



LACKENBACH SIEGEL today!

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Welcome to the Lackebach Siegel today! Online Newsletter.

Lackebach Siegel, whose history and achievements in intellectual property law span most of the Twentieth Century, has practice areas which include patents, trademarks, copyrights, unfair competition, antitrust, licensing, litigation and all facets of computer, Internet and domain name law.

Lackebach Siegel today and Since 1923 is all about Patents, Trademarks, Copyrights, Domain Names, Internet and Computer Law

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From Fall 2000 Newsletter

Lackebach Siegel Secures \$300,000 in Fees for Client

by Robert B. Golden

The United States Court of Appeals for the Third Circuit affirmed a District Court of New Jersey's award of attorneys fees for Lackebach Siegel client Securacomm Consulting, Inc. of Pittsburgh, Pennsylvania. In affirming the District Court's award of \$233,000 (now \$300,000 with accrued interest), the Circuit Court adopted Lackebach Siegel's argument that, in determining whether a case is "exceptional" for the purposes of an award of attorneys fees under the federal Lanham (Trademark) Act, the same type of conduct which justifies an award of attorneys fees to a prevailing defendant justifies an award of fees to a prevailing plaintiff. The Circuit Court rejected the defendants' argument that when a plaintiff prevails in a trademark infringement action, the case is exceptional if, and only if, the infringement was willful. Instead, the Third Circuit looked beyond the infringement and focused instead on the defendants' "vexatious litigation conduct."

From Fall 2000 Newsletter

Attorney Profile

Position at Firm: Associate
Seana F.C. LaPlace



Ms. LaPlace is admitted to the New York bar; U.S. District Court, Southern and Eastern Districts of New York. Her educational achievements include a B.A. from Syracuse University; Doctor of Jurisprudence from Syracuse Law School (J.D.); Syracuse University Fellow; Syracuse University Maxwell School of Citizenship (M.A.) Member: New York State Bar Association; New York Intellectual Property Association; American Bar Association. Practice Areas: Trademark, Internet, Copyright and related Litigation. Ms. LaPlace previously handled the U.S. and foreign trademark programs, and litigated on behalf of: British American Tobacco Company, Rolex, The Guardian, Duty Free Shops, and Ocean Spray.

PATENT CORNER

Featuring a recently issued patent to a client of Lackebach Siegel

United States Patent Number:
6,057,979 MAGNETIC TAPE CASSETTE WITH FAIL-SAFE INSERTING APPARATUS A magnetic tape apparatus having a bearer formed so as to be reciprocating in the front-rear direction between a cassette insertion

Specifically, the Third Circuit held: "Applying the Lanham Act fee provision to the case at hand, we see no abuse of discretion in the District Court's finding that this case was exceptional. The case involved a deliberate effort by the defendants to *Æbury*¹ Securacomm financially and 'take everything it had' by filing multiple suits and complaints against it and its attorneys in a variety of legal fora. As the District Court found, based on documents and testimony presented at trial, the defendants *Æ*did not confine themselves to litigating the case fairly on the merits. Rather, they tried to prevail by crushing Securacomm.¹ The facts of this case support the District Court's conclusion that this is an exceptional case involving culpable conduct on the part of the defendants."

In so holding, the Third Circuit endorsed Lackebach Siegel's analogy of the Lanham (Trademark) Act fee provisions to the Copyright Act provisions, which require an "evenhanded" approach to prevailing plaintiffs and defendants. The Court further embraced the argument that the availability of other methods to punish and deter inappropriate litigation tactics is irrelevant to the determination of whether a case is exceptional, explaining that, "like the Copyright Act fee provision . . . the Lanham Act fee provision is distinct from Rule 11 as a basis for fees in part because it *Æ*looks to the whole of the case¹ rather than to small segments of the litigation."

The defendants did not appeal the district court's determination that the named defendants, which include a director of a publicly traded corporate defendant, were jointly and severally liable for all damages. Thus, Securacomm may now enforce the judgment against the director personally. Securacomm Consulting was represented at both the trial and appellate levels by Lackebach Siegel, whose fees were so reasonable that not even the defendants challenged the fees.

To see the full text of the Court's Opinion please visit our web site, <http://www.lackebach.com/> or the Third Circuit's site, <http://pacer.ca3.uscourts.gov/recentop/week/995326.txt>.

Centuries of Trademarks

By Howard Aronson

Nabisco's CREAM OF WHEAT and General Electric's GE medallion trademarks are among several 100 year old trademarks forming part of American culture for the past century. The United States Patent and Trademark Office recently announced that 15 trademark registrations are celebrating their centennials this year. Included are Carnation brand condensed milk and Pabst Milwaukee Blue Ribbon beer.

Nearly one million registered trademarks are in use today, including the oldest U.S. trademark still in use, SAMSON, with a design of a man and a lion, Registered in 1884 for use on cords, line and rope. Over 2.3 million trademarks have been registered since the first in 1870. And last year, the United States Patent and Trademark Office registered in excess of 100,000 trademarks.

