



Trademarks and Copyrights: An Overview

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Presented by: Sheila M. Heidmiller

**Macheledt · Bales
& Heidmiller LLP**

Patents Trademarks Copyrights Website Compliance

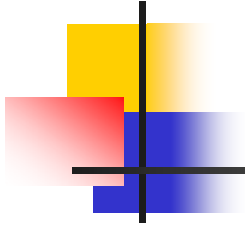


About the Speaker

Sheila Heidmiller is a partner in the law firm of Macheledt Bales & Heidmiller LLP, an intellectual property firm providing a full range of intellectual property law services. Ms. Heidmiller focuses her practice in the areas of trademarks, copyrights, domain names, licensing, and website compliance. Her practice includes both transactional work and litigation. She has handled infringement cases in the District Courts of Washington, Arizona, and Colorado, and before the Trademark Trial and Appeal Board.

Prior to joining Macheledt Bales & Heidmiller LLP, Ms. Heidmiller practiced in the area of intellectual property law with various large law firms in Arizona and Washington.

Ms. Heidmiller earned her Bachelor's and Master's degrees at Colorado State University and her Juris Doctor degree at Seattle University.



Part I

Overview of Trademarks



Trademarks

What Are They?

- What is a trademark?
A source identifier: A word, symbol, or phrase used to distinguish one company's goods/services from that of another.
- For example, the trademark "Nike" and the Nike "swoosh" symbol (both of which are registered with the USPTO) identify the shoes made by the company Nike and distinguish them from shoes made by other companies, such as Reebok or Adidas.

Trademarks

What Is The Legal Definition?

- For something to legally function as a trademark, it must be distinctive, meaning it must be capable of identifying the source of a particular good/service.
- For instance, can't use "apple" as a mark for apples because it is a generic word for that fruit and is not capable of identifying a particular source. Everyone needs to be able to use that word to describe that fruit.



Trademarks

How To Choose A Strong Mark

- *Famous* marks are the strongest because they are protected by federal dilution and tarnishment statutes. Examples:
 - AOL
 - BARBIE
 - BUDWEISER
 - FORD
 - HOTMAIL
 - NASDAQ

Trademarks

How To Choose A Strong Mark (cont.)

- *Arbitrary* marks are next in line. They bear no logical relationship to underlying good/service (e.g., “Apple” for computers, “Kodak” for cameras).
- *Suggestive* marks are next in line. They evoke or suggest a characteristic of underlying good/service without directly describing it (e.g., “Coppertone” for suntan lotion).

Trademarks

How To Choose A Strong Mark (cont.)

- *Merely descriptive* marks are next in line. Consuming public associates the mark with the underlying good/service rather than the source of the good/service (e.g., “Personal Finance” for a financial investment magazine). Not entitled to trademark protection on the Principal Register, but can usually get on Supplemental Register.

Trademarks

How To Choose A Strong Mark (cont.)

- *Generic* word/phrase is last on the list. It describes the general category to which the underlying good/service belongs (e.g., “computer” is a generic term for computer). Generic words/phrases do not function as trademarks and are not entitled to trademark protection on either Principal or Supplemental Register.

Trademarks

How To Choose A Strong Mark (cont.)

- Avoid descriptive words. If possible, choose mark with no relation to the good/service or at least a mark that does not directly describe the good/service.
- Maybe include design element so mark, as a whole, will have better chance of being distinctive enough to get through USPTO.



Trademarks

Hypotheticals


- Company X wants to begin providing veterinary services under the name “X Veterinary Services.” How strong is this “mark”?

Trademarks

Hypotheticals (cont.)

- Company X wants to begin providing veterinary services under the name “Pet Doctor.” How strong is this “mark”?

- How about Pet Doctor 

- How about  Pet Doctor

- How about “Raining Cats & Dogs”

Trademarks

Hypotheticals (cont.)

- Company X wants to begin providing website hosting services under the name “Web Hosting.” How strong is this “mark”?
- How about



The Host With The Most

- How about “Spider.com”?



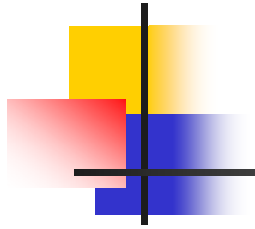
Trademarks

Hypotheticals (cont.)

- Company X wants to begin providing restaurant services under the name “NIKE.” Is this problematic?
- Company X wants to begin providing restaurant services under the name NeoTRESX. Is this problematic?

