

## MVS BRIEFS: WHAT TO EXPECT

If you're currently a client of McKee, Voorhees and Sease, you've probably received two issues of MVS Spotlight, a quarterly newsletter dedicated to providing you with noteworthy information about our firm. While we're excited to keep you up to date about what's happening in our world, we also know you're looking for valuable information that will keep you on the forefront of what's going on in the realm of intellectual property law. You need the right tools to make your job easier and that's where MVS Briefs comes in.

MVS Briefs, a quarterly newsletter, will be full of insightful IP related

information that's intended to keep you current and educate you on some IP topics that you might have questions about. Every issue will contain sections dedicated to patents, trademarks, copyrights, litigation, and recent case law updates. We'll also include a special "definition box" in each issue to help you better understand and have quick access to intellectual property law terminology. In about five sentences you'll have a concise definition at your fingertips to terms that are usually only presented in lengthy paragraphs.

In short, we're dedicated to giving you information that we believe will make a difference in your job as it

relates to intellectual property law. It's our goal that you'll want to hang on to these newsletters and use them as a reference tool in the future. Feel free to place them in a binder for quick access. If there's an IP topic you're curious about, contact Heidi Nebel at 515-288-3667. We just might include it in our next issue.

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### WHAT IS "PRIOR ART"?

"Prior art" is an undefined term in the patent statutes, but must be understood since it may preclude patentability of an invention. Prior art is information that existed before an invention was made. Information is also prior art if it existed more than one year before the filing date of a U.S. patent application. Generally, prior art includes patents, printed publications, public

uses and offers for sale. Patents and publications may be from anywhere in the world, whereas uses and sales must be within the United States.

PRIOR  
ART

DEFINITIONS

## TRADEMARK – HOW TO SELECT A TRADEMARK

The value of a trademark lies in the goodwill that is generated as the trademark is used and as the public comes to associate it with a particular manufacturer or service provider and standards of quality. The term McDONALD'S® brings to mind a certain set of characteristics that are different and unique from those that come to mind with the term XEROX®. Choosing the right type of trademark can have implication on your future ability to enforce the mark.

The strongest type of mark is an arbitrary mark or one that has no association with the goods or services being offered. One example is a coined word, a word without a dictionary meaning, invented for the sole purpose of functioning as a

trademark (i.e., ACURA®). Another example is a word that has a common meaning, but is used as a trademark for a product or service that has no relationship to this common meaning (i.e., APPLE™ Computers).

Suggestive marks suggest or hint at but do not solely describe qualities or characteristics of a product or service (i.e., WORDPERFECT® for word processing software). These are not as strong, as there could be a question as to whether the mark is exclusively associated with your goods, but are protectable.

Suggestive marks can be too suggestive, if they merely describe the function, quality or characteristics of a product or service (i.e., U PARK IT, for a self-service parking lot).

These marks require proof of persistent advertising, lengthy use, and/or a high volume of sales before they may function as a protectable trademark. The last category is a generic mark which simply is the product or service and cannot be used exclusively by anyone. For example, PIZZA cannot serve as a trademark for Pizza.

Your MVS attorney can help you figure out what type of trademark you may be considering. Whatever trademark type you may choose, it is important to do a trademark search to be sure that the same or confusingly similar mark is not already in use for similar goods or services.

## COPYRIGHT NOTICE FOR WEB PAGES AND SOFTWARE PRODUCTS

Although it is not required for recent works of authorship, copyright notice still serves an important purpose. When proper copyright notice is used, no weight is given to a copyright infringement defendant's claim that the infringement was an innocent infringement. Copyright owners should use proper copyright notice to avoid potential reductions in damages from copyright infringers who claim innocent infringement.

Proper copyright notice includes at least three elements. The first element is either the symbol ©, the word "Copyright" or the abbreviation "Copr." The second element is the year of first publication of the work. The third element is the name of the copyright owner. One example of such a copyright notice would be "Copyright 2002 McKee, Voorhees & Sease P.L.C."

