

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:

9,102,448

TAMPER-EVIDENT CLOSURE

A tamper-evident closure for a container. The closure comprises a first portion including inner and outer parts, and a second portion. The outer part is moveable relative to the inner part from a first position in which at least part of the first and second portions are adjacent each other, to a second position in which there is a gap therebetween. The first portion comprises locking means for irreversibly locking the closure in the second position upon first opening so that the gap cannot be closed. The outer part includes a top plate and at least part of the locking means is carried on or by the plate.

Continued on page 6

Laches Locks the Courtroom Door

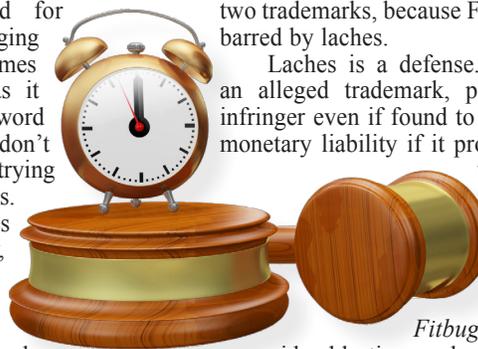
Where has the time gone?

By Eileen DeVries

Sleep may keep you healthy, but sleeping on your intellectual property rights – or most legal rights, for that matter – can often be fatal.

What is “Laches”?

The technical word for unreasonable delay in bringing a lawsuit is “laches” (rhymes with “matches”). Just as it sounds, it’s related to the word “lax” – something you don’t want to be when you’re trying to enforce your legal rights. A defendant can use laches as a defense if it can show, first, that the plaintiff waited too long to sue (“unreasonable delay” – meaning the length of the delay and whether or not there was a good reason for the delay) and second, that the defendant was harmed by the delay.



Fitbug v. Fitbit

That’s what the plaintiff – a producer of electronic fitness tracking devices – learned recently; in *Fitbug v. Fitbit*, Fitbug, a U.K. company founded in 2004, was one of the first companies in the portable electronic fitness tracker market. The competitor and defendant, *Fitbit*, was founded in California in 2007 and later said that the name “FITBIT”

was chosen before anyone at the company became aware of Fitbug. In 2013, *Fitbug* sued *Fitbit* for trademark infringement, but the court never decided whether or not there was a likelihood of confusion between the two trademarks, because Fitbug’s claims were barred by laches.

Laches is a defense. That means that an alleged trademark, patent or copyright infringer even if found to infringe, can avoid monetary liability if it proves that the plaintiff waited too long to sue and that the defendant was potentially harmed by the delay. In the *Fitbug* case, they spent considerable time and resources investigating the possible infringement by the new company that made electronic fitness tracking devices. The longer the investigation dragged on, the more evidence the rival company had that the plaintiff was waiting too long – regardless of whether or not there was actual infringement. To avoid this result, with the assistance of IP counsel, conduct a thorough investigation immediately so that you learn the facts related to the potential infringement and determine as soon as practicable whether or not you will bring an infringement claim, possibly starting with a cease and desist letter.

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Paralegal Profiles

CATHERINE KYNARD, ANA MARIA SUAREZ and JUDY HART

US and International Patent Departments



The US and International Patent departments at Lackebach Siegel boast certified paralegals among their support, bringing more than 75 years of combined intellectual property experience to our clients. Among them, Catherine Kynard’s responsibilities include management of thousands of domestic and foreign patent status and docket matters. Ana Maria Suarez’s and Judy Hart’s responsibilities include assisting managers of the patent department in connection with all foreign and domestic prosecution, as well as foreign and domestic patent enforcement activities.

Paralegal Profiles: Continued on page 10

Lackenbach Siegel *today* and Since 1923

Laches Locks the Courtroom Door

Continue from Page 1 - Where has the time gone? - By Eileen DeVries

Too much information?...

A major factor in any court's decision about whether a claim is barred by laches is the length of the delay. So the court will look at correspondence, including emails, that show how long a plaintiff knew about its potential claim. *Fitbit* conducted correspondence within and without the company about the issue of the potential infringement. Some of the correspondence referred to the potential infringer as a "ripoff," "another competitor," and "thieving." "Heads-up" letters from individuals and company employees only served to prove that the plaintiff was aware of the competitor's products *four and a half years* before the plaintiff filed suit.



lawsuit against the competitor. For example, in the *Fitbug v. Fitbit* case, *Fitbit* filed a trademark application just before its product announcement. The application covered goods similar to *Fitbug*'s.

WRONG: *Fitbug* apparently either remained unaware of or took no action to oppose *Fitbit*'s trademark application, even though *Fitbit*'s application was published for opposition in January 2009. As a result, *Fitbit* sailed through the 30-day opposition period and received a Certificate of Registration in December 2009. So when *Fitbug* finally sued *Fitbit* in March 2013, *Fitbit* had held a federal registration for more than three years.

...or not enough?

The court will look at not only actual knowledge of a potential infringement claim, but also constructive knowledge. That means that if your company *should have known about the potential claim*, a court will hold your company responsible – as if you had actually known the relevant facts. For example, *Fitbit* publicly announced its products a full year before it actually sold any products. So the plaintiff *Fitbug* was charged with knowing about the competitor from the time of the announcement – regardless of whether or not *Fitbug* actually was aware of the *Fitbit* announcement. *Fitbug* ignored or minimized the importance of information, such as the "heads-up" letters discussed above, that should have triggered action to the contrary.

Police your company's intellectual property, through a watch service or another reliable system. Act promptly, with the advice of counsel, on information about possible infringement, and organize a follow-up in doubtful cases.

Look Around

An effective trademark policing effort can inform intellectual property owners of potentially infringing applications in the U.S. Patent and Trademark Office. The owner of trademark rights can oppose a published application before the Trademark Trial and Appeal Board. If the Opposition proceeding is successful, the new application will be refused registration. In addition, the successful Opposition may help you prevail in a

CORRECT: Retain a trademark watch service or other system for policing your trademarks, to keep your company informed of trademark applications before the U.S. Trademark Office, as well as in other countries, for marks that may infringe your company's marks. For example, your company would receive notice that a potentially infringing mark will be published for Opposition, so that your company can then decide whether or not to oppose the application. Even though a favorable decision by the Trademark Trial and Appeal Board will not necessarily stop an infringement, because a competitor could theoretically continue to use the mark without a federal registration, the Opposition would indicate to a court that your company was conducting an effective policing effort. In addition, the Opposition may lead to a settlement agreement that will resolve the issue in a timely fashion.

Do Your Homework

Even if every single factor showing infringement isn't obvious from the entry of a potentially infringing competitor into a market, the courts expect IP holders to connect the dots. As the court said in the *Fitbug* case, "While *Fitbit* was not yet shipping its products, at that time, *Fitbit* was selling similar devices 'in the same geographic area under [a] remarkably similar name[] . . .'" As a result, a prudent business person should have recognized the likelihood of confusion at that point."

U.S. and PCT Patent Statistics *Upswing Continues*

For 2014, United States utility patent applications trended slightly upward yet again. The preliminary total of 578,802 utility patent applications is up roughly 1.26% from the 571,612 in 2013, and again represents an all time high. Foreign originating utility applications increased 1.1% to 50.7% of the total filings. Also, of the 300,678 total utility patents that issued in the U.S. last year, 156,057 (51.9%) were issued to residents of foreign countries, the same percentage as that of 2013. In 2014, U.S. residents accounted for 144,621 of the utility patents issued, which was the same 48.1% of the utility patents issued in 2014.

Of the utility patents issued to foreign residents, Japanese residents accounted for 53,849 (or 34.5%). This number is 9.3% of the total U.S. utility patents issued in 2014, down 1.5% from 2013. As a percentage of the total utility patents, Japan was followed by Germany (10.6%), South Korea (10.6%), Taiwan (7.3%), China (4.6%) and Canada (4.5%). The top ten was filled out by France (4.3%), the United Kingdom (4.2%), Israel (2.2%), India (1.9%) and Sweden (1.8%). Other countries with a high percentage of the issued utility patents in 2014 included Italy (1.7%), the Netherlands (1.6%), Switzerland (1.5%), and Australia (1.1%).

