


Changes to the IP Landscape

General Practice Review
December 7, 2018

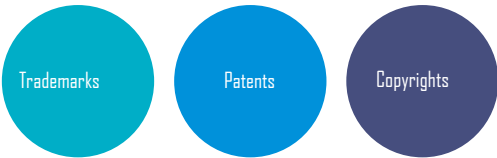
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Intellectual Property Updates



Trademarks Patents Copyrights



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Classification: Public

Trademarks

Trademarks in the News

- Personalized Cease and Desist Letters
- Creative Corporate Messaging
- Hashtags
- Increase in Trademark Filings Worldwide
- Estate of Marilyn Monroe (materials only)

4 Classification: Public




Trademarks

Personalized Cease and Desist Letters

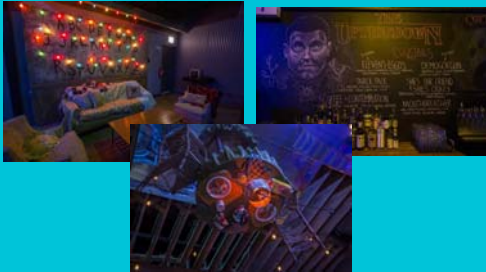
- Netflix hit series "Stranger Things" is a science fiction-horror web television series.
- Chicago "pop-up" bar utilized the "Stranger Things" theme to attract customers.
- Netflix sent an unconventional cease and desist letter that helped further their brand and also served as a positive marketing piece for the company. (Allowed the "pop-up" to carry out its six week run.)

5 Classification: Public



Trademarks

Personalized Cease and Desist Letters




Source: <http://mimg.net/read/02-photos-of-the-immersive-stranger-things-pop-up-bar-the-upside-down-news>



Trademarks


Creative Corporate Messaging

- **Genericized Trademark / Proprietary Eponym**
 - A trademark or brand name that has become generic for a product or service despite the intentions of the trademark's holder.
- **Trademark Erosion / Generization**
 - A trademark becomes so common as to be used as the common name for the product or service and the original company has failed to prevent such use. Trademark owners can lose their right to register the mark


8 Classification: Public 

Trademarks


Creative Corporate Messaging




Thermos




Kleenex



Band-Aid




Rollerblades

9 Classification: Public 

Trademarks

Creative Corporate Messaging




Source: <https://www.today.com/money/velcro-creates-song-get-people-stop-using-name-velcro-wrongly-1H6707>

Trademarks

Creative Corporate Messaging

Velcro® wanted its own employees to stop using the name Velcro® to generically refer to the "hook and loop."



"We're a company that's so successful that everywhere you go, you see the scratchy, hairy fastener, and you say 'Hey, that's Velcro.'"

"When you use 'Velcro' as a noun or a verb (e.g., Velcro shoes), you diminish the importance of our brand and our lawyers lose their "insert fastening sound.""

Source: <http://www.youtube.com/watch?v=2Bzr0t0an7Y>

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Trademarks

#Hashtags

- Hashtag applications have been steadily on the rise with as many as 2,200 applications filed globally in 2016. (only seven companies filed in 2010)
- USPTO Guidance: "A mark comprising of or including the hash symbol (#) or the term 'hashtag' is registerable as a trademark of service *only if* it functions as an identifier of the source of the applicant's goods or services."
- Successful U.S. Hashtag registrations: #smilewithacoke and #cokecanpics (The Coca-Cola Company), #McDStories (McDonalds), and #makeitcount (Nike).

Source: http://www.wipo.int/wipo_magazine/en/2017/05/article_0003.html

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Trademarks

#Hashtags

- Guide to Success: "In each of these cases, the PTO concluded that the specimen submitted in support of the registration application evidenced use of the hashtag mark as a trademark, not merely as a means of facilitating on-line searching. Each specimen prominently displayed the hashtag mark in a non-Internet context (on endcaps or signage, for example) in connection with the goods or services being offered."
- Infringement Issues: In cases where a company has a registered hashtag, use in social media that suggests a connection with the trademark owner may give rise to a claim for infringement

Source: <http://www.ipwatchdog.com/2016/05/24/undecided-trademark-protection-hashtags/id-700/>

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Trademarks

Increase in Trademark Filings Worldwide (Published 2017)

- 7 million trademark applications were filed worldwide in 2016, a 16.4% increase over 2015.
- The Chinese Trademark Office accounted for 75% of the annual increase with a total of 3.7 million applications. The United States was in second with 545,587 applications.

