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Reading Summary 3: Intellectual Property

The paper begins with the onset of a clean air bill passed by the Chinese government in 2006 to build 10 giant wind farms. American Semiconductor (AMSC) vice president Daniel McGahn saw this as an opportunity to do business with China and as a result the companies’ stocks quadrupled in 3 years. The story, however, ends with China stealing AMSC’s intellectual property and both parties sued on another over it. It represents many cases of Chinese espionage on Western businesses.

So what exactly is intellectual property? It is defined as any work of the mind -art, books, films, formulas, inventions, music, processes, etc.- that are distinct and owned or created by a single individual or group. In today’s day and age, copyrights exist to restrict the distribution of these creations to the will of its creators rather than to the general public. Without these, artists and engineers would have no desire to produce their goods as they could not profit from them.

For a given copyright, the work is guaranteed protection for a certain amount of time and can be renewed a certain number of times. Of course, not every work of intellectual property is valid for a copyright and there are Fair Use guidelines set in place to balance an author’s rights and enabling public access to those works. But overall, copyrights provide the best means of protection for intellectual property.

To increase the kinds of media protected and to improve the protection given, a number of acts have been passed in recent years. The need for these has arisen predominately with the rise of increasing numbers of electronic devices being created and their corresponding software. Some of these acts include, but are not limited to, the PRO-IP Act of 2008, the GATT, the WTO Act of 1994, the WIPO Copyright Treaty of 1996, and the Digital Millennium Copyright Act of 1998.

Since that time, there have been more patent applications and accepted patents in circulation than there has ever been. A number of large tech companies were the main groups receiving these patents. Some of these companies were granted so many patents for 2011 to 2012, that companies like Google increased their number of granted patents by 170%!

The rest of the paper goes on to define various other forms of intellectual property that has been covered in recent years. These include, but are not limited to Trade Secrets and Software Patents.

Despite all of these protection efforts, however, there remain a number of cases in which intellectual property is stolen. Some of these methods include plagiarism, reverse engineering, claiming ownership of open source code, competitive intelligence, trademark infringement, and cybersquatting.