Within the U.S., California again led all States in 2014 with 40,661 utility patent grants (or 28.1% of all utility patents issued to U.S. residents. This number amounts to 13.5% of all U.S. utility patents granted. The other major State contributors as a percentage of the utility patent grants in the U.S. were Texas (6.9%), New York (6.2%), Massachusetts (4.7%), Washington (4.5%), Michigan (3.7%), New Jersey (3.5%), Illinois (3.5%), Minnesota (3.2%), Florida (2.9%), Pennsylvania (2.8%), Ohio (2.6%), North Carolina (2.4%), and Colorado (2.2%).

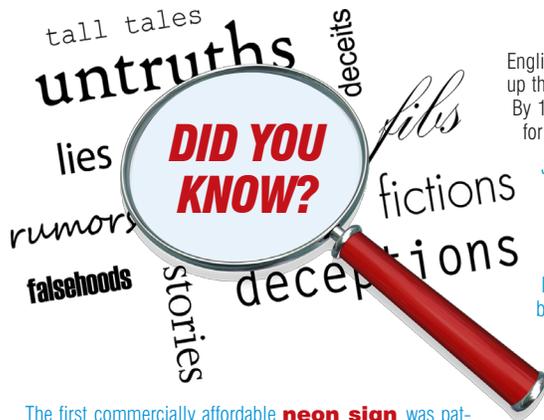
Utility patents issuing to U.S. Government agencies in 2014 were once again up from the prior year. In 2014, a total of 1,024 utility patents issued to all U.S. Government Agencies, which was roughly the same as last year. The Navy led the way with the highest percentage of utility patents granted to a government agency at 35.6%, followed by the Dept. of Health and Human Services at 17.3%, the Army at 15.1%, NASA at 10.9%, the Dept. of Agriculture at 6.5%, the Air Force at 5.3%, and the Dept. of Energy at 2.8%.

Patent Cooperation Treaty (PCT) filings for 2014 saw an increase in total filings of 4.5% up to 214,500, with strong growth from the United States (+28.7%), Japan (+19.8%), and China (+11.9%). Others also experiencing growth included Germany (+8.4%), Korea (+6.1%), France (+3.9%), the UK (+2.5%), the Netherlands (+1.9%), and Sweden (+1.8%).

The U.S. remains the largest user of the PCT system with 61,492 Applications in 2014, followed by Japan with 42,459 applications, China with 25,539 filings, Germany with 18,008 filings, and the Republic of Korea with 13,151 filings.

Continued on Page 5

Lacken-FACTS!



The first commercially affordable **neon sign** was patented on November 9, 1910 by Frenchman Georges Claude, according to the Museum of Neon Art. The first neon sign to be installed in the United States was in Los Angeles, when in 1923 Earl C. Anthony purchased a neon sign from the inventor to advertise his Packard car dealership in Los Angeles. The Young Electric Sign Company erected the first neon spectacular sign in Las Vegas for the Boulder Club in the late 1930s.

The **Post-It note** was invented by two scientists at the 3M Company in 1973. One of its scientists, Spencer Silver, had invented a weak adhesive that appeared to have no commercial value. Then his colleague, Arthur Fry, thought of using the adhesive on pieces of paper to replace the bookmarks that kept falling out of his hymn book during choir practice. The notes were originally yellow because that was the color of the scrap paper that was available in the nearby office when the two scientists were making the first Post-It notes.

Although the word "**sneaker**" for tennis shoes is often attributed to Henry Nelson McKinney, an advertising agent for N. W. Ayer & Son, who first used "sneaker" in 1917 to describe the fact that the rubber-soled shoe allowed one to walk quietly, the term was actually used as early as 1887. In that year, a Boston newspaper referred to "sneakers" as the name boys give to tennis shoes.

The **paperclip** was invented in 1899 by the mathematician and scientist Johan Vaaler of Norway. Vaaler obtained a patent in Germany in 1899 and in the United States in 1901. The paperclip replaced tailors' straight pins, popular for fastening papers since the invention in 1835 of a machine to mass produce the pins by physician John Ireland Howe. Before that, waxed ribbons had been used for hundreds of years.

The French inventor Joseph Niépce produced the first **photograph** in about 1826, a view taken from a window in his house of the Burgundy region of France, on a sheet of bitumen-coated pewter. The exposure time needed for the photograph may have been as long as several days. The development germinated from his trials with lithography, when he experimented with light-sensitive varnishes. After developing his first photograph, Niépce traveled to England where he asked the Royal Society to allow him to make a presentation of his invention, which proposal was rejected.

Tin cans were used to preserve food since about 1772. The tin can was allegedly invented by Frenchman Philippe de Girard and the idea passed to a British merchant who was used as an agent to patent Girard's idea. The canning concept was based on experimental food preservation work in glass containers. In 1812 the patent was sold to two

Englishmen, who refined the process and product, and set up the world's first commercial canning factory in London. By 1813 they were producing their first tin canned goods for the Royal Navy.

James Hoge received a U.S. patent for the first electric traffic signals in 1918, and the first **electric traffic signal** was installed in 1914 at the corner of Euclid Avenue and East 105th Street in Cleveland, Ohio. Gas-lit traffic lights were installed in London in 1868, well before the invention of automobiles, but within a month, a gas line leak beneath the sidewalk caused an explosion, so use of the design was discontinued.

Alexander Graham Bell's mother was deaf, and his father was a speech teacher for the deaf. Alexander Graham Bell himself later became a teacher of the deaf, and his wife also was deaf. Bell's interest in the human voice extended to research into transmitting telegraph messages simultaneously over a single wire, leading to the invention of the telephone for which Bell received a U.S. patent for his method of transmitting sounds on March 7, 1876.

The first **fax machine** was the invention of a Scottish mechanic, Alexander Bain, a clockmaker who combined parts from clock mechanisms with telegraph machines to develop the first fax process. Bain received a U.K. patent in 1843. In Bain's invention, a transmitter scanned a flat metal surface, using a stylus, which picked up images from a metal surface. He received his United States patent on May 27, 1843 for his "Electric Printing Telegraph."

The first public demonstration of a two-way **video-phone** took place in New York City in 1930, in a call between Bell Laboratories and AT&T headquarters. The system used early television equipment with a closed circuit. Bell Laboratories developed a videophone for use over existing telephone circuits by 1956.

Early **conveyor belts** were in use as early as the 19th century. In 1892, Thomas Robins invented a conveyor belt used for transporting coal, and in 1901 there were steel conveyor belts in use. Richard Sutcliffe is credited with the first conveyor belts for use in coal mines in 1905, which revolutionized the mining industry. In 1913, Henry Ford introduced conveyor-belt assembly lines at Ford Motor Company's Highland Park, Michigan factory. In 1957, the B. F. Goodrich Company patented a conveyor belt incorporating a half-twist to reduce wear.

Thomas Edison had 1093 issued US patents in his name, filing his first patent application at age 21, in addition to over 500 applications that were denied. His serious research related to the light bulb occurred in 1878, for which he filed his first patent application for "Improvement in Electric Lights". 34 of his patents related to the telephone – 141 related to batteries – and 389 were directed to the electric light. One biographer credits Edison with over 1200 non-US patents granted in 34 countries.

The **printing press** was invented by Johannes Gutenberg around 1440 in Germany. By 1500 over 1,000 Gutenberg presses were operating in Europe, and by 1600 they had created over 200 million new books. The printing press is credited with facilitating the Age of Enlightenment and the spread of new and controversial ideas. The printing press proved so influential in prompting revolutions, religious upheaval and scientific thought that Mark Twain would later write, "What the world is today, good and bad, it owes to Gutenberg."

Containers of Counterfeits! Staying Ahead of the Curve

Every year more than 11 million containers arrive at American seaports; 10 million arrive by truck at land borders; three million by rail, and an additional 250 million cargo, postal and express consignment packages arrive by air. But only about 30,000 trademarks (as well as copyrights and trade names) are recorded for border enforcement with Customs and Border Patrol (CBP) – despite the fact federal trademark and copyright registrations number in the millions.

You Have To Register – Trademarked products can be detained or seized by the CBP. In theory, the CBP considers any product that has a trademark similar to a federally registered trademark that is recorded with it. If the brand owner has not given consent in writing for the product to be imported, the products will be seized and destroyed. In addition, civil fines may be imposed against those who direct, assist, or aid and abet the importation of counterfeits.