Source: http://www.uspto.gov/odtca/publications/otca/otca_pub_04_2017.pdf

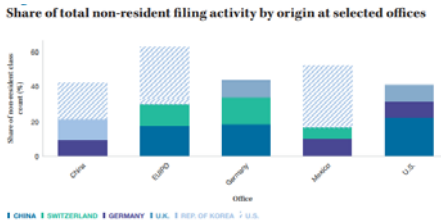
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Trademarks

Increase in Trademark Filings Worldwide (Published 2017)


Share of total non-resident filing activity by origin at selected offices



Office	China	Switzerland	Germany	U.K.	Rep. of Korea / U.S.
China	10	10	0	0	0
EUIPO	15	10	10	0	0
Germany	15	10	10	0	0
Mexico	10	10	0	0	0
US	15	10	0	0	10

Source: http://www.uspto.gov/odtca/publications/otca/otca_pub_04_2017.pdf

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Trademarks

Trademarks in the Law

- **Matal v. Tam**

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Trademarks


Matal v. Tam

582 U.S. ____ (2017) (previously Lee v. Tam)

- Case involves a trademark application for "The Slants"
- Goods and Services Claimed: Entertainment in the nature of live performances by a musical band.
- First Use of Mark: 2006
- So, what is the problem...?

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Source: https://www.supremecourt.gov/opinions/16pdf/15-1331_1a10.pdf

Classification: Public



Trademarks

Matal v. Tam

582 U.S. ____ (2017) (previously Lee v. Tam)



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Source: <http://www.the-slants.com/>

Classification: Public



Trademarks

Matal v. Tam

582 U.S. ____ (2017) (previously Lee v. Tam)

- Section 2(a) of the Lanham Act, 15 U.S.C. § 1052(a) bars the registration of marks "which may disparage . . . persons . . . , institutions, beliefs, or national symbols, or bring them into contempt or disrepute . . ." or consist of or comprise, immoral, or scandalous matter.
- Challenge: The "disparagement clause" was challenged in *Matal* as unconstitutional under the First Amendment.

19 Source: <http://www.ipwatchdog.com/2017/03/17/caspe-earrings-matal-v-tam/id-8659/>
Classification: Public



Trademarks

Matal v. Tam

582 U.S. ____ (2017) (previously Lee v. Tam)

- Holding:
 1. By denying trademarks that allegedly disparage certain groups, the Lanham Act discriminates based on viewpoint.
 2. While the government may discriminate on viewpoint as related to government speech, trademarks are private speech.
 3. Even if trademarks are commercial speech – which the Court indicates they might not be – such speech still can't be restricted because of alleged offensiveness.

20 Source: https://www.supremecourt.gov/opinions/16pdf/15-0393_lul3.pdf
Classification: Public



Trademarks

Matal v. Tam

582 U.S. ____ (2017) (previously Lee v. Tam)

- USPTO: June 26, 2017; Examination Guidance for Section 2(a)'s Disparagement Provision after *Matal v. Tam* and Examination for Compliance with Section 2(a)'s Scandalousness Provision While Constitutionality Remains in Question
- "The portions of [the] Trademark Manual of Examining Procedure (TM&P) §1203 that relate specifically to examination under the disparagement provision no longer apply."

21 Source: United States Patent And Trademark Office, Examination Guide D-17 (Jun. 26, 2017) ("Examination Guide D-17")
Classification: Public



Trademarks

Matal v. Tam

582 U.S. ____ (2017) (previously Lee v. Tam)

- Pro-Football Inc. v. Blackhorse (Redskins Football Case)
- In June, shortly after the decision *Matal v. Tam*, the parties in *Blackhorse* agreed to drop the case pending in the Fourth Circuit as the Supreme Court had established clear precedent regarding the unconstitutionality of the disparagement clause.

Source: <https://www.washingtontimes.com/news/2017/jun/23/groups-fighting-redskins-over-trademarks-agree-drop/>

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Patents

Patents in the News

- Allergen Assignment to St. Regis Mohawk Tribe
- Patent Applicants Facing Better Odds (materials only)
- Patent Filing Trends Worldwide (materials only)

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Patents

Allergen Assignment

- In September Allergen sold and assigned its patent to the St. Regis Mohawk Tribe (New York & Canada) during the pendency of *Inter-Partes Review* proceedings challenging the validity of Restasis patents.
- They were sold for a one-time payment of \$13.75 million and possible royalties.
- Goal of the transfer: to claim sovereignty as a defense in overcoming the *IPR* challenge.

