

Lackebach Siegel, LLP *today!*

INTELLECTUAL PROPERTY ATTORNEYS SINCE 1923

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PATENT CORNER

Featuring patents recently issued to Lackebach Siegel clients

United States Patent Number:

7,538,449

CIRCUITRY AND RELATED CONTROL METHOD FOR AN ELECTRIC OR HYBRID VEHICLE WITH TWO DIRECT CURRENT SOURCES

Proposed is a circuitry and a related control mechanism for a vehicle with electric drive only or for a vehicle with hybrid drive comprised of an electric and a combustion motor. This circuitry has a multi-phase machine and two direct current units. Furthermore, an arrangement of power semiconductor components, in two converters in bridge arrangement of two semiconductor switches whose respective alternating current connections are connected in phase direction and to the connections of the multi-phase machine.

Continued on page 6

No Intent, No Deception... No Fraud!

By Cathy E. Shore-Sirotin and Eileen C. DeVries

Trademark owners can breathe a sigh of relief regarding the validity of their trademark registrations. The United States Patent and Trademark Office's Trademark Trial and Appeal Board (TTAB) was dealt a blow recently when the U.S. Court of Appeals for the Federal Circuit reversed its decision in *In re Bose Corporation*. The Federal Circuit held that a trademark is obtained fraudulently "only if the applicant or registrant **knowingly** makes a false, material representation with the intent to deceive the PTO." The Appellate Court clarified:

[T]he very nature of the charge of fraud requires that it be proven "to the hilt" with clear and convincing evidence. There is no room for speculation, inference or surmise and, obviously, any doubt must be resolved against the charging party.

Previously, the TTAB had held that "[a] trademark applicant commits fraud in procuring a registration when it makes material representations of fact in its declaration *which it knows or should know to be false or misleading.*" However, the Appellate Court in *Bose* stated that by

equating "should have known" of the falsity with a subjective intent, the TTAB had erroneously lowered the fraud standard to a simple negligence standard.

It was in the 2003 *Medinol* decision that the TTAB embarked on its devastating and erroneous policy of applying the "knew or should have known" standard to find fraud. In that case, the trademark NEUROVASX was registered for "medical devices, namely, neurological stents and catheters." But the applicant had not been using the trademark for "stents" when it filed its Statement of Use. The TTAB canceled the trademark registration, saying, now infamously that, "A trademark applicant commits fraud in procuring a registration when it makes material representations of fact in its declaration which it knows or should know to be false or misleading."

Now, in *Bose*, the Court of Appeals has reined in an overzealous TTAB that, in our view, had showed it was out of touch with the realities of commerce and trademark use. In effect, the Court has asked the TTAB what part of "the established rule that intent to deceive is required to find fraud" it does not understand: "In other words, deception must be willful to

Continued on Page 5

Attorney Profile

Position at Firm: Partner

Myron Greenspan

Patent Department



As the leader of the Patent Department, Mr. Greenspan has had primary responsibility for overseeing the department for almost two decades—a period that had seen dramatic changes in the laws and practices within the field of Intellectual Property (IP).

Mr. Greenspan's experience focuses on patent prosecution and litigation. He has, however, counseled clients in connection with numerous areas of IP including licensing, trademarks, copyrights, patent validity and infringement issues,

Attorney Profile: Continued on page 10

Lackenbach Siegel *today* and Since 1923

We Infringe... Someone Else Pays?

By Jeffrey M. Rollings

Even if your use of a trademark or service mark has been "cleared" by competent counsel, you are likely aware of the risk that your company could one day be sued for infringing another company's trademark or service mark. Should that day come, you may be well served to call not only that same competent trademark counsel, but also to contact your company's commercial general liability ("CGL") insurance carrier. You may be surprised to learn that there is a chance – and how good a chance is the key issue – that your CGL policy may cover claims against your company for trademark infringement, service mark infringement, trade dress infringement, or unfair competition.

How are such claims covered?

Many current CGL insurance policies today contain an "advertising injury" clause. Generally speaking, this clause may require an insurer to defend and cover it's insureds for claims arising from "advertising injuries." Advertising injuries is a term that has been defined by courts in varying degrees to include various types of trademark, service mark, trade dress and trade name infringements. While some courts may ultimately determine that a trademark claim is not covered, courts in general interpret an insurance company's duty to defend claims that are alleged to fall within an advertising injury clause very broadly.

What Does The Policy Say? First, check what your policy says because "advertising injury" language varies fairly widely from policy to policy. Originally, CGL policies did not cover advertising injuries at all, let alone trademark infringements.

In 1986, Insurance Services Office, Inc. ("ISO") forms moved the "advertising injury" language into the body of CGL policy language, thus making it part of basic coverage for the first time. The new language also deleted the exclusion for trademark, service mark, and trade name claims, but added language to include "misappropriation of advertising ideas or style of doing business" and "infringement of copyright, title, or slogan." Policies utilizing this form – and many current CGL policies still utilize some form of the 1986 language – thus explicitly covered a significant number of "advertising injuries," but did not specifically cover trademark infringement claims. In 2007 the language was changed to make it clear that the use of another's advertising "idea" was covered.

Where Do You Live? A federal court in a trademark infringement case will apply the law of the state of the defendant's residence to determine the scope of coverage under a CGL policy issued in that state. New York courts, for example, typically interpret "advertising injury" claim language very broadly, holding that most policies cover claims for most types of infringements. In Missouri, by contrast, policies are very, very narrowly construed and coverage is routinely denied.

Many courts have determined that "misappropriation of the style of doing business" includes trademark and trade dress infringement claims, because such claims go to the heart of a company's attempts to distinguish and protect its products or services. Courts also differ widely in interpreting whether the term "infringement of copyright, title, or slogan" includes trademark claims because of the terms "title or slogan." New York courts have typically held that trademark claims are covered under this language, but elsewhere decisions have been far less uniform. Sixth Circuit courts (Kentucky, Michigan, Ohio, and Tennessee) have said "no," while courts in the Seventh Circuit (Illinois, Wisconsin, Indiana) have said "yes".



Courts taking a more general approach have also split on the extent to which the definition of an "advertising injury" generally should include trademark or trade dress infringement claims. Courts in New York, for example, have frequently held that this language includes all trademark and trade dress claims. The Second Circuit (New York, Vermont, Connecticut) has held that there should be no distinction between infringements arising out of an insured's marketing and advertising activities and those arising from simple manufacture and sale of product.

What Does The Complaint Say? What the complaint alleges will have a lot to say about whether a trademark infringement claim made against you will ultimately be covered by your CGL carrier. The more broadly you are able to characterize the claims as deriving from your company's marketing and advertising activities, the more likely – depending on where your company resides and what your policy says – you will be able to successfully argue that your policy covers the claims. Because courts outside of New York and the Second Circuit have often held that an "advertising injury" requires at least some showing that an infringement derives from widespread promotion activities to trigger coverage, it is important to try to "read" a complaint as broadly in this regard as possible.

