Top 10 Questions About Intellectual Property

Otherwise known as: "How do I Trademark my Patents at the Copyright Office?"

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1. What is the difference between trademarks, patents and copyrights?

Although trademarks, patents and copyrights all fall under the general umbrella of Intellectual Property, they are actually quite different types of protection. Generally, trademarks protect the name of a product or service, patents protect inventions or unique methods of doing business, and copyrights protect the expression of an idea, such as a song, poem or painting. More specific differences are listed below:

a. TRADEMARKS

Definition: A *trademark* is any word, phrase, symbol, design, color, scent, sound, etc., or any combination thereof, that identifies and distinguishes the source of the goods of one entity from those of others. A *service mark* is the same as a trademark, except that it identifies the source of a service rather than goods.

Duration: Just like a diamond, a mark is *forever…* If properly used and cared for, both common law trademarks and federal registrations will continue in perpetuity.

Examples: SLOGAN = "Home of the Whopper" for Burger King or "The Taste of a New Generation" for Pepsi; LOGO = Red Bullseye for Target or Red / White Checkerboard for Purina; SOUND = NBC chimes or Intel's 4 note

succession; SMELL = scented embroidery thread or scented gasoline; COLOR = pink for Owens-Corning insulation; DESIGN = shape of the Coca Cola bottle; MOVEMENT = poking the tummy of the Pillsbury Dough Boy

b. PATENTS

Definition: A patent is a property right granted by the U.S. Government to an inventor "to exclude others from making, using, offering for sale, or selling the invention throughout the United States or importing the invention into the United States" for a limited time in exchange for public disclosure of the invention when the patent is granted.

Types:

**Utility patent* – a new, useful and non-obvious invention, or any new, useful and non-obvious improvements thereon. A utility patent protects functional aspects of an invention and, once issued, usually lasts for *20 years* from its filing date.

**Design patent* - A design patent protects the decorative aspects of an invention for a term of *14 years*. Design patents should be pursued if the essence of an invention is its appearance, or if the final version has a unique look.

**Business Method patent* - a business-method patent is just like any other patent, except the subject matter happens to relate in some way to a method of doing business, sometimes involving computer interface.

c. COPYRIGHT

Definition A *copyright* is a form of protection to the authors of "original works of authorship," including literary, dramatic, musical, artistic, and certain other intellectual works. This protection is available to both published and

unpublished works. The U.S. Copyright laws generally give the owner of copyright the exclusive right to do and to authorize others to do the following:

- ***To reproduce*** the work in copies or phonorecords;
- To prepare ***derivative works*** based upon the work;
- ***To distribute copies or phonorecords*** of the work to the public by sale or other transfer of ownership, or by rental, lease, or lending;
- ***To perform the work publicly*****,** in the case of literary, musical, dramatic, and choreographic works, pantomimes, and motion pictures and other audiovisual works;
- ***To display the copyrighted work publicly***, in the case of literary, musical, dramatic, and choreographic works, pantomimes, and pictorial, graphic, or sculptural works, including the individual images of a motion picture or other audiovisual work; and
- In the case of ***sound recordings, to perform the work publicly*** by means of a ***digital audio transmission.***

DURATION: A work that is created (fixed in tangible form for the first time) on or after January 1, 1978, is automatically protected from the moment of its creation* and is ordinarily given a term enduring for the author's *life plus an additional 70 years* after the author's death. In the case of "a joint work prepared by two or more authors who did not work for hire," the term lasts for *70 years after the last surviving author's death*. For works made for hire, and for anonymous and pseudonymous works (unless the author's identity is revealed in Copyright Office records), the duration of copyright will be *95 years from publication or 120 years from creation, whichever is shorter*.

* It is important to note that in order to collect damages in a copyright infringement lawsuit, you *must* own a federal copyright registration.

