Introduction to Intellectual Property Law

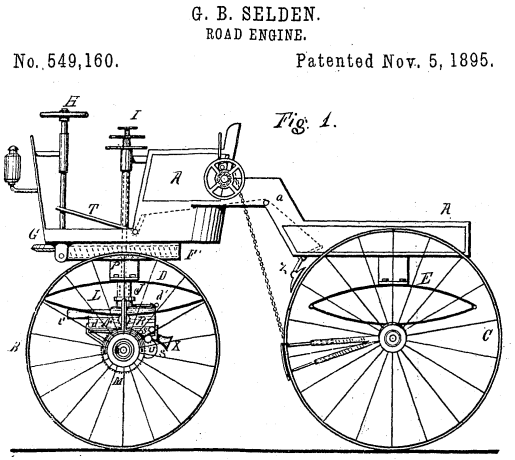
February 6, 2013

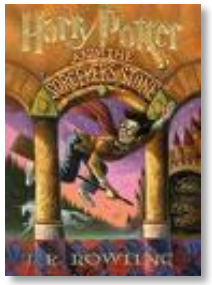
Prof. Peter Lee

UC Davis School of Law

What is Intellectual Property Law?

- Legal doctrines conferring exclusive rights on **intangible assets**
  - Technical designs
  - Creative expressions
  - Market symbols
  - Information


G. B. SELDEN.
ROAD ENGINE.
No. 549,160. Patented Nov. 5, 1895.
Fig. 1.



Agenda

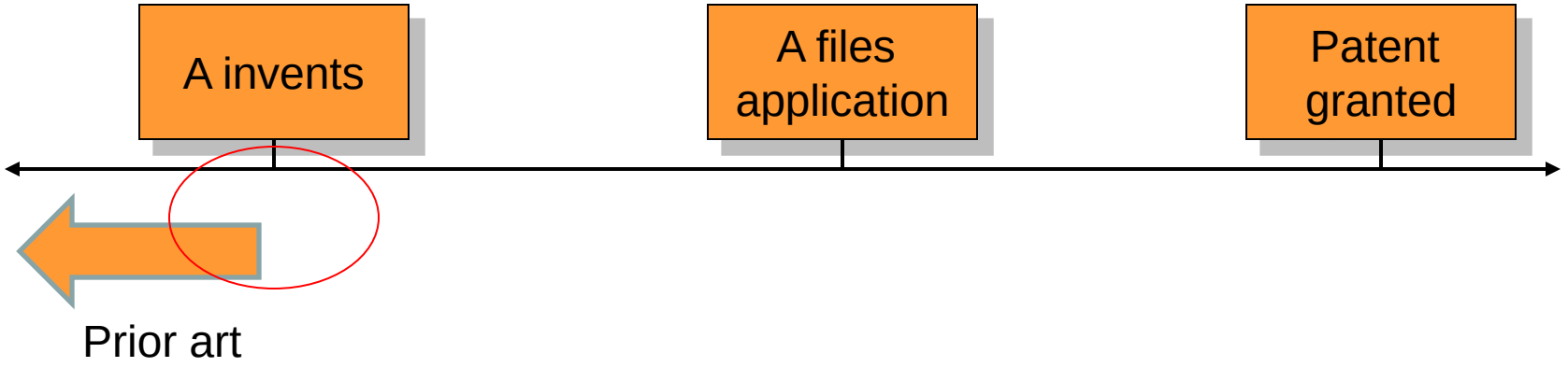
- Introduction
- Theories of intellectual property
- Doctrinal areas
  - Trade secrets
  - Patents
  - Copyrights
  - Trademarks
- Conclusion

Overview of Patent Law

- Substantive requirements of patentability
  - Patentable subject matter
  - Utility
  - Disclosure and enablement
  - Novelty
  - Statutory bars
  - Nonobviousness

