



# **ACC NCR Infringement for In-House Counsel**

November 9, 2021



# Meet the Speakers

---



**Daniel Tishman**  
Principal  
Fish & Richardson P.C.  
[tishman@fr.com](mailto:tishman@fr.com)



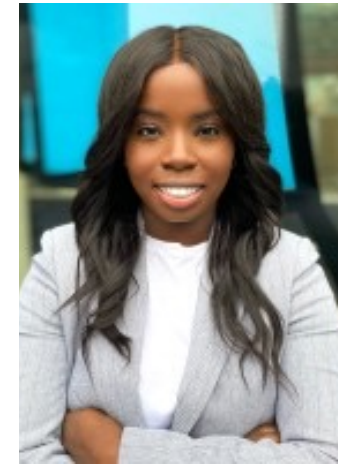
**David Holt**  
Principal  
Fish & Richardson P.C.  
[dth@fr.com](mailto:dth@fr.com)



**Cynthia Walden**  
Principal  
Fish & Richardson P.C.  
[walden@fr.com](mailto:walden@fr.com)



**Anjanette Stinson**  
Associate General Counsel  
National Student Clearinghouse



**Melonie Callender**  
Legal Counsel  
Bloomberg LP

# Agenda

---

- Different Types of Intellectual Property
- Patent Infringement
- Trademark Infringement
- Copyright Infringement
- IP Issues Related to Social Media
- Trade Secret Infringement / Misappropriation
- Forums for IP Infringement Litigation
- What to Do If You're Sued



# **Different Types of Intellectual Property**

# Origin of Intellectual Property

---

**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.**

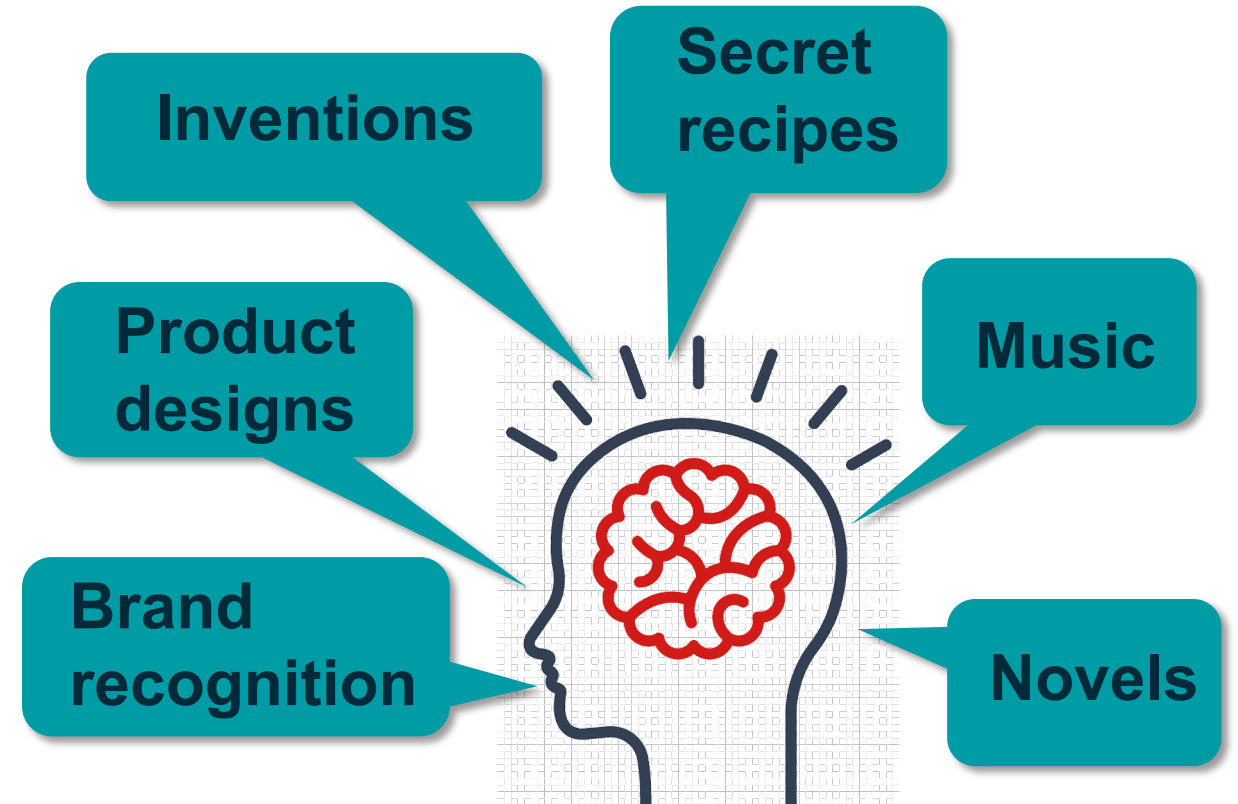
*U.S. Constitution, Article I, section 8, clause 8*

# What is Intellectual Property?

## Tangible Properties



## Intangible Properties



# Types of Intellectual Property

---

- **Intellectual Property (IP)** refers to creations of the mind: inventions; literary and artistic works; and symbols, names, images, and designs used in commerce.

**Patents** – protect inventions.

**Copyrights** – protect written or recorded expressive content.

**Trademarks** – protect words, symbols, logos, designs, and slogans that identify & distinguish products or services.

**Trade Secrets** – protect confidential business information.



# What is a Patent?

- A grant from the government of the right to **prevent others** from making, using, offering to sell, selling, or importing the invention(s) claimed in the patent.
- **Personal property** – can be bought, sold, licensed, bequeathed, mortgaged, assigned.
- **Limited Term** – 20 years for utility and plant patents; 14 years for design patents.
- **Territorial** – must obtain patent in every country where protection is desired.
- **United States Patent and Trademark Office (USPTO)** – tasked with examining US patent applications and granting US patents.