2. Do I have to get a federal registration for my trademarks, copyrights and patents? If not, why should I bother?

a. TRADEMARK = once you use a trademark in interstate commerce, you obtain "common law rights," which include the right to prevent others from using similar marks on similar goods (i.e., trademark infringement). So, you do not *have* to get a federal registration for your trademarks, but it is a very good idea because a registration:

1. Puts others on notice of your mark
2. Lets the government do some of your enforcement work for you
3. Allows for the presumption of validity, ownership, right to use, etc.
4. Allows for federal court jurisdiction

b. COPYRIGHT = once pen is set to paper, brush to canvas, notes to sheet music, etc., a copyright is born and will live for the number of years set out in the copyright laws. Again, are not required to get a federal registration, but if you find someone is infringing your copyright, you must file a federal application before you can sue in court and you will lose the right to any damages sustained prior to your registration date.

c. PATENT = there is no such thing as a common law patent – you MUST file a federal application for protection. It is also important to note that once you discuss the subject matter of a patent with the public, you only have 1 year to file the application (known as the "bar date") in the United States. In some other countries, patent rights are lost immediately upon disclosure of the

subject matter, so it is always a good idea to consider getting patent applications on file before making disclosures of potentially patentable subject matter.

3. What is the cost benefit of getting a federal registration?

Federal copyright registrations are the least expensive to secure, followed by federal trademark registrations, and finally the most complex component of IP protection, U.S. patents. While it is sometimes possible to file *pro se* (by yourself), IP law is quite complex, and most people engage an attorney to interface with the Patent and Trademark Office on their behalf. Without experienced counsel, you may inadvertently give up important rights and not discover the problem until it is too late to correct, if correction is even possible. Most attorneys in this area will provide you with a budget after understanding the nature of your IP rights. In that way, you will know what the initial process costs up front.

4. How long does it take to get a federal registration?

a. COPYRIGHT = approximately one month

b. TRADEMARK = approximately two years, though rights are established, in part, as of the date the application is filed

c. PATENT = approximately two years, though the publication date establishes some rights

5. What do the TM, ®, © and "Pat. Pend." symbols mean? When can I use them? Should I use them?

TM = common law trademark (see also SM for common law service mark). Can be used ANY TIME, regardless of whether you have filed a federal trademark application. Lets the world know that you claim that material as a valid trademark.

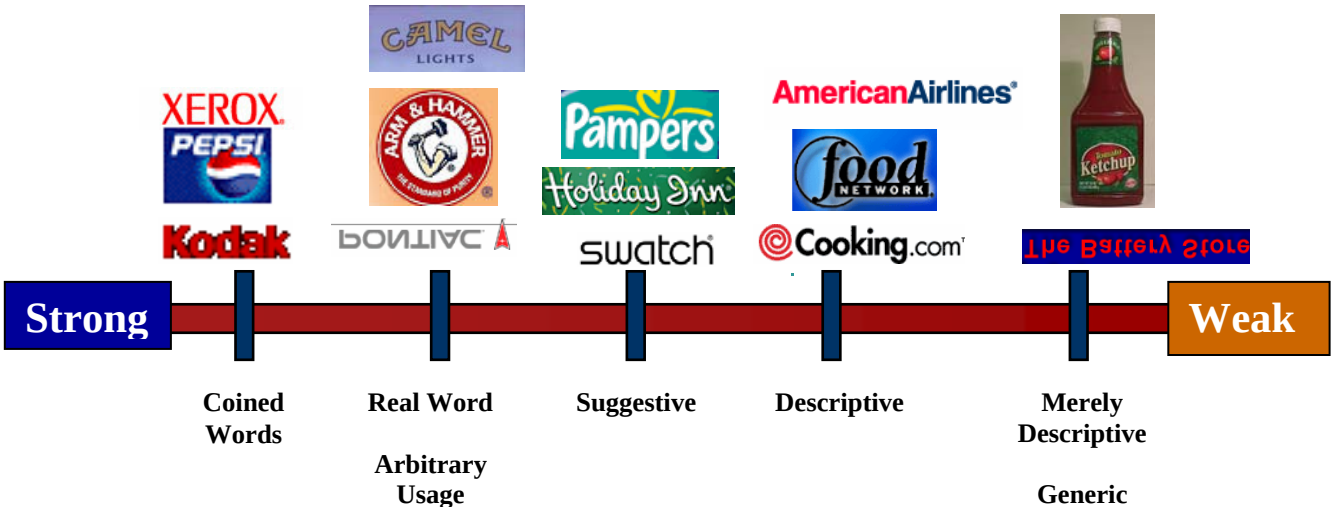
® = federally registered trademark or service mark. You can only use this AFTER you have received a U.S. federal registration. The trademark laws of foreign countries differ, however, so it is important to consult an attorney before using this designation on goods that will be sent outside of the U.S.