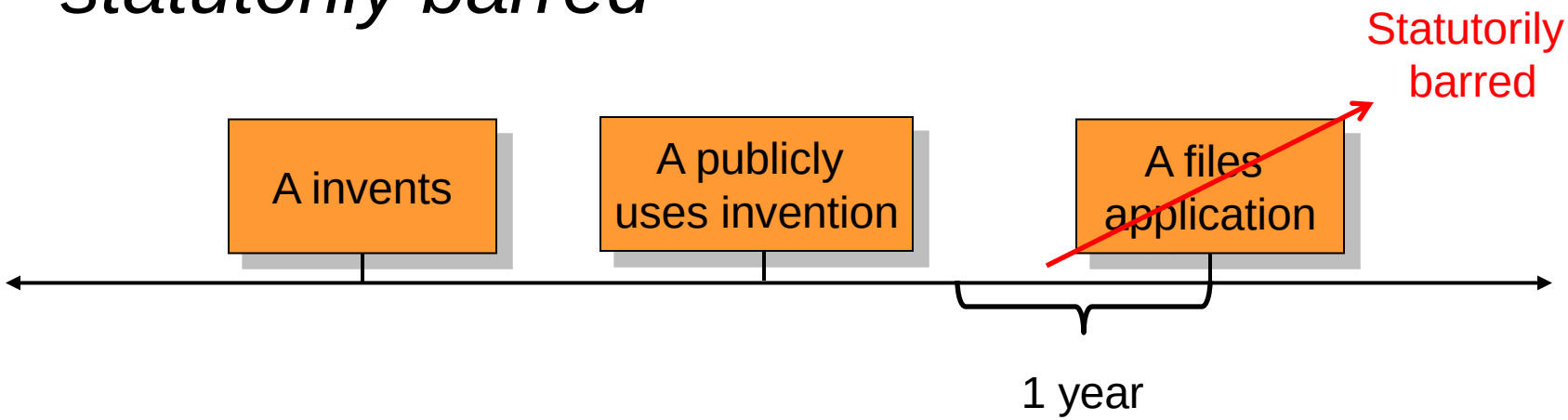
Novelty (Current Rules)

- U.S.: currently <u>first to invent</u>



Statutory Bars (Current Rules)

- Even if novelty is satisfied, if an invention is disclosed/used more than 1 year before filing a patent application, patent rights are *statutorily barred*

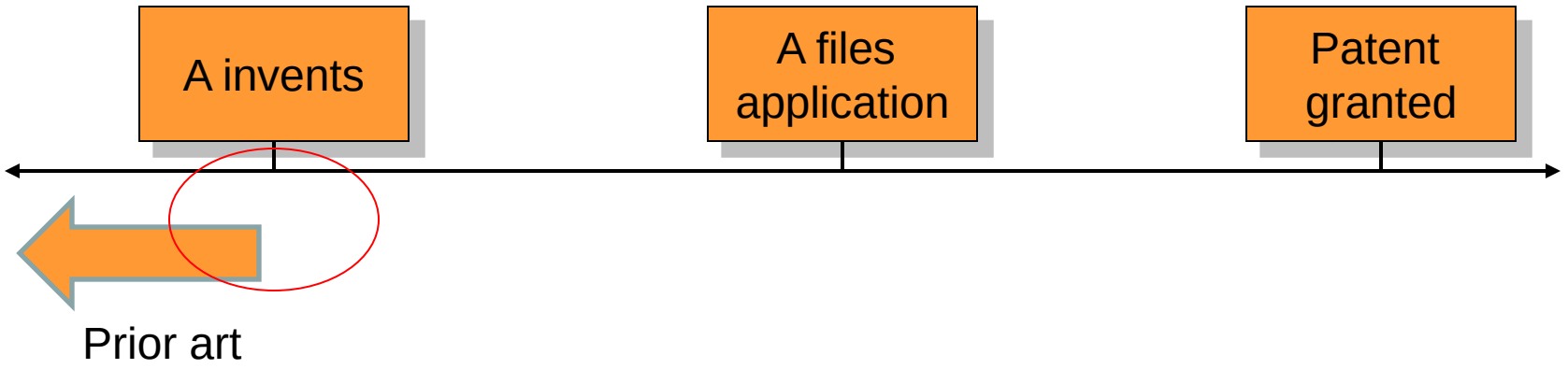


Novelty (New Rules)