Conclusion – It's a Simple Two Step Process. As your attorney has most likely told you, even if you have done everything right with your marks you could still get sued for infringement. If you do, follow a simple two-step rule. First, call your attorney and provide a copy of the complaint. Next, contact your insurance agent and company and provide them with written notice of the claim against you. If your carrier denies the claim, you may still be able to compel the carrier to defend the claim, at great cost savings to you.

To discuss Insurance, please contact: Jeffrey M. Rollings:
JRollings@Lackenbach.com

U.S. Patent Statistics *A Reflection of Change*

In 2008, for the first time, the number of foreign originated utility patents granted by the U.S. Patent Office exceeded those of U.S. origin with a 50.9% share, although the total number of utility patents granted rose only slightly from 2007 at a 0.3% growth rate. Design patent grants continued their upward trend by posting a 6.25% growth rate over last year. In 2008, there were 456,321 Utility Patent applications filed, closely matching the number filed in 2007, but the balance between foreign and domestic filings shifted. The number of foreign originating utility applications grew to 49.2% in 2008, while the total percentage of all U.S. patent application types filed by foreign entities rose to 50.3%, the highest percentage on record.

Patents (of all types) issuing from foreign originating applications saw Japan far in the lead with a significant 19.8% share, followed by: Germany (5.4%); South Korea (4.7%); and, Taiwan (4.2%). The top ten was rounded out by: Canada; the United Kingdom; France; Italy; the People's Republic of China (PRC); and, the Netherlands. The PRC saw the greatest growth rate from last year, by far, with a 51.7% increase over prior year patent grants. The Republic of Korea also grew at a healthy 20.2% rate on a total volume of 8,731 patents granted.

Within the United States, California continues its dominance of domestic patent grants with 22,202 patents granted in 2008 (24.1% share), down slightly from 2007. California was followed by: Texas (6.7%); New York (6.4%); Washington (4.5%); Massachusetts (4.2%); Michigan (3.9%); and, Illinois (3.9%).

The Middle East and India saw growth in U.S. patent grants during 2008 with the UAR posted a 400% growth, Kuwait 87.5%, Saudi Arabia 55.0%, Turkey 45.8%, Pakistan 40%, India 16.3%, Israel 7.6%, Oman (five patents versus zero in 2007) and Iraq and Qatar (each with one patent versus zero in 2007). These countries were responsible for a combined 2,054 U.S. patent with the vast bulk going to Israel and India.

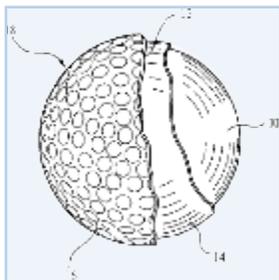
On the international side, filings through the Patent Cooperation Treaty (PCT) saw a 2.3% increase in 2008 with 163,600 applications being made. This contrasts sharply with an average growth of 9.3% for the previous three years, though the raw total was still the highest volume year ever. The United States was the greatest contributor with 53,521 applications or 32.7% of the whole, followed by Japan (17.6%) and Germany (11.3%). The largest proportion of PCT applications published in 2008 related to medical technology (12.0%), followed by computer technologies (8.5%) and pharmaceuticals (7.9%).

Patents, Trademarks, Copyrights

No Hole in One

By Andrew F. Young

Callaway recently sued Acushnet, owner of the Titleist golf brand, alleging that Titleist Pro VI balls violate several of Callaway's patents for multi-layer polyurethane covered golf balls. Callaway's balls are described as offering a "dual personality" (dual hardness measurement) desirable for both driver distance and in controlling approach shots. The original trial court found one dependent claim to be invalid for obviousness, but not the broader independent claim from which it depends. Acushnet appealed and in August of 2009, the Federal Circuit found that the jury's verdict was well in the rough – being genuinely and irreconcilably inconsistent with the law – and ordered a new trial.



The four Callaway patents at issue are several years old and address the solid-core technology used in Callaway's Top Flite balls. The parties are hardly unfamiliar: The patents were the work of Michael Sullivan, formerly of Top-Flite, who now works for Acushnet. Callaway purchased the Top-Flite line, with the patents, from Spalding out of bankruptcy in 2003, while Sullivan went to work for Titleist. Ironically, several years ago, Callaway had to license some patents from Acushnet to avoid legal trouble with the Rule 35 and CTU 30 golf balls.

Both parties now believe they have won, at least in part. It is difficult to handicap how a new trial may be decided, however, as the patent office has apparently determined on re-examination that all claims of all four Callaway patents at issue are invalid. It has been a while since the major players in the golf business have waged a serious legal battle, but despite the hazards Callaway and Acushnet have taken off the gloves and seem ready to play to a finish. According to the trial and the appellate court, the two companies have been talking settlement for some time but have come up short.

The district court construed Callaway's claimed outer layer hardness claim limitation as applying to a measurement of the layer *on* the ball, whereas a hardness measurement of the layer *off* the ball could differ. With this construction, Acushnet agreed that its balls infringed, but countered that the patents were invalid as anticipated and obvious in view of two prior art patents. The US District Court then granted Callaway's motion for summary judgment of no anticipation stating

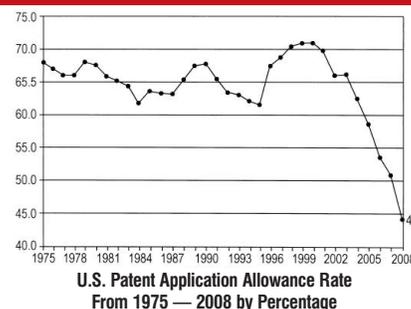
that one of the prior art patents was not sufficient to describe the relevant features in a patent claim. The jury then waded into the bunker and subsequently found that only one of the nine claims (claim 5 of US Patent 6,210,293) asserted was invalid for obviousness. However, since claim 5 was dependent upon claim 4, which the jury found to be non-obvious and enforceable, Acushnet filed a motion for a new trial. The district court denied the motion and issued a permanent injunction against Acushnet. The appeal ensued.

It may be time for the parties, the jury, and the district court to go back to the clubhouse and the negotiating table. As a matter of basic law, the appellate court called for a mulligan and held that a broader independent claim (claim 4 of '93) cannot be nonobvious and enforceable where a dependent claim (claim 5 of '93) depending from that independent claim is invalid for nonobviousness. The appellate court also reversed the permanent injunction and the motion for summary judgment.

With a new trial to begin in light of the patent office's recent final decisions in the re-examinations, a new round of patent infringement play begins for both Callaway and Acushnet. For now, however, those who enjoy playing golf can continue to purchase which ever personality of golf ball – Top Flite or Titleist Pro VI – that they wish.