Seized, Detained and Destroyed – When counterfeit products are seized, the government notifies the brand owner and also discloses available details about the shipment. CBP may also provide to the trademark owner a sample of the product to allow the sample to be examined, tested, or used by the trademark owner in pursuing civil remedies against the importer.

Protection in a Market without Borders – Beyond the problem of strengthening the traditional borders, holders of trademarks often are being hurt by new technology – including 3D printing – which allows counterfeiters to copy goods – and expands the channels through which the goods enter the country. The business models adopted by counterfeiters have also shifted. The latest wrinkle is the import of counterfeit goods via the internet – by mail and express courier shipments.

The RogueBlock Advantage – Failing in efforts to gain further legislative protection for intellectual property in the face of these new threats, intellectual property holders have teamed up with payment processors to stop infringement, forming the International AntiCounterfeiting Coalition (IACC) and launching the Payment Processor Initiative. Code-named RogueBlock, the program has set up a procedure by which rights holders can report online sellers of counterfeit or pirated goods to participating money transfer networks and credit card and payment processing companies. If a violation is found, the merchant's account can be shut down – a major blow to the counterfeiter, because no merchant can remain in business without a way to receive payment.

Participants in the RogueBlock program have referred more than 9,000 websites for investigation, and almost 4,000 merchant accounts have been terminated. The RogueBlock program had the advantage of being more effective than attempts to shut down scores of successive websites for counterfeits because it's difficult for a merchant to establish a merchant account, compared to the ease of setting up a new website.



Alice 2.0 - An Update:

The aftermath in Wonderland

Implications in the Post-Alice Wonderland

By Andrew Young

In the 1865 Lewis Carroll book *Alice's Adventures in Wonderland*, Alice follows the White Rabbit down the rabbit hole to Wonderland, where everything changes. The most significant antagonist in the book is the Queen of Hearts whose most famous line is "Off with their heads!"

The US Supreme Court's unanimous ruling in *Alice Corp v. SLS Bank Int'l.*, in June of 2014, and the later issuance of the USPTO's Eligibility Examination Guidelines in June 2014 and July 2015 have resulted in the invalidity of many issued patents and the rejection of many pending applications. Actions at the USPTO during initial examination and at the Patent Trial and Appeal Board (PTAB) during appeal or post-issue challenge show that interpretations of *Alice* do not favor patent applicants. The USPTO and the courts seem to be ruling "Off with the patent!" and this will continue unless the US Supreme Court changes direction again.

The decision in *Alice* found that a claim for the fundamental practice of "intermediate risk hedging in business" was an abstract idea unpatentable under §101. Hence, the aftermath of *Alice*, and the USPTO's Guidelines have sent many patents and applications down the rabbit hole.

Help is Not on the Way

The USPTO Guidelines note that *Alice* supports a two-step analysis, as we reported earlier. The thrust of step one is determining whether or not an abstract idea is identified. If an abstract idea is identified, the thrust of step two identifies whether or not the remainder of the claim relates to significantly more than the abstract idea itself. And the Court urged the USPTO and other courts to "tread carefully" lest this principal "swallow all of patent law." Indeed the usual requirements of US law and the Administrative Procedures Act (APA) that guide the USPTO practice require that a determination of the abstract idea be based on "substantial evidence" such as outside references, and not examiner opinion.

Unfortunately, it seems that much has been 'swallowed,' because the USPTO Guidelines assert citation of a reference is "not necessary" to support a §101 rejection, and that Examiners need only express a

"clear articulation" of the Examiner's decision that the claimed invention is not patent eligible. And, having once expressed a 'clear articulation' of a §101 basis rejection, Applicants seem to have great difficulty in challenging an Examiner.

Even more difficult to comprehend is the USPTO's position that "the absence of a complete preemption [of the claim] does not guarantee that a claim is patent eligible," leaving applicants with little



light to see down the rabbit hole of prosecution even if a claim otherwise contains clearly non-abstract limitations. The fact that a claim may contain novel or non-obvious subject matter does not remove a claim from being 'abstract.'

A summary of *Alice* decisions of all federal courts since 2014 suggests that for every §101 challenge, invalidity rulings arrive 72% of the time. For the Federal Circuit 12 of 13 decisions resulted in invalidity (92%). A report on court rulings on motions on pleadings for §101 found preemption invalidity at 67% before the claims were even analyzed for infringement, novelty, or non-obviousness.

Results at the USPTO seem even worse. One posted summary for PTAB results for §101 based appeals challenging rejections finds invalidity 84% of the time initially, and upon a final decision basis 100%. Other statistics for Examiner final rejections on a §101 basis in some art units range between 76%-100%. Another analysis of over 1000 abandoned applications found that §101 was the cause 31% of the

time. In some technology centers, such as TC3600 for cryptology, modeling, e-shopping, health care, financing, etc. a §101 rejection occurs upwards of 90%. These statistics are certainly injuring innovation and the desire to invest in innovation.

With these results now widely known, hopefully the US Supreme Court will find the opportunity to shine the light down the rabbit hole and remove the Queen of Hearts.

Implications in the Post-Alice Wonderland

These impacts are not limited to software and computers. §101 *Alice* rejections have been made in nearly every art unit at the USPTO and are considered in nearly every patent litigation possible. *Alice* concerns should be anticipated anytime a claim element is not expressly structure, a composition, or a material. Claims that enable functional components, involve data transfers or computers, give transformative results, and follow method steps may all be suspected by the USPTO of being §101 ineligible under *Alice*.

Important Considerations

- Enhance the initial written description in applications that involve manipulation of data or computerized processes in any industry. These should include 'significantly more' in the way of functional components, transformative actions, and physical limitations and features. Brevity in the written description is a negative under *Alice* analysis.

- Means-plus-function claim structure should be avoided.

- In Computer-implemented functions, disclosure of an algorithm, flow chart, if-then steps, or computer code itself is recommended.

- Consider re-issue filings to strengthen important patents.

- Assess the value of portfolios and licenses that rely on patents issued before examination under the USPTO's new Eligibility Examination Guidelines. Consider a review of any financing that rests on such patents.

- Recognize *Alice* as part of the risk assessment in pre-litigation and opinion strategy.

To discuss Patent issues, contact Andrew Young at AYoung@Lackebach.com

Know Thy Limitations Period

Where has the time gone?

Laches Locks the Courtroom Door *continued from page 2*

The plaintiff argued that it wasn't responsible for knowledge of a potential infringement until actual sale of the competing products. What should be done is to pay attention to the results of IP policing efforts even if the competitor isn't actually selling products or offering services yet, because your company will be charged with awareness of a likelihood of confusion from the time your company knew or should have known of that likelihood – not when your company is completely satisfied that confusion is likely. Seek early advice from IP counsel, so that your company doesn't find itself arguing the equivalent of "The dog ate my homework" before a court if your company does decide to bring a lawsuit.

Look Ahead

Gradual expansion of a competitor into an IP holder's area of business can sometimes indicate that infringement isn't evident until the expansion has actually resulted in direct competition between the IP holder and the new company. But courts often charge IP holders with understanding that the conflict between the two businesses is inevitable. For example, in the *Fitbug* case, *Fitbug* argued that at first *Fitbit* sold only to individuals, and not to businesses, and so there was no likelihood of confusion until *Fitbit* began selling to businesses. But the court said, "While *Fitbug* points out that *Fitbit's* sales in the business-to-business-to-consumer market have grown substantially, it is also undisputed that *Fitbit* had sales in that market since its inception."

The plaintiff wrongly decided that the infringement was so minimal at first that it could wait until the competitor's sales were at a level that actually threatened *Fitbug*. **To avoid that error, assess potentially infringing products and consider, with the assistance of IP counsel, whether or not the competitor is either actually selling or planning to sell in your market – or will logically be doing so as its business expands.** If so, your company will be charged with knowledge of potential infringement even before that expansion actually occurs.

Don't Just Hope the Problem Will Go Away

In deciding whether a claim is barred by laches, courts don't accept the argument that the plaintiff waited to sue until it was sure the new company would not go out of business. In the words of a leading trademark authority, as quoted by the *Fitbug* court, "[T]he plaintiff 'cannot simply wait without explanation to see how successful the defendant's business will be and then ask for an injunction to take away good will developed by defendant in the interim.'" *Fitbug* delayed action while it waited and watched its competitor invest in the new business. To avoid that error, use your business sense, and your IP lawyer's advice, to evaluate the

threat imposed by the potential infringer. Don't count on a competitor's possible business failure to resolve the infringement issue.