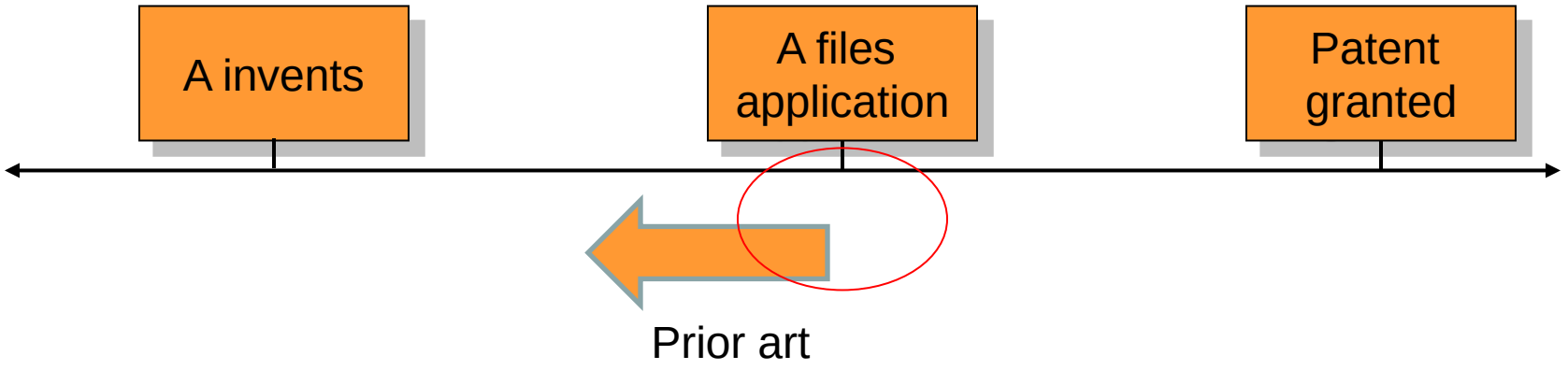
- Leahy-Smith America Invents Act (2011)
- Shifts the United States from a:
  - "First to invent" jurisdiction to a
  - "First inventor to file" jurisdiction
- Filing date, rather than invention date, determines novelty
  - A claimed invention is anticipated if a single prior art reference (before the date of filing) contains all elements of the invention
- Statutory bars are subsumed into novelty

Novelty (Comparing Rules)

- U.S.: currently first to invent



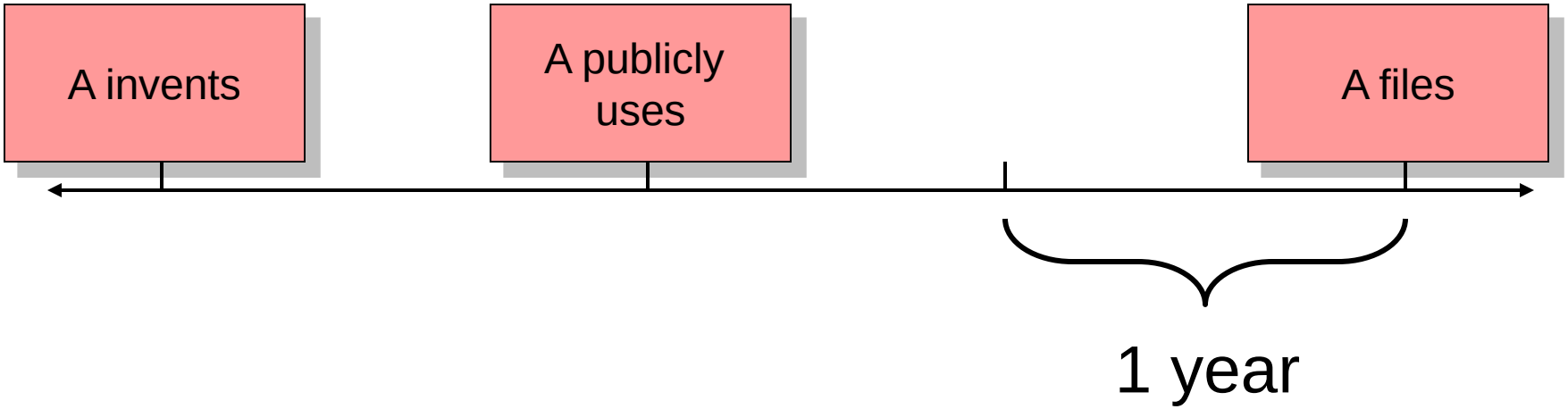
- U.S.: shifting to first inventor to file



Novelty (New Rules)

