scents (rare)  “Flowery Musk Scent”
- Colors (“Target Red,” “Home Depot Orange”)
- Any Combination of the Above



How Do I Gain Trademark Rights?

- Rights arise from “use in commerce.”
 - As soon as the mark is associated with your goods and services, and you begin marketing or selling those goods or services to the public, the mark gains protection
 - Common Law Rights – without formal registration, use of your mark in commerce grants the owner the right to use that mark in a specific geographic area

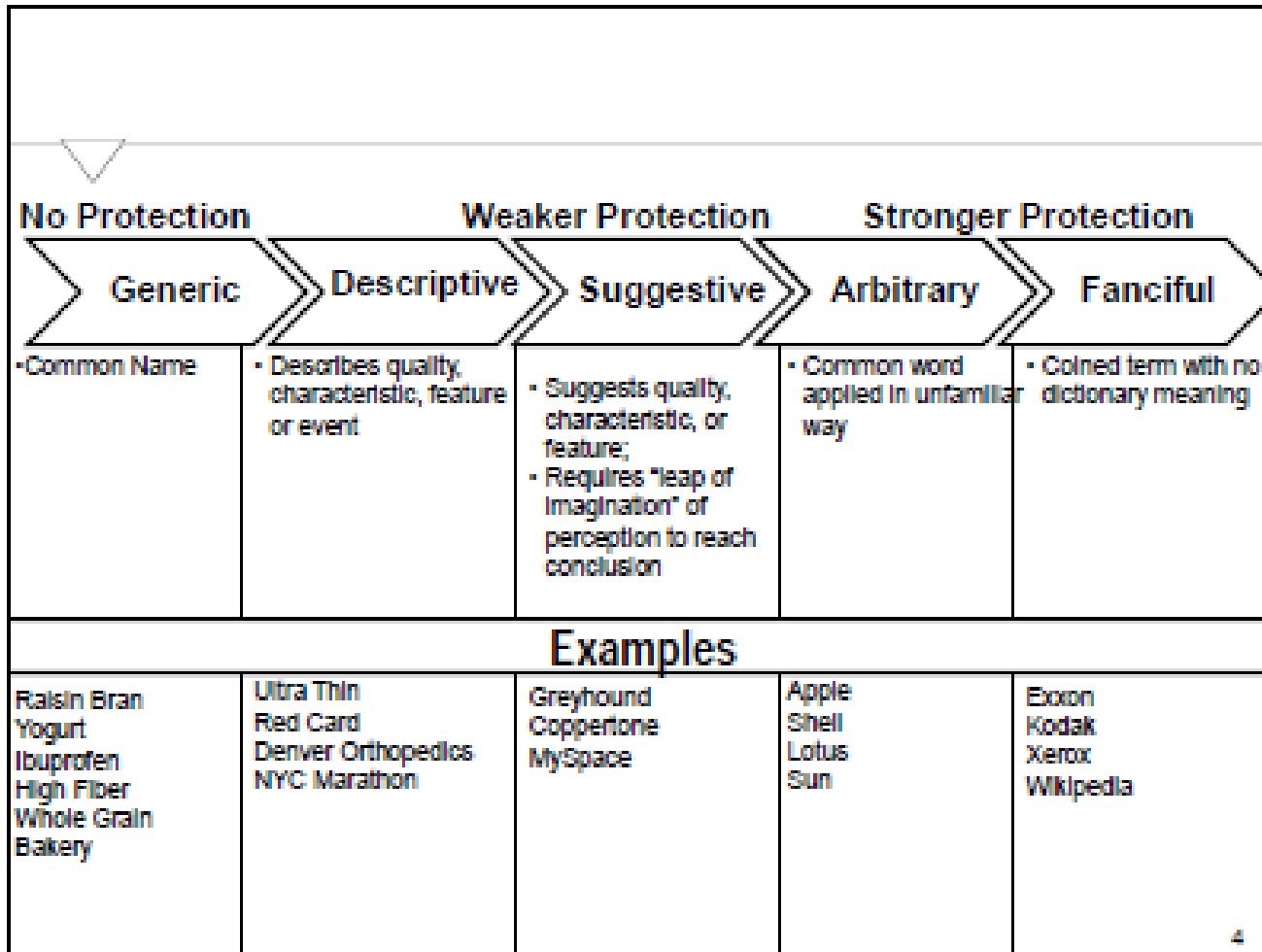


How to I Choose a Mark?

- Not every mark is strong and protectable
- Marks fall somewhere along a spectrum of “distinctiveness” – the more distinctive the mark to consumers, the stronger and more protectable it is



Distinctiveness Spectrum



How do I find a good one?

- Conduct a trademark clearance search.
- The process can be expensive, complicated and risky.
 - Why
 - How
 - When
 - Where



Why search?

- What do you want to do with your trademark?
 - Use it
 - Register it
 - Protect it
- Why Search?
 - Further assurance that your mark will not be rejected by the Trademark Office
 - Allows a business to make informed decisions with regard to risk
 - Provides evidence that the mark was adopted in good faith
- Cons?
 - Increases price and length of process
 - Can expose you to charge of willfulness
 - Incorrectly searching can do more harm than good



Key Items to Consider

- Phonetic variation
- Translations / transliterations
- Synonyms / mean-a-likes
- Sound-a-likes / look-a-likes
- Scope of the search (usually not the entire world)
- Quality of the information
 - Was there local expertise?
 - Who conducted the search?



When to search?

- In a perfect world, all trademarks would be searched and cleared before use
- As a rule of thumb, searching and clearance should be considered for the following marks before use:
 - Company names / consumer-facing DBAs
 - Names of major products/divisions/services
 - Marks displayed on packaging



Where to search?

