

Lewis' UNO Legal & Ethical Applications class
guest lecture on

Intellectual Property Law

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Reasonable

MAJOR VARIATIONS OF RULES OF LAW BETWEEN THE TYPES OF INTELLECTUAL PROPERTY

duration
employ^{EE} creators
parody
preemption
reverse engineering
subject matter

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Law ≠ Ethics ≠ Law

can = power to act (future tense = might)
may = authority to act (future tense = may)
should = ethical to act (future tense = ought)

You **CAN** download for free.
Sometimes you **MAY** download for free.
When **SHOULD** you download for free?

**IP, more than most areas of the law,
will reveal your ethics.**

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PUBLIC DOMAIN

The public domain includes all knowledge

- [A] prior to appropriation of that knowledge
by an owner of intellectual property;
- [B] outside the scope of the intellectual property
during the duration of the IP;
and
- [C] after the duration of the IP.

Any one **may freely use**
any knowledge that is in **the public domain.**

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All intellectual property law
provides protection that is limited,
either
in duration (e.g., patent and copyright)
and/or
in scope (e.g., FAIR USE in copyright).

Unauthorized use
of protected intellectual property
is an infringement
of the property owner's rights.

IP might create a legal monopoly; and
IP might create an economic monopoly.
When is an economic monopoly ethical?

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PATENTS protect ideas
reduced to physical practice

COPYRIGHTS protect expressions of ideas

TRADEMARKS protect marks that
identify
a source of goods or services

TRADE SECRETS protect
commercially valuable
generally unknown
information
for which the owner takes
reasonable efforts to protect

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Preemption

The U.S.A. Constitution grants the **federal government exclusive authority over patents and copyrights** via Art. I., Sec. 8, clause 8: "Congress shall have 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;"

Both Congress and the States **share authority over trademarks** via Congress' Commerce Clause, Art. I, Sec. 8, clause 3: "Congress shall have the Power ... To regulate Commerce with foreign Nations, and among the several States, and with the Indian Tribes;".

Trade secrets, in stark contrast, are primarily outside Congressional authority since **trade secrets are not exclusive and are not limited in duration.**

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The type of and scope of property rights vary between the four forms of intellectual property; also varying is who the law presumes is the initial owner.

Once created, intellectual property is **transferable via the ordinary law of contracts** and (*intangible*) personal property.

Once protection terminates, or if protection is not properly obtained, then the intellectual property reverts to the **public domain.**

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Legal protection of IP is limited to the jurisdiction.
A Canadian patent only protects in Canada (e.g., Blackberry).

The massive corporations of the global economy have pressured national governments into changing domestic laws and into joining treaties so as to dramatically increase the **uniformity of the procedures** for obtaining IP protection, the **duration** of IP protection, and, to a far less extent of uniformity, the **scope** of IP protection.

patents via the **Paris Convention**, starting in 1883 now known as, www.WIPO.org
copyrights via the **Behrn Convention**, starting in 1886 see, www.ipmall.info

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PATENTS

RIGHTS OF PATENTS

A patent is a **legal monopoly**.
The patent owner has the legal right to exclude.
Patent owner may **EXCLUDE others** from:

**MAKING,
USING,
SELLING, and
IMPORTING.**

DURATION: patent is a legal monopoly of **twenty (20) years**; but **maintenance fees** due at
3 1/2 years,
7 1/2 years, and
11 1/2 years.

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TYPES OF PATENTS

There are three types of patents:

UTILITY PATENTS

useful and functional aspects of technology
this is typically what is meant by "patent"

DESIGN PATENTS

original appearance or ornamental aspects of
useful article, but **not functional**

aspects

PLANT PATENTS

invent or discover a new variety of plant, and
asexually reproduce

To obtain a patent you must disclose your invention in your application.

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TO OBTAIN A utility PATENT

Your invention must satisfy:
subject matter,

genuineness,

true (i.e., **human**) inventor must sign

usefulness,

very simple to satisfy

novelty, and

show not novel by . . .

printed publication anywhere in the world

public use in USA

on sale in USA

not obvious in light of current technology.

