

WILLCOX & SAVAGE

TECH LAW L E T T E R



WHEN YOUR TRADEMARK IS YOUR COPYRIGHT—AND VICE VERSA

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The differences—and similarities—between trademarks and copyrights are often confusing. Most people know that a logo (a symbol used to identify the source of goods or services) can be protected through trademark law, but many do not realize that if the logo has a design element, the design portion can be protected under copyright law as well. For example, the U.S. Olympic Committee owns the trademark rights to the logo that consists of “USA” plus the famous interlocking rings, but that five-ring design is subject to copyright protection in addition to its protection as a trademark.

The distinction is important because it offers owners of trademarks that include design elements additional ways of protecting their rights in those marks. For example, statutory damages, or damages that do not have to be proven in precise amounts, are much more readily available for copyright infringement than for trademark infringement. In addition, attorneys’ fees are generally more readily available for copyright infringement.

Copyright protection does not trump trademark protection in every way, however. In the United States a copyright generally must be registered to be protected, but trademarks may be freely protected without registration (although there are undeniable benefits to registering trademarks).

It is important to note that, contrary to popular belief, copyrights do not have to be registered to exist. A copyright exists from the moment that the underlying work is created, and the owner is entitled to claim the copyright and use the copyright symbol (©) without ever registering the copyright. However, in the United States (although not in many other countries) copyrights must be registered to be enforced against infringers.

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CONSIDERING PATENT PROTECTION? “LATER” MIGHT BE TOO LATE

Kevin W. Grierson



Inventors and technology companies usually understand the value of patent protection. Unfortunately, however, they do not always understand the deadlines associated with seeking such protection, particularly outside the United States. We are often approached by new clients who are interested in obtaining patent protection or extending the protection for an existing patent into a market opening up overseas. All too often, however, patent protection is not available or cannot be extended to another country because a statutory deadline has passed—sometimes several years before.

In the United States an inventor who decides to seek patent protection must file a U.S. patent application within one year after a public disclosure, sale, or offer to sell the invention. If this one-year “grace period” passes before an application is filed, the inventor is statutorily barred from obtaining a U.S. patent, and the invention will be deemed to have been committed to the public domain. In other words, anyone can make, sell, or practice the invention without the inventor’s permission and without any payment to the inventor.

As draconian as that situation sounds, the rest of the world is even less forgiving: in most other countries there is no grace period after a disclosure, sale, or offer to sell. Thus, a patent application must be filed before any of those events occurs.

If an inventor does file a U.S. patent application before disclosing, selling, or offering to sell his or her invention, the inventor will, in most cases, have a year from the date of filing to apply for a patent in other countries. Nations that are members of the Patent Cooperation Treaty (“PCT”) will accept the filing date of an application filed in another member country as the effective filing date for later applications, so long as such later applications are filed within a year after the first application.

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WHEN YOUR TRADEMARK IS YOUR COPYRIGHT—AND VICE VERSA

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Trademark law protects almost anything that can function as an indicator of origin: words, designs, trade dress (nonfunctional aspects of product appearance or packaging), and even sounds and smells. Well-known examples include the words COCA-COLA, the Olympic rings mentioned above, McDonald's "Golden Arches," and the roar of the MGM lion. A less familiar mark might be the scent of bubblegum, which (perhaps surprisingly) has been registered for use with oil-based metal-cutting fluid.

In contrast, copyright law protects "works of authorship" that have been fixed in a "tangible medium of expression." Familiar examples would be books, movies, music, software; less-familiar examples might include choreography, boat hulls, and "mask works," which are essentially molds for making microchips. Such works must be original to receive copyright protection, but the courts have held that a minimal amount of originality is sufficient.

Trademarks last as long as they are used consistently to identify a source of goods and/or services. (Technically, a mark used to identify only services, such as financial services or health-care services, is a "service mark," not a trademark, but such marks are often referred to informally as "trademarks.") The federal registrations for such marks can theoretically last forever too, but they must be maintained at regular intervals. Some trademarks around the world are actually hundreds of years old, but the oldest U.S. trademark registrations still in force date back to the late 19th Century.