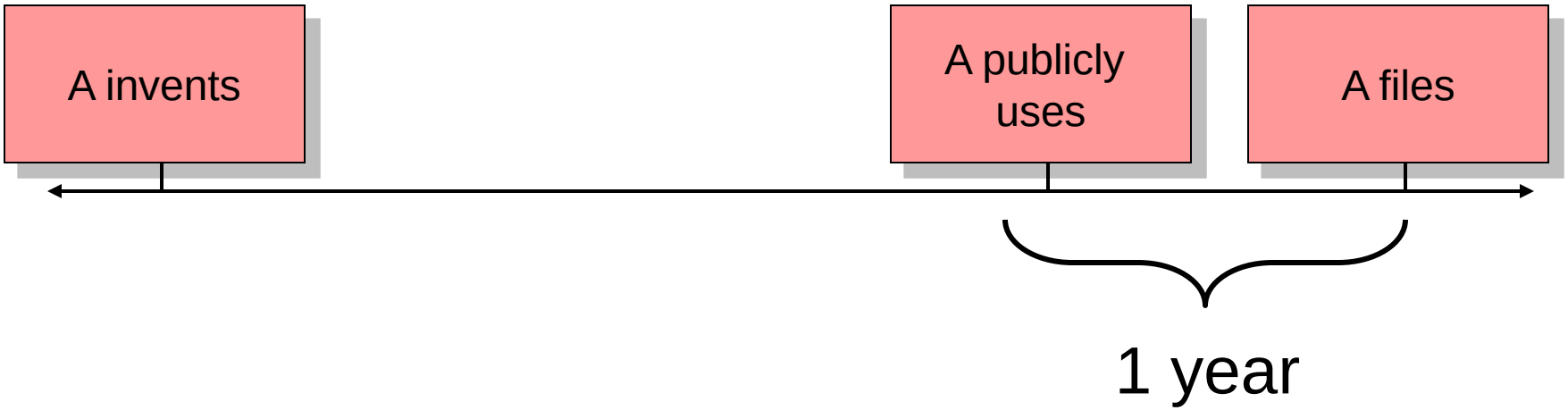
- New rule: any use/disclosure prior to filing a patent application destroys novelty
- (Big) Exception:
  - Disclosures made one year or less before the filing date *by the inventor* (or derived from the inventor) will not be prior art to the claimed invention
  - Attempts to retain the one-year grace period of the current U.S. patent system

Congressional Patent Reform



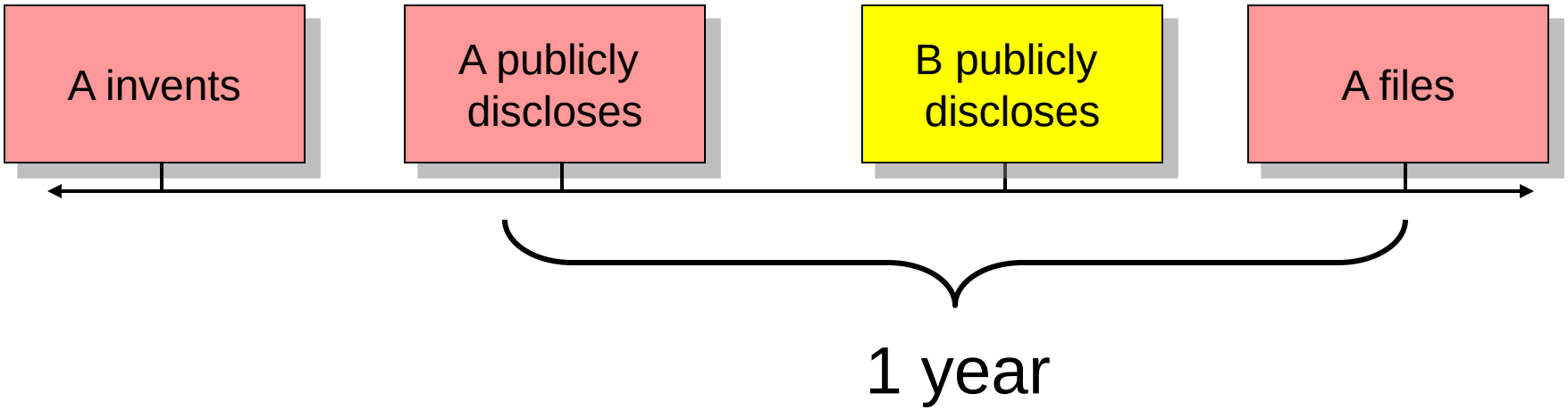
A's invention lacks novelty because of A's public disclosure more than 1 year before A filed a patent application

Congressional Patent Reform



A's invention is still novel because A's public disclosure occurred within the 1-year grace period before A filed a patent application

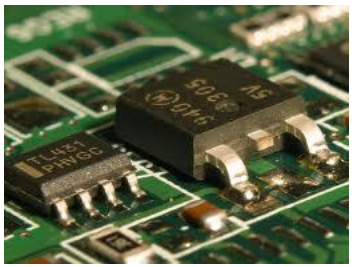
Congressional Patent Reform



A's invention is still novel. B's public disclosure does not count as prior art because A publicly disclosed before B and A filed a patent application within one year of A's disclosure.