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PATENTABLE SUBJECT MATTER
INCLUDES

process (e.g., **business methods** [?])

machinery

manufacture

composition of matter

EXCLUDES

laws of nature

physical phenomena

abstract ideas

printed

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GENUINNESS

EmployEEs own patents unless hired to invent.

"**hired to invent**" if prior, written, signed contract.

Patents require a human inventor.

The employEE's invention is presumed to be

outside the scope of authority

unless

a prior, written, signed contract.

NOTE:

The employEE is the owner of the patent

is the default rule for patents

which is the opposite of the copyright rule

and

is the opposite of the trade secret rule.

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NON - OBVIOUS

Must be **not obvious**, to a person of

ordinary skill in the art,

in light of current technology.

More than novel; much more than ©'s original.

Ask three questions.

1. What are the **differences**?

2. What is the **ordinary skill level**?

3. Would the **difference** be **obvious**?

Your application must **disclose**

so as to enable the **best method of practice.**

Ethically, how little MAY be disclosed?

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REVERSE ENGINEERING

does **not strip** the patent owner of any

existing patent rights.

NOTE:

Patent rule is opposite of trade secret rule for
reverse engineering.

Recall **disclosure** in patent application.

The USA is unlike the rest of the world

on the issue of a the race to the patent office.

USA = first to invent

rest of world = first to file

Reverse engineering may empower the **first to file**

so that

first to invent no longer may practice the technology.

Ethically, which is superior: file or invent?

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COPYRIGHTS

protection of the **expression** of an idea, rather than the idea

exclusive ownership right to **expression**

ORIGINAL works of authorship
FIXED in a **TANGIBLE MEDIUM** of expression from which works may be **PERCEIVED**, **REPRODUCED**, or otherwise **COMMUNICATED**.

The originality required for copyright's "original" is far less than the not obvious required for patent's "invention".

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AUTOMATIC COPYRIGHT

REGISTRATION IS NOT NECESSARY, *but registration must precede filing (i.e., standing to sue) a copyright infringement suit.*

RIGHTS OF COPYRIGHTS

EXCLUSIVE RIGHT TO:

- * **COPY**,
- * prepare **DERIVATIVE** works (e.g., music sampling),
- * **DISTRIBUTE**,
- * **PERFORM** works in public, and
- * **DISPLAY** works in public.

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DURATION

human author
life + 70 years

corporate author
creation + 120 years
publication + 95 years

In 1998, Congress added 20 years
(e.g., old law was life + 50 years).

Is more than 100 years "limited", or is more than 100 years unconstitutional?

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COPYRIGHT SUBJECT MATTER

literary (e.g., computer program)

musical

dramatic

choreographic

pictorial & sculptured

motion picture

sound recording

architectural work

compilations of data

major international fight

Is "sweat of the brow" equal to originality?

computer chip masks

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WORK - MADE - FOR - HIRE

EmployERs are the "author" for works created by **employEEs** within scope of employment, unless there is a **signed contract** prior to creation.

In contrast, an **independent contractor** is the "author", and the principal is not the author: unless there is a **signed contract** prior to creation.

NOTE:

The default copyright rule of employER is the owner is similar to the trade secret rule, but, is opposite of the default rule for patents.

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EXCLUSIVE COPYRIGHTS LIMITED BY:

FAIR USE (a major limitation),

1. **purpose** of copy
(e.g., non-profit in-class educational use)
2. **nature** of the work
(e.g., books get more protection than data)
3. **substantiality of the copying**
(i.e., when is copying a part equivalent to copying the "whole"?)

and (*but, in effect, an "and/or"*)

4. **effect on the market**
portion of the potential market for copies

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Under copyright, both Fair Use and parody are part of the public domain, and thus outside of the legal monopoly granted by a copyright.

Fair Use is statutory, while **parody** springs from constitutional law. Parody is a 1st Amendment comedic mimicking.

Pretty Woman

NOTE: *Copyright parody rule is (largely) reverse of trademark parody rule (i.e., whose free speech?).*

Digital Millennium Act of 2000 makes it a felony to defeat security device, even if the use after defeat is fair use
Is forcing fair use user into a DMA felony ethical?