US00D672769S

(12) **United States Design Patent** (10) **Patent No.:** **US D672,769 S**  
**Andre et al.** (45) **Date of Patent:** **\*\* Dec. 18, 2012**

(54) **ELECTRONIC DEVICE**

(75) **Inventors:** **Bartley K. Andre**, Menlo Park, CA (US); **Daniel J. Coster**, San Francisco, CA (US); **Daniele De Iulio**, San Francisco, CA (US); **Richard P. Howarth**, San Francisco, CA (US); **Jonathan P. Iye**, San Francisco, CA (US); **Steve Jobs**, Palo Alto, CA (US); **Duncan Robert Kerr**, San Francisco, CA (US); **Shin Nishihori**, Portola Valley, CA (US); **Matthew Dean Rohrbach**, San Francisco, CA (US); **Douglas B. Satzger**, Menlo Park, CA (US); **Calvin Q. Seid**, Palo Alto, CA (US); **Christopher J. Stringer**, Woodside, CA (US); **Eugene Antony Whang**, San Francisco, CA (US); **Rico Zorkendorfer**, San Francisco, CA (US)

(73) **Assignee:** **Apple Inc.**, Cupertino, CA (US)

(\*\*) **Term:** **14 Years**

(21) **Appl. No.:** **29/403,263**

(22) **Filed:** **Oct. 4, 2011**

**Related U.S. Application Data**

(60) Continuation of application No. 29/386,066, filed on Feb. 24, 2011, now abandoned, which is a continuation of application No. 29/364,190, filed on Jun. 21, 2010, now Pat. No. Des. 634,319, which is a continuation of application No. 29/332,683, filed on Feb. 23, 2009, now Pat. No. Des. 618,678, which is a division of application No. 29/282,831, filed on Jul. 30, 2007, now abandoned, which is a continuation of application No. 29/270,887, filed on Jan. 5, 2007, now Pat. No. Des. 580,387.

(51) **LOC (9) CL.** **14-02**

(52) **U.S. CL.** **D14/341**

(58) **Field of Classification Search** ..... D14/341-347, D14/420, 426, 427, 432, 439-441, 448, 496, D14/125, 129-130, 137, 138, 147, 156, 218, D14/247-248, 250, 389; D10/65, 104; D18/6-7; D21/329, 686; D6/596, 601, 605; 455/90.3, 455/6.1, 556.2, 575.1, 575.3, 575.4, 379/433.01, 379/433.04, 433.06, 433.07; 361/814; 341/22; 345/169; 346/173  
See application file for complete search history.

(56) **References Cited**

**U.S. PATENT DOCUMENTS**  
2,424,630 A 7/1947 Perez  
(Continued)

**FOREIGN PATENT DOCUMENTS**  
CN 300721990 12/2007  
(Continued)

**OTHER PUBLICATIONS**  
eFashion Magazine, vol. 119, p. 45, China (Jun. 1, 2005).  
(Continued)

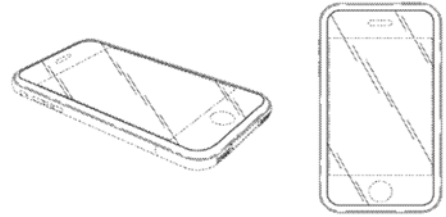
**Primary Examiner** — Barbara Fox  
(74) **Attorney, Agent, or Firm** — Sterne, Kessler, Goldstein & Fox PLLC

(57) **CLAIM**  
The ornamental design of an electronic device, as shown and described.

**DESCRIPTION**

FIG. 1 is a bottom front perspective view of an electronic device showing our new design.  
FIG. 2 is a bottom rear perspective view thereof;  
FIG. 3 is a front view thereof;  
FIG. 4 is a rear view thereof;  
FIG. 5 is a top plan view thereof;  
FIG. 6 is a bottom plan view thereof;  
FIG. 7 is a left side view thereof; and,  
FIG. 8 is a right side view thereof.  
The broken lines in the Figures show portions of the electronic device which form no part of the claimed design.

**1 Claim, 2 Drawing Sheets**





# What Is A Trademark?

---

- **Trademark**

- Anything that identifies that goods bearing that mark come from or have quality controlled by a single source (even if the source is unknown)

- **Service Mark**

- Identifies a single source of services
- “Trademark” often used for marks used on *goods* or *services*

- **Registration**

- Unlike Patents, registration not mandatory but provides numerous benefits

- **Term**

- Can be renewed perpetually every 10 years

amazon



Coca-Cola

# What is Copyright?

- **Copyrights** protect original works of authorship (literary, musical, sculptural, etc.) and have a long but limited life
- **Registration:** Unlike patents and similar to trademarks, registration is not mandatory but beneficial
- **Term:** 70 years after the death of the author



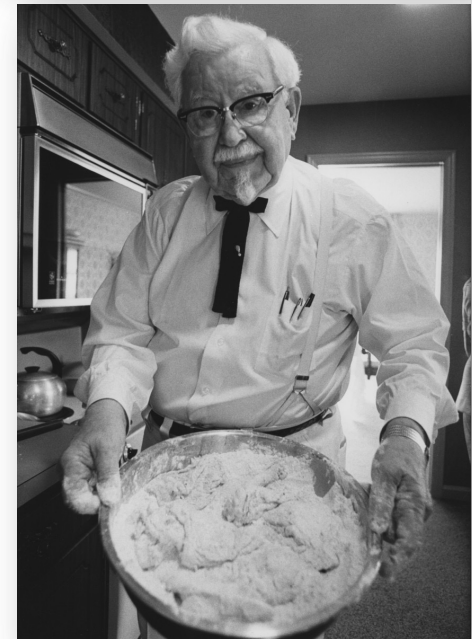
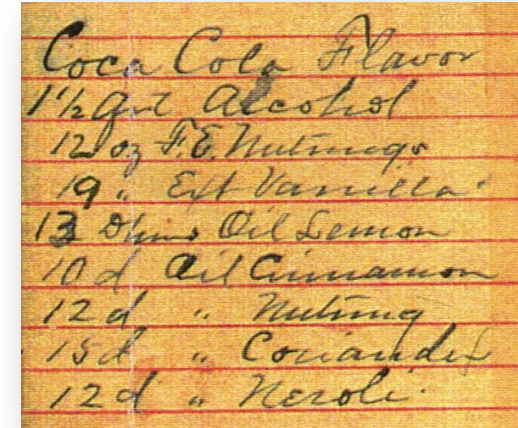
# What is a Trade Secret?