Copyrights, however, last only for a finite period, which varies country by country. In the United States copyrights generally last for the life of the author plus 70 years. Exceptions include works for hire (works created by employees or independent contractors) and anonymous works, for which the copyrights last 95 years from the date of first publication or 120 years from the date of creation, whichever comes first.

Single words and very short phrases can be protected as trademarks but not as copyrighted works. (Despite what you may have heard, there is no bright-line "number of words" test either for copyright protection or for infringement.) However, marks that are also subject to copyright protection would generally include designs, images, pictures (whether photographed or drawn), product labels, and even musical compositions (such as NBC's three-note chimes).

Thus, to ensure the broadest possible protection, U.S. trademark owners should register the copyrights in any copyrighted portions of their marks as well as registering the marks themselves. In addition, such trademark owners should always be careful to use the copyright symbol as well as the appropriate trademark symbol. (See Kevin White's article in this issue of the Tech Law Letter for more information on the proper use of trademark symbols.) ■

CONSIDERING PATENT PROTECTION? "LATER" MIGHT BE TOO LATE

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Twelve months still is not a lot of time for a company to determine whether it wants to market an invention overseas. There are, however, a few options that permit more time to explore the marketability of an invention before committing to the expense of preparing and filing patent applications in multiple countries. For PCT member countries, for example, a single patent application can be filed that effectively designates all member states (including the United States) upon filing but allows fairly long periods—30 months or more, in many cases—before the applicant is required to "elect" the countries in which it wants to proceed (and pay prosecution fees).

Regardless of how patent protection is pursued, the key to effective protection of inventions is to consider applying for a patent early in the process, i.e., before bringing the product to market. By exploring patent options at the outset, an inventor or company can avoid discovering later that there are none left. ■

Willcox & Savage IP Seminar Update

On June 1 Willcox & Savage hosted its latest Intellectual



Property ("IP") Seminar, which was held in Norfolk. Rick Lally (as pictured), President of Oceana Sensor Technologies and the Hampton Roads Technology Council ("HRTC"),

gave the audience an overview of HRTC's latest initiatives and his experience managing an IP portfolio. Wayne LeGrande, founder and President of Unitech, shared his perspective on the IP challenges faced by emerging, high-technology companies like Unitech—especially government contractors managing a myriad of patents. Dr. Lloyd Wolfenbarger, Chief Scientist of LifeNet, gave guests an overview of his organization's patent portfolio. Tim Lockhart and Kevin Grierson of Willcox & Savage provided attendees with an overview of IP audits and a checklist to help them identify patentable inventions.

THE NAME OF THE GAME IS TRADEMARK PROTECTION

Kevin A. White



In addition to its product names and advertising slogans almost every company has a potential trademark in its company name or the trade name under which it does business. I say "potential" because using a name in commerce does not necessarily guarantee protection for that name. Even receiving approval from

Virginia's State Corporation Commission (or from the Secretary of State in other states) to incorporate under a certain name does not automatically entitle you to protection from all competitive uses of that name in commerce.

The Importance of Registration

Although you may have "common law" rights in your trade name and other trademarks, the best way to protect them is by registration with the U.S. Patent and Trademark Office ("PTO"). A federally registered trademark gives its owner the exclusive right to use that mark in interstate commerce to identify the source and quality of the particular goods or services for which the mark is registered. To qualify for registration, a mark must not be generic and generally not descriptive of the relevant goods or services and not confusingly similar to other marks registered or pending registration for use with those goods or services.

INTA Annual Meeting Update

Willcox & Savage was pleased to participate in the 127th Annual Meeting of the International Trademark Association ("INTA"), which was held in San Diego in May. Over 7,000 trademark practitioners from around the world attended, making this INTA's largest Annual Meeting ever. During the meeting Tim Lockhart, the head of the firm's Intellectual Property Group, led a session on "Copyright Issues for the Trademark Practitioner in North America." The world's largest trademark organization, INTA consists of trademark owners and professionals from over 180 countries. To learn more about INTA, visit the Association's web site at www.inta.org.