Trademarks

Acquired Distinctiveness and Supplemental Register



- Can something not inherently distinctive still function as a trademark?
 - ❖ Yes, if it is not generic, it can “acquire” distinctiveness through use (at least 5 years) under Section 2(f) of Trademark Act.
- What is the Supplemental Register?
 - ❖ For weak (but not generic) marks. Not as much protection as Principal Register.



Trademarks

How Do I Protect Them?

- What is first step?
 - ❖ Trademark availability search is required. Due diligence under Trademark Act requires it + reduce risk of infringement and avoid wasting money on application that may not get through rigorous USPTO process.
- Clearance before use. Do not want to fight a cease and desist letter and be forced to rebrand.

Trademarks

How Do I Protect Them (cont.)?

- What is second step?
 - ❖ If first choice not available or looks like won't get through USPTO, back to drawing board.
 - ❖ If available, prepare and file application ASAP to get benefit of filing date. Must have use in interstate commerce for federal. Otherwise, file State application.



Trademarks

Federal Application Process

- The art of preparing a federal trademark application:
 - ❖ Format of mark (style/font as feature)
 - ❖ Description of mark
 - ❖ Drawing requirements
 - ❖ Color as feature
 - ❖ Class of goods/services
 - ❖ Description of goods/services

Trademarks

Federal Application Process (cont.)

- ❖ Basis: Section 1(a) or Section 1(b)
- ❖ Acquired distinctiveness under Section 2(f)
- ❖ First use dates (anywhere and in interstate commerce)
- ❖ Specimen(s) if 1(a)
- ❖ Disclaimer
- ❖ Claim of prior registrations



Trademarks

Federal Prosecution Phase

- How long does it take for application to get assigned to examining attorney?
- What is an Office Action? How long does prosecution phase last?
- Publication/opposition phase
- Notice of Allowance if 1(b); registration if 1(a)
- Statement of Use if 1(b); then registration



Trademarks

Federal Prosecution Phase (cont.)

- What might an Office Action contain?
 - Section 2(d) confusingly similar
 - Section 2(e) merely descriptive
 - Generic
 - Disclaimer
 - Amendment of description of goods/services
 - Specimen rejection
- When to compromise; when to give up.

Trademarks

Proper Use of Trademark Symbols

- When should the ™ symbol be used?
 - ❖ Prior to federal registration and for common law marks or state registrations.
- When should the ® symbol be used?
 - ❖ Only after federal registration has been achieved.
 - ❖ Failure to use could limit statutory damages.

Trademarks

Proper Use of Trademark Symbols (cont.)

- Where should the symbol be placed?
 - ❖ Upper right corner, in most instances.
 - ❖ For example:



TM

NeoTREX[®]

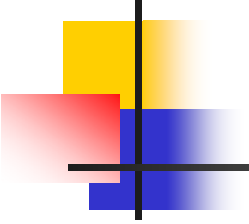
Trademarks

Maintenance and Renewal of Federal Trademark Registration

- What is the term of a federal trademark registration?
 - ❖ Affidavits due between years 5-6.
 - ❖ Renewal due between years 9-10.
 - ❖ Renewal every 10 years thereafter (can maintain indefinitely as long as mark is used and filings are made).
- These are “drop dead” deadlines. If filing is missed, USPTO will cancel registration.

Trademarks

Rights Conferred By Federal Principal Register Registration

- 
- What rights are conferred by federal registration of a trademark?
 - ❖ Nationwide rights in the mark.
 - ❖ Presumption of ownership and validity in litigation involving the mark.
 - ❖ Notice of ownership to third parties, so owner can recover profits and damages for infringement (but be sure to use ® symbol).

Trademarks

Rights Conferred By Federal Principal Register Registration (cont.)

- Federal Trademark Act provides expansive judicial remedies, damages (even treble if willful), lost profits, and attorney's fees (exception rather than rule).
- After 5 years, mark becomes "incontestable." It can still be challenged, but the grounds upon which an attack can be based are quite limited.

Trademarks

Rights Conferred By Federal Supplemental Register Registration

- Can go on Supplemental Register when not inherently distinctive (but not if generic) and has not yet acquired secondary meaning (if it has, it can go on Principal Register under Section 2(f)).
- Mark must still be capable of distinguishing owner's goods/services from the goods/services of another (cannot be generic)

Trademarks

Rights Conferred By Federal Supplemental Register Registration (cont.)

- There is no intent-to-use application for Supplemental Register.
- An infringement action may be brought, but limited statutory protection.
- Can use circle R (®) symbol.

Trademarks

What Are “Common Law” Rights?

