

PROTECTING IDEAS AND INVENTIONS IN THE UNITED STATES

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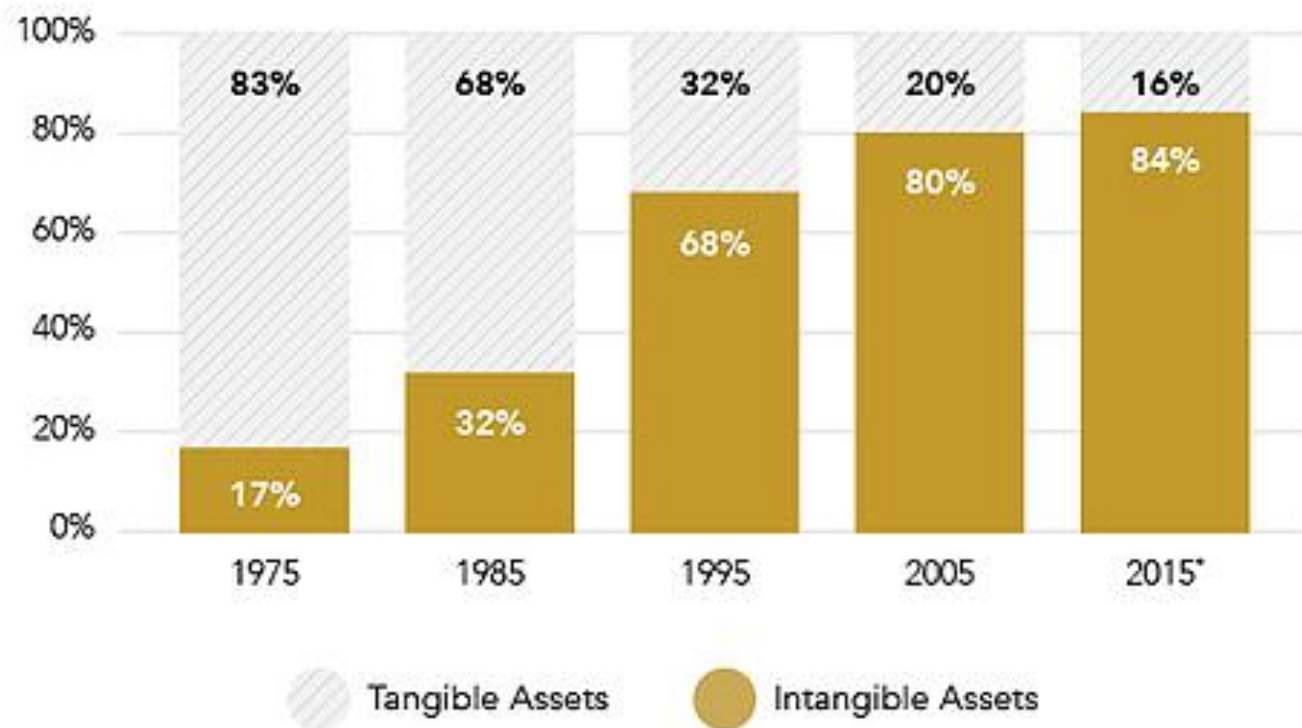
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This Stuff is Important!

- In a 2015 study, intangible assets such as patents, software, customer lists, trademarks, patents, copyrights, and trade secrets accounted for 84% of the S&P 500's value!
- Imagine what the percentage is now!

COMPONENTS *of* S&P 500 MARKET VALUE



SOURCE: OCEAN TOMO, LLC
*JANUARY 1, 2015

Important Difference between the U.S. and European protection regimes.

- There is no separate regime of protection for industrial designs. In U.S., one must resort to a combination of different types of protection.
- In the U.S., in order to sue for copyright infringement, you must have a registration
- No “sweat of the brow” protection for works that do not have some creativity

Avenues for protection of intellectual property in the U.S.

