

Identifying and Protecting Your Intellectual Property Assets

-Real World Experience - Practical Advice -

Andrew S. Rogovin, Esq.
Partner
Hinckley, Allen & Snyder LLP

Harvard Business School
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A Primer On Intellectual Property: Basic Features and Protective Measures

OVERVIEW: The Types of Intellectual Property

	Trademark	Copyright	Patent
NATURE	Words, names, designs, slogans, symbols, sounds, product shape, product packaging.	Works fixed in a tangible medium of expression, literary and artistic expression such as books, paintings, sculptures, computer software, plays, movies.	New and useful inventions, such as manufacturing process, mechanical aspects of product, design of useful articles.
PURPOSE	Protects trademark owners from unfair competition and the public from confusion.	Encourages and rewards creative expression.	Encourages and rewards innovation.
ACQUIRING PROTECTION	Use of the mark in commerce in connection with goods or services <u>or</u> apply for federal or state registration.	Automatic upon fixation in a tangible medium.	Only by grant from Federal Government.
NOTICE	OPTIONAL: TM or SM if unregistered; ® or Reg. U.S. Pat. & Tm. Off.; if registered.	OPTIONAL after March 1, 1989: © or “Copyright with year of first publication and name of owner.”	OPTIONAL: “Patent applied for” or “Pat. Pending” after application filed, or Patent or Pat. Plus registration number after grant.

▪ **More Differences Between the Types of Intellectual Property**

	<u>Trademark</u>	<u>Copyright</u>	<u>Patent</u>
TERM	<p><u>Common Law</u>: As long as used in connection with goods or services.</p> <p><u>Federal Reg.</u>: 10 years from registration if use declaration is filed during 6th year of registration. Renewable for unlimited 10-year periods.</p>	<p>Creations after January 1, 1978:</p> <p>Author's lifetime plus 70 years.</p> <p>Work made for hire: the earlier of 95 years from publication or 120 years from creation.</p>	<p><u>Utility or Plant Patent</u>: 20 years from application filing date.</p> <p><u>Design Patent</u>: 14 years from grant.</p>
PREQUISITES TO AN INFRINGEMENT ACTION	No registration needed.	Registration required for U.S. nationals.	Issued patent required.
INFRINGEMENT TEST	Likelihood of confusion, mistake, or deception as to source or sponsorship.	Unauthorized use or copying (access to work <u>and</u> substantial similarity between protected work and allegedly infringing work).	Unauthorized manufacturing, use, sale or offering for sale devices embodying the protected invention

Patents:

- A right to **EXCLUDE OTHERS** from making, using or selling a patented article -- not necessarily to make it yourself
- Utility patents protect the **FUNCTION** of a machine, process, computer program, composition of matter that is useful, novel, and non-obvious
 - Term: 20 from FILING – regardless of when granted
- Design Patents protect the **ORNAMENTAL DESIGN** of an object – without regard to function
 - Term: 14 years from GRANTING

Patents

- **Our system protects the FIRST TO INVENT**
 - So long as:
 - No public disclosure
 - No offer for sale
 - No publication
 - No public use
- **If any of the above occur you have ONE YEAR to file or lose the right to patent on whatever was disclosed, offered, etc.**

Considerations Before Filing A Utility Patent?

- **Determine whether the concept is ready for patenting**
 - Deferral tactics while securing capital and undergoing product testing
 - Consider a provisional application
 - Discloses the invention, without claims and must be followed by an application within 1 year
- **Consult a patent attorney and provide description of invention**
- **Consider whether a PATENTABILITY SEARCH is advisable**
- **Attorney prepares patent application and inventor reviews**
- **Application filed in US Patent and Trademark Office (USPTO)**
- **USPTO eventually substantively examines the application and claims based upon similar *prior art***

Protecting Trade Secrets

- **A Trade Secret can protect any information**
 - Includes diverse information such as: business methods, technical matters, research plans, finances or customer data.
- **Disclosure must be controlled**
 - Adopt policies to communicate corporate confidentiality practices
 - Employ non-disclosure agreements with employees, vendors, customers and business partners
 - Mark materials as confidential and proprietary
 - Restrict access and copying
 - Perform pre-disclosure due diligence on prospective partners and employees
 - Control access to computers and networks, including password protection and firewalls, with special vigilance for laptops containing trade secrets

Copyright

- **Copyright protection subsists in *original works of authorship* fixed in any tangible medium of expression. Copyright Act Sec. 102**
- **Categories of protectable work are:**
 - Literary works (books, poems, articles, essays, computer software)
 - Musical works (including lyrics)
 - Dramatic and choreographic works
 - Pantomimes and choreographic works
 - Pictorial, graphic and sculptural works (photos, logos, charts, tables, paintings, statues)
 - Motion pictures and other audio visual works
 - Sound recordings
 - Architectural works

Copyright Is The Right To:

- **Make copies of your work**
- **Distribute copies of your work to others**
- **Perform your work publicly (such as plays, films, dances or music)**
- **Display your work publicly (such as for artwork, or any material used on the Internet or television)**
- **Make derivative works (including making modifications, sequels or other new uses of a work, or translating the work to another media or language)**

What Is Not Protected By Copyright?

- **Works that have not been fixed in a tangible form of expression**
 - for example, choreographic works that have not been notated or recorded, or improvisational speeches or performances that have not been written or recorded
- **Titles, names, short phrases, and slogans; familiar symbols or designs; mere variations of typographic ornamentation, lettering, or coloring; mere listings of ingredients or contents**
- **Ideas, procedures, methods, systems, processes, concepts, principles, discoveries, or devices, as distinguished from a description, explanation, or illustration**
- **Works consisting entirely of information that is common property and containing no original authorship**
 - for example; standard calendars, height and weight charts, tape measures and rulers, and lists or tables taken from public documents or other common sources

When Does Copyright Arise?