***Fitbug* took no action when advised by attorneys as early as a month after the public announcement of the competing product – and again when the competitor began selling its product – that there might be trademark infringement. The better approach is to consult with IP counsel whenever IP infringement is suspected – and make sure your company understands counsel's reasons for recommending or not recommending action, before your company makes a final decision.**

And remember, as the old saying goes, "Laches is a penalty for sleeping on one's rights." When it comes to IP and other legal rights – "You snooze; you lose."

"If you see something, do something."

The greater the harm to the junior user by the delay of the first user in bringing suit, the more likely it is that an infringement claim will be barred by laches. For example, in the *Fitbug* case, the court explained that "Fitbit has provided substantial evidence detailing its efforts through the period of *Fitbug's* delay to build its business, generating substantial sales, hiring large numbers of employees, and developing products, all of which it offers under the well known FITBIT mark. Those efforts, and *Fitbit's* products, have garnered awards and substantial media coverage. The economic prejudice would be severe if *Fitbit* were to now lose the rights to the Fitbit name."

What the plaintiff did: As the court saw it, *Fitbug* thought that "it should be permitted to wait and watch, with full knowledge of *Fitbit's* allegedly infringing use, as *Fitbit* invested substantial sums of money in advertising and building up goodwill in its allegedly infringing brand, only to intervene once those investments panned out." So the court ruled that such delay created the potential harm to *Fitbit* by *Fitbug's* tardy lawsuit, supporting *Fitbit's* defense of laches.

What your company can do: Quickly consider possible infringements when you learn of them, and reject a "wait-and-see" approach, to avoid being responsible for your competitor's lost investment if you bring suit.

Know Thy Limitations Period

Courts will decide whether a plaintiff's delay was unreasonable based on statutes of limitations – either for infringement, as some states have provided, or by analogy to another type of claim, such as a similar civil wrong. But a court can decide that laches bars a claim, even if an analogous statute of limitations hasn't yet been reached. **As the U.S. Supreme Court stated in 1892, "[L]aches is not, like limitation, a mere matter of time; but principally a question of the inequity of permitting the claim to be enforced,—an inequity founded upon some change in the condition or relations of the property or the parties."**

Fitbug calculated that it had four years to bring suit, based on a statute of limitations covering other civil wrongs – and used the beginning of its competitor's sales to determine when the limitations period started to run. But the court could have considered a shorter limitations period – three years or two years, depending upon what rule courts in that state applied in similar cases. And even four years wasn't long enough for *Fitbug's* claim, because the court ruled that the time period began when the plaintiff *should* have known about the potential infringement – a year earlier than sales started, the date on which *Fitbug* relied.

To discuss your Laches, please contact Eileen DeVries at: EDeVries@Lackenbach.com

Patents, Trademarks, Copyrights

PATENT CORNER

Continued from Page 1

TAMPER-EVIDENT CLOSURE

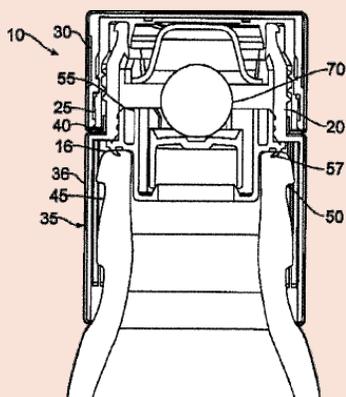
United States Patent Number:

9,102,448

Date of Patent
August 11, 2015

Assignee:

Obrist Closures Switzerland GmbH (CH)



Notable, Recent LS Patents

SUNSCREEN COMPOSITION

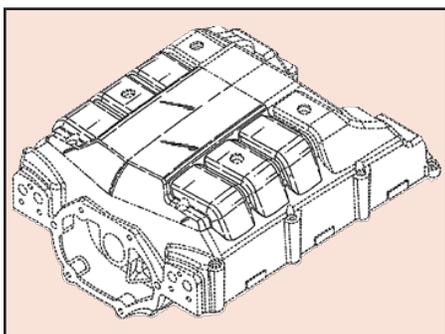
Patent No.: 9,044,624

Assignee: Shiseido Company, Ltd. (JP)

INDUCTION HOUSING

Patent No.: 0737,332

Assignee: Callaway Cars, Inc. (US)



TREATMENT OF CEREBRAL PALSY IMPAIRED SPEECH IN CHILDREN

Patent No.: 9,161,718

Assignee: Gilrose Pharmaceuticals, LLC (US)

DEVICE FOR RELEASING A TRANSCEIVER FIXED IN A HOUSING VIA CONNECTION FROM HOUSING

Patent No.: 8,956,058

Inventor: MC Technology GmbH (DE)

DINITROXIDE-TYPE BIRADICAL COMPOUNDS OPTIMIZED FOR DYNAMIC NUCLEAR POLARIZATION (DNP)

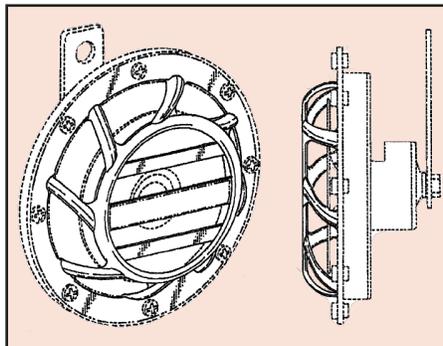
Patent No.: 9,035,054

Assignee: Universite d' Aix-Marseille (FR)

HORN COVER

Patent No.: D733,601

Assignee: Wolo Mfg. Corp. (US)



METHOD AND DEVICE CONFIGURATION SYSTEM FOR REMOTE OPERATION OF A FIELD DEVICE

Patent No.: 9,141,331

Assignee: Vega Grieshaber KG (DE)

PARABOLIC ANTENNA WITH AN INTEGRATED SUB REFLECTOR

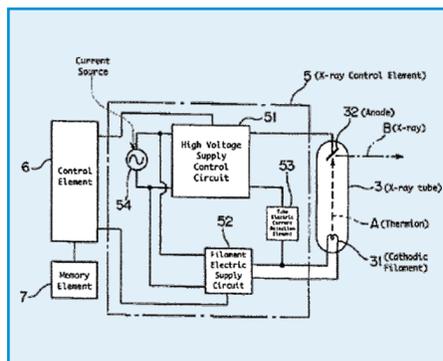
Patent No.: 9,170,147

Assignee: Vega Grieshaber KG (DE)

RADIOGRAPHIC EXAMINATION APPARATUS AND METHOD FOR THE SAME

Patent No.: 9,125,619

Assignee: Shimadzu Corporation (JP)



SCRUB SOAP AND METHOD FOR MANUFACTURING THE SAME

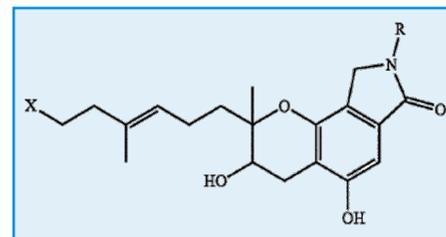
Patent No.: 8,969,274

Assignee: Chojiyu-No-Sato Co., Ltd.; Zenshin Co., Ltd.; Ing Co., Ltd. (JP)

CYTOPROTECTIVE AGENT

Patent No.: 9,078,880

Assignee: National Univ. Corp. Tokyo Univ. of Agriculture and Technology; TMS Co., Ltd.; Showa Univ. (JP)



ADJUSTABLE FURNITURE

Patent No.: 8,955,178

Assignee: Integrated Furniture Technologies Limited (UK)

WATER-IN-OIL EMULSION COMPOSITION

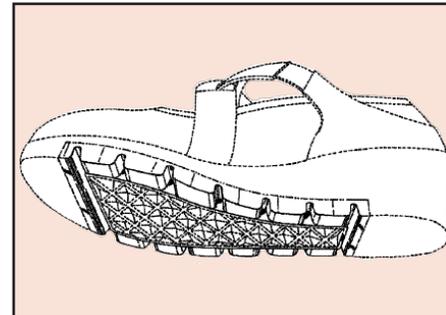
Patent No.: 9,034,375

Assignee: Shiseido Company, Ltd. (JP)