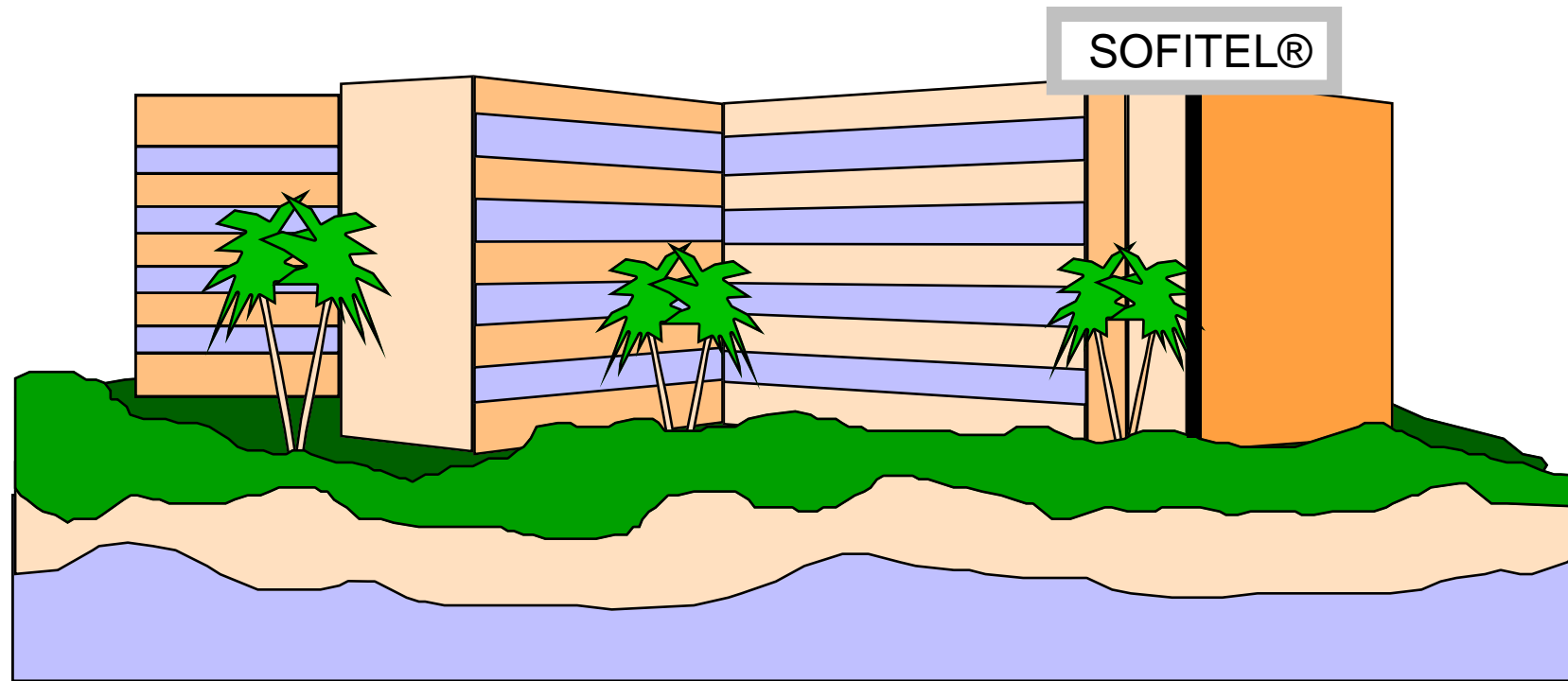
- Trademarks - slogans, product names, service names, and trade dress
- Copyrights - expression of ideas
- Trade Secrets - ideas, business methods, etc.
- Patents - new, novel ideas or designs

Trademark

- Identifies and distinguishes one company's products from another company's products
- A symbol of the quality of the product
- A symbol of good will
- Example: AVIRA®
for antivirus software programs.
- May be in different forms
- Can be words, designs, sounds, smells or other designations

Service Mark

- Identifies and distinguishes the services of one company from another
- Example: SOFITEL®



Trade Dress

- Involves the total image of the product and may include:
 - Size
 - Shape
 - Color or color combinations
 - Texture
 - Graphics
- Product packaging vs. product configuration

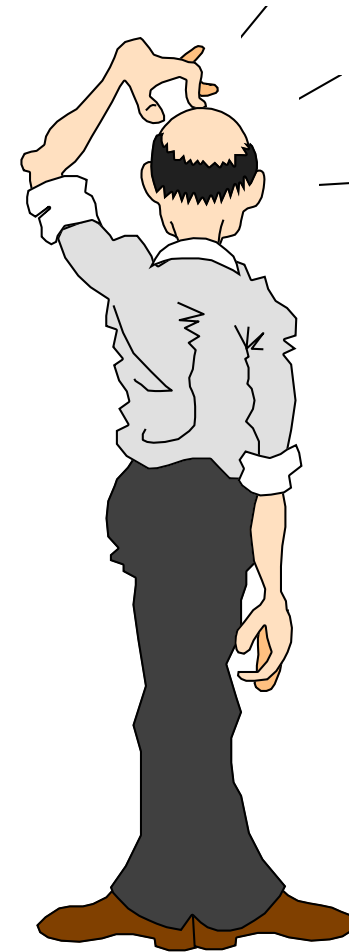


Domain Names

- Domain names are not necessarily trademarks, but can be
 - Registering one does not mean you have registered a mark.