To learn more about Patents, contact Andrew F. Young, AYoung@Lackenbach.com

Patent Allowance Rate Continues to Drop



For many years, from 1975 through 2004, the U.S. patent application allowance rate vacillated around 65%; as high as 72% in 2000 and as low as 63% in 1984 and 1995. Then in 2008 the rate dropped to 44% – the lowest in decades. There has been a generally continuous sharp decline in allowance percentage each year since 2000.

"It must be the applications that have changed," posits John Doll, past Commissioner of Patents, who also suggested that the U.S. Patent Office "would gladly grant 100 percent" if all patent applications met certain standards.

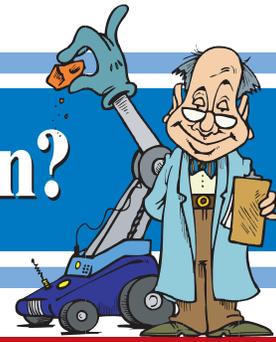
But many professionals believe that patent examiners find it safer to reject applications than to allow them. A rejected application has a smaller chance of an examiner being charged with an error. The U.S. patent examiners union has suggested that high error attribution is a career problem. The problem is compounded as the USPTO has hired hundreds of new examiners so that the average experience in years of U.S. examiners has declined.

In addition to such internal issues at the USPTO, the courts have contributed to the lower patent allowance rate problem. A trio of well publicized court decisions in the last two years has made it more difficult to achieve patent protection:

- **KSR v. Teleflex** – A notable Supreme Court decision that changed the pivotal legal standards of "obviousness" making it easier for a patent examiner to reject a patent application.
- **McKesson Infor. Solutions Inc. v. Bridge Med. Inc.** – A Federal Circuit decision that imposed an increased duty of disclosure on applicants and patent attorneys in connection with the prosecution of related applications of the inventor(s) in the same field; and
- **In re Bernard L. Bilski and Rand A. Warsaw** – An en banc Federal Circuit decision that established a new standard for patentable subject matter in the important area of business method patent applications.

In sum, both the USPTO and courts have made securing a patent significantly more difficult in recent years.

Why the Confusion?



What is “Obvious,” and Who Decides? by Myron Greenspan

The U.S. Constitution grants to Congress the power to “promote the progress of science...by securing for limited times to ...inventors the exclusive rights to their ...discoveries.” However, unlike copyright that grants authors the exclusive rights to their writing and works of art as soon as they are created, and without consideration as to their novelty, Congress has chosen to place conditions on patentability (i.e., U.S. Code Title 35, Sections 102 and 103).

Section 102 lists a series of absolute bars, including a bar to any invention that was known, used, or on sale in the U.S. prior to the invention by applicant, or described in a patent or printed publication anywhere more than one year prior to the date of the application in the U.S. To be barred under Section 102, the prior activity, publication or patent must, within its four corners, expressly or inherently teach or disclose each element or method step of the applicant’s claim. If any element or step is missing it is improper to apply Section 102 to bar patentability.

Congress, also enacted Section 103 dealing with “obviousness” or “inventive step,” as it is known in some countries. Section 103 requires that:

A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the:

- differences between the subject matter sought to be patented and the prior art are such that the
- subject matter as a whole
- would have been obvious at the time the invention was made
- to a person having ordinary skill in the art to which said subject matter pertains.

While the first two elements are fairly objective, the last two are extremely subjective: how is one to know what would have been obvious to one skilled in the art when an invention was made, without the benefit of the hindsight of the inventor’s application and the teachings contained therein? The courts define a “person

skilled in the art” as a fictitious person that, in theory, has knowledge of all prior art. Technically, neither a patent examiner, an expert in the field, or even a judge is a “person skilled in the art” under the law. But Section 103 is a formula for conflicting opinions – litigants and judges in patent infringement actions almost never agree on the issue of obviousness.

The courts, to be fair, have tried to take as much subjectivity out of Section 103 as possible. One of the leading cases on “obviousness,” *Graham v. John Deere*, is a U.S. Supreme Court decision, after which Congress amended Section 103 to follow the logic of the Court. The *Graham* procedure considered:

- the scope and content of the prior art;
- the differences between the claimed invention and the prior art;
- the level of ordinary skill in the prior art; and
- secondary considerations or objective indications of non-obviousness.

The conclusion of obviousness generally never logically follows from the factual elements – instead, it is ordinarily inferred. In some ways, a jury determination of obviousness serves as a way to mask the inevitable subjectivity required in the final step of the *Graham* obviousness procedure. For many (if not most) litigated patents, reasonable minds differ on the question of obviousness even when parties agree to the underlying facts.

Recently, *Medela AG v. Kinetic Concepts, Inc.* (currently on petition for a Writ of Certiorari, 2009) queried: whether a person accused of patent infringement has a right to independent judicial, as distinct from lay jury, determination of whether an asserted patent claim satisfies the “non-obvious subject matter” condition for patentability. According to *Medela*, because the ultimate question of obviousness is a “legal determination” (per *KSR* and *Graham*) and questions of law are ordinarily decided by a judge trained in the law, an unexplained jury holding on the question is problematic because it effectively limits appellate review of what a jury “might have

adopted.” The current practice, it was urged, does not offer “meaningful appellate review over the legal issue of patent validity,” quoting Fifth Circuit law.

The *Medela* court asked the jurors to answer “yes” or “no” as to whether *Medela* AG proved by clear and convincing evidence that the invention was “obvious.” While the jury answered “no” to 37 questions related to obviousness, it was not asked to provide, and did not provide, any explanations for the “no” answers. On appeal to the Federal Circuit, the appellate court stated that “[t]he scope and content of the prior art are factual questions to be determined by the jury,” but because the jury made no findings on those important matters, the Federal Circuit applied its highly deferential standard of review.

In the early 1980s, when the U.S. Court of Appeals for the Federal Circuit was created, less than 20 percent of patent cases were tried to a jury. By 2000, the share of jury trials had skyrocketed to over 70 percent. The move away from bench trials is no accident. The *Medela* Certiorari petition blames the Federal Circuit, which has established the principle that an alleged patent infringer has no right to independent judicial review on the question of a patent’s obviousness. Petitioner urged the Supreme Court to consider that “having decisions made by people who cannot really understand the evidence increases the uncertainty of the outcome. The combination of this uncertainty with the legal presumption of validity ... is a big reason why infringers often settle rather than fight.”

One of the most difficult issues in the patent law is the determination of what is “obvious.” According to current law the “ultimate judgement of obviousness is a question of law based on fact. Hence, appellate courts can review “obviousness” anew – leading to greater uncertainty. The obviousness issue will only be definitively resolved when that mythical “person skilled in the art” walks into a courtroom.

To learn about Obviousness, contact Myron Greenspan at: MGreenspan@Lackebach.com

To Deceive or Not To Deceive?



