

PEARL COHEN

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Intellectual Property Fundamentals for I.T. Professionals

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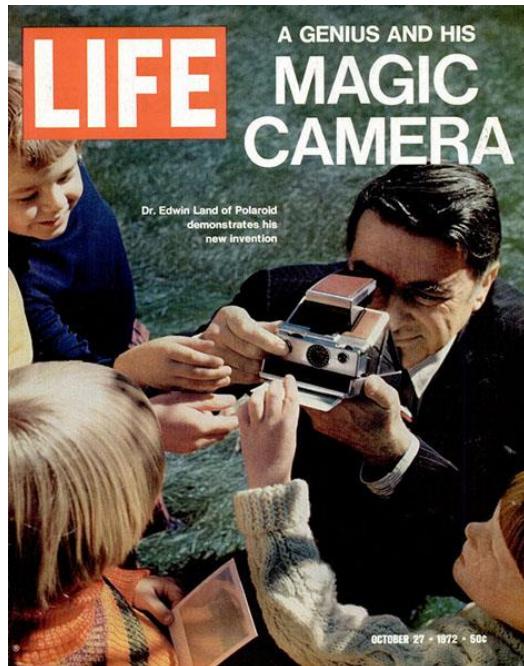
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Edwin Land – “Champion of Patents”



- Dropped out of Harvard to invent the plastic polarizer; later founded Polaroid.
- Recognized, very early, the importance of patents to protect pioneering inventions.
- Early patent protection led to successful commercialization of Land's inventions.
- One of the most prolific inventors in history.
- Patent systems saved Polaroid in a historic legal battle against Kodak.
- “The only thing keeping us alive is our brilliance. The only thing that keeps our brilliance alive is our patents.”



Agenda

- Intellectual Property Overview
 - What is intellectual property
 - Why is intellectual property important
- Patents
 - What is a patent?
 - What is patentable
 - How to identify patentable inventions?
- Trademarks
 - What is a trademark
 - Why are trademarks important
 - How to select a strong trademark
- Copyrights
 - What is a copyright
 - Why are copyrights important
- Trade Secrets
 - What is a trade secret
 - Is Something a trade secret
 - Protecting trade secrets
- IP Strategy
- Tech Transfer

What Is Intellectual Property?

- Intellectual property (IP) includes creations of the mind, such as inventions; literary and artistic works; designs; and symbols, names and images used in commerce.
- Intellectual property rights are like any other property right; allowing creators to benefit from their own work or investment in a creation.
- IP is protected in law by, for example, patents, trademarks, and copyrights which enable innovators and creatives to earn recognition or financial benefit from what they invent or create.



Why Is Intellectual Property Important?

- Innovation is crucial for business; intellectual property law is crucial to protecting that innovation.
- Protection for innovative products and services.
- Increase the visibility and value of your products and services on the market.
- Secure market position and competitive advantage.
- Attract investors and business partners.



What Is a Patent?

- A patent is an exclusive right granted by the government that allows an inventor to decide how - or whether - the invention can be used by others; barrier to entry by competitors.
- Patents apply to any “new and useful process, machine, manufacture, or composition of matter.” Not ideas.
- Territorial right - A patent granted in one jurisdiction (e.g., U.S.) provides protection in only that jurisdiction.
- A patent is a “right to exclude” others from making/selling/using the invention.
- A patent does not guarantee that your product or process (invention) does not infringe someone else’s patent.



What Can Be Patented?

- What can be patented?
 - apparatus, process, composition, article of manufacture, *or any improvement thereof.*
 - tangible technical inventions.
- But only if:
 - useful: has useful purpose and is operative.
 - novel: not identical to anything in the prior art (information publicly available prior to your invention); not previously disclosed or commercialized.
 - non-obvious; not a common-sense improvement over the prior art; does not merely flow from normal product design and development; skilled person unlikely to duplicate efforts based on logical deduction and minimal effort.



What Cannot Be Patented?

- Laws of nature, physical phenomena, and abstract ideas are not patentable.
- A mere idea or suggestion is not patentable.
- Methods of organizing human behavior per-se.
- Pure business methods with no technological innovation.
- Mathematical equations, formulas, and computer algorithms (standing alone) are abstract and not patentable.
- Pure automation of a process or method using a computer is not patentable.
- Contrast – improvements to the functioning of a computer.



How Do We Know If It Can Be Patented?

- Search relevant databases (U.S. Patent Office, European Patent Office).
- Google search.
- Verify that your business is free of patents that could be asserted against your product or service.
- Strategic patent acquisition.