In addition to using the correct copyright notice, the copyright notice

needs to be located in a proper place so that it gives reasonable notice of the claim of copyright. The question of where to place copyright notice appears to be often overlooked when it comes to works such as web pages and software products.

For example, in web pages, care should be taken to place copyright notice in every location that may be required in order to give reasonable notice of the claim of copyright. First, copyright notice should be present on the web page so that someone visiting the site can see the notice. Second, copyright notice should be present in source code used to create the web site (such as in the comments). Third, if there are images on the web page, copyright notice should also be included on these images, preferably both in visual form and as a comment in the file header. There also may be other locations to place the copyright notice

that should be evaluated on a case by case basis.

In software products, similar care should be taken. If the software has a splash screen, copyright notice should be placed there. Copyright notices should also be present in the source code and on the CD or other media upon which the software is distributed. In addition, copyright notices should be present on any accompanying documentation. As with web pages, there may also be other locations to place the copyright notice.

The use of proper copyright notice should not be overlooked as a part of protecting one's intellectual property. If you have any questions about proper copyright notice or filing a copyright registration, please contact your MVS attorney.

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## POSSIBLE INFRINGEMENT, NOW WHAT? – GET AN OPINION

You have just received a letter indicating you may be infringing someone else's patent rights. After becoming aware of your potential infringement, courts have held that you have an affirmative duty of due care. *Amsted Industries, Inc. v. Buckeye Steel Castings Co.*, 24 F.3d 178, 181 (Fed. Cir. 1994). At this point, failure to take reasonable steps before beginning or continuing the alleged infringing activity may result in a finding of willful infringement that could mean having to pay treble damages and the other side's attorney's fees (as well as your own).

One of the court-recognized reasonable steps you can take to avoid a finding of willfulness is to obtain competent advice from an attorney on the infringement issue. *Stryker Corp. v. Davol Inc.*, 234 F.3d 1252, 1259 (Fed. Cir. 2000). This is commonly referred to as the opinion of counsel defense.

Your attorney will look at the patent you are alleged to infringe as well as its prosecution history. He or she will then perform an analysis that mirrors what a court would do to determine whether or not there is infringement and give you an opinion. When you receive the (preferably) written opinion, keep it confidential.

What if the opinion is wrong? Whether or not the attorney is ultimately correct is not as important as the thoroughness of the opinion itself. The attorney's opinion must be thorough in order for you to

reasonably rely on it. It is whether your reliance on the opinion is reasonable that counts in a court's review of your actions. See *Transmatic Inc. v. Gulton Industries, Inc.*, 849 F.Supp. 526, 536 (E.D. Mich. 1994) *aff'd* 53 F.3d 1270 (Fed. Cir. 1995). If your actions show you took reasonable steps, you should avoid a finding of willfulness.

You need to be aware that if you choose to use this defense as a shield from willfulness charges, you may waive any attorney-client privilege related to the opinion. Therefore, you may want to consult your attorney about getting a second law firm to give you the opinion.

Attorney opinion letters may also be invaluable in trademark infringement matters. Though circuit courts disagree as to the effect,

obtaining the advice of counsel may in some cases show that you have acted in good faith. See *Sands, Taylor & Wood v. Quaker Oats Co.*, 978 F.2d 947 (7th Cir. 1992) ("A party who acts in reasonable reliance on the advice of counsel regarding a close question of trademark law generally does not act in bad faith."). This showing may help avoid additional monetary damages or damages based on an accounting of profits.

If you have questions about when to get a written opinion of counsel, you should not hesitate to call any of the attorneys at MVS.

## INTELLECTUAL PROPERTY 101

The term "intellectual property" refers to any creation of the human intellect that is entitled to legal protection. The term principally encompasses patents, trademarks, trade secrets, and copyrights. Each of these forms of intellectual property carries with it a certain type of legal protection.