- Restricted to geographic area in which mark has been used.
- Restricted to goods/services with which mark has been used.
- Restricted federal statutory remedies and damages.
- Should always seek federal trademark registration if using in interstate commerce.

Trademarks

Geographic Scope of Protection

- What is the difference in geographic scope of protection between federal statutory and common law trademarks?
 - Statutory is nationwide. Common law is restricted to geographic area in which mark has been used.
- What if the mark is used outside the U.S.?
 - Must seek protection in countries in which you wish to use the mark.



Trademarks

Infringement

- What constitutes trademark infringement?
 - ❖ Mark is “confusingly similar” (in sight, sound, and/or meaning) such that there is a likelihood of consumer confusion as to the source of the goods/services.
 - ❖ If famous mark, can also consider dilution and/or tarnishment.



Trademarks

Infringement (cont.)

- Related causes of action are almost always included in infringement lawsuit (unfair competition, passing off, palming off, misappropriation, fraud, common law infringement, etc.)

Trademarks

Can Trademark Rights Be Lost?

- How can trademark rights be lost?
 - Abandonment (stop using).
 - Improper licensing or assignment.
 - Mark becomes generic (e.g., “aspirin,” “cellophane”).
 - Failure to maintain registration.



Trademarks

Hypotheticals

- Company A owns a federal trademark registration for “Behind The Scenes” for movie projector equipment with an alleged first use date of January 1990. Company B has been using the same mark for comparable goods in the Northeastern states since January 1989. Who has superior rights?



Trademarks

Hypotheticals (cont.)

- Company A owns a federal trademark registration for “Behind The Scenes” for movie projector equipment. Company B subsequently begins using the same mark for movie theatres. Should Company A send Company B a cease and desist letter?



Trademarks

Hypotheticals (cont.)

- Company A owns a federal trademark registration for “Behind The Scenes” for movie projector equipment. Company B files a federal trademark application for the mark “Behind The Screens” for comparable equipment. Will Company B get that mark through the USPTO?



Trademarks

Hypotheticals (cont.)

- Company A has been using the mark "Behind The Scenes" for movie projector equipment all over the U.S. since January 1990. Company B has been using the mark "Behind The Screens" for comparable equipment all over the U.S. since January 1990. What should the parties do?



Trademarks

Hypotheticals (cont.)

- Company A has been using the mark “Behind The Scenes” for movie projector equipment all over the U.S. since January 1990. Company B has been using the same mark for comparable equipment all over the U.S. since January 1995. Can Company A now (2009) take action against Company B?



Trademarks

Hypotheticals (cont.)

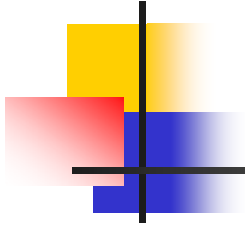
- Company A owns a federal trademark registration for the mark “Behind The Scenes” for movie projector equipment with a claimed first use date of January 1990. In 1995, Company A shortened the mark to “BTS” and began using it that way. Does Company A still own rights in “Behind The Scenes”? Can Company B start using that mark and get Company A’s registration cancelled?



Trademarks

Hypotheticals (cont.)

- Company A owns a federal trademark registration for the mark “Behind The Scenes” for movie projector equipment with a claimed first use date of January 1990. In 1995, the company “Movies R Us” starts using the domain name “www.behindthescenes.com. Is this problematic? What if that company starts using “behind the scenes” in metatags and key words?



Part II

Overview of Copyrights



Copyrights

What Are They?

- What is a copyright?
 - ❖ Provides authors of literary, dramatic, musical, artistic, and certain other works the exclusive right to use the work.
 - ❖ Protects the form of expression rather than the subject matter of the work. For example, a description of a machine could be copyrighted, but this would not protect the machine itself (although the machine might be protected by a patent, and the name of the machine might be trademarked).



Copyrights

What Is The Legal Definition?

- What are the prerequisites for something to legally function as a copyright?
 - Must be “original work of authorship” (independently created).
 - Fixed in tangible medium of expression.
 - From which it can be perceived directly or with aid of machine or device.
- Facts cannot be copyrighted (must have some level of creativity).



Copyrights

How Do I Protect Them?

- “Springs into existence” upon creation in a fixed form.
- Can obtain federal registration. Must have registration before an infringement action can be initiated. Must have a “timely” registration to seek statutory damages (rather than actual damages and lost profits) and attorney’s fees. “Timely” = prior to infringement or within 3 months of publication date.