- **Secret:** The information at issue is not generally known or readily ascertainable
- **Reasonable Measures to Preserve Secrecy:** The owner has taken *reasonable* steps to ensure the information remains secret
- **Value:** The information has actual or potential value arising from the fact that it is not generally known



18 U.S.C. § 1839 (DTSA)



# How Do You Use and Protect Your Intellectual Properties?

---

- Owners of intellectual property have the right to **prevent others from using** the property in the same way as any other tangible properties.
- **Benefits from intellectual property:**
  - Owner's exclusive rights, to gain competitive advantage
  - License or sell to others to monetize
- **Unauthorized Use:** if a competitor uses your intellectual property without proper consent (i.e, ***infringing*** your intellectual property rights), then you can initiate lawsuit.



# **Patent Infringement**

# What is Patent Infringement?

---

- **Basic Concept:** Without the permission of the patent owner, making, using, selling, offering for sale or importing the claimed invention
- **Types of Infringement**
  - Direct
    - Literal
    - Doctrine of Equivalents
  - Indirect
    - Contributory
    - Induced

# Basic Concepts

## How to Read a Patent

- Cover page
  - Patent Number
  - Title
  - Inventor(s)
  - Assignee
  - Application Date
  - Priority Documents
  - References Cited
  - Issue Date
  - Abstract

US006285999B1

(12) United States Patent  
Page

(10) Patent No.: **US 6,285,999 B1**  
(45) Date of Patent: **Sep. 4, 2001**

(54) **METHOD FOR NODE RANKING IN A LINKED DATABASE**

(75) Inventor: **Lawrence Page, Stanford, CA (US)**

(73) Assignee: **The Board of Trustees of the Leland Stanford Junior University, Stanford, CA (US)**

(\*) Notice: Subject to any disclaimer, the term of this patent is extended or adjusted under 35 U.S.C. 154(b) by 0 days.

(21) Appl. No.: **09/004,827**

(22) Filed: **Jan. 9, 1998**

(60) Provisional application No. 60/035,205, filed on Jan. 10, 1997.

(51) Int. Cl. **G06F 17/20**

(52) U.S. Cl. **707/5, 707/7, 707/501**

(58) Field of Search **707/513, 1-3, 10, 104, 501; 345/440; 382/226, 229, 230, 231**

(List continued on next page.)

(56) **References Cited**

U.S. PATENT DOCUMENTS

4,953,106 *	8/1990	Gansner et al.	345/440
5,450,535 *	9/1995	North	395/140
5,748,954 *	5/1998	Mauldin	395/610
5,752,241 *	5/1998	Cohen	707/3
5,832,494 *	11/1998	Egger et al.	707/102
5,848,407 *	12/1998	Ishikawa et al.	707/2
6,014,678 *	1/2000	Inoue et al.	707/501

OTHER PUBLICATIONS

S. Jeromy Carriere et al., "Web Query: Searching and Visualizing the Web through Connectivity", Computer Networks and ISDN Systems 29 (1997), pp. 1257-1267.\*

Wang et al "Prefetching in World Wide Web", IEEE 1996, pp. 28-32.\*

Ramer et al "Similarity, Probability and Database Organization: Extended Abstract", 1996, pp. 272-276.\*

Craig Boyle "To link or not to link: An empirical comparison of Hypertext linking strategies", ACM 1992, pp. 221-231.\*

L. Katz, "A new status index derived from sociometric analysis," 1953, Psychometrika, vol. 18, pp. 39-43.

C.H. Hubbell, "An input-output approach to clique identification sociometry," 1965, pp. 377-399.

Mizruchi et al., "Techniques for disaggregating centrality scores in social networks," 1996, Sociological Methodology, pp. 26-48.

E. Garfield, "Citation analysis as a tool in journal evaluation," 1972, Science, vol. 178, pp. 471-479.

Pinski et al., "Citation influence for journal aggregates of scientific publications: Theory, with application to the literature of physics," 1976, Inf. Proc. And Management, vol. 12, pp. 297-312.

N. Geller, "On the citation influence methodology of Pinski and Marin," 1978, Inf. Proc. And Management, vol. 14, pp. 93-95.

P. Dorian, "Measuring the relative standing of disciplinary journals," 1988, Inf. Proc. And Management, vol. 24, pp. 45-56.

(74) Attorney, Agent, or Firm—Harrity & Snyder L.L.P.

(57) **ABSTRACT**

A method assigns importance ranks to nodes in a linked database, such as any database of documents containing citations, the world wide web or any other hypermedia database. The rank assigned to a document is calculated from the ranks of documents citing it. In addition, the rank of a document is calculated from a constant representing the probability that a browser through the database will randomly jump to the document. The method is particularly useful in enhancing the performance of search engine results for hypermedia databases, such as the world wide web, whose documents have a large variation in quality.