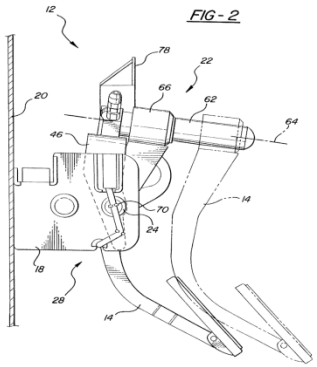
Nonobviousness

- Measures technical achievement
- The “gatekeeper” to patentability
- Heavily litigated
- 35 U.S.C. § 103(a) (new)
  - An invention must not have been obvious to a person of ordinary skill in the art at the time of filing a patent application



Nonobviousness

- Graham v. John Deere Co. (1966)
  - The Graham framework
    - Scope and content of the prior art
    - Differences between the prior art and claims
    - Level of ordinary skill in the art
    - Secondary considerations
      - Commercial success
      - Satisfaction of long-felt but unsolved needs
      - Failure of others

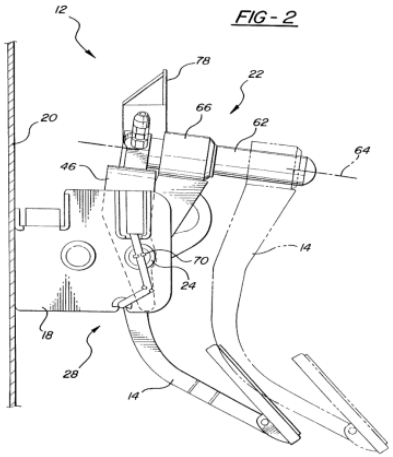


Nonobviousness

- KSR v.Teleflex (2007)
  - Raised the standard for nonobviousness
  - Invention comprised a combination of:
    - An adjustable gas pedal
    - A sensor for use with an electronic throttle
  - Held: obvious
    - “The combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results.”

Infringement

- Claim construction
  - Interpretive rules for construing claims
- Infringement analysis
  - Literal infringement
  - Doctrine of equivalents

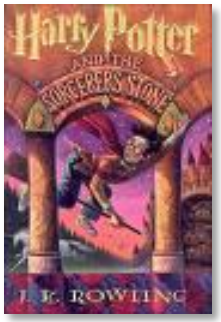


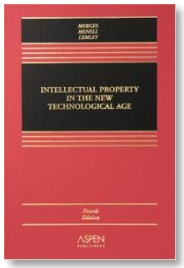
Agenda

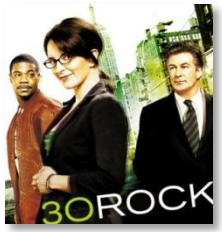
- Introduction
- Theories of intellectual property
- Doctrinal areas
  - Trade secrets
  - Patents
  - Copyrights
  - Trademarks
- Conclusion

Why Copyright?

- U.S. Const. art. I, § 8, cl. 8
  - "The Congress shall have 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 . . . ."







Introduction to Copyright

- Exclusive rights as an incentive to create
- No formal application requirement
  - Copyright attaches upon “fixation in a tangible medium of expression”
- Threshold for protection
  - Originality
    - Independent creation
    - Modicum of creativity
  - Fixation in tangible form

Limitations on Copyright

- => Very different from patent law
- Independent creation
  - Copyright only prohibits unauthorized *copying* of protected material
- Fair use doctrine

Copyright Term

- Generally:
  - Life of the author + 70 years
- Anonymous works, pseudonymous works, and works made for hire, the lesser of:
  - 95 years from the first publication or
  - 120 years from the year of creation

=> It's easier to obtain a copyright than a patent, and the term of protection is longer, but the exclusive rights are more limited

Copyright Overview

- Subject matter
  - Idea-expression dichotomy
  - Useful article doctrine
- Infringement analysis
- Derivative works
- Fair use

Copyrightable Subject Matter

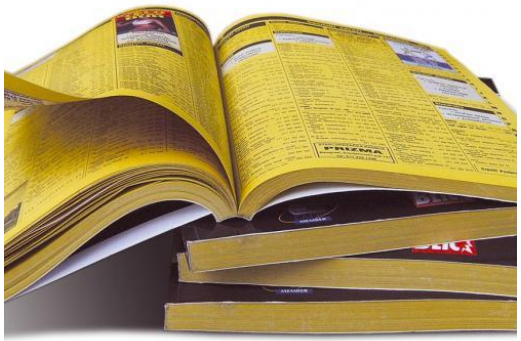
- 17 U.S.C. § 102(a)
  - Copyright protection subsists, in accordance with this title, in original works of authorship fixed in any tangible medium of expression….

Copyrightable Subject Matter

- 17 U.S.C. § 102(a) (cont.)
  - Works of authorship include the following categories:
    - (1) literary works;
    - (2) musical works, including any accompanying words;
    - (3) dramatic works, including any accompanying music;
    - (4) pantomimes and choreographic works;
    - (5) pictorial, graphic, and sculptural works;
    - (6) motion pictures and other audiovisual works;
    - (7) sound recordings; and
    - (8) architectural works.