No Intent, No Deception... No Fraud! continued from page 1

constitute fraud.” Taking a swipe at the Board’s recent draconian policy, the Court observed,

After all, an allegation of fraud in a trademark case, as in any other case, should not be taken lightly.... Because “practically all of the user’s substantive trademark rights derive” from continuing use, when a trademark is still in use, “nothing is to be gained from and no public purpose is served by cancelling the registration of” the trademark.

Reminding the TTAB of the correct way to apply precedent, the Court accused the TTAB of focusing unduly on the words and not the facts of earlier decisions:

The Board in *Medinol* purportedly relied on this court’s [earlier] holding to justify a “should have known” standard. The Board read [the earlier case] too broadly...[O]ne should not unduly focus on the phrase “should know” and ignore the facts of the case, i.e., the registrant “knows.” Doing so would undermine the legal framework the court set out...

In the recent welcome *Bose* case, the trademark owner Bose Corp. had opposed the application for the trademark “HEXAWAVE” as confusingly similar to its “WAVE” trademark for audio equipment. But the applicant pointed out to the TTAB during the opposition that Bose Corp., through its general counsel, had in fact *falsely stated* in its renewal filing that the company was using WAVE on audio tape recorders and players. So the company had indeed made a material misrepresentation to the USPTO. But the company’s general counsel had *believed* that repairing and returning previously sold recorders and players fulfilled the “use in commerce” requirement to renew the trademark. The Court said, even if that belief was unreasonable:

There is no fraud if a false misrepresentation is occasioned by an honest misunderstanding or inadvertence without a willful intent to deceive...[The general counsel] testified under oath that he *believed the statement was true* at the time he signed the renewal application. Unless the challenger can point to *evidence* to support an inference of *deceptive intent*, it has failed to satisfy the clear and convincing evidence standard required to establish a fraud claim.

We hold that Bose *did not commit fraud* in renewing its WAVE mark and the Board erred in canceling the mark in its entirety.

The Court pointed out the “material legal distinction between a ‘false’ representation and a ‘fraudulent’ one, the latter involving an intent to deceive, whereas the former may be occasioned by a misunderstanding, an inadvertence, a mere negligent omission,

or the like.” To constitute fraud and warrant cancellation of a registration, the deception must be willful. Mere negligence, or even gross negligence, does not itself justify an inference of intent to deceive.

The Court sternly admonished the TTAB:

Subjective intent to deceive, however difficult it may be to prove, is an *indispensable element* in the analysis. Of course, “because direct evidence of deceptive intent is rarely available, such intent can be inferred from indirect and circumstantial evidence. But such *evidence must still be clear and convincing*, and inferences drawn from lesser evidence cannot satisfy the deceptive intent requirement.” When drawing an inference of intent, “the involved conduct, viewed in light of all the evidence . . . must indicate *sufficient culpability to require a finding of intent to deceive.*”

On the other hand, as companies still have an obligation to conduct a reasonable inquiry prior to filing a use-based application, a renewal application or any affidavit of use, it has been suggested by one commentator that the standard for fraud should be referred to as “knew or **must** have known.”

Although the *Bose* decision only addressed the registration at issue and thus does not address the standard of “intent” for intent-to-use applications, it is likely that this burden has been lessened as well. In other words, it is unlikely that an intent-to-use applicant needs to be able to produce tangible evidence supporting an intention to use the proposed mark in connection with each of the goods and/or services listed in the application. However, if a company has not sold such goods or services before, then some thought should be undertaken as to how the goods or services would be produced before including such goods or services in an intent-to-use application.

Last, the *Bose* case is a bit odd, in that the mistake made was not one of fact, but one of law. Specifically, Bose admitted that it stopped manufacturing and selling one of the goods, audio tape recorders and players, prior to filing the Sections 8&9 renewal, and that Bose’s signatory signed the renewal knowing that Bose had discontinued those products. However, he testified that he believed that the mark was “used in commerce” because Bose still *repaired* these goods, and thus transported these goods bearing the mark back to customers. Although this belief was legally incorrect, it was not sufficient to constitute fraud.

To discuss the issue of Fraud, please contact: Cathy E. Shore-Sirotnin: CShore@Lackebach.com or Eileen C. DeVries: EDevries@Lackebach.com

Patents, Trademarks, Copyrights

PATENT CORNER

Continued from Page 1

CIRCUITRY AND RELATED CONTROL METHOD FOR AN ELECTRIC OR HYBRID VEHICLE WITH TWO DIRECT CURRENT SOURCES

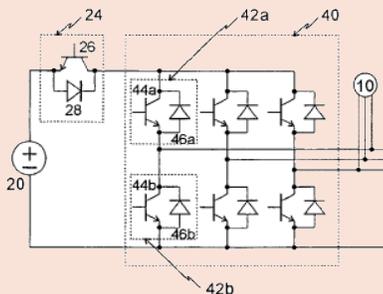
United States Patent Number:

7,538,449

Date of Patent
May 26, 2006

Assignee:

Semikron Elektronik GmbH & Co. KG (Germany)

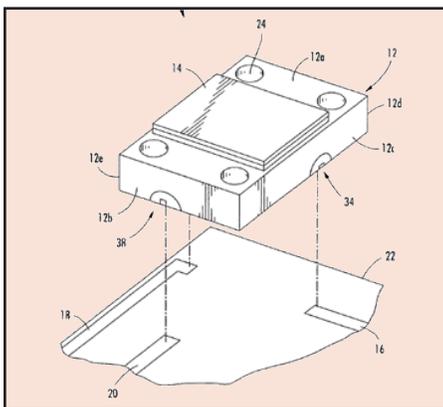


Notable, recent LS Patents

MICROWAVE SURFACE MOUNT HERMETICALLY SEALED PACKAGE AND METHOD OF FORMING THE SAME

Patent No.: 7,557,431

Assignee: MITEQ, Inc. (USA)



PANTS POCKET

Patent No.: D584,487

Assignee: EKO Enterprise LLC (USA)

LAMP

Patent No.: D593,227

Assignee: Network City Tech/SGlobal Media S.R.L. (Italy)

COMMERCIALLY VIABLE PROCESS FOR IN-VITRO MASS CULTURE OF CHLOROPHYTUM BORIVILLANUM

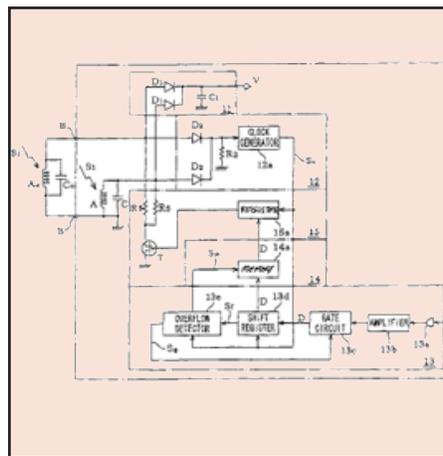
Patent No.: 7,485,462

Assignees: Reliance Life Sciences Pvt. Ltd. (India); The Government of Malaysia (Malaysia)