29 Claims, 3 Drawing Sheets

```
graph TD
    A["A  
0.4"] -- 0.2 --> B["B  
0.2"]
    A -- 0.2 --> C["C  
0.4"]
    B -- 0.2 --> C
```

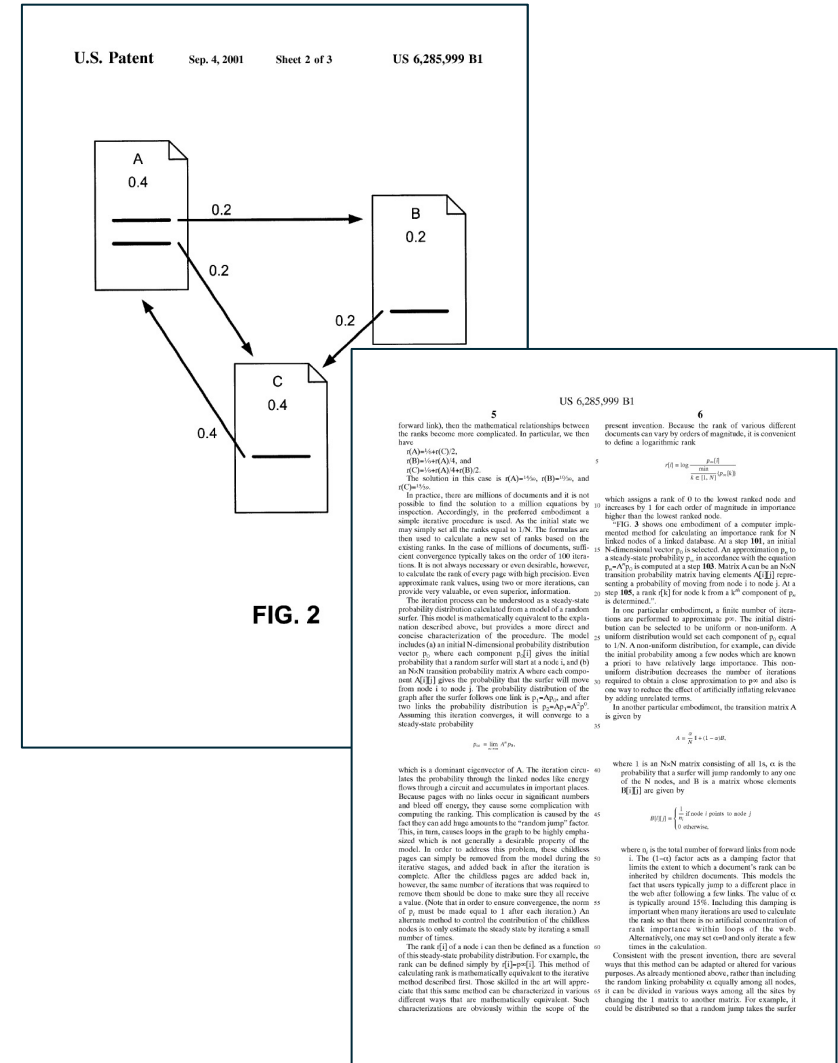


# Basic Concepts

## How to Read a Patent

- **Specification**

- Drafted by the inventor (or patent attorney)
- Explains how to make and use the invention – the patent bargain
- Description + Figures
- May include multiple examples (embodiments)



# Basic Concepts

---

## How to Read a Patent

- **Claims**

- Legally define scope of protection
- Each claim covers a distinct invention that is defined by its essential features or “limitations”
- Independent and dependent claims
- Infringement of one claim infringes the patent

### Independent Claim

**10.** A computer implemented method of ranking a plurality of linked documents, comprising:  
automatically performing a random traversal of a plurality of linked documents, the random traversal including selecting a random link to traverse in a current linked document;  
for each linked document that is traversed, assigning a rank to the linked document that is dependent on the number of times the linked document has been traversed; and  
processing the plurality of linked documents according to their rank.

### Dependent Claim

**11.** The method of claim 10, wherein there is a predetermined probability that the next linked document to be traversed will be a random one according to a distribution of the plurality of linked documents.

# What is Patent Infringement?

---

- **Basic Concept:** Without the permission of the patent owner, making, using, selling, offering for sale or importing the claimed invention
- **Types of Infringement**
  - Direct
    - **Literal**
    - Doctrine of Equivalents
  - Indirect
    - Contributory
    - Induced

Literal Infringement	
Claim Limitation	Present?
A (body)	Yes
B (gasoline engine)	Yes
C (steering wheel)	Yes
D (rubber tires)	Yes

# What is Patent Infringement?

- **Basic Concept:** Without the permission of the patent owner, making, using, selling, offering for sale or importing the claimed invention
- **Types of Infringement**
  - Direct
    - Literal
    - **Doctrine of Equivalents**
  - Indirect
    - Contributory
    - Induced

Doctrine of Equivalents Infringement	
Claim Limitation	Present?
A (body)	Yes
B (gasoline engine)	No, diesel engine
C (steering wheel)	Yes
D (rubber tires)	Yes

# What is Patent Infringement?

- **Basic Concept:** Without the permission of the patent owner, making, using, selling, offering for sale or importing the claimed invention
- **Types of Infringement**
  - Direct
    - Literal
    - Doctrine of Equivalents
  - Indirect
    - **Contributory**
    - Induced

Contributory Infringement	
Claim Limitation	Present?
A (body)	Yes
B (gasoline engine)	Yes
C (steering wheel)	Yes
D (rubber tires)	No, but needed for practical use of product

# What is Patent Infringement?

- **Basic Concept:** Without the permission of the patent owner, making, using, selling, offering for sale or importing the claimed invention
- **Types of Infringement**
  - Direct
    - Literal
    - Doctrine of Equivalents
  - Indirect
    - Contributory
    - **Induced**

Induced Infringement	
Claim Limitation	Present?
A (body)	When used as directed
B (gasoline engine)	When used as directed
C (steering wheel)	When used as directed
D (rubber tires)	When used as directed

# What is Patent Invalidity?

---

- **Basic Concept: Accused infringers can challenge the validity of the patent**
  - In litigation
  - In an administrative proceeding at the PTO
- **No liability of infringed patent if found invalid**
- **Main types of Invalidity**
  - Anticipation
  - Obviousness
  - Non-patentable subject matter
    - Laws of nature
    - Abstract ideas
  - Inadequate Disclosure