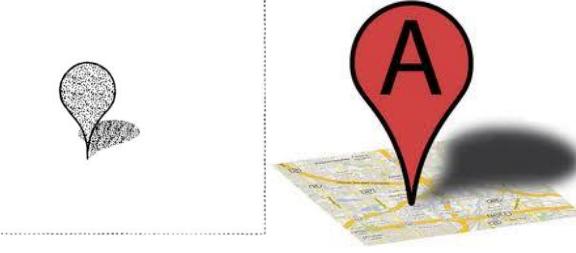
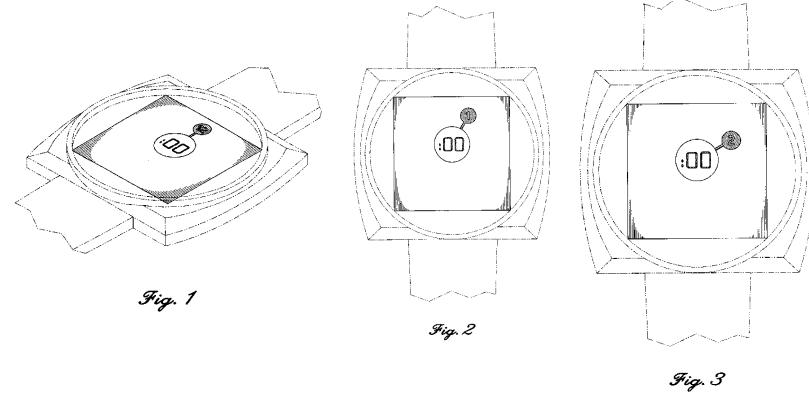
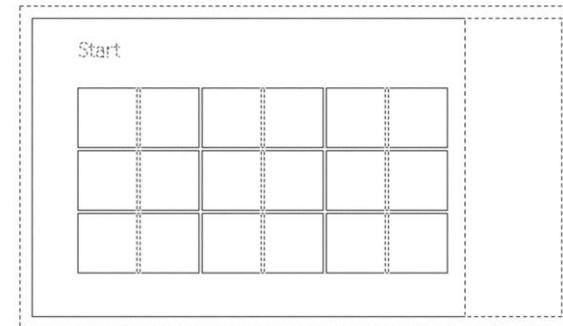


Consider Design Patents

- Protects the way an article looks (appearance or “ornamental” look).
 - Utility patents protect the way an article is used and works (functional characteristics)
- Graphical User Interfaces (GUI).
- Designs for computer-generated icons.
- “Animated” CGI (temporal changes in display).



FIG. 1



What Is a Copyright?

- Rights that creators have over original literary expression and artistic “works.”
 - Independently created; not copied from material in the public domain.
- Works covered by copyright include books, sound recordings, films, website content, paintings, photos, computer programs and code, blogs, and marketing materials.
- Copyright protection extends only to the tangible form of expression, not to the underlying idea or concept.



Copyright

What Is a Copyright? (Cont.)

- Copyright protection is obtained automatically – no requirement to register.
 - Registration with the U.S. Copyright Office is required in order to sue for copyright infringement.
- In the U.S., copyright lasts for the life of the author plus 70 years.
- Copyright prevents unauthorized reproduction.
- Fair Use Doctrine.
 - Google v. Oracle (U.S. S.Ct.) – Google permitted to copy 11,000 lines of “declaring code” (names) from Oracle’s Java API code to develop Android.



Why Are Copyrights Important?

- Copyright grants the right to authorize or prohibit: reproduction, public performance, broadcast, translation, and adaptation of the work.
 - Digital Rights Management (DRM) for widespread dissemination of e-content.
- Copyright provides authors and creators incentives in the form of recognition and fair economic reward.
- Works that are published should be marked with a copyright notice “©” or with the word “Copyright.”
 - Deter unauthorized copying.

Why Are Copyrights Important? (Cont.)

- Computer code and computer user interfaces often best protected by copyright.
- Unique issues for SaaS (Software as a Service) products.
 - Draft and enforce strong Terms of Service.
- Avoid using third-party photos, music, or writings in your website, marketing materials, or products.



What Is a Trade Secret?



- Information that derives independent economic value because it is not generally known or readily ascertainable, and is the subject of efforts to maintain secrecy.
 - Must be secret.
 - Independent economic value.
 - Must take reasonable measures to maintain secrecy.
- No filing requirement.
- Trade secret misappropriation.
 - Losing trade secrets can severely and negatively impact company value.

Examples of Trade Secret

- May include:
 - Know-how “secret sauce”
 - Technical drawings
 - Specifications
 - Computer algorithms
 - Sales methods
 - Marketing strategies
 - Distribution methods
 - Consumer profiles
 - Advertising strategies
 - Supplier and client lists
 - Manufacturing processes
 - “Negative know-how”



Protecting Trade Secrets and Confidential Information

- Trade secrets owners must take “**reasonable measures**” to protect their trade secrets
 - update practices as technology improves.
- Clearly identify confidential information; limit control and access.
- Set strong internal policies and procedures.
 - Physical/electronic/digital safeguards.
 - Employee confidentiality agreements.
 - Departing/former employees.
 - Use non-disclosure agreements (NDA) with business partners (e.g., joint ventures/research; vendors; customers).
 - Issues for remote workforce.
- Corporate espionage.