- USPTO
 - Basic word search
 - Word and/or design mark search
- Pay Databases Services
 - Offered from search providers
 - Often provide translations and database corrections



Where to search?

- Federal trademarks
- State trademarks
- Trademark case law
- Common law
- Business names
- Domain names
- Internet content
- International registrations from WIPO
- Social Media
- Corporate Names



How to search?

- Use an IP/Trademark Attorney
- Trademark Electronic Search System (TESS)
- Google search



How do I get registration?

- Can file a federal registration application based on use or “intent to use”
 - You must have a good faith, bona-fide intent to use the mark
 - You may not “reserve” the rights in a mark
- Use is ultimately required to secure and maintain a federal registration in the United States



Why Register?

- Lots of benefits
 - Deter others from using the same or a similar mark with related goods/services
 - Stop others from registering the same or similar mark in connection with related goods/services (Trademark Office is obligated to bar registration of confusingly similar marks)
 - Evidences a protectable mark (needed to sue and recover damages)
 - Provides right to use ® symbol
 - Eases ability to assign or license a mark

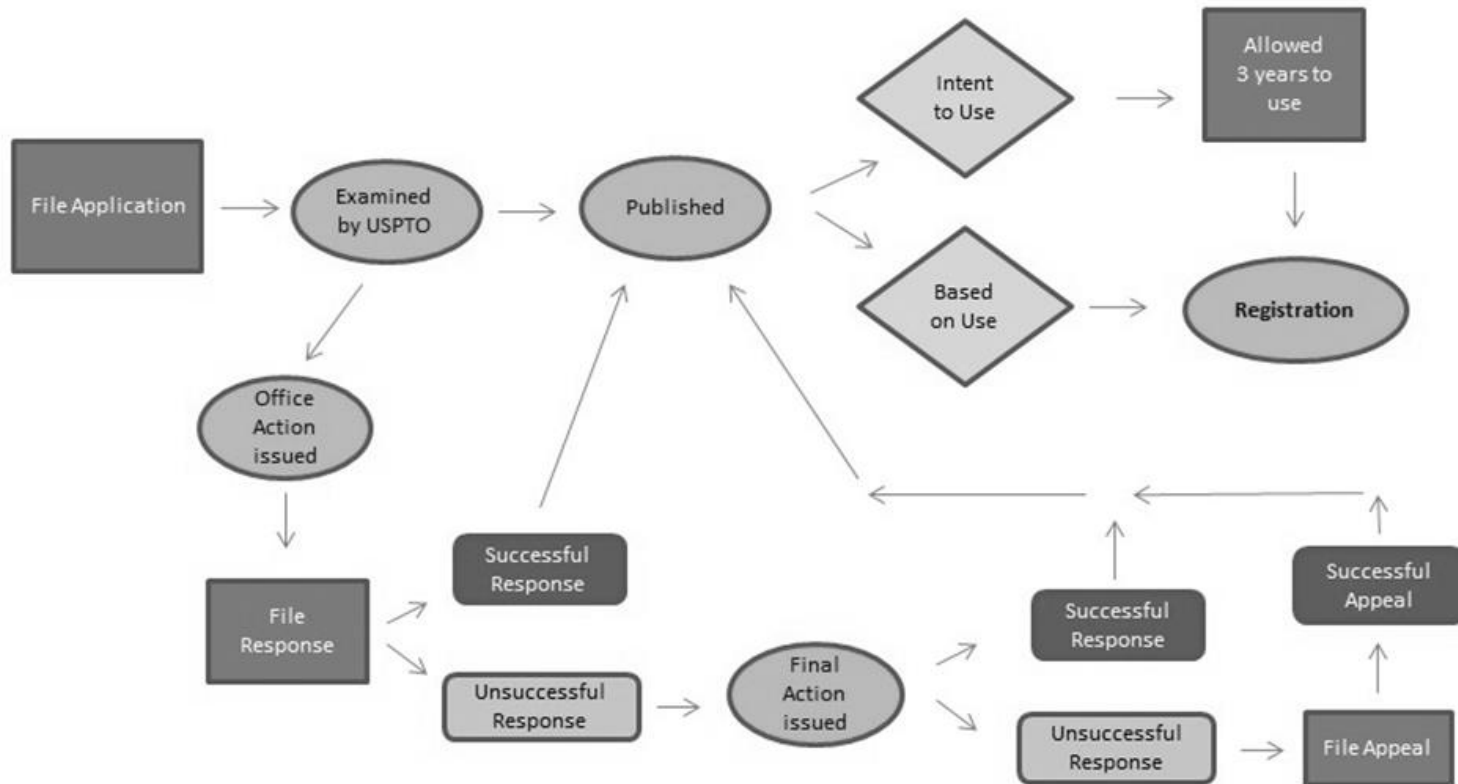


Description of Goods and Services

- Clear and accurate descriptions required
- What's the goal? Broad vs. Narrow?
- Cannot add goods or services once an application is filed, so define core activity and work from there
- Each class has its own set of guidelines



Timeline



Helpful Links

- Patents:
 - U.S. Patent Office: <https://www.uspto.gov/patent>
- Copyrights:
 - U.S. Copyright Office: <https://www.copyright.gov>
 - Copyright Basics: <https://www.copyright.gov/circs/circ01.pdf>
- Trademarks:
 - U.S. Trademark Office: <https://www.uspto.gov/trademark>
 - Trademark Basics: <https://www.uspto.gov/trademarks-getting-started/trademark-basics>
 - USPTO Trademark Information Network: <https://www.uspto.gov/trademarks-getting-started/process-overview/trademark-information-network>
 - Basic Facts about Trademarks: <https://www.uspto.gov/sites/default/files/documents/BasicFacts.pdf>

THANK YOU!



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