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Patents

Allergen Assignment

- Defenders: "This sovereign power creates a favorable environment in which your patent may be licensed without risking millions of dollars in legal costs and losing years of your patent's enforceable life, and importantly, without burdening the courts with unnecessary litigation when things can be settled out of court."
- Critics: "This is one of the most brazen and absurd loopholes I've ever seen, and it should be illegal ... Given its recent comments regarding corporate responsibility, PhRMA can and should play a role in telling its members that this action isn't appropriate, and I hope they do that." Sen. Claire McCaskill (D-MO)

Source: <http://www.raps.org/RegulatoryFocus/News/2017/10/16/28535/Court-Finds-Restasis-Patents-Invalid-Raises-Concerns-About-Allergen-Mohawk-Tribe-Agreement/>
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 Classification: Public



Patents

Allergen Assignment

- On October 16, 2017 four of the patents covering the Restasis drug were ruled invalid by US District Court for the Eastern District of Texas.
- US Circuit Judge William Bryson wrote: "Sovereign immunity should not be treated as a monetizable commodity that can be purchased by private entities as part of a scheme to evade their legal responsibilities."

Source: <http://www.raps.org/RegulatoryFocus/News/2017/10/16/28535/Court-Finds-Restasis-Patents-Invalid-Raises-Concerns-About-Allergen-Mohawk-Tribe-Agreement/>
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 Classification: Public



Patents

Allergen Assignment

In an amicus brief filed in the appeal scholars, including Laurence Tribe and Erwin Chemerinsky, argue:

"[T]he Tribe has explained that the contract serves its sovereign interests and represents an important part of its technology development plan, a project that is saturated with sovereign importance, in part because it complements the Tribe's modest tax base."

"[W]here sovereign immunity is asserted, and the claims of the sovereign are not frivolous, the tribunal should accept those claims. The Board should follow that approach here and decline to consider Petitioners' policy objections to tribal sovereign immunity." (citations omitted).

Source: <http://www.patdblog.com/2017/12/07/laurence-tribe-erwin-chemerinsky-pub-recognize-tribal-sovereign-immunity/id-95842/>
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 Classification: Public




Patents

Patents in the Law

- Nantkwest v. Matal
- TC Heartland LLC v. Kraft Foods Group Brands LLC

28 Footnotes
Classification: Public




Patents

Nantkwest, Inc. v. Matal

860 F.3d 1352 (Fed. Cir. 2017)

- Under 35 U.S.C. § 145, a party wishing to appeal a decision from the Patent Trial Appeal Board has the option to appeal to the Federal Circuit or, alternatively, bring a civil action against the Office in federal district court.
- Regardless of the success of the appeal, in district court: "All the expenses of the proceedings shall be paid by the applicant." 35 U.S.C. § 145.
- Historically, the USPTO included travel costs and expert fees, but did not include attorneys' fees.

29 Footnotes
Classification: Public



Patents

Nantkwest, Inc. v. Matal

860 F.3d 1352 (Fed. Cir. 2017)

- Challenge: Whether the USPTO's change to its policy to include "attorneys' fees" in expenses was valid.
- Holding: On June 23, 2017, The Federal Circuit upheld the USPTO policy and held that the existence of the "American Rule," which provides that prevailing parties are not ordinarily entitled to attorneys' fees from the losing party, does not change the fact that "all the expenses of the proceedings" includes attorneys' fees.

30 Footnotes
Classification: Public



Patents

Nantkwest, Inc. v. Matal

860 F.3d 1352 (Fed. Cir. 2017)

- Lost during prosecution of the patent, lost at the PTAB, lost at the district court; paid \$80,000 in USPTO's fees.
- Update: On August 31, 2017, the Federal Circuit vacated the decision and will rehear the case. Fortunately, the Federal Circuit limited their review:

Did the panel in *Nantkwest, Inc. v. Matal*, 860 F.3d 1352 (Fed. Cir. 2017) correctly determine that 35 U.S.C. § 145's "[a]ll the expenses of the proceedings" provision authorizes an award of the United States Patent and Trademark Office's attorney's fees?

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Patents

TC Heartland LLC v. Kraft Foods Group Brands LLC

581 U.S. ___ (2017)

- In 1957 the Supreme Court held in *Fourco Glass Co. v. Transmirra Products Corp.*, 353 U.S. 222, 226 (1957) — that “for purposes of §1400(b) a domestic corporation ‘resides’ only in its State of incorporation” and rejecting the notion that a much broader definition of venue (found in §1391) applies.
- However, in 1990 the Federal Circuit held in *VE Holding Corp. v. Johnson Gas Appliance Co.*, 917 F. 2d 1574 (1990) that patent infringement venue is proper in any court having personal jurisdiction over the defendant.