© = copyright designation, which can be used any time, regardless of whether a federal registration has been secured. In fact, it is ALWAYS a good idea to include this symbol, along with the year the copyright was created and the name of the individual or entity responsible for its creation at a conspicuous location on the copyrighted material.

Pat. Pend. = indicates that you have filed a federal application for a patent with the U.S. Patent and Trademark Office. Again, the laws of foreign countries differ, so consult an attorney before using this designation on goods that will be sent outside of the U.S. If all goes well and your patent "issues," you should put a notice of the U.S. patent number on the patented item, such as "U.S. Patent No. XXX,XXX,XXX."

6. I am in the process of picking a name for my new business – what should I keep in mind to pick a good, protectable name?

Good business names and trademarks are those that are considered “strong” under trademark law. The strongest marks are coined words and the weakest are words that merely describe or are the generic name for your goods and services.



*NOTE: The above-identified trademarks are the Intellectual Property of their respective owners.

As a general rule, the stronger the trademark, the easier it will be to stop others from infringing activities. In addition, weak trademarks are likely to be popular amongst your competitors, given their descriptive nature.

Putting these two principles together, selecting a weak mark will likely put you in a situation where your competitors are using very similar marks to sell similar goods, and you cannot do anything to stop it. For example, trademark law allows the following to co-exist, despite their similar names:

*NOTE: The above-identified trademarks are the Intellectual Property of their respective owners.

7. I often find good pictures or quotes on the Internet – can I use them in my own marketing materials? Does it make a difference if I make sure to give credit to the source? Is it a problem if I'm using "clip art" for my business logo?

It is generally a bad idea to use material on the Internet for your own business purposes – at least not without permission. Just because someone publishes a picture, story, quote, etc. on the Internet does not mean it is free for the taking (even if the appropriate TM, SM ® or © designations are not used). Even giving the author credit will not save you – you can't avoid copyright or trademark infringement by being nice.

That being said, there are a number of web sites with free clip art that you may use however you wish. Keep in mind that everyone else can use this clip art as well, which means that you are not building recognition or good will by using these symbols in the promotion of your business. It is ALWAYS a good idea to avoid using clip art in your business logo.

8. Is there something special I should know if I do business or sell goods outside of the United States?

The same Intellectual Property protection available in the United States is generally available in other countries as well. It is often necessary and advantageous, however, to own federal trademark or patent registrations in the United States before applying for protection elsewhere. The rules in this area tend to be specialized and complicated, and it is a good idea to consult an IP attorney early in your business if you intend to do business internationally. This is especially true of patents, as public disclosure before filing may destroy, forever, your rights to file.

9. What is a trade secret?

A *trade secret* is anything in your business that you keep secret that your competitors, if they knew the information, would be able to use it to their economic advantage. Trade secret is a matter of state law, and the rules about trade secrets in Minnesota are contained in the Minnesota statutes at Chapter 325C. Trade secrets in Minnesota are broadly defined, and just about anything can be covered. To qualify as a trade secret, you must keep the information a secret. Manufacturing processes are often held as trade secrets, and so is the formula for Coca-Cola®. Trade secret issues occur most often with former employees. A common scenario with trade secrets occurs when a sales person leaving one company takes a customer or prospect list to a competitor. In such cases, the original company can obtain an injunction to stop use of the customer list, and in some cases may also receive money damages for the loss of the secret.

10. I'm just not sure what kind of Intellectual Property I might have – how do I find out?

The chances are VERY good that you have developed and own several forms of IP in your business and you don't even know it! The best way to find out is to hire a reputable IP attorney to conduct an IP audit. This is a process whereby you partner with your attorney to teach them your business, review your marketing materials, discuss your business name and/or logo, and examine your internal processes to make a comprehensive list of all IP you have developed, and then determine the best and most efficient means for protecting it. An IP audit can be an effective tool in all stages of a business and is the most efficient means of ensuring you are protecting yourself adequately in the area of Intellectual Property.