

FINAL EXAMINATION

INTELLECTUAL PROPERTY

P.N. Davis

Thursday, May 6, 2004

8:30 - 11:30 AM

THIS IS A THREE (3) HOUR EXAMINATION.

THIS EXAMINATION CONSISTS OF FIVE (5) PAGES.

THIS EXAMINATION CONTAINS FIVE (5) QUESTIONS.

I = 20 min. II = 45 min. III = 60 min. IV = 10 min. V = 45 min.

FILL IN YOUR EXAMINATION NUMBER ON THE BLUEBOOK STICKER.

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YOU BRING INTO THE EXAM YOUR COPY OF THE STATUTORY SUPPLEMENT, with any notations in the margins and blank pages you care to make, but no page inserts.

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Instructions:

1. These questions will be graded on the basis of the times indicated with each questions. The indicated time for the questions total 3 hours. You will be given 3 hours to write the examination. Budget your time carefully or you may not finish.
2. Be sure to state a result whenever a question asks for one. Merely stating the arguments on both sides of a legal issue will result in only partial credit because you will not have completed the analysis required by that type of question.
3. If you find it necessary to make factual assumptions in order to answer a question, be sure to state the assumption.
4. Do not assume additional facts for the purpose of avoiding a legal issue or making its resolution easier.
5. Comment briefly on each legal issue reasonably raised by the questions and on each reason for your answer, even when you decide that one legal issue or reason controls the result.
6. The difference between triumph and disaster may lie in a **careful** reading of the questions.

I.
(20 minutes)

You may have seen the TV advertisement introducing *Dominos Dots*. They are toasted doughballs with melted cheese on them. The ad featured giant “dots” rolling through a suburban neighborhood, bouncing over people and mashing flat mailboxes and flowerbeds. The TV ad indicates that this product is being offered at Dominos Pizza locations (walk-in or phone orders).

At sports venues (like the Hearn Arena and Busch Stadium), you may have seen an ice cream franchise vendor selling *Dippin’ Dots*, tiny colored globules of ice cream.

Suppose the *Dippin’ Dots* ice cream franchiser sued the Dominos Pizza franchiser for an injunction requiring the latter to stop using the *Dominos Dots* designation for its product. Should the court grant the injunction? Discuss all relevant legal issues. State a result.

II
(60 minutes)

L&S Industries is a manufacturer and marketer of wire-bonding equipment to companies making computer chips. The equipment is used to connect extremely small wires from semiconductor terminals to other components on computer chips. Mason is a computer engineer who does consulting work with computer chip manufacturers.

In July 2001, Mason submitted to L&S an unpublished technical paper discussing a specific design approach and method for achieving greater speed and accuracy and fewer manufacturing errors for the type of wire-bonding machines that L&S manufactures. Mason submitted this paper with prior consent, but without obtaining a confidentiality agreement from L&S. After reviewing his paper, L&S wrote Mason that it had no interest in the information contained in his paper. However, in May 2004, Mason learned that L&S was making machines using a wire-bonding technique that he believed was similar to the technique and information contained in the unpublished paper he had submitted to L&S.

In December 2002, an L&S employee applied for a patent incorporating the technique that Mason had described in his unpublished paper. That patent was granted in April 2004. L&S began manufacturing wire-bonding machines incorporating the disclosures in that patent in November 2002.

It is now May 2004. Assume that the wire-bonding techniques described in Mason's paper and in L&S's patent are the same. Should Mason file suit for damages on the theory that L&S took its wire-bonding technique from his unpublished paper? Does L&S have any plausible defenses? Could a third party infringer obtain a declaration that L&S's patent is invalid? Should Mason file a patent application? Discuss all relevant legal issues. State a result for each of the four (4) questions.

III.
(45 minutes)

Recently a landlord inspected one of his tenant's apartments while the tenant was away. (The lease gave the landlord such inspection rights.) He found six intimate nude photographs of the tenant with a nude member of the opposite sex on the tenant's dresser top. The landlord took the photographs to his own apartment, copied them on his computer scanner, saved the copies in an computer ".jpeg" file, and returned the photographs themselves to his tenant's dresser top.

