

Small Business Essential: Trademarks vs Copyrights

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Types of Intellectual Property

- Trademark – Source Identifiers
 - Allows consumers to identify a good or service with a source.
- Copyright – Original Works of Authorship
 - Literary, dramatic, musical, artistic, and other works fixed in a tangible medium.
- Patent – Inventions
 - Right to exclude others from making, using, selling, offering for sale, or importing the claimed invention.
- Trade Secrets
 - Derives economic value from not being generally known; Can be formulas, patterns, compilations, programs, devices, methods, techniques, processes.

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Why is IP Important?

- IP should be integrated into business strategy.
- Attractive to investors and buyers.
- Increase leveraging power.
 - Mergers & Acquisitions.
- A property right that adds value to a company's assets.
- Deter others from going into your lane.

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IP Ownership

For Employers:

- Include IP assignment obligations within employment agreements.
 - For all employees who may create inventions, technology, or other IP within the scope of their employment.
 - Automatically assigns all such IP to the company once created.
 - Should include present assignment of future IP, such as “I hereby assign” (as opposed to saying “I agree to assign” any future IP).
- Do the same for third party vendors/contractors – agreements that assign ownership rights to the company.

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IP Ownership

For Current Employees:

- Keep your current employment work separate from your new idea (if thinking about forming a startup).
- Know your employment obligations.
 - Assignment of intellectual property – Did your company require you to sign a confidentiality agreement?
 - Avoid using company resources and time to develop your new ideas.

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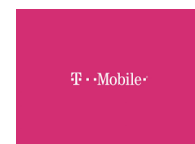
Trademarks

What is a Trademark?

- Source Identifiers
 - Used to identify and distinguish goods and services from those manufactured or provided by others
 - Indicates the source of the goods or services to a consumer

Examples

- Words (Apple, IBM)
- Names (Tommy Hilfiger)
- Phrases/Slogans (Let's Get Ready to Rumble!)
- Symbols ()
- Designs (Coca-Cola bottle design)
- Colors (T-Mobile magenta, Tiffany blue, UPS brown)



TOMMY  HILFIGER

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Trademarks

Types of Protection

- Common Law
 - Created when TM is used in commerce
 - Created Limited to geographic area where mark is used
 - May use TM or SM symbol (cannot use ®)
- Federal Registration
 - Provides protection across the U.S.
 - Can bring legal action concerning your TM in federal court
 - May use ® once the mark is registered
- International Registration
 - Provides international registration in countries of interest
 - May file through a Madrid Protocol – Take U.S. application and extend into other countries



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Trademarks

Scope of Protection

- Exclusivity
 - Owner can prohibit others from using the same or similar mark that would be likely to cause confusion among consumers regarding the source of the products or services
- Length of Protection
 - Theoretically, may be indefinite
 - Must pay maintenance fees and file declaration indicating marks are still in use

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Trademarks

Choose a Distinctive Mark

- Not every trademark is registerable – Depends on likelihood of confusion and strength of the mark.
- The stronger the mark, the greater your ability is to prevent others from using something similar.
- Spectrum:
 - Fanciful/Arbitrary (strong) > Suggestive (still strong, not as strong) > Descriptive (not strong) > Generic (cannot be registered as a trademark)

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Trademarks

- Fanciful (strong).
 - ADIDAS for shoes and athletic gear, KODAK for cameras.
- Arbitrary (strong).
 - APPLE for computers, BLACKBERRY for mobile devices.
- Suggestive (still strong, not as strong).
 - COPPERTONE for sunblock lotion, CAMELBAK for water bottles.
- Descriptive (not strong – need showing of “secondary meaning”).
 - SWEET AND CHEWY for caramel, CREAMY WHIP for whipped topping
- Generic (cannot be registered as a trademark).
 - BICYCLE for bicycles, THERMOS for insulated bottles.

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Trademarks

Trademark Formats

- Standard Character: COCA-COLA
- Special Form Format:





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Trademarks



Consider Completing a Trademark Search

- Before adopting a new product name, have a trademark search completed to check the availability of the name.
 - Avoids wasting time and money spent on developing products and marketing materials.
 - Note: Identical marks may be registered (DOVE for ice-cream bars and soap)
- Consulting a trademark attorney can help provide a more thorough search.
- However, initial searches can be done individually by running internet searches or searching the USPTO trademark database (TESS)
 - www.uspto.gov/SearchTrademarks, or tess2.uspto.gov

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Trademarks

When to File an Application for Federal Registration

- Intent-to-Use (ITU) Application
 - Have not started using mark yet in commerce, but have a bona fide intention to do so
 - Obtains an earlier filing date than a possible competitor
 - Time limit to begin use in commerce
- Use-Based Application
 - May file any time after mark has been in use
 - Submit “specimen” with application to show use



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Copyrights

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Copyrights

What is a Copyright?

- Protects the creative expression of an idea fixed in a tangible medium
- Does not protect ideas, procedures, systems, or discoveries
- Examples of original works of authorship:
 - Music
 - Books
 - Photographs
 - Jewelry
 - Fabric designs



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Copyrights

Scope of Protection

- Gives owner exclusive rights to:
 - Copy and reproduce;
 - Publish and distribute;
 - Display and perform; and
 - Create “derivative works”
- Length of Protection (Works created after January 1, 1978):
 - Individuals: Life of author plus 70 years
 - Work Made for Hire: 95 years from publication or 120 years from creation, whichever expires first



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Copyrights

Copyright Protection is Automatic

- Protection begins the moment the work is created and fixed in tangible medium.
- Registration of copyright is not required
 - Registration required to sue
- If a work does not have a © symbol, this does NOT mean that it is not protected by copyright.
 - Always assume a work of authorship is protected by copyright.
 - You may use works in the “public domain” without obtaining permission.

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Copyrights

Research Before Using Online Images.

- If you find an image on Google, does not mean you can use it without permission.
- Complete a copyright analysis:
 - (1) Determine if image is under copyright;
 - (2) If so, and there's no license attached to it, you need permission before you use it.
 - Look for owner's name and contact to ask for permission.

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Copyrights

Ways to Limit Risk of Copyright Infringement:

- Link to a photo or image (rather than copying and pasting): Better to write out URL rather than embedding the link.
- Use photos and images you have taken yourself.
 - Note: If photo taken through employment, likely belongs to your employer.
- Use creative commons-licensed images.
 - Notes: Read terms and conditions for how to use; Need to provide attribution.
- Purchase from stock photo agencies.
 - Note: Check license for limits on use.

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Copyrights

Ways to Limit Risk of Copyright Infringement:

- Copyright law is a very grey area – reach out to a copyright attorney if you have questions or concerns regarding a potential copyrighted work
- If you believe one of your copyrighted works have been infringed, a copyright attorney can draft and send a cease-and-desist letter

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Questions?

Thank you for your time!



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