Source: https://www.supremecourt.gov/opinions/16pdf/16-341_6c63.pdf

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Classification: Public



Patents

TC Heartland LLC v. Kraft Foods Group Brands LLC

581 U.S. ___ (2017)

- In *TC Heartland*, the Supreme Court held that patent venue is controlled exclusively by “28 U.S.C. § 1400(b), which restricts venue in patent cases to (1) where the Defendant resides, or (2) where the Defendant commits an act of infringement and has a regular and established place of business.”
- “*TC Heartland* changed the venue landscape. For the first time in 27 years, a defendant may argue credibly that venue is improper in a judicial district where it is subject to a court’s personal jurisdiction but where it is not incorporated and has no regular and established place of business.”

Source: <http://www.ipwatchdog.com/2017/10/08/denying-tc-heartland-changed-law-ignores-reality/id-88227/>

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Classification: Public



Patents

TC Heartland LLC v. Kraft Foods Group Brands LLC

581 U.S. ____ (2017)

- Venue challenges to be reviewed, but is this new law?
- *In re Micron*, 2017-138 (Fed. Cir. Nov. 15, 2017). The Federal Circuit sided with accused-infringer and Petitioner, *Micron*, and held that the *TC Heartland* decision was a sufficient change in controlling law of venue to overcome the fact that venue challenge had been waived in the case.
- Speculation that several hundred patent infringement cases will be eligible for review of venue under the "new law."

Source: http://www.cafc.uscourts.gov/sites/default/files/opinions-orders/17-158.Motion_Panel_Order-8-13-2017.PDF

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Copyrights

Copyrights in the Law

- *Star Athletica v. Varsity Brands*

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Classification: Public



Copyrights

Star Athletica v. Varsity brands

580 U.S. ____ (2017)

- Varsity Brand ("Varsity") sued Star Athletica ("Star") claiming that Star marketed cheerleading uniforms substantially similar to designs copyrighted by Varsity.
- Star countered that Varsity's copyrights were invalid as the designs are for useful articles and that the "pictorial, graphic, or sculptural authorship [could not] be identified separately from the utilitarian aspects of [the] object[s]."

Source: https://www.supremecourt.gov/opinions/16-863_0971.pdf

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Classification: Public



Copyrights

Source: <https://www.lexipol.com/library/detail.aspx?g=57056&19-19a2-45c6-9d6d-22728731819>

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Classification: Public

Copyrights

Star Athletica v. Varsity brands

580 U.S. ___ (2017).

Two Part Test:

"[A] feature incorporated into the design of a useful article is eligible for copyright protection only if the feature (1) can be perceived as a two- or three-dimensional work of art separate from the useful article and (2) would qualify as a protectable pictorial, graphic, or sculptural work—either on its own or fixed in some other tangible medium of expression—if it were imagined separately from the useful article into which it is incorporated."

Source: https://www.supremecourt.gov/opinions/16pdf/15-865_0971.pdf

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Classification: Public

Copyrights

Star Athletica v. Varsity brands

580 U.S. ___ (2017).

Holding:

"First, one can identify the decorations as features having pictorial, graphic, or sculptural qualities. Second, if the arrangement of colors, shapes, stripes, and chevrons on the surface of the cheerleading uniforms were separated from the uniform and applied in another medium—for example, on a painter's canvas—they would qualify as 'two-dimensional . . . works of . . . art.' SIOI. And imaginatively removing the surface decorations from the uniforms and applying them in another medium would not replicate the uniform itself. Indeed, respondents have applied the designs in this case to other media of expression—different types of clothing—without replicating the uniform. The decorations are therefore separable from the uniforms and eligible for copyright protection."

Source: https://www.supremecourt.gov/opinions/16pdf/15-865_0971.pdf

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Copyrights

Star Athletica v. Varsity brands

580 U.S. ____ (2017)

Applicability:

"The key takeaway is confirmation that designs featured on useful articles are protectable under copyright law if they can be perceived independently as a 2-D or 3-D work of art and if they otherwise would qualify for copyright protection. Accordingly, such copyright owners can prohibit reproduction of the designs not only on similar useful articles but also in any other medium of expression. The protection afforded under copyright does not extend, however, to preventing anyone from manufacturing the useful article without any of the design features present."

Source: <http://www.ipwatchdog.com/2017/03/22/copyrights-supreme-court-star-athletica-v-varsity-brands/id+78767/>


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Questions?



Thank you



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