About a month later, he was overheard at a neighborhood bar bragging about these photographs and the fact that he had copied them. The landlord did not identify which of his ten tenants was depicted in the photographs. However, frequenters of the bar knew who were his ten tenants. This information was relayed by friends back to all of the landlord's ten tenants, including the tenant depicted in the photograph. This tenant was in a long-term relationship with the other person depicted in the photographs. This relationship and that person's identity was well-known to frequenters of the bar.

The tenant and friend thereafter brought suit against the landlord. Ignoring any right of privacy, or any tort, property or criminal liability under state statutory or common law, what relief, if any, is the tenant entitled to? The tenant's and friend's identities are readily discerned from the photographs. The landlord had never shown his copies of the photographs to anyone or identified which of his ten tenants is depicted in them. Should the court grant any relief? If so, what relief should be granted? Discuss all relevant legal issues. State a result.

IV.
(10 minutes)

Should the trademark examiner grant a registration to a baby clothing manufacturer for the proposed mark *Baby Wear* for newborn, infant and toddler shirts, one-piece outfits, coveralls, pants and dresses? Assume that (1) the baby clothing has been marketed in several states in the United States for two months, and (2) there is no conflicting registered mark. Discuss all relevant legal issues. State a result.

V.
(45 minutes)

Briefly define the following terms:

- (1) doctrine of equivalents
- (2) composite work
- (3) concurrent use
- (4) originality
- (5) derivative work
- (6) substantial similarity
- (7) geographically misdescriptive
- (8) utility
- (9) reduction to practice
- (10) right of attribution
- (11) distinctiveness
- (12) nonobviousness
- (13) misappropriation
- (14) dilution
- (15) compilation
- (16) work for hire

I (20 min.)

Issue is trademark infringement -- “Dippin’ Dots” vs. “Dominos Dots”:

- trademarks indicate origin of products
- test is likelihood of consumer confusion
- factors:
 - common use of “Dots” in respective trademarks
 - have different adjectives, but both start with letter “D”
 - different types of products (both size and appearance)
 - sold in different types of locations
 - query: does Dominos have pizza stands in some sports venues? Is it possible it will have them there in the future?
 - sophistication of customers: able to distinguish between the two products?

II (60 min.)

Misappropriation of a trade secret:

- definition:
 - there must be a trade secret
 - definition: information that creates a competitive advantage; secrecy; intention to maintain secrecy
 - here, machine improvement information does create a competitive advantage
 - here, disclosure in unpublished paper does not suggest nonsecrecy
 - disclosure to D in confidence [or creation of secret information with knowledge it is to remain a secret]
 - no statement in disclosure paper mentioned information was confidential
 - however, type of information is not likely to be a gift
 - taking & using secret without consent
- disclosure in confidence occurs either under confidentiality agreement [not here] or under circumstances that suggest disclosure is confidential
 - here, disclosure was by a technical consultant [but not invited]
 - information related to improvements to machine
- D wrote rejecting the information, but later incorporated same techniques in its machine & in patent
- thus, it is probable that Mason can prove disclosure of a trade secret and probably prove taking of it by L&S

Plausible defenses:

- *independent reinvention* [but no corroborating evidence mentioned]
- disclosure was not in confidence (*see* above)

Patentability by L&S:

- to survive an invalidity defense by an infringer, L&S must show that its employee [patentee] is be first inventor [§§ 102(a), 102(g)]
 - this can be established by first date of conception, first date of reduction to practice, or first date of application – L&S’s earliest corroborated date must antedate Mason’s first corroborated date
 - here, there are no corroborated dates of conception or reduction to

practice

- Mason disclosed before L&S's priority date (date of application)
- but L&S is barred by a prior printed publication or patent, or use/knowledge by *others* in U.S. [§ 102(a)]
 - here, Mason's disclosure is not a printed publication
 - here, Mason did not himself use the invention
 - here, Mason's disclosure reveals knowledge of the invention, but not by 2 or more "others"
- however, Mason's disclosure establishes that he conceived the invention; a successful misappropriation of trade secret verdict would establish that L&S did not conceive the invention
 - that overcomes the presumption that applicant conceived the invention
 - L&S's stating in its application that its employee was the inventor is false, thus destroying the basis for the application [§§ 102(f), 115]
- thus, L&S's patent is invalid