- **Copyright is secured automatically when the work is created.**
 - A work is "created" when it is fixed in a tangible medium.
- **No publication, registration, or other action in the Copyright Office is required to secure copyright.**
 - Registration may be made at any time within the life of the copyright
- **The copyright in a work is the property of the author(s) who created the work.**
 - Works created by employees in the scope of their employment are owned by the company (a work for hire)
 - A specially commissioned work for inclusion in a collective work may be a work for hire but only if it falls into one of nine statutory categories and the parties agree in a signed writing that the work is made for hire.

Benefits Of Copyright Registration

- Why Register?-

- **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 5 years of publication, registration will establish prima facie evidence in court of the validity of the copyright and the facts stated in the certificate.**
- **If registration is made within 3 months after publication of the work or prior to an infringement of the work statutory damages and attorney's fees will be available to the copyright owner in court actions. Otherwise, only an award of actual damages and profits is available to the copyright owner.**
- **Registration allows the owner of the copyright to record the registration with the U.S. Customs Service for protection against the importation of infringing copies.**

How Long Does A Copyright Last?

- **A work that is created on or after January 1, 1978, is automatically protected from the moment of its creation and is ordinarily given a term enduring for the author's life plus an additional 70 years after the author's death**
- **In the case of "a joint work prepared by two or more authors who did not work for hire," the term lasts for 70 years after the last surviving author's death**
- **For works made for hire, the duration of copyright will be 95 years from publication or 120 years from creation, whichever is shorter.**

Fair Use

- **The right to control reproduction of copyright works is subject to certain limitations, most notable of which is fair use**
 - Such as criticism, comment, news reporting, teaching, scholarship, and research
- **The distinction between “fair use” and infringement may be unclear and not easily defined**
 - A very fact-intensive inquiry

Factors For Fair Use

- **The copyright act sets out four factors to be considered in determining whether or not a particular use is fair:**
 - the purpose and character of the use, including whether such use is of commercial nature or is for nonprofit educational purposes;
 - the nature of the copyrighted work;
 - amount and substantiality of the portion used in relation to the copyrighted work as a whole; and
 - the effect of the use upon the potential market for or value of the copyrighted work.

Examples Of Fair Use (As Determined By The Courts)

- Quotation of excerpts in a review or criticism for purposes of illustration or comment
- Quotation of short passages in a scholarly or technical work, for illustration or clarification of the author's observations
- Use in a parody of some of the content of the work parodied
- Summary of an address or article, with brief quotations, in a news report
- Reproduction by a library of a portion of a work to replace part of a damaged copy
- Reproduction by a teacher or student of a small part of a work to illustrate a lesson
- Reproduction of a work in legislative or judicial proceedings or reports
- Incidental and fortuitous reproduction, in a newsreel or broadcast, of a work located in the scene of an event being reported

What A Trademark Does

- **Identifies one seller's products or services and distinguishes them from the products or services of others**
- **Signifies that all goods bearing the mark or services offered under the mark come from or are controlled by a common source**
- **Signifies that all goods bearing the mark or services offered under the mark are of an equal level of quality**
- **Is a prime instrument in advertising and selling the goods.**

Requirements For A Trademark

- **Tangible symbol**: A word, phrase, symbol, device or any combination of these.
 - Includes words, letters and numbers, slogans, symbols/designs, trade dress (packaging or product design), color, sound and certification or collective marks
- **Use**: Actual adoption and use of the symbol as a mark by a manufacturer or seller.
 - Intent to Use Applications grant certain protections prior to establishment of use
- **Function**: To identify and distinguish the seller's goods or services from products made or sold by others.

Why Do A Search?

- **Determine if others have prior rights to a similar mark**
- **Assess the strength of a mark. (Can I stop my competitors from using similar marks?)**
- **To see how the U.S. Trademark Office treats similar marks (e.g. descriptiveness).**
- **Helps company make a reasoned business decision as to the risks associated with adopting a mark, as well as the ability to protect the mark against encroachment by others.**

Note on Common Law Trademarks

- **Rights in trademark arise from use.**
- **Generally the first to use has superior rights (even without registering).**
- **Common law rights are limited to the geographic area where the mark is used.**

State Law Registration

- **State Law registration only applies to a particular state.**
- **In many states, registration has very limited (if any) procedural or substantive benefits.**
- **State applications cannot be filed on an Intent To Use basis; actual use within the state is required.**
- **State registrations will appear in trademark searches and may deter other's adoption of infringing marks.**

Federal Registration

- **Most Significant Benefit:** Federal registration provides a trademark owner with national rights to the mark, even before the goods or services reach the national marketplace, as opposed to geographic restrictions imposed by common law or state registrations.
- **Additional Benefits to Federal Registration**
 - Constructive notice to third parties of your ownership
 - Federal jurisdiction
 - Statutory damages
 - The registration is considered prima facie evidence of ownership, of the exclusive right to the mark's use and the validity of the registration
 - Presumption of distinctiveness as of date of registration

Foreign Trademarks

- Most foreign countries base trademark rights on the first to register a mark not the first to use.
- If you are doing business overseas there is a significant risk if your mark is not registered.

Use Trademarks Correctly

- **Trademarks must be used.**
- **Trademarks are proper adjectives and should be followed by generic terms.**
- **Trademarks should not be pluralized.**
- **Trademarks should not be used in the possessive form unless the trademark itself is possessive.**
- **Trademarks are not verbs.**

For more information contact:

Andrew S. Rogovin, Esq.

Partner | Hinckley, Allen & Snyder LLP

28 State Street | Boston, MA 02109-1775

p 617.378.4190 | f 617.378.4191

arogovin@haslaw.com