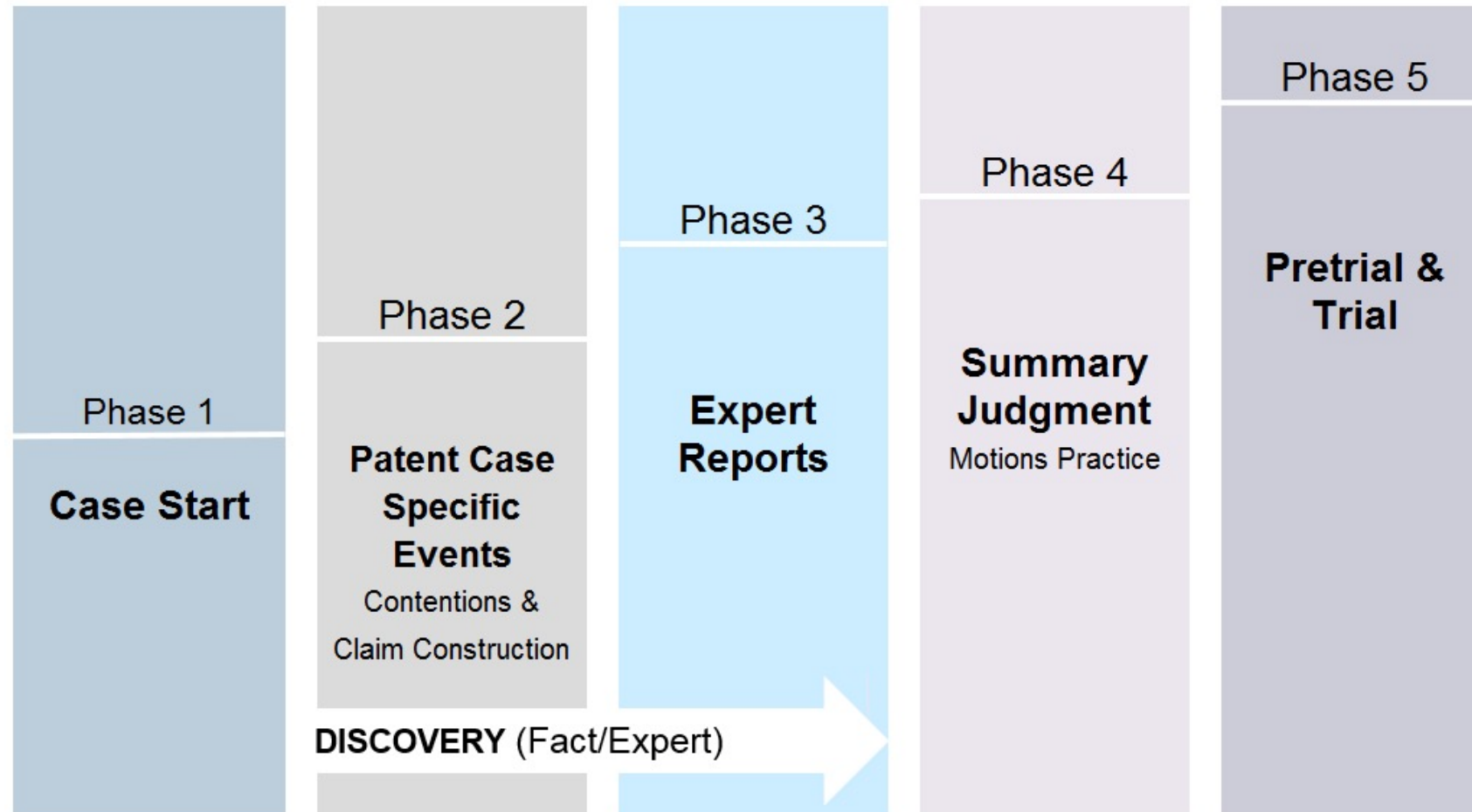


# Remedies for Infringement

---

- **Damages**
  - Reasonable Royalty
  - Lost Profits
- **Injunction**
  - Types
    - Preliminary
    - Permanent
  - Formal requirements
    - Proof of infringement (or likelihood of success)
    - Irreparable harm from infringement
    - Balance of hardships
    - Public Interest
  - Practical requirements
    - Competition
    - Invention must drive demand for the product
- **Running royalty**
  - For future infringement
  - Available instead of injunction

# Typical US Patent Litigation Timeline





# Trademark Infringement

# Trademark Infringement

---

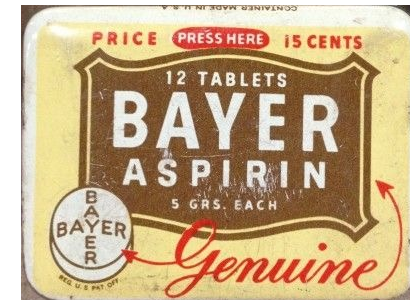
- Is the mark *likely to cause consumer confusion as to the goods' or services' source/sponsorship/affiliation?*
  - Strength of the plaintiff's mark
  - Similarity of the marks (sight/sound/meaning and doctrine of foreign equivalence)
  - Proximity of the goods (DELTA and DOMINOS)
  - Evidence of actual confusion
  - Marketing channels used
  - Purchaser sophistication/degree of care
  - The second user's intent in selecting the mark

*Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492 (2d Cir. 1961).

# “Generification” of a Trademark

---

- If consumers regard a term as primarily referring to a type of goods or services rather than as a mark, it can become generic and unprotectable
  - “On the other hand, if the plaintiff is allowed a monopoly of the word [Aspirin] as against consumers, it will deprive the defendant, and the trade in general, of the right effectually to dispose of the drug by the only description which will be understood.” *Bayer Co., Inc., v. United Drug Co.*, 272 F. 505, 514 (S.D.N.Y. 1921).
- **Examples: aspirin, dry ice, cellophane, nylon, kerosene, lanolin, zipper, escalator, thermos, shredded wheat, trampoline**
  - On the edge? XEROX, KLEENEX, JELLO, JEEP, FREON, MACE, ZOOM, etc.