Copyrights

Statutory Damages

- \$750 - \$30,000 per work.
- If willful, up to \$150,000 per work.
- “Work” includes all parts of a compilation or derivative work. This is narrowly defined for purposes of infringement. For instance, courts have found that each episode of a series is a separate “work.”



Copyrights

Proper Use of Copyright Symbol

- 3 elements:

- ❖ © symbol, or the word "Copyright";
- ❖ Year of first use; and
- ❖ Identification of owner

- For example:

© 2009. Macheledt Bales & Heidmiller LLP. All rights reserved.

Copyrights

Rights Conferred By Copyright Protection

- Copyright gives owner the exclusive right to do and to authorize others to do the following:
 - ❖ Reproduce
 - ❖ Prepare derivative works
 - ❖ Distribute
 - ❖ Perform
 - ❖ Display



Copyrights

Duration Of Copyright Protection

- Term
 - Depends on when work was published, whether notice was used, etc.
 - General rule of thumb for current works is 70 years from date of author's death.
- Public Domain
 - Works either ineligible for copyright protection or with expired copyrights.



Copyrights

What Is "Fair Use"?

- "Fair use" may include technically invading the exclusive rights of copyright holder. Whether something is fair use is case specific. Factors include:
 - ❖ Purpose of use, including whether it is of a commercial nature versus, e.g., for nonprofit educational purposes;



Copyrights

What Is Fair Use? (cont.)

- ❖ Nature of copyrighted work;
- ❖ Amount used in relation to copyrighted work as a whole; and
- ❖ Effect of use upon potential market for or value of copyrighted work.



Copyrights

Who Owns It?

- The person who creates the work owns it.
- Unless it is a “work made for hire.”



Copyrights

Who Owns It? (cont.)

- When does “work made for hire” doctrine apply?
 - Work is prepared by employee within scope of employment (employer is considered author/owner unless parties agree otherwise); or
 - Work is specially ordered or commissioned **and** the parties expressly agree in writing.



Copyrights

Federal Government Works

- Are works created by the federal government protected by copyright?
 - Not usually (there are some exceptions) if prepared by government employee as part of official duties.
 - Federal government can own a copyright if the copyrighted work is transferred or assigned.

Copyrights

Federal Government Works (cont.)

- A work created under a federal government contract, grant, or cooperative agreement can be protected by copyright (ownership depends on terms of contract). Often the federal government, in these situations, maintains a license to use.

Copyrights

Permissions, Licenses, and Releases

- Permission not needed if work is in public domain, when use is fair use, or if a license or agreement is in place. Otherwise, permission is needed.
- Permission not needed for use of fact, but if presented in charts, graphs, or figures, may need permission for creative expression protected by copyright.
- Attribution not substitute for permission.



Copyrights Infringement

- What constitutes copyright infringement?
 - ❖ Technical definition: Infringer had access and infringer's work is "substantially similar" (total concept and feel of the protectable expression is captured). Case by case analysis.
 - ❖ Simple definition: Using someone else's work without permission (even if you give them credit).



Copyrights

Plagiarism

- What constitutes plagiarism?

Using someone else's work without giving proper credit. It may or may not include copyright infringement. For example, Shakespeare's works are in the public domain, so copying them is not copyright infringement, but you can't copy from one of the plays for an English assignment without giving credit to Shakespeare.



Copyrights

Hypotheticals

- I published certain content on my website but did not file a copyright application or even use the copyright symbol. I later came across a website that contained substantially the same content. Is there anything I can do?



Copyrights

Hypotheticals (cont.)

- I searched for and found some content on the Internet and there was no copyright symbol used with it. Does this mean it's in the public domain?



Copyrights

Hypotheticals (cont.)

- Is this presentation protected by copyright? If so, who owns the copyright?



Copyrights

Hypotheticals (cont.)

- Let's say you want to own a copy of the complete first season of the TV show "24." You go to a file sharing site and download all of the episodes. While you're at it, you decide to upload the complete first season of "Lost" (which you recently purchased). Do either of these acts constitute copyright infringement? If so, what are the damages?



Copyrights

Hypotheticals (cont.)

- Student B copies the title of Student A's paper. Does that constitute copyright infringement?



Copyrights

Hypotheticals (cont.)

- Student B copies some of the ideas and facts in Student A's paper. Does that constitute copyright infringement? What about plagiarism?



Copyrights

Hypotheticals (cont.)

- The expression of the ideas in Student B's paper is substantially similar to the expression of ideas in Student A's paper? Is that copyright infringement?