SHOE SOLE

Patent No.: D737,032

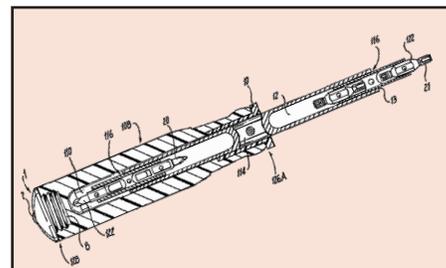
Assignee: Aerogroup International Holdings LLC (US)



ELECTRIC TESTING DEVICE AND METHOD FOR HAND TOOLS HAVING TESTING MECHANISMS

Patent No.: 9,056,392

Assignee: Wayne Anderson, Warren Anderson (US)



HINGE

Patent No.: D725,990

Assignee: Haze Collection, LLC (US)

BURIAL VAL T SYSTEM AND METHOD

Patent No.: 8,973,226

Assignee: Polyguard & Co., LLC (US)

Domain Names, Internet and Advertising

TRADEMARK CORNER

Notable, recent LS Trademarks

FLEXAGEN

Registrant: Olimp Laboratories SP. Z O.O. (Poland)

IMSAMID

Registrant: IMS Gear GmbH (Germany)

RHA

Registrant: Teoxane SA (Switzerland)

CTP ENVIRONMENT (and Design)

Registrant: CTP Environnement (France)



BLUE VALUE

Registrant: Mitsui Chemicals, Inc. (Japan)

SAKURA SALICYLATE

Registrant: Takasago Koryo Kogyo Kabushiki Kaisha (Japan)

POURCHET

Registrant: Pourchet France SARL (France)

BEACHADVISOR

Registrant: KVP SRL (Italy)

BK MIKRO (and Design)

Registrant: Schubert System Elektronik GmbH (Germany)

SWOPSTAKES

Registrant: Six Faces Pty. Ltd. (Australia)

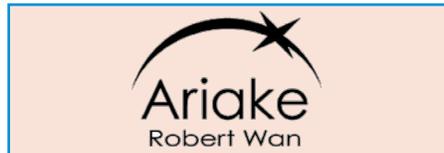
TBK (Stylized)

Registrant: TBK Co., Ltd. (Japan)



ARIAKE ROBERT WAN (and Design)

Registrant: Robert Wan Holding (France)



MARCOBOLOGNA

Registrant: Bosco SNC Di Marco Giugliano E Nicolo' Bobologna (Italy)

LATTECREMA SYSTEM (and Design)

Registrant: De' Longhi Appliances S.R.L. (Italy)

SPB

Registrant: SPB (France)

COMSUITE

Registrant: The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Japan)

EXO GUARD

Registrant: Towa Corporation Ltd. (Japan)

HERNICORE

Registrant: Seikagaku Kogyo Kabushiki Kaisha (Japan)

THE ELEVATION GROUP

Registrant: Finish Strong Ventures, Inc. (USA)

NAMAIKI (and Design)

Registrant: Chikaranomoto Holdings Co., Ltd. (Japan)

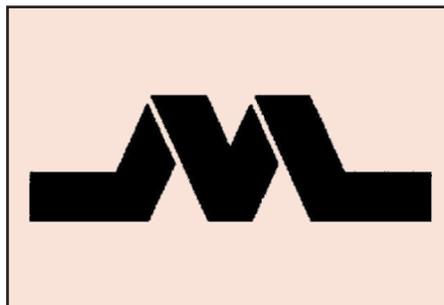


GELB 4/7

Registrant: Gelb Technologies, LLC (USA)

M (Stylized)

Registrant: Mitsuwa Tiger Co., Ltd. (Japan)



HERE'S THE THING

Registrant: New York Public Radio (USA)

HALSTON

Registrant: The H Company IP, LLC (USA)

THE GIGI (Stylized)

Registrant: B. & Sons Finanziaria (Italy)



EVERSTRIKE

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

SEVEN STAR

Registrant: Nina Footwear Corp. (USA)

NF SERIES (and Design)

Registrant: Les Tourbières Berger Limitée (Canada)

DOWNTOWN FESTIVAL

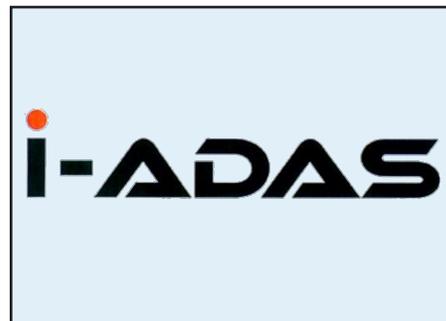
Registrant: Downtown Records LLC (USA)

HANG TEN

Registrant: American Brand Holdings LLC (USA)

I-ADAS (Stylized)

Registrant: JVC Kenwood Corporation (Japan)



DERMAL MOTIVATOR

Registrant: Shiseido Company, Ltd. (Japan)

TAHARI

Registrant: Tahari, Elie (USA)

DIGITAL GARAGE

Registrant: Digital Garage, Inc. (Japan)

Continued on Page 9

More Patents

PATENT CORNER

Continued from Page 6: Patent Corner

PRODUCTION METHOD FOR HIGH PURITY COPPER POWDER USING A THERMAL PLASMA

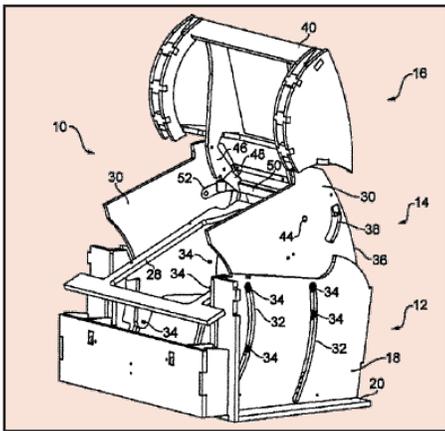
Patent No.: 9,061,353

Assignee: Poongsan Corporation (SK)

LIFT-RECLINER CHAIR AND METHOD THEREOF

Patent No.: 9,155,388

Assignee: Integrated Furniture Technologies Limited (UK)



MEASURING ARRANGEMENT SYSTEM FOR A UNIVERSAL PROCESS CONNECTION

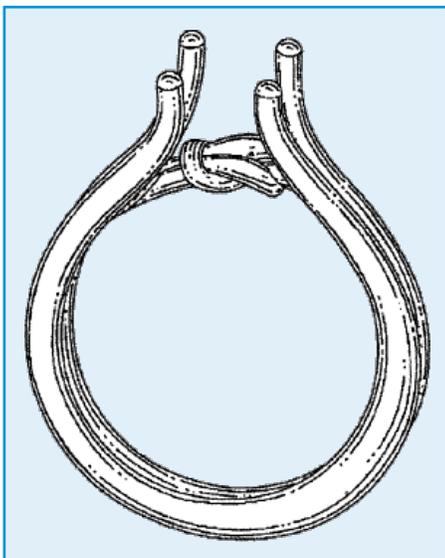
Patent No.: 9,134,147

Assignee: Vega Grieshaber KG (DE)

KNOT JEWELRY ARTICLE

Patent No.: D724,476

Inventor: Firestar Diamond, Inc. (US)



DRIVING HEAD ASSEMBLY FOR A PNEUMATIC RATCHET WRENCH

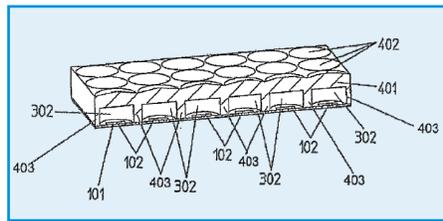
Patent No.: D727,698

Inventor: Basso Industry Corp. (TW)

PLANAR ANTENNA WITH COVER

Patent No.: 9,178,275

Assignee: Vega Grieshaber KH (DE)



PROCESS AND SYSTEM FOR GASIFICATION WITH IN-SITU TAR REMOVAL

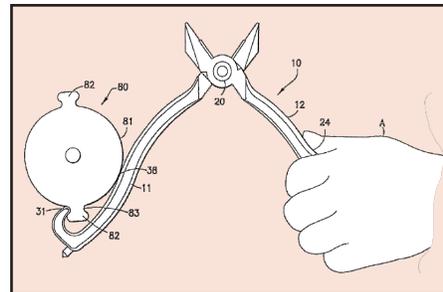
Patent No.: 8,999,019

Assignee: Taylor Biomass Energy, LLC (US)