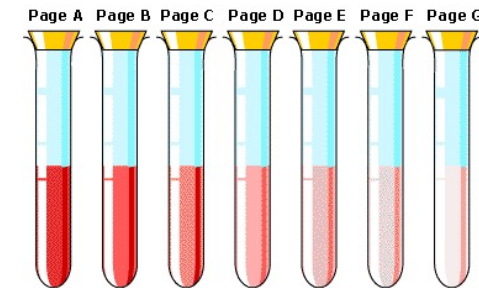
# Avoiding “Generification”

---

- **Ensure proper use of a mark by the mark owner**
  - Use marks as adjectives, not as nouns  
(VASELINE petroleum jelly; SCOTCH brand adhesive tape)
  - Don’t use marks as verbs, plurals, or possessives
  - Be wary of using two adjacent marks
- **Use a trademark notice**
  - Unregistered marks use <sup>TM</sup> or SM
  - Federally registered marks use ®
  - Lack of notice can preclude recovery of monetary damages in an infringement suit
- **Correcting improper use of marks by others**

# Trademark Dilution

- The lessening of the capacity of a “famous mark” (widely recognized by the general consuming public) to identify and distinguish goods or services
  - Goldfish-shaped crackers in snack food mix – dilution found. *Nabisco, Inc. v. PF Brands, Inc.*, 50 F. Supp. 2d 188 (S.D.N.Y. 1999)
  - “Charbucks blend”– not “substantially” similar, no dilution. *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.* - 588 F.3d 97 (2d Cir. 2009)
- “Likelihood of dilution” is sufficient
  - Blurring (BUICK aspirin; TIFFANY sneakers)
  - Tarnishment (THIS BUGS FOR YOU; ENJOY COCAINE in Coca-Cola script)





# Abandonment

---

- Non-use for significant period of time with intent not to resume use
- Non-use for three years without reasonable excuse creates presumption of abandonment
- Declaration of use required for federal registrations between the 5th and 6th year of registration and at 10 year renewals
- De minimis use merely to maintain rights in the mark may not be sufficient (use “in the ordinary course of trade” required)



# Cybersquatting

---

- **U.S. law: Bad faith intent to profit resulting from “registering, trafficking in, or using” a domain name confusingly similar to the trademark of another**
  - Allows recovery of up to \$100,000 in statutory damages per domain name, in addition to transfer or cancellation of the domain name
- **International arbitration (“UDRP”): bad faith resulting from “registering and using” a domain name confusingly similar to the trademark of another**
  - No monetary damages, only transfer or cancellation of the domain name

# Counterfeiting

---

- Counterfeit mark defined as a “spurious mark which is identical with, or substantially indistinguishable from, a registered mark” (i.e. an intentional copying of someone else’s trademark to defraud consumers)
- Courts may issue orders authorizing pre-suit seizure of suspected counterfeits
- Federal criminal penalties and mandatory monetary remedies
- Use of genuine label on fake goods can still be counterfeiting (e.g. refilling Coke bottles with another beverage, or using GE packaging for non-GE parts)

# Remedies for Trademark Infringement

---

- **Injunctions, not monetary awards, are the norm**
  - Courts vary on when to award monetary awards
- **No automatic statutory damages as in copyright law**
- **Typically no “reasonable royalty” damages as in patent law**





# Copyright Infringement

# To Show Copyright Infringement

---

## Plaintiff must show:

- Ownership
- Infringement
- Territoriality

# Proof of Ownership

---

## Registration establishes presumption of validity and ownership

“In any judicial proceedings the certificate of a registration made before or within five years after first publication of the work shall constitute **prima facie evidence of the validity of the copyright and of the facts stated in the certificate.**”

17 U.S.C. §410(c)



# Proof of Infringement

---

- **Direct Evidence of Copying**
- **Inference of Copying**
  - Defendant had access to copyrighted work
  - Accused work is “substantially similar or “virtually identical” to copyrighted works

# Standards of Similarity

---

- **“Substantially Similar”**
  - Default standard
  - “whether an average lay observer would recognize the alleged copy as having been appropriated from the copyrighted work”  
*Warner Bros. Inc. v. ABC, Inc.*, 654 F.2d 204, 208 (2d Cir. 1981)
- **“Virtually Identical”**
  - Applies to compilations or works consisting largely of uncopyrightable elements

# Defenses

---

- **Fair use**

- Not an infringement to make “fair use” of a copyrighted work “for purposes such as criticism, comment, news reporting, teaching. . . , scholarship, or research.” (U.S.C. §107)
- Examples: parodies, copying for compatibility, “time shifting” (okay to record TV shows on video tapes)

- **Copyright Misuse**

- “Use of the [copyright] to secure an exclusive right or limited monopoly not granted by the [Copyright] Office and . . . contrary to public policy.” *Lasercomb America, Inc. v. Reynolds*, 911 F.2d 970,972 (4th Cir. 1990)

- **Safe Harbors**

- Provided to telecommunication companies, online service providers to avoid liability when simply hosting infringing content

# Remedies

---

**(a) IN GENERAL.**—Except as otherwise provided by this title, an infringer of copyright is liable for either—**(1)** the copyright owner’s **actual damages** and **any additional profits of the infringer**, as provided by subsection (b); or **(2) statutory damages**, as provided by subsection (c).

17 U.S.C. § 504

- **Actual damages**
  - Typically lost profits.
  - Copyright holder has the initial burden to show lost profits. *See Harper & Row v. Nation Enterprises*, 471 U.S. 539, 567 (1985).
- **Disgorgement (any additional profits of the infringer)**
  - Double dipping not allowed, but copyright owner can recover any additional profits made by the infringer.
  - Initial burden on the copyright holder.



# **IP Issues Related to Social Media**

# Social Media Infringement Issues

---

- **Identify rights being infringed**
  - Trademark, copyright, right of publicity
- **Obtain rights permissions**
  - Rights to use photos/music/videos
- **Takedowns**
- **PR considerations**





# **Trade Secret Infringement/Misappropriation**

# 18 U.S.C. § 1839 (DTSA)

---

“[A]ll forms and types of financial, business, scientific, technical, economic, or engineering information, including patterns, plans, compilations, program devices, formulas, designs, prototypes, [etc.] ... if —

(A) the owner thereof has taken **reasonable measures to keep such information secret**; and

(B) the information derives **independent economic value**, actual or potential, from **not being generally known** to, and **not being readily ascertainable through proper means** by, another person who can obtain economic value from the disclosure or use of the information.”