Copyrightable Subject Matter

- Does copyright extend to listings of names and numbers in a phone book?
  - No
- Feist Publications v. Rural Telephone Service (1991)
  - Originality
    - Independent creation
    - Modicum of creativity
  - Originality easy to satisfy, but not done here
  - No “sweat of brow” protection

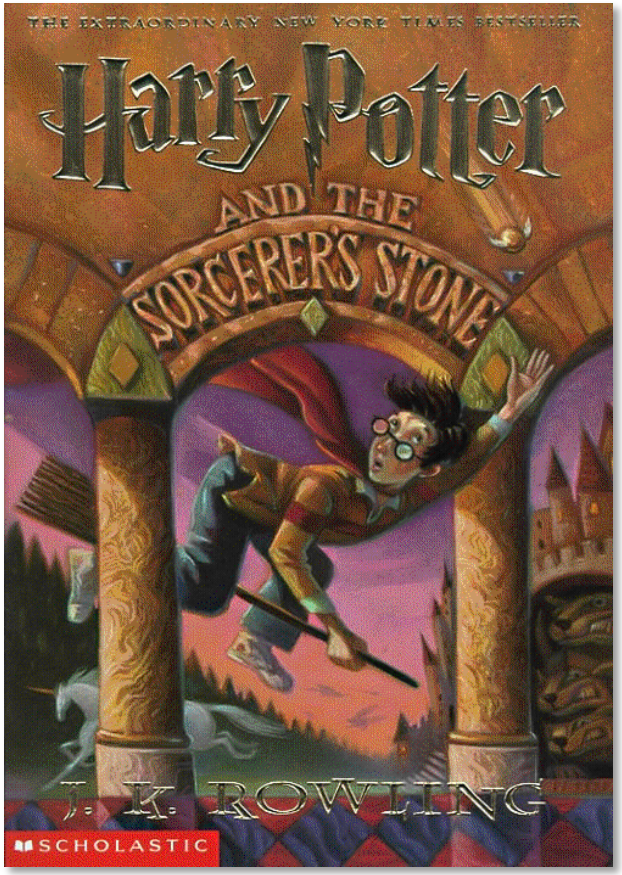


Copyrightable Subject Matter

- 17 U.S.C. § 102(b)
  - In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work.

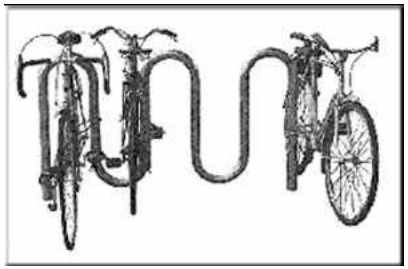
Distinguishing Idea from Expression

- Expression (specific)
  - Text of *Harry Potter*
  - Boy with mystical powers who attends wizard school with group of spunky friends and fights an evil wizard
  - Boy with mystical powers who attends wizard school with group of spunky friends
  - Boy with mystical powers who attends wizard school
  - Boy with mystical powers
- Idea (abstract)



Useful Article Doctrine

- Does copyright protect a bicycle rack adapted from a modernist sculpture?



  - No
- Brandir Int'l, Inc. v. Cascade Pacific Lumber Co. (2d Cir. 1987)
  - Aesthetic elements of useful articles are only protected if physically or conceptually separable from the useful article

Infringement Analysis

- Copyright only protects against unauthorized *copying* of *protected* material
  - Copying
    - Independent creation is not infringement
  - Infringement (or improper appropriation)
    - Copying unprotected elements is not infringement

Nichols v. Universal Pictures Corp. (2d Cir. 1930)

Republic Theatre

42d Street, West of Broadway

OLIVER D. BAILEY - - - - - - - Lessee

By Arrangement with A. H. WOODS

NOTICE: This Theatre, with every seat occupied, can be emptied in less than three minutes. Choose NOW the Exit nearest to your seat, and in case of fire walk (do not run) to that Exit.

THOMAS J. DRENNAN, Fire Commissioner.