FIREFIGHTER TOOL

Patent No.: 8,935,972

Assignee: Channellock, Inc. (US)



ANNEALING APPARATUS AND ANNEALING METHOD

Patent No.: 9,159,960

Assignee: Everdisplay Optonics (Shanghai) Limited (CN)

SURFACE MOUNT COAXIAL CABLE CONNECTOR

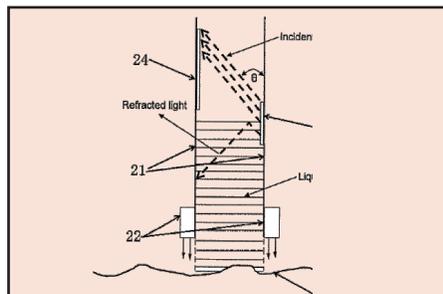
Patent No.: 9,142,924

Assignee: Zierick Manufacturing Corp. (US)

APPARATUS FOR DETECTING THE FLATNESS OF WAFER AND THE METHOD THEREOF

Patent No.: 9,134,122

Assignee: Shanghai Huali Microelectronics Corp. (CN)



METHOD FOR PICOSECOND AND FEMTOSECOND LASER TISSUE WELDING

Patent No.: 8,974,444

Assignee: Robert R. Alfano (US)

RESISTIVE TOUCH SCREEN, AND DOUBLE-POINT DETECTION PROCESSING METHOD AND DEVICE THEREOF

Patent No.: 9,141,249

Assignee: Spreadtrum Comm. (Shanghai) Co., Ltd. (CN)

SURFACE MOUNT/THROUGH-HOLE CRIMP PIERCING ZIPCORD CONNECTOR

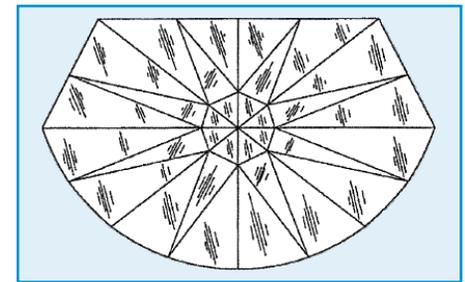
Patent No.: 9,004,937

Assignee: Zierick Manufacturing Corporation (US)

JEWELRY DESIGN

Patent No.: D738,777

Assignee: Nirav Modi (IN)



RADIOGRAPHIC APPARATUS AND METHOD FOR THE SAME

Patent No.: 8,983,029

Inventors: Shimadzu Corporation (JP)

METHOD AND SYSTEM FOR AUTONOMOUS TEACHING OF BRAILLE

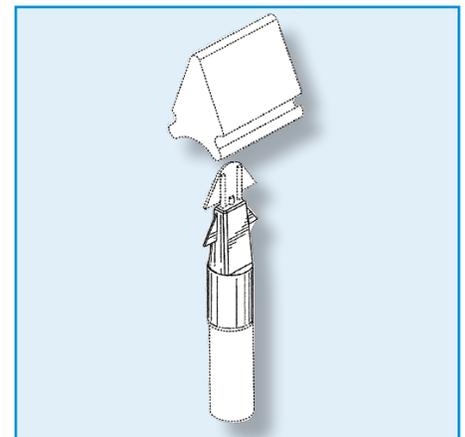
Patent No.: 9,105,196

Inventor: Proxtalker.com, LLC (US)

APPLICATOR DISPENSING HEAD

Patent No.: D737,143

Assignee: Biomed Packaging Systems, Inc. (US)



More Trademarks

TRADEMARK CORNER

Continued from Page 7: Trademark Corner

MTFG

Registrant: Mitsubishi UFJ Financial Group, Inc. (Japan)

SABATIER (and Design)

Registrant: Rousselon Freres Et Cie (France)



NEBRIJA UNIVERSIDAD NEBRIJA UNIVERSIDAD (and Design)

Registrant: Universitat Nebrissensis, S.A. (Spain)



ONE MOVE AHEAD

Registrant: Exceed Investments LLC (USA)

PLACES I REMEMBER

Registrant: A Jaffe, Inc. (USA)

JOYO BANK

Registrant: The Joyo Bank, Ltd. (Japan)

FLUTIFORM

Registrant: Jagotec AG (Switzerland)

KARUISHI

Registrant: Toray Kabushiki Kaisha (Japan)

MNEX

Registrant: Mitsubishi Materials Corporation (Japan)

MIRILLIS (Stylized)

Registrant: Mirillis SP. Z O.O. (Poland)



TIMING SINCE 1968 (and Design)

Registrant: Timing Pharmaceutical Co., Ltd. (Taiwan)

GOLD LEAF

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

WUBBLE

Registrant: NSI International, Inc. (USA)

STRIKELIGHT

Registrant: Strikenet LLC (USA)

SONIC BLAST

Registrant: Wolo Manufacturing Corp. (USA)

AT THE HEART OF GOOD HEALTH

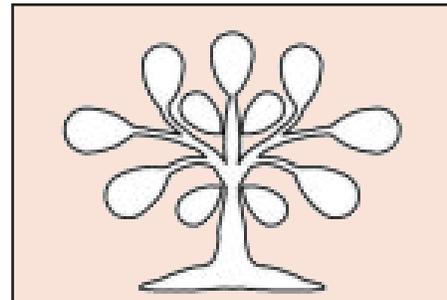
Registrant: W. Atlee Burpee Company (USA)

LE STANZE DI ANN

Registrant: Martini Mobili S.R.L. (Italy)

Miscellaneous Design

Registrant: Martini Mobili S.R.L. (Italy)



CREATIVE ROOTS

Registrant: Horizon Group USA, Inc. (USA)

ANNE VALERIE HASH

Registrant: AVH (France)

RUUM AMERICAN KID'S WEAR (Stylized)

Registrant: Ezrani LLC (USA)



WOBBLE WAG GIGGLE

Registrant: Lenfest Media Group (USA)

ASW

Registrant: ASW Capital AG (Switzerland)

PALEO PASSION POPS

Registrant: Paleo Passion Foods, LLC (USA)

QUADPOD

Registrant: AMG Medical Inc. (Canada)

KEIGAN

Registrant: Hitachi Aloka Medical, Ltd. (Japan)

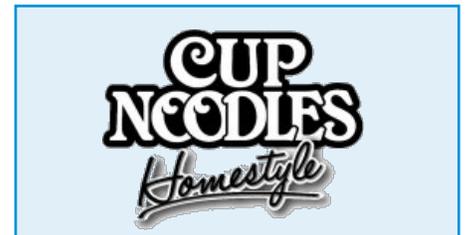
INNO LIGHT (and Design)

Registrant: Innolight Technology Corporation (China)



CUP NOODLES HOMESTYLE (and Design)

Registrant: Nissin Foods Holdings Co., Ltd. (Japan)



LUCREST

Registrant: Hitachi Aloka Medical, Ltd. (Japan)

UHP UNITED HOLISTIC PROGRAMS

Registrant: United Health Programs of America, Inc. (USA)

AERGO (Stylized)

Registrant: Aerogroup International Holdings LLC (USA)



BAHIA SUL

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

MIYABI

Registrant: Mitsubishi Rayon Co., Ltd. (Japan)

ENDLESS CUT

Registrant: Nirav Modi (India)

HYDE INDUSTRIAL BLADE SOLUTIONS (Stylized)

Registrant: Hyde Tools, Inc. (USA)



What Reservation?

U.S. and International Patent Departments Continued from Cover Page

Catherine Kynard



Education:

Associate's Degree from Paramus Business School; Certificate in Paralegal Studies, Biotechnology Sequence Training Cert. from the USPTO

Prior to joining Lackenbach Siegel nearly two decades ago, Catherine was a paralegal at Becton Dickinson in their intellectual property department, responsible for their worldwide trademark portfolios. With this experience, Catherine started as the paralegal to one of the firm's founding partners and continues to manage the firm's dockets and handle the acquisition and management of chemical, biotechnology, and pharmaceutical intellectual property rights. Catherine reviews the latest patent rules generated by the USPTO, WIPO, and multiple international offices of the almost 60 countries in which Lackenbach clients seek registration, and alerts the Department's attorneys and foreign and domestic clients accordingly.