Conflict Analysis

- The standard is whether the two marks, as they are used, are likely to cause confusion among the consuming public
- So, check registered *and unregistered U.S.* trademarks before bringing your product across the Atlantic.



Copyrights

- Copyright protects:
 - Original works of authorship fixed in any tangible medium of expression including literary and dramatic works, visual arts, graphics, audio-visual works, multi-media works, and computer programs.
- Copyright does not protect:
 - ideas (just expression of ideas is protected)
 - Items with no authorship (phone directory)

How Do You Acquire Copyright?

- Copyright exists upon creation
- Registration is advantageous in the U.S., if you have authored it in the U.S., but not essential

Who Owns the Copyright?

- Creator owns copyright is the default rule, but ...
- Works for Hire
 - The employer owns works prepared by employees in the scope of employment
- But, BE CAREFUL...
- Consultants and Independent Contractors
 - Written assignments must be obtained from consultants and independent contractors such as independent programmers if hiring entity wants ownership

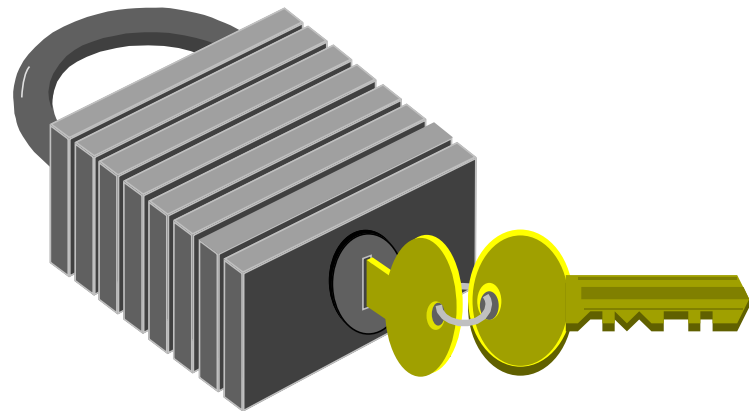
Protection of Ideas in the U.S.

Trade Secrets



- A trade secret derives 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
- Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

In other words --
RESTRICTED AVAILABILITY/
VALUE TO YOUR BUSINESS/
REASONABLE EFFORTS TO
MAINTAIN SECRECY



- Indefinite Term of Protection
- Protectable Regardless of Existence of a Contract
- No Registration

- BUT, protection only against improper means of discovery
 - Reverse engineering is allowed
 - Two people may have, use, and protect the same secret
 - If you disclose it by accident, you may lose it.



An Effective Trade Secret Program

- “Confidential” or “Proprietary” markings
- Restricted access to various areas/ locked file cabinets
- Personnel manual statements
- Signs in the bathroom (seriously)
- Computer passwords/ firewalls/ encryption

An Effective Trade Secret Program

- Paper shredders/ bonded garbage pickup
- Confidentiality memos, regularly, at least once a year
- Non-disclosure agreements - with employees and 3rd parties
- Visitor policies
- Surveillance
- Physical searches - CAREFUL - conspicuously post policy, apply it to everyone equally

An Effective Trade Secret Program

- Email - reserve right to monitor
- Internet access - assume that external electronic mail and other usage of Internet is completely non- confidential
- Exit interviews - is trade secret compliance a topic? It ought to be

PATENTS

- Protect novel, nonobvious ideas
 - Devices
 - Designs
- 20 years
- Are published – the public will learn of your new technology

To Patent or Not to Patent?

- What type of product?
- How is it distributed?
- What is the product's lifespan?
- How easy will it be to design around the patent?

What to do when you're infringed? When your trade secrets are stolen?

- Move quickly
- Call a lawyer
- Preserve evidence

Protection of new products in the U.S.

- Use a combination of protections
 - Trademark
 - Trade Dress
 - Patents
 - Copyright

Tips on Market Entry

- If you do not have a patent, be sure no one in the U.S. does.
- Search your trademarks/service marks/company name before launch.
- Check out packaging