IC CHIP FOR IDENTIFICATION, DATA-READING METHOD, AND DATA-WRITING METHOD

Patent No.: 7,511,605

Assignee: FEC Co., Ltd. (Malaysia)



RACK

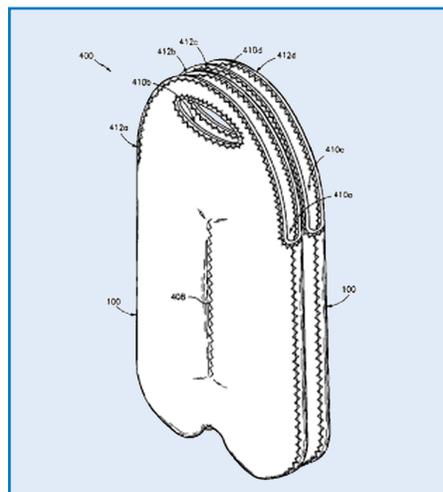
Patent No.: D588,841

Assignee: Built NY, Inc. (USA)

TOTES FOR BOTTLES

Patent No.: 7,467,729

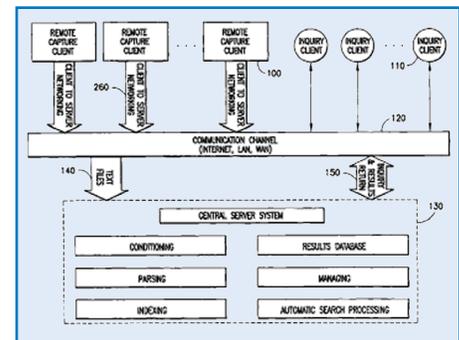
Assignee: Built NY, Inc. (USA)



METHOD AND SYSTEM FOR THE AUTOMATIC COLLECTION AND TRANSMISSION OF CLOSED CAPTION TEXT

Patent No.: 7,518,657

Assignee: Medialink Worldwide Incorporated (USA)



IN-VITRO SYSTEM OF MICROPROPAGATION OF ROSE SCENTED PELARGONIUM GRAVEOLENS, OF BOURBON TYPE

Patent No.: 7,470,832

Assignee: Reliance Life Sciences Pvt. Ltd (India)

HAND GRIP FOR A WRENCH OR THE LIKE

Patent No.: D583,644

Assignee: JPJ Investment Holding Co., (USA)

JEWELRY ATTACHMENT COVER FOR A SET OF EARPHONES

Patent No.: D589,933

Assignee: Deos Group LLC (USA)

CLIP-ON BOOKLIGHT

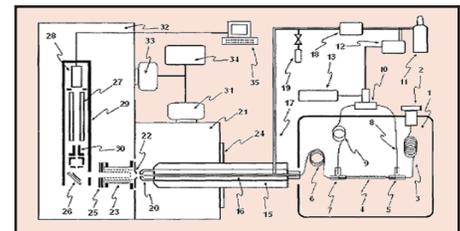
Patent No.: D594,149

Assignee: Sunrich Manufactory Ltd. (Hong Kong)

PULSED FLOW MODULATION GAS CHROMATOGRAPHY MASS SPECTROMETRY WITH SUPERSONIC MOLECULAR BEAMS METHOD AND APPARATUS

Patent No.: 7,518,103

Inventor: Aviv Amirav (Israel)



ELECTROPNEUMATIC HORN

Patent No.: D581,305

Inventor: Stanley Solow (USA)

WRENCH DISPLAY PACKAGE

Patent No.: D587,107

Assignee: JPJ Investment Holding Co. (USA)

Domains, Internet and Advertising Law

TRADEMARK CORNER

Notable, recent LS Trademarks

CHRISTOPHER HOWARD

Registrant: TCB Enterprises, LLC (USA)

MONEY GARDEN

Registrant: W. Atlee Burpee Company (USA)

NFI FORCELLE ITALIA

Registrant: Paioli Meccanica S.p.A. (Italy)

GRUPO GONDI

Registrant: Gondi, S.A. de C.V. (Mexico)



CAMPS DE GLORIA

Registrant: Bodegas Sanbert, S.L. (Spain)

MYBLUE BOOK

Registrant: Contractor's Register, Inc. (USA)

URALCHEM & Design

Registrant: United Chemical Company (Russia)

CHATEAU DE PONCIE

Registrant: Chateau de Poncie (France)

ENLIGHTENED WARRIOR

Registrant: Peak Potentials Training, Inc. (Canada)

ALOKA ILLUMINATE THE CHANGE

Registrant: Aloka Co., Ltd. (Japan)

MI PASIÓN

Registrant: Star Soap/Star Candle/Prayer Candle Co., LLC (USA)



G21.COM

Registrant: Generation 21, Inc. (USA)



CALMADERM

Registrant: Rhythm & Blue Inc. Limited (UK)

ZEN

Registrant: Shiseido Company, Ltd. (Japan)

SOLE A BY AEROSOLS

Registrant: Aerogroup International Holdings, Inc. (USA)

IB WORLD SCHOOL ÉCOLE DU MONDE COLEGIO DELMUNDO

Registrant: International Baccalaureate Organization (Switzerland)

TRUE NORTH KNIVES TNK

Registrant: 138060 Canada Inc. (Canada)

YARNCRAFT

Registrant: Orchard Yarn and Thread Company, Inc. dba Lion Brand Yarn Company (USA)

THEHOMEMAG

Registrant: TheHomeMag Holding Company, LLC (USA)

LINX

Registrant: Jobs S.p.A. (Italy)

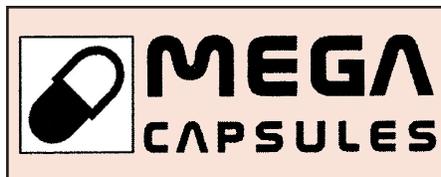


WEBGAINS

Registrant: ad pepper media International N.V. (Netherlands)

MEGA CAPSULES

Registrant: Olimp Laboratories Sp. Z.o.o. (Poland)



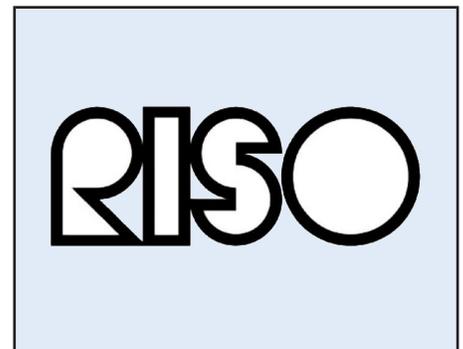
NO 1 & Design

Registrant: Now On Inc. (Japan)