Outside the office, Catherine has a love and passion for the arts and fitness. She is an active member in a Jazz Society, the Schomburg Center, and supports a local Arts Council.

Ana Maria Suarez



Education:

Associates Degree from Lehman College and Certificate of Secretarial Sciences and Paralegal Studies

Before joining Lackenbach Siegel in the patent department, Ana was a paralegal at a number of the larger intellectual property firms locally and was responsible for patent acquisition and litigation matters, as well as extensive international docketing matters for substantial portfolios. With this experience, Ana supports one of the firm's partners and provides a direct liaison between international and domestic patent clients and the firm. Ana is also responsible for facilitating and integrating new international patent rules into the firm's practice guidelines, as well as assisting in international patent enforcement and the maintenance of the firm's thousands of issued patents. Because of her skills, Ana is often responsible for helping the patent department communicate with clients about prosecution matters.

Ana is bilingual, and when not working, she enjoys spending time reading, and taking advantage of Westchester's cultural events.

Judy Hart



Education:

Associate's Degree from Queens Community College and Paralegal Certificate

With over 15 years of experience as an international patent paralegal, Judy is responsible for the prosecution and maintenance of global patent portfolios. Her expertise and training includes acquisition of rights, guidance to comply with the patent requirements of more than fifty countries, and the preparation of critical patent matters and patent enforcement actions in multiple jurisdictions. Because of her skills and experience, Judy often communicates directly with clients on a worldwide basis. Clients rely on Judy for status updates of their applications and maintenance information. Judy also has a legal background in communications and real estate matters. With the other members of the Patent Department, Judy handles the recording of assignments, corporate mergers and updates to client's corporate structures.

On the personal side, Judy enjoys hiking, reading, has a passion for Scrabble, and supporting the community in charity.

NO RESERVATIONS FOR YOU!!



You can protect your trademark by filing a U.S. trademark application, even before your new product or service hits the shelves, or the internet. But you cannot just reserve a trademark – you have to actually use it on product to eventually secure rights.

“We have years to do this” – The trademark law allows for an intent-to-use application. And if your trademark application is successful, you can wait as long as three years after you have received notice that the trademark has been allowed before you actually need to bring the trademarked product or service to market. But you have to actually – truly – intend to use the mark. It would be helpful to discuss in advance with IP counsel terms such as “intent-to-use” and “bona fide intent.”

Getting Ready to Get Ready – When you file an intent-to-use trademark application, you are asserting that your company is working toward bringing its product or service to market. And you must be able to demonstrate, if challenged, that you intended, as of the date of the application, to use the mark at a later date. That means you have to actually do something – such as conducting research, marketing, or putting manufacturing capability in place – to show that you plan to use the mark in commerce. In other words, you must intend to use the mark and not merely to reserve a right to use it. You could have demonstrable work in progress related to research, development, manufacturing or marketing. Even vaporware might qualify: advertised but not yet available to buy, either because it's just a concept or because it is in the process of being written or designed.

In the IWATCH Case – the court found no evidence of a bona fide intent to use the mark. As a result, the IWATCH mark was refused registration. The court found

for the competitor watch company, Swatch – even though the Trademark Board found no likelihood of confusion between Swatch's marks and IWATCH. The court never reached the likelihood of confusion issue because it agreed that the company never had an intent to use the IWATCH mark. And the IWATCH application faced another problem – an unrealistic wish-list of goods, namely, “watches, clocks, cases, hands and dials for clocks and watches, watch bands and straps, boxes, clasps, and fobs.” That laundry-list was a tip-off that the company probably didn't really intend to use the mark on all those goods.

How the Law Changed

Before 1988, trademark law required an applicant to be using the mark in commerce at the time of the application's filing to qualify for trademark registration. Congress revised the trademark law to allow “intent-to-use” applications and applicants had only to declare a bona fide intent to use the trademark. But the law also required that in order to achieve registration, trademarks had to be used in the ordinary course of trade – “token use” would no longer suffice. The 1988 House Report stated, “The use of the term ‘bona fide’ is meant to eliminate such ‘token use’ and to require, based on an objective view of the circumstances, a good faith intention to eventually use the mark in a real and legitimate commercial sense.” That means that your company's intent must be “demonstrable and more than a mere subjective belief.” Or, as the leading trademark authority put it, “Congress did not intend the issue to be resolved simply by an officer of the applicant later testifying, ‘Yes, indeed, at the time we filed that application, I did truly intend to use the mark at some time in the future.’” While the trademark examiner will not cross-examine your intentions set forth in the application – your competitors just might.

Pity the Mouse

Surely no animal has been the focus of so much inventive effort as the humble mouse.

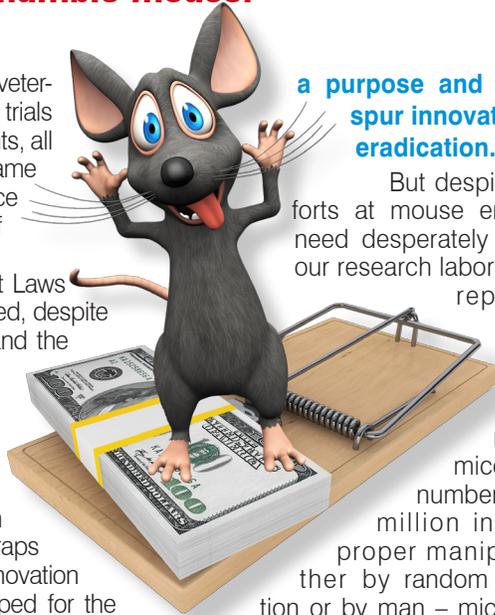
By Andrew F. Young

Laboratory mice are veterans of innumerable medical trials and development experiments, all to benefit mankind. At the same time common house mice have been the subject of more than 4,500 mouse trap patents since the US Patent Laws were enacted in 1790. Indeed, despite popular images in Disney and the Tom & Jerry cartoons, undoubtedly the little mouse has suffered the most.

Notwithstanding the simplicity of the classic Victor snap-traps and the stylish designs of elaborate jaw-traps dating from the 1870s, innovation in eradication has not stopped for the mouse. **It is estimated that the US Patent Office receives patent applications for new mousetraps at a rate of more than one per day. While many of those who apply are rejected, as many as forty new mouse trap related patents are issued each year.** One recent utility mouse trap patent to issue is US 9,003,691 for an electronically actuated trap module with a remote receiver.

The American essayist, lecturer, and poet Ralph Walder Emerson, suggested "build a better mousetrap and the world will beat a path to your door" in the late 19th century. This phrase is just as true today, more than a century later. As long as the humble mouse is our companion, mankind will continue to innovate new ways to irradiate the mouse from our homes. Inventors have manipulated every form of mechanical, electronic, magnetic, and chemical innovation to bring an end to the mouse. All while creating billions in profits.

The Structural Pest Control Industry (SPCI) advises that the annual comprehensive spending in the US pest industry exceeded \$7.5 billion in 2014, a 3.5% increase from \$7.2 billion in 2013 which was up nearly 6% from \$6.8 billion in 2012. All this money has



a purpose and continues to spur innovation in mouse eradication.

But despite our best efforts at mouse eradication, we need desperately the mouse in our research laboratories. Some reports estimate 95% of the animals in U.S. laboratories are mice and rats, numbering over 100 million in 2014. With proper manipulation – either by random natural selection or by man – mice can be produced with genes that are a reasonable facsimile of nearly any human ailment. Strains of mice that succumb without a squeak to Alzheimer's disease, obesity, diabetes, and many cancers are used to study these illnesses and the potential treatments.

The mouse (*mus musculus*) genome sequence was completely mapped in 2002 and since then scientists have been expanding a pathway of extensive genetic manipulation and testing to benefit all mankind.

Indeed, it appears that the mouse, and not the dog, may truly be "man's best friend" from an investment viewpoint. Some reports note a mouse with arthritis may cost \$250, while one with epilepsy may cost ten times that. To custom make a "knockout" mouse (lacking a particular gene), one report notes the cost may exceed \$100,000, exceeding their own value by weight in cheese (or gold). Thankfully, if one only needs three blind mice, that cost is only \$250.