Particularly if you sell goods or provide services under your corporate name, you should consider registering the name with the PTO. For instance, if you do business under the name "Apex Widgets, Incorporated," you might seek to register the mark APEX for use in selling widgets. If you have not yet incorporated, it would be wise, before committing to a name, to have at least a preliminary search (i.e., a search limited to the PTO's trademark database) conducted to assess the likelihood of being able to register the name for use with your particular goods or services.

Because the owner of an unregistered mark may be able to assert common law rights against a junior user of a confusingly similar mark, it is often advisable to have a more comprehensive search conducted as well. A "full search" can reveal potentially problematic marks registered only at the state level, unregistered marks and trade names, and domain names. By conducting preliminary and full trademark searches we have frequently helped clients avoid choosing a name that cannot be federally registered or even safely used.

Basic Trademark Terminology

A trademark can consist of words and/or numbers in ordinary or "stylized" typeface and can include a design element. Color can be claimed as a feature of the mark, and there are even a few "nontraditional" marks that consist of sounds and scents. (For example, NBC's three-toned chimes are a mark for that company's broadcasting services.)

The purpose of a mark is to differentiate its owner's goods and/or services from those of competitors in terms of source and quality and to attract goodwill from the customers for those products. A mark is properly referred to as a "trademark" if it identifies goods and as a "service mark" if it identifies services. A mark used with both goods and services is usually referred to as a "trademark" or simply a "mark." Although marks can be registered at the state level, the term "a registered trademark" generally refers to a mark that has been registered with the PTO.

Trademark Symbols

A mark should always be accompanied with a proper trademark symbol. When displaying your marks on packaging, marketing materials, or the like, it is important to use trademark symbols to put the public on notice that you claim proprietary rights in the marks.

A trademark that is not yet registered with the PTO should be accompanied by the [™] symbol; similarly, an unregistered service mark should be accompanied by the SM symbol. A federally registered mark should be identified by the ® symbol. Each of these three symbols is typically inserted as superscript to the

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THE NAME OF THE GAME IS TRADEMARK PROTECTION

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right of the relevant mark—for example, APEX™ or APEX®. Generally speaking, the appropriate symbol should be used every time that a mark appears on a product label or in an advertisement and at least the first time, if not every time, that a mark appears in a product manual or marketing brochure.

The use of trademark symbols is not required by law. However, we strongly encourage our clients to use the symbols consistently to give potential infringers notice of the trademark owner's rights, help to preserve those rights, reduce the likelihood of infringement, and increase the owner's chances of obtaining appropriate injunctive and monetary relief for any infringement.

Cautions on Using Trademarks

It is important to note that you should use a trademark symbol with your company's name only when you use the name as a mark. In other words, use a symbol with the name only in the context of identifying a product or service such as on labels or packaging or in advertising or marketing materials.

Furthermore, never use your mark in a generic sense; use it only as an adjective, not as a noun. For example, you should avoid a phrase such as "APEX® is a top-quality widget." A better usage would be "APEX® widgets have a top-quality design." By consistently following that practice you can avoid the "genericide" that happened in the United States to the once-trademarked pain reliever aspirin. ■

The logo for Willcox & Savage features the name "WILLCOX" in white capital letters on a gold rectangular background, followed by a stylized musical treble clef symbol, and "SAVAGE" in white capital letters on a black rectangular background.

WILLCOX & SAVAGE

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Excellence in Innovation Awards

We were pleased to present the "Willcox & Savage Excellence in Innovation Awards" at the Hampton Roads Technology Council's Tech Nite '05 to inventors from LifeNet, MedSci Technologies, and Science and Technology Corp. Kevin Grierson, a patent attorney with the firm's IP Group, presented the awards, which recognize outstanding patents issued to Hampton Roads inventors during the previous calendar year. Willcox & Savage was a founder of this awards program in 2002, and Kevin, who is also a Director of the National Association of Patent Practitioners, has served as a judge each year.

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