

# INTELLECTUAL PROPERTY LAW FOR THE NON-IP LAWYER

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There are four primary areas of intellectual property law:

- **Trademarks/Service Marks** - deals with the source and origin of goods and services.
- **Copyrights** – deals with “works of authorship” fixed in any tangible medium of expression.
- **Patents** – deals with inventions, ornamental designs and plants
- **Trade Secrets** – deals with non-public information.

## TRADEMARKS

### Subject Matter

- Protects identity or brand name
- Any word, name, symbol used in commerce to identify or distinguish one party's goods or services (logos; slogans; names)

- Word Marks vs. Design Marks

- Strength of trademarks

- Fanciful:

EXXON

KODAK

XEROX

- Arbitrary:

APPLE

LOTUS

SUN

- Suggestive:

MICROSOFT

NETSCAPE

SILICON GRAPHICS

- Descriptive:

SHARP

DIGITAL

WINDOWS

"MCDONALDS"

"HYATT"

- Generic:

ASPIRIN

CELLOPHANE

- Federal protection under the Lanham Act, 15 USC § 1051, *et seq.*
- State protection under La. Rev. Stat. § 51:211 *et seq.*

### How Rights Are Acquired

- Rights attach upon use in commerce

- Registration is effective upon issuance from Patent & Trademark Office or Louisiana Secretary of State
- Common law rights may also exist

### **Extent of Protection**

- Term is 10 years (renewable)
- Exclusive rights for goods and services described in the registration

### **Notification of Rights**

- ™-unregistered trademark
- ™-unregistered service mark
- ® -federally registered mark

### **Litigation**

- Trademark infringement
  - Elements of a cause of action include (1) any reproduction, counterfeit, copy or colorable imitation of a mark; (2) without the registrant's consent; (3) in commerce; (4) in connection with the sale, offering for sale, distribution or advertising of any goods; (5) where such use is likely to cause confusion, or to cause mistake or to deceive. *Boston Professional Hockey Association, Inc. v. Dallas Cap & Emblem Mfg., Inc.*, 510 F.2d 1004, 1010 (5<sup>th</sup> Cir. 1975).
  - Remedies include damages, an injunction, attorney's fees, statutory penalties, and criminal liability. 15 U.S.C. § 1114.
- Unregistered marks
  - Famous or distinctive marks are also protected under the anti-dilution provisions of Lanham Act, 15 U.S.C. § 1124(c)(4), which allows relief similar to trademark infringement, and Louisiana law, La. Rev. Stat. § 51:223.1, which allows injunctive relief.
  - The Lanham Act also permits unfair competition claims to protect unregistered marks in instances of likelihood of confusion and false advertising. 15 U.S.C. § 1125. State law cause of action may be brought under the Louisiana Unfair Trade Practices and Consumer Protection Act. *Board of Supervisors of Louisiana State University v. Smack Apparel Co.*, 438 F.Supp.2d 653, 663 (E.D.La. 2006).

- “Trade dress” is also protected under the Lanham Act, even if unregistered. Trade dress refers to the total image and overall appearance of a product, includes features such as the size, shape, color, color combinations, textures, graphics, and even sales techniques that characterize a particular product. The key is whether the “combination of features creates a distinctive visual impression, identifying the source of the product.” *Pebble Beach Co. v. Tour 18 I Ltd.*, 155 F.3d 526, 536 (5<sup>th</sup> Cir. 1998).

### Resources

- United States Patent and Trademark Office: <http://www.uspto.gov/main/trademarks.htm>
- International Trademark Association: <http://www.inta.org>
- J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition*

## **COPYRIGHTS**

### **Subject Matter**

- Protects the expression of ideas, not the ideas themselves
- Original works of authorship are protected, including literary works, photographs, art work, music, software, architecture
- The author is the owner. 17 U.S.C. § 201(a).
  - Exception for “works for hire,” which are generally works created for employers and are owned by the employers. 17 U.S.C. §§ 101, 201(b).
- Post-January 1, 1978, federal law preempts state and common law. 17 U.S.C. § 301.

### **How Rights Are Acquired**

- Rights attach when work is fixed in a tangible medium, whether registered or not. 17 U.S.C. §§ 201(a), 408(a).
- Registration is effective upon receipt by Copyright Office. 17 U.S.C. § 410(d)

### **Extent Of Protection**

- Copyright –Life of Author + 70 years
- Works for hire -- 95 yrs. from publication (or 120 years from creation, if shorter)
- Common exceptions:
  - Fair Use - for criticism; commentary; news reporting; scholarship; research. 17 U.S.C. §107. Four-part test: character of the use; nature of the copyrighted work; amount used; effect of use upon potential market value of the work.
  - Parody. *Campbell v. Acuff-Rose Music, Inc.* 510 U.S. 569 (1994).

### **Notification of Rights**

- © 2008, Duris L. Holmes, all rights reserved. No longer required, but puts the world on notice and helps defeat innocent infringer claims.