A search of the US Patent Office finds more than 5,100 patents dealing with 'mouse' research inventions. It seems we humans may need the mouse more than ever.

INVENTIONS OF THE YEAR

Popular Science recognized a delivery patch as a painless alternative to needles. The patch combines an extremely water-absorbent polyvinylpyrrolidone (used in hairspray during the era of beehive hairdos) that pulls water out of the skin, forming it into nano fibers with large surface areas, and weaving those fibers into dense mats. The patch provides the delivery of molecules 250 times larger than previously possible.

LiveScience recognized a cloaking device invented by Boeing that protects soldiers from shock waves generated by explosions. While armor plating might stop debris it cannot shield against the shockwaves generated by explosions. The device uses a veil of heated, ionized air that changes the speed at which the shockwaves travel causing them to bend around objects, thereby dampening the force of an explosion.

Canadian Broadcasting Corporation recognized a bionic lens that provides three times better than 20/20 vision. The Ocumetrics Bionic Lens is surgically inserted in an 8-minute painless surgical procedure identical to that of cataract surgery.

CoolThings recognized a 300-foot long laser invented by scientists at Japan's Osaka University as the most powerful laser ever. The team at Osaka University produced a laser containing 2 petawatts (that's 15 zeroes) of energy, equivalent to 1,000 times the entire world's energy consumption firing for a pico-second (one trillionth of a second).

USPTO recognized a three-wheel chair that is superior to conventional wheelchairs, as it can operate on rough and uneven terrain. Created by engineering graduates of MIT, the Leveraged Freedom Chair is built from standard bicycle parts and uses a push-lever drivetrain to move over broken pavement, dirt roads, fields, rocky terrain and the like.

The European Inventor Award recognized a contact-free, secure technology for data transfer between mobile devices enabling smartphones, for example, to be used as virtual wallets, controls for smart homes, access to secure areas, or as a tool for Industry 4.0 applications.

Acknowledgement Zone

Robert B. Golden

was the keynote speaker at a seminar in Japan related to non-traditional trademarks (color, sound, motion, hologram, and position marks).

Andrew F. Young

achieved a Certified Patent Valuation Analyst (CPVA) designation after extensive studies to aid clients in valuing their IP Assets.

International Trademark Department

RO'S OBSERVATIONS

By Rosemarie B. Tofano

China – Beware Local Rights Enforcement –

A Chinese local business was awarded over \$15 million damages for trademark infringement and the infringer is a large US company; New Balance. The Guangzhou Intermediate People's Court vigorously protected the local company and the case represents a sophisticated reverse confusion situation. The local company that has a registered mark was dominated in the marketplace by New Balance that has well-known products globally and in China. In China, New Balance used the name of its local affiliate that included the same Chinese characters as the registered mark in advertisements and social media. While the court found that substantial damages were warranted, it also required corrective advertising on websites as part of the relief. The local court was seemingly annoyed that New Balance used its affiliate's company name in lieu of its globally recognized mark New Balance that is not phonetically or visually similar to the registered mark. The damages represent 50% of the infringer's profits. China, long regarded as an emulation country, has authoritatively protected a local small business against what it termed an infringing dominating US business.

Canada – Material Changes Expected Soon –

Changes to Canada's trademark law are expected soon, the latest early 2016. While vigorously opposed by the Trademark Bar, the new law allows Canada to comply with the Madrid Protocol among other international treaties. While the Madrid Protocol provides for registration in 92 countries there are many disadvantages to Canada's new law. It inhibits assignment to non-member country businesses and allows attack on the associated foreign registrations by canceling the Canadian registration within five years. National registration, as discussed previously, will no longer require use that creates difficulties for trademark attorneys to assess prior rights, considering that cancellation requires non-use for three years after registration. The new law notably requires Canada to follow The Nice International Classification of Goods and Services. And, fees associated with each class, a new concept in this jurisdiction. Many believe that pending applications at the time of the new law will avoid such class fees. Even bigger changes affect the term, to become 10 years instead of the current 15 years. Renewals likewise will be for 10 year periods. Conforming to new global trends Canada will now recognize non-traditional marks such as scent, sound, hologram, and motion marks. As in the US, however, such must be proven to be distinctive as a source of origin to be registrable.

Mexico – Unpopular Opposition Proposal –

Proposed legislation to provide an opposition system in this jurisdiction is being evaluated, to bring this country's trademark law more in line with global standards. But the system is essentially a third-party observation procedure, as opposed to a usual opposition proceeding in most countries. As proposed, all trademark applications would be published immediately after filing, and within one month anybody may submit an opposition document based upon absolute or statutory grounds of refusal. But once filed, the opposition is not a part of the proceeding and prosecution is not suspended and continues on schedule. The applicant is entitled to file opposing papers including legal arguments and proof. The opposition filing and responsive arguments of the applicant are considered by the examiner but are not binding on the examination decision of the examiner. Whether the examiner allows the application or refuses it, in either instance the applicant and the opponent will be so notified. Because the opposition filing and response by the applicant as proposed appear simply advisory in nature, the local bar is concerned that the filing of an opposition will carry little weight with the examiner. While an opposition system is presently being evaluated and debated, the trademark office has announced a 7% increase in most fees that will go into effect the beginning of 2016.

NOTABLE DEVELOPMENTS *By Rosemarie B. Tofano*

Morocco – A new trademark law has drastically changed the application process, now subject to substantive examination on absolute grounds and the implementation of a new opposition system. The new provisions generally harmonize this country's law with global standards and should attract new interest in protecting marks in local commerce. To fight counterfeits, the law allows Customs to block suspected infringing goods not only from entering the country but from being exported, as well as goods in transit. Accordingly, the country has now increased recognition of trademark rights and provided effective procedures to enforce flagrant counterfeiting.

Korea – The expansive use of Internet shopping has exponentially affected recent application filing. In excess of 75,000 trademarks were registered in the first half of this year compared with 10,500 registered in 2014. The sharp increase in retail businesses catering to Internet shopping accounts for the unprecedented attention to trademark registration. The country is a member of the Free Trade Agreement with the US and Europe that helped escalate international trade, and large Internet retailers such as Ali Baba and Amazon has helped local merchants sell directly overseas, thereby creating the need for trademark protection.

Japan – As of April, it is now possible to file applications for non-traditional trademarks, which this jurisdiction describes as color, sound, motion, hologram and position marks. As the US and Europe have recognized such non-verbal marks for some time, this amendment to the trademark law has been long anticipated and welcomed by domestic manufacturers, and local businesses have shown great interest in filing such new applications. And this jurisdiction has recently joined The Hague system for International

Design Protection, so protected products will be more pervasive and likely increase the use of non-traditional source identifiers.

European Union – The OHIM will provide a new "fast track" system to allow for publication of certain marks within four or five months. There are no added fees for this procedure that requires the application to have an identification of goods selected from an approved list and no national search may be requested. Eligible marks include word, design, 3-D and sounds marks that do not include a disclaimer. While the speedy publication appears valuable, it may be problematic if priority is claimed from a US mark that has a typically detailed and specific identification of goods/services. The US has a similar procedure for applications with pre-approved identifications of goods/services but such applications are likely to include too detailed identification of goods to be found acceptable to the OHIM.

Egypt – As of September, this jurisdiction will launch a new initiative aimed at protecting consumers from not only counterfeits but expired products as well. An on-line system will allow consumers to access information about products to determine whether they are genuine and to learn if they have an expiry date. The legislation is found in a new trademark law and is intended for strict compliance related to counterfeiting that carries a fine of a year imprisonment or a \$6500 payment.

India – Amendments to the trademark law are being evaluated that would double all official fees for filing applications, as well as renewal and Madrid extensions. A 10% discount would be provided, however, for applications filed electronically. The revised law would recognize well-known marks leaving the evaluation and determination of such to the registrar. All newly filed trademark

applications, except those filed based upon an intention to use, will require that use be declared in connection with all the goods recited in the application and the application would have to be accompanied by a statement, rendered under oath, testifying to such use along with supporting documents. Notably, opposition matters will be seriously expedited, as an applicant will be able to file a counter-statement immediately upon receiving an opposition and the parties will be required to serve each other, contrary to the current practice. No specific evaluation time has been mentioned related to the amended draft rules but practitioners believe the new amendments will be finalized and implemented the middle of next year.

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