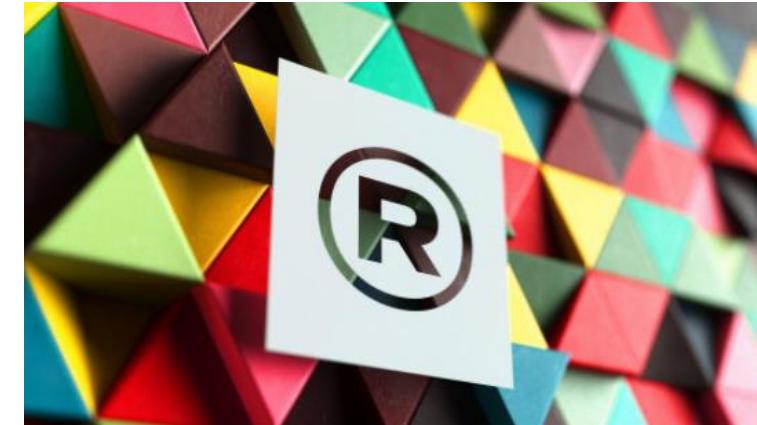
What Is a Trademark?

- Trademarks identify the source and distinguish your goods and services from those manufactured or sold by competitors.
- Trademarks represent the “goodwill” or brand of the business and certify that your products and services meet your high-quality standards.
- Distinctive words, domain names, social media identifiers, phrases, drawings, symbols, three dimensional aesthetic features (trade dress) such as shape and packaging of goods, non-visible signs such as sounds and fragrances and color shades – used as distinguishing features of goods or services.



Why Are Trademarks Important?

- Trademarks assist in preventing consumer confusion that often translates into lost sales or market share.
- Trademarks increase the value of your company, especially when they are registered with the U.S. Patent and Trademark Office ("USPTO"). Such added value is often realized when seeking investment capital or selling your company.
- Trademarks may remain in force for potentially unlimited 10-year periods.
- Police infringing uses of trademarks and knock-offs.



Trademark Selection

- Conduct a search; trademark clearance.
- Avoid “catchy,” descriptive, or generic terms.
 - E.g., “Sweet” for chocolates.
 - “Canadian” for beer.
 - Lawn mower, chair, razor, credit card
- Think “distinctive” instead of “descriptive.”
 - Use special script instead of standard letters.
 - Use specific colors.
 - Incorporate logos or graphical elements.

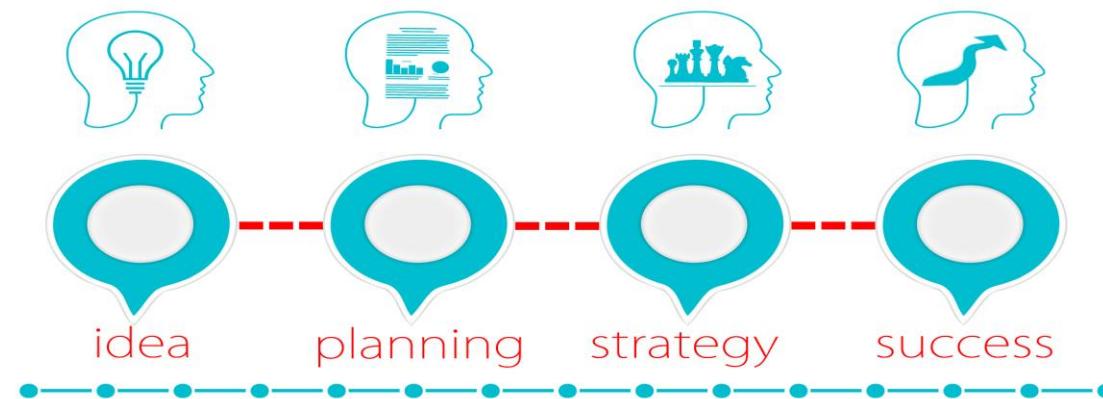


Trademark Selection (Cont.)

- **Fanciful or coined marks:** STRONG. Words that are made up and have no meaning other than as a brand name (e.g., KODAK, EXXON, ROLEX, XEROX). Such marks generally receive the broadest scope of protection.
- **Arbitrary marks:** STRONG. Words that may have a common meaning but not in relation to the goods or services for which they are used as brand names (e.g., APPLE, or the image of an apple, for computers and SAMSUNG for televisions). Such marks generally receive a broad scope of protection.
- **Suggestive marks:** STRONG. Words suggesting some attribute or benefit of the goods or services, but do not describe the goods themselves (e.g., MICROSOFT for software for microcomputers, AIRBUS for airplanes, VOLKSWAGEN for automobiles, NETFLIX for streaming services).

Intellectual Property Strategy

- A sound and coherent IP strategy must be part of your overall business strategy.
 - If you fail to plan, then plan to fail.
- Assess the intellectual property landscape in your industry; be proactive.
- A single product may be protected by various forms of IP.



Intellectual Property Strategy (Cont.)

- Utilize non-disclosure agreements (NDAs).
 - Control confidential information.
- Take steps to secure IP rights in international markets.
- Conduct an IP audit.
 - Make an inventory of your potential IP assets.
 - Determine ownership.
 - Identify related threats and potential infringement.



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