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TRADEMARKS

Under the federal **Lanham Act**, federal registration with the Patent and Trademark Office (www.USPTO.gov) establishes

priority and scope of protection: more than one source may have the right to use a mark.
Acme (fill in type of firm)

TRADE MARKS

are exclusive right to use a specific **MARK** on a product or service to **IDENTIFY** a **SOURCE**.

Gain exclusive right by use by **AFFIXING** the mark.

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Federal protection is national.

State protection is limited to area in the State where the mark has been used.

A prior federal registration of a mark **preempts** subsequent State trademark rights.

BUT prior State use or registration of a mark is **not preempted** by subsequent federal registration.

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To obtain federal protection the applicant must use or intend to use (e.g., investment in marketing plan) in interstate commerce.

Trademarks are for **products**;
Service Marks are for **services**.

Is it ethical to seek profit by federally registering another's State protected mark?

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Marks are valid as long as they are used.

PROTECTABLE MARKS:

Identify the source, not the name of the item (e.g., Frisbee v. frisbee
Genuine Thermos v. thermos)

fanciful words (e.g., Xerox),
personal or geographic names,
symbols,
slogans,
shapes,
colors, or
scents.

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DISTINCTIVENESS

inherently distinctive

fanciful
arbitrary
suggestive

not inherently distinctive = **descriptive**
descriptive is protectable
if **secondary meaning**

not distinctive
generic

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LIKELIHOOD OF CONFUSION

as to the source are **not permitted**.

Focus on the consumer.

Recall:

political © *v. commercial* ® *free speech* ;
especially *content regulation*.

Marks are to aid the consumer, accordingly,
parody of a trademark (largely) **is NOT lawful**.

Mutant of Omaha; but, *Dogiva*

In 1999, Congress adopted an **anti-dilution** act
for **famous** trademarks and to stop cybersquatters;
but, **not mere niche** and need **actual damages**.

NOTE: *Trademark parody rule*
is (largely) *the reverse of the copyright parody rule*.

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TRADE SECRETS

The elements of the **UTSA definition** of
"trade secret" are:

INFORMATION

independent **ECONOMIC VALUE** from secrecy

REASONABLE EFFORTS TO MAINTAIN SECRECY

NOTE: any "uniform" State law
reduces the effective reach
of the federal preemption power.

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Trade secrets can offer protection that
patents and copyrights can not.

Subject matter nearly **unlimited**.

Duration of protection is **as long as**
the secret stays **generally not known**.

Trade secrets need **not be exclusive**.

Protection against **improper taking** (**misappropriation**),
either because the taking is
unlawful or
because the taking is
improper under the circumstances.

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Trade secrets
are creatures of
State and common law.

In late 1996,
Congress passed a criminal statute dealing with
international industrial espionage.

Implicitly, the Art. I. sec. 8, clause 8 prohibits
domestic federal trade secrets

(*i.e., neither exclusive nor limited time*).

However, at the **outer edge of Commerce Clause**
(*i.e., dormant Commerce Clause*),

where States are **implicitly preempted**,
a **residue of federal trade secret power** exists.

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REVERSE ENGINEERING is a proper taking.

Recall that trade secrets are not exclusive.

The discovery of the trade secret by another does not, by itself, end your trade secret.

However, the general disclosure of your trade secret by any person, including an unlawful disclosure, does end your trade secret.

NOTE: *The trade secret rule for reverse engineering is the opposite of the patent rule for reverse engineering.*

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Courts favor employERs in allocating ownership of trade secrets created within an agency context (*i.e., employERs and principals obtain ownership*).

Inevitable Disclosure Doctrine

might bar employEE from working with any other employER in the industry.

Is it ethical for an employER to end an employEE's career in an industry?

NOTE:

The rule that employER is the owner of trade secret is the closer to the copyright rule and the opposite of the patent rule.

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public domain
preemption
parody
employEEs
reversing engineering

Law ≠ Ethics ≠ Law

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