RISO (stylized)

Registrant: Riso Kagaku Corporation (Japan)



QUANTEL

Registrant: Quantel (France)

SUZANO PULP

Registrant: Suzano Papel e Celulose S.A. (Brazil)

PURECELL DERMA

Registrant: Dicon Technologies, LLC (USA)

WOLO-BANDIDO

Registrant: Wolo Manufacturing Corp. (USA)

XK

Registrant: Xanor de México, S.A. de C.V. (Mexico)

THE TAKEAWAY

Registrant: WNYC Radio (USA)

CASONI

Registrant: Fabbricazione Liquori, S.p.A. (Italy)

POWERGEL

Registrant: JPJ Investment Holding Co. (USA)

GRUPO GONDI

Registrant: Gondi, S.A. de C.V. (Mexico)

FOR A BETTER FINISH, START WITH HYDE

Registrant: Hyde Tools, Inc. (USA)

STARCOUNTER

Registrant: Starcounter Svenska AB (Sweden)

Continued on Page 9

More Trademarks

TRADEMARK CORNER

Continued from Page 7: Trademark Corner

GIOVANNA FURLANETTO

Registrant: Furla S.P.A. (Italy)

GIOVANNA FURLANETTO

RSC REMOTE SENSITIVITY CONTROL

Registrant: Miro Service Anstalt (Liechtenstein)

RSC
Remote Sensivity Control

AVANTACCESS

Registrant: Avantair, Inc. (USA)

CESAR AVGVSTVS VIA AVGVSTA VIA AVGVSTA

Registrant: Carmen Balliu Falgueras (Spain)

P PATRIOT HEALTH EXPERIENCE THE DIFFERENCE

Registrant: Patriot Health, Inc. (USA)

DATAART

Registrant: Dataart Enterprises, Inc. (USA)

DATAART

DEOS DIAMOND

Registrant: Deos LLC (USA)

BELESTHETIQUE

Registrant: MCE (France)

KIN NO TSUBU

Registrant: Kabushiki Kaisha Mitsukan Group Honsha (Japan)

THE HELMSLEY PARK LANE HOTEL

Registrant: Park Lane Hotel Inc. (USA)

ONE-CLICK

Registrant: Fujikura Ltd. (Japan)

HALSTON

Registrant: The H Company IP, LLC (USA)

RÉSERVE DE LA COMTESSE

Registrant: Societe Civile Immobiliere Chateau Pichon (France)

T THEVCO

Registrant: 9199-3162 Quebec Inc. (Canada)

DEXTER (stylized)

Registrant: Dexter-Russell, Inc. (USA)

DEXTER

AONNI

Registrant: Patagonia Mineral S.A. (Chile)

BUBBLAIR

Registrant: Yamagiwa Corporation (Japan)

GENESIS

Registrant: Hyundai Motor America (USA)

GENESIS

LADYCAT

Registrant: Donata Bertarelli Spaeth (Switzerland)

PERSHING

Registrant: Pershing S.P.A. (Italy)

JOBS

Registrant: Jobs S.P.A. (Italy)

A NEW WAY EVERYWHERE

Registrant: Cable & Wireless U.K. (UK)

CYCLOSTOPIC

Registrant: Advanced In Vitro Cell Technologies, S.L (Spain)

SA SENSEAIR

Registrant: Sweden Limited Company (Sweden)

SENSEAIR

COSTA

Registrant: Costa Concentrados Levantinos, S.A. (Spain)

COSTA

DERMOSOME TECHNOLOGY

Registrant: Advanced In Vitro Cell Technologies, S.L. (Spain)

GIACONDI

Registrant: MGM Mondo Del Vino S.R.L. (Italy)

TOUGHARTIST

Registrant: Matsushita Electric Industrial Co., Ltd. (Japan)

EVERLAST

Registrant: Everlast World's Boxing Headquarters Corp. (USA)

EVERLAST

LE PARFAIT

Registrant: O-I Sales and Distribution (France)

DESIGN OF TIGER

Registrant: Kenneth Cole Productions (LIC), LLC (USA)



ERTÉ

Registrant: Sevenarts Limited (UK)

A Partner to Smooth Sailing

Attorney Profile Continued from Page 1: Myron Greenspan

international patent and trademark prosecutions, enforcement and licensing, litigation and appeals in the federal courts and IP portfolio management.

Mr. Greenspan was raised in Paris, France and reads technical French and German. After graduating with a Bachelor's Degree in Electronic Engineering, Mr. Greenspan joined the Applied Electronics Department of Airborne Instruments Laboratory, where he designed and developed a wide range of components and systems in the fields of aerospace and communications. During this period he began further studies in electronics which led to a Masters Degree in Electronic Engineering. Mr. Greenspan authored a number of technical articles, including, "Shielding Effects in Thin-Film Integrated Circuits," published in the IEEE Transactions On Electromagnetic Compatibility, 1969.

Intrigued by the law, Mr. Greenspan graduated Brooklyn Law School in 1968 with a J.D. degree. Desiring to combine his engineering background with the law, Mr. Greenspan attended New York University in the Graduate Law Studies Division, and in 1972 earned a Masters of Law Degree (L.L.M.) in Trade Regulations with a concentration in Intellectual Property. Mr. Greenspan wrote a number of articles relating to Intellectual Property, including "Preserving Rights in Recorded Works" published in the Patent Law Review, Clark Boardman Company, Ltd. and "Patent Trademark and Copyright Considerations in the Toy Industry," published in Hobbies Toys & Crafts.

Mr. Greenspan started practicing IP law in 1970. He joined a phar-

maceutical company where he set up an in-house IP Department. Mr. Greenspan also served as an associate professor at the Graduate Engineering Center of the Polytechnic Institute of Brooklyn where he taught an "Intellectual Property for Engineers" course to engineering and science graduate students. He has continued to lecture at CCNY on contemporary topics in IP to engineering and science students and faculty.

Mr. Greenspan has lectured extensively on topics of Intellectual Property, including on the Role of Intellectual Property in a Free Market Economy; and has been a lecturer and panelist in St. Petersburg and Moscow in Russia before the Russian Academy of Sciences and at the Kazakhstan Patent Office in Alma-Atah while that Office was being established after the Russian Republics Separated from Russia upon the termination of the Soviet Union.

Mr. Greenspan has litigated and argued before the USPTO Board of Appeals, Federal District Courts in Florida, Minnesota, California, Connecticut, Rhode Island, New Jersey, Pennsylvania, and Illinois and has litigated patent and trademark causes in the U.K. and France.

He has extensive experience in high technology fields including complex mechanical systems, optics and optical systems, electronic and electromechanical components and systems including microwave components and communication systems; semiconductor devices and integrated circuits, control and security networks, business methods and web-based applications, wire stranding and cable manufacturing machinery, medical devices and industrial designs.