# Trade Secrets Can Be -

---

- Anything held as confidential by anyone with whom you were in a confidential relationship
- Future product development plans
- Future strategic and business plans
- Profitability, cost, and revenue information
- Anything that took a long time to develop (even if it is a compilation of public data)
- Term: as long as its secrecy can be maintained

# Examples of Trade Secrets

---



# Trade Secrets Cannot Be -

---

- **Generally known**

- “Information that is generally known or understood within an industry, even if not known to the public at large, does not qualify as a **trade secret**.” *Von Holdt v. A-1 Tool Corp.*, No. 04 C 04123, 2013 US Dist LEXIS 636, at \*23 (ND Ill Jan. 3, 2013).

- **Reverse engineered (but not requiring too much work)**

- “The public at large [is] free to discover and exploit the trade secret through reverse engineering of products in the public domain or by independent creation.” *Bonito Boats v. Thunder Craft Boats*, 489 US 141 (1989).
- “Information that is derived from public sources but requires laborious accumulation, culling, and/or analysis of the public information can, however, still qualify as a trade secret.” *Stenstrom Petroleum Servs. Group, Inc. v. Mesch*, 874 N.E.2d 959, 975 (Ill. App. Ct. 2007).

- **Presented Publicly**

- “A trade secret can exist in a combination of characteristics and components, each of which, by itself, is in the public domain, but the unified process, design and operation of which, in unique combination, affords a competitive advantage and is a protectable secret.” *Imperial Chem. Indus. v. Nat'l Distillers & Chem. Corp.*, 342 F2d 737, 742 (2d Cir 1965).

# Reasonable Measures

---

Measures must be “adequate under the circumstances.”

- *Bay Fasteners & Components, Inc. v. Factory Direct Logistics, Ltd. Liab. Co.*, No. 17-CV-03995, 2018 US Dist LEXIS 46155, at \*10 (ND Ill Mar. 20, 2018);
- Apply more protection for trade secrets than regular, confidential information.

# Remedies

---

- **Actual damages:** similar to the same remedy in copyright infringement
- **Unjust enrichment:** similar to disgorgement
- **Reasonable royalty**
- **Exemplary damages:** willful and malicious misappropriation allows 2 times the amount of the damages

# Hiring & Onboarding

---

Have new hires double check that they do not have confidential information from former employer

- Cloud based storage accounts (e.g., Drop Box, Google)
- Personal web-based email accounts
- Facebook, Google+ accounts
- Personal computers/tablets
- Phones (texts, chats and PHOTOS!)
- Home office, trunk of car, vacation home
- Removable storage devices (flash, thumb, and backup drives)

# Hiring & Onboarding

---

- **Educate new hires about**
  - How to separate confidential information from experience
  - The importance of keeping former employers' trade secrets secret
- **Have new hires certify**
  - Will not disclose or use old employer's confidential information
  - Are not in possession of any non-public information from prior employer
  - Are not going to provide ideas to new employer derived from old employer

# Hiring & Onboarding

---

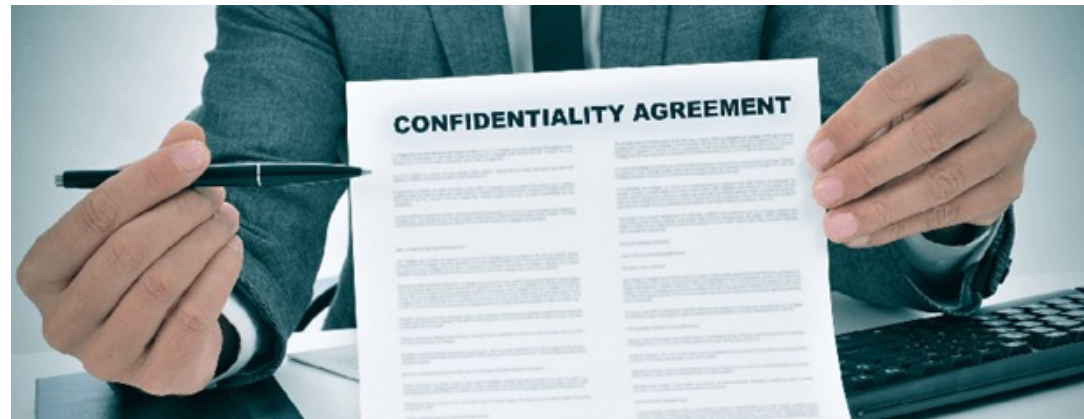
- Evaluate the role new hire will have
- Have outside counsel evaluate important potential hires for trade secret risk



# Onboarding: Protect Your Company's Trade Secrets

---

- **Contractual Measures**
  - Confidentiality agreements
  - Non-solicitation clauses
  - Non-competition clauses



# Onboarding: Protect Your Company's Trade Secrets

- **Begin education**

- Importance of confidentiality
- What is and how to treat confidential information and/or trade secrets
- Practical guidance

- IT

- Equip employees to protect trade secrets
- Define access rights on a need-to-know basis
- Set up tracking



# Develop a Culture of Trade Secret Respect

---

- **Establish “ownership” for trade secret protection**
- **On-Going education**
  - Need-to-know access
  - Physical security
  - Remote workforce considerations
- **Evolve as technology changes and company grows**



# Handling Departing Employees

---



**Exit Interview**



**Return of  
Company Property**



**IT Steps**

# Handling Departing Employees: Exit Interview

---

- Remind and/or seek reaffirmation of contractual agreements
- Identify what the company views as its trade secrets
- Look for red flags - find out where they are going
- Memorialize the interview



# Handling Departing Employees: Exit Interview

---

- **Obtain company-issued equipment**
- **Remind about where to check for information that needs to be returned**
  - Cloud based storage accounts (Box, Google)
  - Personal web-based email accounts
  - Facebook, Google+ accounts
  - Personal computers/tablets
  - Phones (texts, chats and PHOTOS!)
  - Home office, car trunk, garage, vacation home
  - Removable storage devices
- **Have them certify they have no company property or information in their possession**



# Handling Departing Employees: Exit Interview

---

- Deactivate access
- Consider analyzing recent access and download activity
- Evaluate whether to create forensic backups



# Trade Secrets in Corporate Collaborations

---

Many companies work closely with third parties and other companies. Such collaboration often involves the disclosure of confidential, proprietary information.