### COPYRIGHTS

Copyrights are granted to creators of original works of authorship, and serve only to prevent others from reproducing the work. A work of authorship can take a variety of forms, such as a book, a play, a song, a painting, a sculpture, or even an architectural work, so long as it is embodied in a tangible medium of expression. This means that the work is fixed, say, in a piece of paper or a record. A copyright is secured automatically at the moment the work of authorship is fixed in a tangible medium of expression, and lasts for a duration determined by when the work was created (i.e., life of the author plus 70 years). The United States Supreme Court has granted certification on a case involving the term of a copyright. *Eldred v. Ashcroft*.

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## RECENT COURT DECISIONS THAT MAY AFFECT YOU

### PATENTS – WILL THE REAL INVENTOR PLEASE STEP FORWARD...

A third party's refinement to sketches for a design patent did not create an independent invention in *Hoop v. Hoop*, 61 U.S.P.Q2d 1442 (Jan. 30, 2002). Mark Hoop and his ex-wife Lisa Hoop ("M&L") sued to invalidate the design patent for a motorcycle fairing guard obtained by Jeffrey and Stephen Hoop ("Hoop brothers"). The lower court concluded the Hoop brothers were the true inventors of the disputed device. On appeal, the U.S. Court of Appeals for the Federal Circuit agreed.

In 1998 the Hoop brothers conceived an idea for a pair of eagle-shaped motorcycle fairing guards. They hired their cousin and his ex-wife (M&L) to create detailed drawings and a three-dimensional model for their patent application. In 1999 the Hoop brothers applied for a design patent. Before the Hoop brothers design patent issued, M&L applied for their own design patent using the same drawings they had prepared for the Hoop brothers.

After both design patents issued, M&L brought suit against the Hoop brothers. The trial court decided the two designs were not separate inventions and that the second design was "merely a more refined version of the first."

The question on appeal was whether the refinements made by

M&L rise to the level of inventorship. The Federal Circuit reiterated the well-known rule that an inventor is "the person or persons who conceived the patented invention." Furthermore, an inventor may use the services, ideas and aid of others in the process of perfecting his invention without losing his right to a patent. The Court concluded that M&L merely refined and perfected the Hoop brother's original concept and that their design was substantially similar to the first invention. Thus, the Hoop brothers were the true inventors.

The Court's decision offers some strong practical reminders for those inventors who employ others to assist them in the process of completing an invention for which a design patent may be sought:

- Generally, when one party conceives an invention and then asks a second party to reduce it to practice, the second party is not normally an inventor, or co-inventor, unless the second party has made significant changes in the original proposal necessary to carry out the concept;
- Design patents do not claim concepts, they claim the specific design(s) set forth in the claim, shown in the patent's drawings.

## DOCUMENTING YOUR INVENTION

Unlike many countries in the world, the United States is a "first to invent" rather than a "first to file" country. The United States seeks to award a patent to the first inventor rather than the first to file a patent application on the invention. Thus, you may find yourself in a situation where you need to establish your dates of inventorship to obtain a patent on your invention, or to stop another from obtaining a patent. In these instances, the documenting of evidence to establish your inventive process is vital.

Almost every inventor uses note-keeping to document what he or she did, however, establishing an effective note-keeping procedure that will also provide admissible evidence of inventorship is critical. Direct testimony of inventor or unwitnessed written notebooks are inadmissible without corroboration. One source of corroboration is that of a witness. To authenticate notes, have a witness, other than a co-inventor, sign and date with the words "read and understood your notes," particularly at critical stages in the inventive process. Many labs have Fridays as "signing days" where people in different but related labs all exchange and sign each others' notebooks. The use of bound volumes with pages that are serially numbered in advance also help to authenticate your notes.

What about computer records? The safest procedure for computer records is to periodically print out a hard copy of these notes, have a witness sign and date them, and keep them serially in a notebook or file.

Inventor's notes definitely serve practical goals on a daily basis, but do not necessarily serve as legal proof for the inventorship without the implementation of a consistent witnesses procedure.