Design Patents Sail Through the U.S. Patent Office By Andrew F. Young



Design patents protect the ornamental features, and not the functional aspects of an article of commerce. Because design patent applications seem to pass so swiftly through the USPTO these days, many practitioners and professions are increasingly finding design

patents to be very useful business tools.

Design patents "sail" through the Patent Office for two principal reasons: First, design patent applications receive a lower rate of "prior art rejections" (listed at approximately 3.5% by some authors) than utility patents. Second, design patent applications may now be funneled through a new, faster docket dubbed the "Rocket Docket".

No Prior Art For design patents, about 80% of all initial Patent Office rejections, cited in a recent study, were procedural, and not prior art based. In contrast to prior art rejections, non-substantive rejections are typically easily remedied and overcome by making drawing corrections, or taking other remedial action. As a result, the prosecution process is expedited. The payoffs for seeking design patent protection are easy to quantify: The ultimate allowance rate for design applications is over 80%, and nearly

100% for applications initially rejected for reasons other than prior art.

The Rocket Docket Design patents are also becoming more desirable because design applications may now follow either a standard docket or a much faster "Rocket Docket" procedure. The "Rocket Docket" for design applications is based upon a request for expedited examination and a payment of \$900 in addition to the standard government fee. In 2008, 215 applications were filed in the "Rocket Docket", and of these 87% were allowed in an average of 2.2 months and 69% were issued in 5.4 months. One recent design application filed by this office issued only 94 days from filing (into Design Patent D581,305). By contrast, in 2008 there were 27,782 design applications filed on the standard filing docket, of which roughly 85% were allowed in an average of 11.4 months and 88% were issued in 16 months.

Best of All Design patents are infrequently finally rejected, approximately only 4% of such applications are denied patent status. Additionally, recent studies show that design patents are increasingly found valid. Costing far less than utility patents, never overlook this important form of protection.

To discuss Design Patents, please contact: Andrew F. Young: AYoung@Lackebach.com

Intellectual Property Top Filers

Consumer Product Safety Improvement Act Of 2008

No piece of legislation has had a greater impact on children's products than the Consumer Products Safety Improvement Act of 2008 (CPSIA). The law is far sweeping, difficult to understand and enforce, and expensive to satisfy.

The most critical provisions in the statute are:

New Lead Limits Established – Commencing February 10, 2009 the acceptable lead limits in children's products was reduced to 600 parts per million in any accessible part. The limit will be further reduced to 300 parts per million in any accessible part on August 14, 2009, and 100 parts per million on August 14, 2011. The statute allows the Consumer Product Safety Commission (CPSC) to exclude certain products or materials from the lead limit prohibition if, after hearing, it is shown that lead in such products or material will neither (i) result in the absorption of any lead into the human body, nor (ii) have any other adverse impact on public health or safety. A further exemption applies to a component part that is not accessible to a child through normal and reasonably foreseeable use and abuse of such product.

Lead Paint – Commencing August 14, 2009, the acceptable level of lead in paint shall be reduced to 0.009 percent.

Phthalates - Effective February 10, 2009, the manufacture and sale of any child care article which contains DEHP, DBP or BBP in concentrations in excess of 0.1 percent is prohibited. Further, until a final rule is issued, the manufacture and sale of any children's toy that can be placed in a child's mouth which contains DINP, DIDP or DnOP in concentrations in excess of 0.1 percent is prohibited. While the CPSC interpreted the new rule as allowing the sale of products manufactured prior to February 10, 2009 even if they contained the covered phthalates in excess of the new limits, a recent federal court decision held that the sale of covered products with excessive concentration of the noted phthalates was prohibited regardless of the date of manufacture.

Mandatory Third Party Testing and Certification – The CPSIA requires that children's products be tested by an accredited third party laboratory and that a certificate of compliance be issued. The effective dates differ depending on the required test. The date for testing and certifying lead content in paint was for product manufactured after December 21, 2008. The date for testing and certifying compliance with small parts regulations for products intended for children under the age of three was for product manufactured after February 15, 2009. The effective date for testing and certifying most other children's safety rules was February 10, 2009.

Tracking Labels – Commencing August 14, 2009, to the extent practicable, the manufacturer of a children's product shall place permanent, distinguishing marks on the product and its packaging that will enable the ultimate purchaser and the manufacturer to ascertain certain key manufacturing data.

Advertising - Any advertisement by a retailer, manufacturer, importer, distributor or private labeler, including those on Internet websites, in catalogues, or other printed materials that provide a direct means for the purchase or order of a product for which a cautionary statement is required, must include the appropriate cautionary statement displayed on or immediately adjacent to that advertisement.

ASTM F963 – The voluntary standards contained in ASTM F963-07 are now mandatory requirements.

Reporting – A report must be filed with the CPSC if a product does not meet a standard, contains a banned substance in excess of the allowable limits, or does not comply with the requirements of ASTM F963-07.

Enforcement – The CPSIA increased penalties to up to \$100,000 for each violation, not to exceed a total of \$15,000,000, for knowingly manufacturing, selling, distributing or importing non-confirming product.

This article by Sanford Frank was also published in The Toy Book, March/April 2009.

To learn more about Children's Products, contact: SFrank@Lackebach.com

INVENTIONS OF THE YEAR

The Intellectual Property Owners Education Foundation named its 2009 Inventors of the Year by recognizing James Baughman, Dr. David Cook, Keith Kowalsky, and Daniel Marantz for their work in developing advanced thermal spray technology for coating aluminum engines. The invention was commercialized by Ford Motor Company, and was first used in the Nissan GT-R which was the 2009 Motor Trend Car of the Year.

Dell honored its inventors of the year for 2008 when it recognized both Mukund Khatri, a Server Software Strategist for prolific achievement in the areas of cooling, virtualization availability and serviceability; and, Robert Winter, a storage architect for his work in the field of network security, protocol offload, virtualization and Ethernet innovations.

The European Patent Office honored inventors in four different categories with Inventor of the Year awards. Adolf Goetzberger of Germany received a Lifetime Achievement Award for his work in solar energy; Jurg Zimmermann of Switzerland and Brian Druker of the US for the invention of an effective drug to combat chronic myelogenous leukemia; Joseph Le Mer of France was honored for his invention of a heat exchanger; and, Zhou Yiqing of China was honored for anti-malaria drug based on herbal agents.

The British Female Inventors and Innovators Network recognized Denise Anstey for her "Slik Stik" walking stick that folds for convenient storage and portability while remaining firm and rigid while extended.

Acknowledgement Zone

Nancy D. Chapman

on behalf of Hyundai Motor America effectively overturned longstanding legal precedent (*In re Jeep*) on Appeal making new law on the issue of confusion between automobiles and tires.
– and –

Howard N. Aronson

was ranked 8th of all trademark attorneys nationwide by the *Trademark Insider*,

Annual Report 2008

based upon applications filed.