WEEK BEGINNING MONDAY EVENING, OCTOBER 8, 1923

Matinees Wednesday and Saturday

ANNE NICHOLS

New Comedy

"ABIE'S IRISH ROSE"

Cast of Characters

(In the Order of Their First Appearance)

ISAAC COHEN.....MILTON WALLACE
MRS. ISAAC COHEN.....IDA KRAMER
RABBI JACOB SAMUELS.....JACK BERTIN
SOLOMON LEVY.....ALFRED WHITE
ABRAHAM LEVY (His Son).....HAROLD SHUBERT
ROSEMARY MURPHY.....EVELYN NICHOLS
PATRICK MURPHY.....ANDREW MACK
FATHER WHALEN.....HARRY BRADLEY
FLOWER GIRL.....DOROTHY PITOU
BRIDESMAIDS....NATHALIAN MOORHEAD, IONE HULL, DOROTHY GRAU, HELEN CORBIN

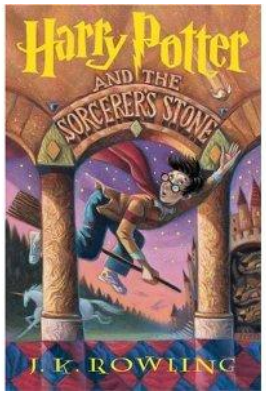
PROGRAM CONTINUED ON SECOND PAGE FOLLOWING

Nichols v. Universal Pictures Corp. (2d Cir. 1930)

- Playwright wrote play about two children who fell in love from families that did not like each other
  - Defendant produced a movie with a similar plot
- Infringement?
- Held:
  - Similarities occurred at the level of general themes, which are not protectable
  - Only copying of *protectable expression* constitutes improper appropriation
  - No infringement

Derivative Works

- Copyright gives authors the exclusive right to prepare “derivative works”
  - a work based upon one or more preexisting works, such as a translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgment, condensation . . . .

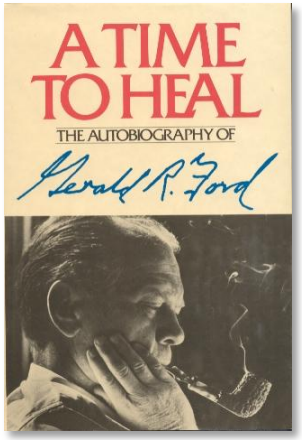


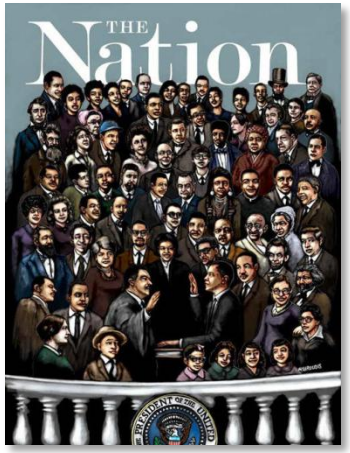
Fair Use

- Important limitation on copyright
- 17 U.S.C. § 107
  - [T]he fair use of a copyrighted work, including such use by reproduction in copies or phonorecords or by any other means specified by that section, for purposes such as
  - criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research,
  - is not an infringement of copyright.

Fair Use

- U.S. President Gerald Ford agreed to publish excerpts of his forthcoming memoir in *Time* magazine.
- *The Nation* magazine obtained those excerpts and published them without authorization
- *The Nation* was sued for copyright infringement, but it argued fair use.





Fair Use

- Harper & Row, Publishers, Inc., et al. v. Nation Enterprises et al. (1985)
  - Held: this is *not* fair use
  - Fair use inquiry (17 U.S.C. § 107):
    - Purpose of the use
      - Noncommercial versus commercial
    - Nature of copyrighted work
      - Published versus unpublished
    - Amount and substantiality of portion used
      - Even a small amount may be substantial
    - Effect on the market
      - Most important inquiry

Fair Use - Parody

Roy Orbison and William Dees
“Oh, Pretty Woman”

2 Live Crew
“Pretty Woman”

Agenda

- Introduction
- Theories of intellectual property
- Doctrinal areas
  - Trade secrets
  - Patents
  - Copyrights
  - Trademarks
- Conclusion

Trademark Theory

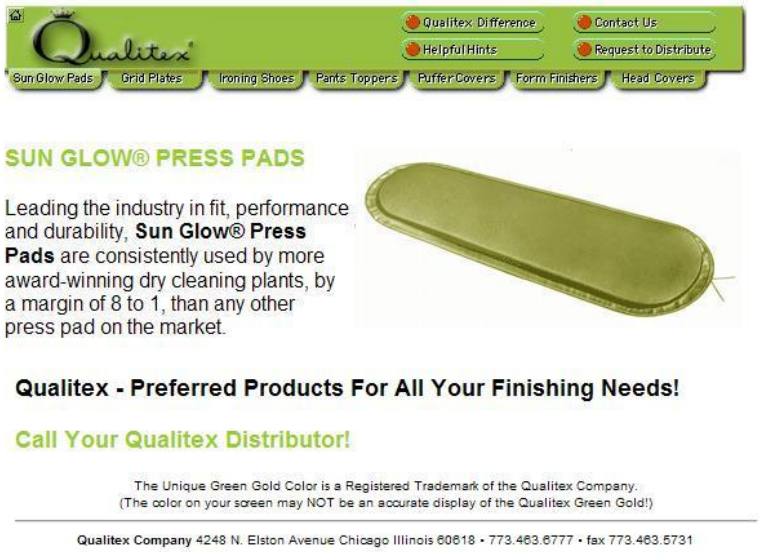
- Utilitarian
  - Not an incentives rationale per se
  - Ensures integrity in the marketplace
    - Lower information and search costs
    - Reduce passing off
    - Allow reputable firms to internalize goodwill
- Tort/deterrence
  - Unfair competition
  - Consumer deception