## Litigation

- Registration is required to sue. Registration within three months of first publication or before the infringer begins copying is required to recover attorneys fees and statutory damages. 17 U.S.C. § 411.
- A defendant infringes if (1) plaintiff's work is protectable, (2) defendant copied plaintiff's work, and (3) defendant's work is substantially similar to the protectable part of plaintiff's work. *Armour v. Knowles*, 512 F.3d 147, 152 (5<sup>th</sup> Cir. 2007).
- Remedies include injunctive relief, impounding and disposition of infringing articles, actual damages and profits, statutory damages of up to \$150,000 per willful infringement, and attorney's fees. 17 U.S.C. §§ 502-505.

## Resources

- United States Copyright Office: <http://lcweb.loc.gov/copyright>
- Copyright Resources Online, <http://www.library.yale.edu/~okerson/copyproj.html>
- Copyright Website, <http://www.benedict.com>
- *Nimmer on Copyright*

## PATENTS

### Subject Matter

- Provided for in the U.S. Constitution, Article I, Section 8 – “The Congress shall have 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.”...
- To be patentable, patents must be novel, useful, and not obvious. 35 U.S.C. § 101; *Laitram Corp. v. Deepsouth Packing Co.*, 443 F.2d 928, 932 (5<sup>th</sup> Cir. 1971).
- The types of patents include:
  - Utility Patents protect inventions, including methods, processes, machines, devices, manufactured items, or chemical compounds. 35 U.S.C. § 101.
  - Design Patents protect the ornamental designs of a manufactured article. 35 U.S.C. § 171.
  - Plant Patents protect distinct and new species of plants, cultivated spores. 35 U.S.C. § 161)
- Business model patents, such as Amazon’s one-click ordering, largely invalidated by *In re Bilski*, 545 F.3d 943 (Fed. Cir. 2008) (en banc). Two-pronged test to determine whether a software of business method process patent is valid: (1) it must be tied to a particular machine or apparatus, or (2) it must transform a particular article into a different state or thing.

### How Rights Are Acquired

- Rights attach when work is fixed in a tangible medium
- Registration is effective upon receipt by the Patent and Trademark Office
- Upon registration, there is a presumption of validity, but a patent may be invalidated for a number of reasons, including newly discovered prior art and fraud or inequitable conduct during patent prosecution. 35 U.S.C. § 282.

### Extent of Protection

- Term
  - After June 8, 1995, 20 years from date of filing (utility or plant). 35 U.S.C. § 154.

- 14 years from date of grant (design). 35 U.S.C. § 173.
- Patent owner or others authorized by the owner have the right during the term of the patent to exclude others from making, using or selling (including leasing or importing) the patented invention.

### **Notification of Rights**

- “Patent Pending” means that a patent application is pending in the USPTO but has no legal effect.
- For patents that have issued, the phrase “Patent Number” with the number should be used on the articles.

### **Litigation**

- Injunctive relief, damages (may be trebled for “willful” infringement), including lost profits or reasonable royalties, and attorney’s fees in exceptional cases. 35 U.S.C. §§ 282-285.

### **Resources**

- United States Patent and Trademark Office:<http://www.uspto.gov/main/trademarks.htm>
- *Donald S. Chisum on Patents*
- *Robert M. Milgrim on Licensing*

## **TRADE SECRETS**

### **Subject Matter**

- Uniform Trade Secrets Act, La. Rev. Stat. § 51:1431: “information, including a formula, pattern, compilation, program, device, method, technique, or process, that: (a) derives independent economic value, actual or potential, from not being generally known to and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use, and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.”
- 46 states and the District of Columbia have adopted trade secrets laws modeled on and similar to the Uniform Trade Secrets Act; introduced in NY and NJ in 2007

### **How Rights Are Acquired**

- Rights attach upon creation.
- No separate registration.

### **Extent of Protection**

- Indefinite

### **Notification of Rights**

- Mark as “confidential and proprietary information of XYZ, Inc”

### **Litigation**

- UTSA prohibits misappropriation by improper means.
- “Improper means” includes theft, bribery, misrepresentation, breach, or inducement of a breach of a duty to maintain secrecy, or espionage through electronic or other means. La. Rev. Stat. § 51:1431(1).
- “Misappropriation” means (a) acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was acquired by improper means; or (b) disclosure or use of a trade secret of another without express or implied consent by a person who: (i) used improper means to acquire knowledge of the trade secret; or (ii) at the time of disclosure or use, knew or had reason to know that his knowledge of the trade secret was: (aa) derived from or through a person who had utilized improper means to acquire it; (bb) acquired under circumstances giving rise to a duty to maintain its secrecy or limit its use; or (cc) derived from or through a person who owed a duty to the person seeking relief to maintain its secrecy or limit its use; or (iii) before a material change of

his position, knew or had reason to know that it was a trade secret and that knowledge of it had been acquired by accident or mistake. La. Rev. Stat. § 51:1431(2).

- Remedies include injunctive relief, damages (actual loss and unjust enrichment), and attorney's fees (for willful and malicious misappropriation). La. Rev. Stat. §§ 51:1432-1434.

### Resources

- *Robert M. Milgrim on Trade Secrets*
- 14 Uniform Laws Annotated Master Edition 433-34 (West 1990)
- Brian M. Malsberger, Samuel M. Brock, and Arnold H. Pedowitz, *Trade Secrets: A State-by-State Survey*

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