Lackebach Siegel continued, during 2008, its longstanding tradition of being positioned among the top filers in the nation.

Foreign Trademark Department

RO'S OBSERVATIONS

By Rosemarie B. Tofano

Thailand – New Interpretations of Existing Law –

In an interesting case involving a licensee of the prior owner of a mark, the Supreme Court did not enforce existing law that a license agreement must be registered to be valid and enforceable. Instead, the Court allowed the licensee of an unrecorded prior license agreement to continue to operate under the mark. The Court relied upon the obvious intention of the parties, departing from traditional law. It seems likely now that arguments involving the manifest intentions of the parties will be used in seeking to enforce unrecorded licenses. And in a notable registration matter, Coca-Cola was granted registration of its bottle design based upon the shape being inherently distinctive, without proof of use needed to show such distinctiveness. In another matter, the Thai Supreme Court overruled the Trademark Registry that considered MADAME descriptive of a fashion magazine. The lower court deemed the designation non-distinctive, being a common word. The Supreme Court, however, understood that the word, although common, was not descriptive of the goods or commonly used by the fashion industry.

China – Improved IP Protection –

Over 50,000 trademark infringement cases were investigated in 2008, an increase over the prior year. The State Administration for Industry and Commerce advised that while most of the matters were domestic cases, over 10,000 involved a foreign entity. The IP rights of the Olympics were successfully protected as well as many well known foreign marks. It seems clear that IP is a major factor in the Chinese economy. Thousands of IP criminal cases have been reported and several thousand criminals have been sentenced. Over 20,000 civil cases in recent years involving IP have been filed. Businesses operating in China are well served to register their trademarks and to consider suits in the local courts when infringements arise, because damages as well as injunctions are routinely obtainable. China courts determined (as opposed to investigated) more than 20,000 cases involving IP in 2008, a significant increase over prior years.

Japan – Nontraditional Trademarks –

While protection in the USA for nontraditional marks (three-dimensional shapes, colors and sounds) is well established, such protection is almost non-existent in Japan. But many Japanese businesses are using nontraditional marks, and over 80% (per a recent survey) would seek protection for them. The Japanese Patent Office provides for registration of three-dimensional shapes - but in practice, registration is rarely granted. Color or combinations of color are also usually denied registration. Responding to the needs of

Japanese businesses, the Japanese Unfair Competition Act provides protection for colors as well as three-dimensional shapes (in theory). As only well known indications of origin are protected under the Act, most recent litigations have involved color. Color is an important aspect of packaging and advertising in Japan, so when a color or combination or colors is well known, it has been granted unfair competition protection by the courts. Practitioners are hopeful that other nontraditional marks will soon be recognized for protection when the Japanese Trademark Act is amended next year.

Korea – Abuse of Rights –

In a notable decision, currently under appeal, the Seoul Central District Court did not enforce the rights of a party that was able to register the famous marks owned globally by the other party. A local Korean company was first to register "TOM & JERRY" for certain goods and wrote a cease and desist letter to Warner Bros. and its licensees. The Court, in an unusual move considering that Korea is a first to file country, determined that the actions of the local company deviated from the purpose and proper function of the trademark system. It was decided that the actions of the local Korean company in registering the "TOM & JERRY" mark ran afoul of fair competition and good public order. The High Court found an abuse of rights related to the registered mark, despite being the first-filed mark for the subject goods.

NOTABLE DEVELOPMENTS

By Rosemarie B. Tofano

Taiwan – The courts have recognized acquired distinctiveness in a three-dimensional package for chocolates based upon significant sales and marketing over twenty years. The High Court was insightful and found that the functions of the particular packaging could be achieved by using other colors and/or materials without hindering competition. As Taiwan is often a hotbed of product emulation, the occurrence of acquired distinctiveness being successfully established involving products and packaging is a welcome event.

Japan – While the trademark law allows registration without use of a mark, there must be an intent to use. Unlike the U.S., a Japanese Examiner may indeed reject an application if facts exist to suggest that the requisite intention does not exist. Guidelines have issued to allow examiners to reject applications due to the lack of an intent to use based upon the diversity or unrelated nature of the applied for goods and services. Retail store services are a notable area in which such rejections often occur.

Canada – A new opposition procedure became effective in March, 2009, which includes a nine-month cooling off period. The new practice provides parties the ability to discuss settlement, and may be invoked by either party independently at specific times during a proceeding. Canada now allows multiple bases for registration, including foreign registration and use abroad. The foreign registration must be in a "home country" and the use must be in connection with the applied for goods and/or services. Since an incorrect basis can be used to invalidate a registration, the ability to have additional bases in an application is a tactical benefit.

Taiwan – Damages in the event of infringement grants the Trademark owner the option to receive from 500 to 1500

times the sale price of the infringing item. In March, 2009, a court awarded Hermès \$7.5 million US dollars in response to the sale of only four counterfeit bags. In each instance, the infringing item was a copy of the famous Hermès Birkin bag in crocodile skin. The fakes sold for \$15,000 each, and the court chose to award the plaintiff 500 times the total sale price of \$60,000 or \$7.5 million dollars.

China – During April, 2009, China issued a Third Draft of Amendments to its Trademark Law that introduced protection for non-traditional marks (described as smells, sounds and gestures/motions) and provided for multi-class applications. As the basis for opposition was not clearly defined in the present law, the new Draft clarifies that only prior right holders or interested parties may oppose, and that opposition may be based on geographic significance, prior registered or applied for similar marks, bad faith, or not complying with well-known mark provisions. A catchall for "other" prior rights, as a basis of opposition, is set forth as well.

South Africa – As the Trade Mark Office allows many forms of non-traditional marks for registration, in January, 2009 it issued guidelines to clarify the application requirements. The guidelines set out how each type of mark is to be described and set forth in the application documents. Among the types of marks recognized and discussed are: sounds; scents; tastes; textures; gestures (motions); colors; three-dimensional shapes; holograms; and position marks. South Africa has long followed the U.S. in allowing protection for many types of features and aspects of goods and/or packaging that serve as an indication of origin.

European Union – Luxury goods makers are offered protection related to the "prestigious image" and "allure"

of the goods, as such forms a part of the value of a mark. Accordingly, a license agreement carefully worded to allow sales only if the use does not damage the reputation of the mark is enforceable. And because a license agreement does not necessarily grant an unconditional right of use, in a recent Christian Dior case the plaintiff was successful in preventing its licensee from selling branded goods to discount stores. Such sales were deemed to damage the "image" or "allure" of the mark.

For more information about Foreign Trademarks, please contact: Rosemarie B. Tofano, RTofano@Lackebach.com

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