- As the owner of the trade secret, how do you protect the trade secret?
- As the collaborator exposed to the trade secret, how do you protect yourself?



# Put in Place Clear Boundaries

---

Boundaries benefit the trade secret holder and the collaborator

- Limit Access – need to know
- NDA
- Cooling off periods
- Avoid overlap with access to competing projects



# **Forums for IP Infringement Litigation**

# Federal Court

---

- **Exclusive jurisdiction for patent and copyright infringement actions**

The district courts shall have **original jurisdiction of any civil action arising under any Act of Congress relating to patents, plant variety protection, copyrights and trademarks.**

**No State court shall have jurisdiction over** any claim for relief arising under any Act of Congress **relating to patents, plant variety protection, or copyrights.**

28 U.S. Code § 1338(a)

- **Preferred venue for trademark litigation under the Lanham Act**
  - Applicable to both registered and unregistered marks.
- **Preferred venue for trade secret litigation**
  - Defend Trade Secret Acts of 2016, however, expressly allows state court actions.

# State Court

---

- **Available for trademark and trade secret infringement litigations**
- **Possible inconsistency between states in terms of:**
  - Procedure
  - Outcome
- **Suits filed in a state court often moved to a federal court**

# U.S. International Trade Commission (USITC)

---

- **USITC**: federal agency with jurisdiction over imported goods
- **ITC can investigate claims of unfair practices in import trade, including:**
  - Imported goods infringing patents, copyrights, trademarks, and trade secrets
- **Compared to district court, ITC is faster:**
  - outcome in a year
  - no delay due to complicated service of process on foreign entities
- **Remedy**: injunction to stop importation and sales of infringing goods, but no monetary damages
- **Domestic Industry**: must show patent owner has a domestic industry that warrants protection

# USPTO/PTAB

---

A number of invalidity proceedings available at **USPTO's Patent Trial & Appeal Board (PTAB)**

- ***Inter partes* Review (IPR):**
  - 93% of petitions filed at the PTAB
  - Fast-paced proceeding that can stall district court litigation if timely filed
  - Lower standard for invalidating patents (*i.e.*, easier to invalidate)
  - One-year bar: petition must be filed within service of complaint
- **Post-Grant Review (PGR):** Similar to IPR but must be brought within nine months of patent issuance.

# TTAB

---

The Trademark Trial and Appeal Board (TTAB) is a tribunal that handles appeals on TM applications, appeals involving registrations, and trials involving certain types of applications or registrations.

The TTAB does not handle TM infringement, and cannot determine whether someone has a right to use a TM, just whether the TM can be registered.



# **What to Do When Sued of Infringement**



# 5 Things To Do When Accused of Infringement

---

- 1) Document hold notice**
- 2) Investigate validity**
- 3) Investigate infringement**
- 4) Rough calculation of damages to figure out how much to expend on the defense**
- 5) Plan your defense strategy**
  - a) Fight it out in district court?
  - b) Declaratory judgment?
  - c) Counter-sue on other patents?
  - d) Challenge at PTAB/TTAB whatever venue is available?
  - e) In-person licensing negotiation?

# Tips and Tricks – Pre-Suit: Document Retention/Collection

---

- **Risks from lost documents**
  - Preservation duty begins when litigation is reasonably anticipated, not necessarily filed
- **Document retention/destruction policy**
  - Have one
  - But cannot blindly follow
  - May need to suspend routine destruction
- **Document retention memorandum**
  - Update early and often
  - Identify and re-identify recipients
- **Collect early (pre-suit if possible) to have head start**
- **Consider litigation access/filtering in designing storage systems**
  - E.g., keep key design documents readily accessible, develop norms to protect attorney-client communications



# Tips and Tricks – Settlement Discussions

---

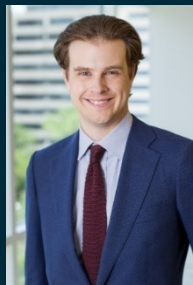
- **Take opportunity to resolve without substantial legal expense and risk**
- **Risks to consider in settlement discussions**
  - Losing preferred forum
  - Discoverability of negotiations
  - Setting bad precedent, e.g. low royalty rate
  - Unintentionally making lawyers (or others) fact witnesses
  - Provoking undesired lawsuit



# Thank You!



**Daniel Tishman**  
Principal  
Fish & Richardson  
tishman@fr.com



**David Holt**  
Principal  
Fish & Richardson  
dth@fr.com



**Cynthia Walden**  
Principal  
Fish & Richardson  
walden@fr.com



**Anjanette Stinson**  
Associate General Counsel  
National Student Clearinghouse



**Melonie Callender**  
Legal Counsel  
Bloomberg LP

© Copyright 2021 Fish & Richardson P.C. The opinions expressed are those of the authors and do not necessarily reflect the views of Fish & Richardson P.C., any other of its lawyers, its clients, or any of its or their respective affiliates. This presentation is for general information purposes and is not intended to be and should not be taken as legal advice and does not establish an attorney-client relationship.

These materials may be considered advertising for legal services under the laws and rules of professional conduct of the jurisdictions in which we practice.. Legal advice of any nature should be sought from legal counsel. Unsolicited e-mails and information sent to Fish & Richardson P.C. will not be considered confidential and do not create an attorney-client relationship with Fish & Richardson P.C. or any of our attorneys. Furthermore, these communications and materials may be disclosed to others and may not receive a response. If you are not already a client of Fish & Richardson P.C., do not include any confidential information in this message. For more information about Fish & Richardson P.C. and our practices, please visit [www.fr.com](http://www.fr.com).