Trademark Overview

- Trademark subject matter
  - Distinctiveness
- Infringement
  - The use requirement
  - Likelihood of consumer confusion
- Dilution
- Domain names and cybersquatting
- Defenses
  - Genericness
  - Functionality

Trademark Subject Matter

- Can a mere color serve as a protectable trademark?



  - Yes

Trademark Subject Matter

- Qualitex Co. v. Jacobson Products Co., Inc. (1995)
  - Expansive view of entities that can serve as trademarks:
    - Colors
    - Sounds
    - Smells
    - Shapes

  - Anything that serves to identify the specific source of goods or services in the marketplace can be a trademark

Trademark Subject Matter

Distinctiveness - Classifications of Marks

More Protection **Less Protection**

Arbitrary/Fanciful	**Suggestive**	**Descriptive**	**Generic**
Bears no relation to product	Suggests some characteristic	Describes some characteristic	Denotes a *class* of products
Automatically protectable	Automatically protectable	Protectable if **secondary meaning**	Unprotectable
EXXON, Kodak, Apple	Coppertone, Tide	Holiday Inn, SHARP, Kellogg's ALL-BRAN	aspirin, thermos, cellophane, cola, shredded wheat, car, computer

Infringement

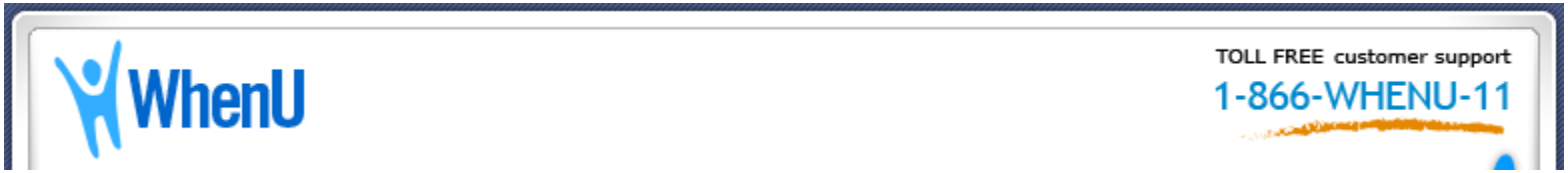
- Requirements of infringement
  - Protectable mark
  - Defendant's use in commerce
  - Likelihood of consumer confusion

The Use Requirement

- “1-800 Contacts” is the trademark of a popular contact lens delivery service.
- WhenU.com makes a software application that generates pop-up ads when a user enters certain words.
  - When users go to www.1800contacts.com, ads for 1-800 Contacts’ competitors pop up.
- Is WhenU.com infringing 1-800 Contacts’ trademark?

The Use Requirement

- 1-800 Contacts, Inc. v. WhenU.com, Inc. (2d Cir. 2005)
  - Held: WhenU.com did *not* "use" 1-800 Contacts' mark in commerce
  - Differentiating between different kinds of "use"
    - Use in commerce
    - Internal, nonpublic use



Likelihood of Consumer Confusion

- Framework for likelihood of confusion depends on the relatedness of the *products*
  - Direct competitors
    - Similarity of marks alone indicates likelihood of confusion
  - Unrelated
    - Even identical marks will not give rise to a likelihood of confusion

Likelihood of Consumer Confusion

- Related products
  - Strength of mark
  - Proximity of goods
  - Similarity of marks
  - Evidence of actual confusion
  - Marketing channels used
  - Types of goods and purchaser care
  - Intent
  - Likelihood of expansion

"Slickcraft"

"Sleekcraft"

Dilution

- A separate trademark cause of action independent of infringement
- Second mark "dilutes" a "famous" and distinctive mark
  - Blurring
  - Tarnishment
- Not necessarily any risk of consumer confusion
  - E.g., "Mercedes-Benz hot dogs"
- Who/what does dilution protect?

Dilution (Tarnishment)