Patentability by Mason:

- Mason, rather than L&S, is entitled to patent only if he has earlier priority date
 - Mason can prove earlier conception date (his disclosure), but he has no established reduction to practice date, because nothing in the question says he ever reduced the conception to practice
 - thus, he would be entitled only to his application date (which would be after L&S's application date)
 - [L&S can also prove an post-application reduction to practice date, because the conception is incorporated in its machines – but that is irrelevant]
- Mason is barred by the § 102(b) one-year use/on sale bar.
 - machines began to be sold only one month before L&S's application
 - but now its is more than one year after L&S's first sale date, so Mason is barred.

III (45 min.)

Issue is copyright infringement.

- Copyright Act grants copyright protection to any creative work in a fixed medium of expression.
 - a photograph is a creative work
 - photographer selects pose, framing, backdrop, lighting, etc.
 - photograph is in fixed medium of expression
 - photographs are expressly protected by Act
 - § 106 includes pictorial, graphic, and sculptural works as copyrightable subject matter.
 - § 101 definition of pictorial, graphic, and sculptural works expressly includes photographs
- Act reserves to copyright owner the exclusive rights of reproduction and display (§ 102)
- unauthorized copying and display are acts of infringement, subject only to the public's fair use rights (§ 501)
- public may exercise fair use rights without consent of copyright owner (§ 107)
- fair use purposes include scholarship and research (§ 107)

- copying for personal pornography collection probably does not qualify as scholarship or research (even though intrinsically it might be so considered)
- four fair use factors:
 - purpose of copying
 - copied for personal pornography collection
 - was surreptitious copying of work not in a public place
 - nature of copied work
 - intimate photograph
 - a private work
 - any chance the photographs are fine art?
 - amount of copying
 - entirety of all six photographs were copied
 - effect of copying on copyright owner's present or future market for work
 - the facts do not indicate whether copyright owner had any intention to market the photographs
 - might be, if they are attempts at fine art
- remedies:
 - actual economic damages (§ 504(b))
 - copier's profits or copyright owner's lost profits
 - no actual economic damages here
 - statutory damages (§ 504(c))
 - available only if actual damages cannot be calculated
 - as here
 - \$750-30,000 for infringement; raised to \$150,000 max. if infringement is willful
 - "willful" means infringer believed or had reasonable grounds to believe that acts would constitute infringement
 - query – did landlord realize copying was unlawful?
 - no innocent infringer defense: absence of copyright notice does not raise presumption that work is in public domain
 - only one copy of original photographs – in absence of authorized reproduction, photographs are treated as unpublished works -- no copyright notice was ever required
 - since 1989, no copyright notice has been required on published works (§ 401(a))
 - injunction (§ 502) – to prevent further copying
 - impoundment & return of infringing copies (§ 503)
 - costs & attorney's fees (§ 505)
 - here, statutory damages, injunction, impoundment & return, and costs & attorney's fees would be granted.
- criminal liability:
 - infringement must be for commercial advantage, private financial gain, or reproduction where copy/copies have total retail value over \$1,000 (§ 506(a))
 - here, only one copy was made, apparently not for commercial advantage or private financial gain
 - here, copy probably does not have retail value of more than \$1,000
 - unless it is a work of fine art
 - probably no criminal liability

IV. (10 min.)

Distinctiveness:

- trademark must be distinctive
 - arbitrary and suggestive marks are presumed distinctive
 - descriptive marks are presumed nondistinctive, and must acquire secondary meaning before registration is allowed
- “baby” and “wear” are generic nouns
- their combination is at most “merely descriptive” and not registrable

V. (45 minutes)

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