Throughout history there has been a need to identify the seller or producer of commercial products. It has been surmised that 2000 years ago Roman brick-makers were obligated to put their name, mark or seal on the bricks they produced. Greek urn makers scratched their brands on products as early as the fifth and sixth centuries B. C. In much the same way, goldsmiths and silversmiths developed uniform symbols or marks to identify their wares. During the middle ages, guilds used trademarks to identify armor, cloth, cutlery and pewter items. And in the early days of the American west, cattle were branded to differentiate those of different breeders. Indeed, the word *³brand²* comes from the Anglo-Saxon *³to burn.²*

In modern merchandising, trademarks replace the intimate relationship Americans once had with their local shopkeepers and tradesmen before the industrial revolution.

position and a cassette mount position on a chassis for inserting a tape cassette, and a rotating cam provided on the chassis for driving the bearer through an interlocking mechanism with a clutch. In the magnetic tape apparatus, the clutch is turned off to release the interlocking mechanism between the bearer and the rotating cam when the bearer is advanced from the cassette mount position to the cassette insertion position, while the clutch is turned on to establish the interlock between the bearer and the rotating cam when the bearer is retreated from the cassette insertion position to the cassette mount position. See drawing and additional information on page 3.

Patent Corner Digest:

Notable, recent LS Patents secured by: Henry Marzullo, Jr., Myron Greenspan and Marvin Feldman.

SLAT EDGE RETAINER FOR OVERHEAD ROLLING DOORS Patent No.: US 6068040
Assignee: Alpine Overhead Doors Inc. (USA) BIASING/ERASING OSCILLATION CIRCUIT FOR MAGNETIC TAPE RECORDING APPARATUS Patent No.: US 6064538
Assignee: Funai Electric Co. Ltd. (Japan) COLD TOOL STEEL FEATURING HIGH SIZE STABILITY, WEAR-RESISTANCE AND MACHINABILITY Patent No.: US 6060018
Assignee: Nippon Koshuha Steel Co., Ltd. (Japan) MAGNETIC TAPE CASSETTE WITH FAIL-SAFE INSERTING APPARATUS Patent No.: US 6057979
Assignee: Funai Electric Co. Ltd. (Japan) MULTIPLE NECKED-DOWN BREAK-AWAY COUPLING FOR HIGHWAY OR ROADSIDE APPURTENANCES Patent No.: US 6056471
Assignee: Transpo Industries Inc. (USA) PROCESS FOR THE INDUSTRIAL RECOVERY OF OLEANOLIC AND MASLINIC ACIDS CONTAINED IN THE OLIVE MILLING SUBPRODUCTS;

Trademarks replaced the social bond and implied personal a promise of quality. That is why there is a comfort in dealing with products bearing well-known or famous trademarks.

But a trademark is a monopoly under law. In the United States, since the enactment of the Sherman Antitrust Act in 1890, Americans generally, and the U.S. Congress, courts and press particularly, have been concerned about monopolies, and rightly so. Given these facts, why should a trademark ³monopoly,² albeit limited, be permitted under our laws? The U.S. Congress and courts have allowed the monopolies called trademarks to exist because they protect the consumer. They assure the public they are purchasing the goods of the manufacturer whose reputation they respect. A trademark serves as the "calling card² of the product. It allows consumers to make an intelligent choice among products by selecting those producers with whom they have dealt in the past or whose reputation has been made known through advertising.

Confusion, therefore, hurts both the trademark owner, whose valuable property interest in his mark and product is diluted by the presence of an infringer in the market, and the omnipresent third party - the purchasing public. The courts have protected the purchasing public even when litigants have been delinquent in asserting rights. That is why, unlike in traditional causes of action seeking injunctions, laches (delay) is not usually recognized as a defense in trademark litigation. The United States Supreme Court as early as 1877 mandated that a delay in assertion of trademark rights could constitute laches to deny recovery of damages, but would not prevent an injunction.

Recently in trademark jurisprudence, aspects of the design of a commercially marketable product may be recognized as a trademark (trade dress) and become protectable property. Why, then, is it possible for a competitor to cull the marketplace for designs of others, wait and see which ones prove successful, then enter the marketplace with an exact copy and ride the success of the seminal version - all with impunity. The agony of U.S. courts, to potentially allow such reprehensible product copying, was eloquently expressed by one judge:

"[A]t first glance it may seem intolerable that one manufacturer should be allowed to sponge on another by pirating the product of years of invention and development without license or recompense and reap the fruits sown by another. Morally and ethically such practices strike a discordant note. It cuts across the grain of justice to permit an intruder to profit not only by the efforts of another but at his expense as well... But this initial response to the problem has been curbed in deference to the greater public good... For imitation is the life blood of competition. It is the unimpeded availability of substantially equivalent units that permits the normal operation of supply and demand to yield the fair price society must pay for a given commodity... [T]he bare imitation of another's product, without more, is permissible. And this is true regardless of the fact that the courts have little sympathy for a willful imitator."

It is therefore up to creative counsel to hand his client and the Courts the magical more it is begging to find to follow conscience and ethical business practices. Trademark protection and registration is one such contemporary magical more. Trademarks, therefore, function and are valued today quite the same as centuries ago.

TRADEMARK CORNER

Notable, recent LS Trademarks secured by Howard Aronson, Seana LaPlace, Geoffrey Landau and Carol Desmond

KENNETH COLE COLLECTION (Stylized) Reg. No.: 2242166 Registrant: K.C.P. L., Inc. THE SCN BANK and Design Reg. No.: 2287961 Registrant: Suffolk Bankcorp DIANE VON FURSTENBERG DIANE and Design Reg. No.: 2276171 Registrant: Diane Von Furstenberg Studio FLOWING WELLS (Stylized) Reg. No.: 2230909 Registrant: Southern Beverage Packers, Inc. ARCTIC ROOT Reg. No.: 2301652 Registrant: Swedish Herbal Institute, Ltd. CUNARD WHITE STAR Reg.

SELECTIVE EXTRACTIONS AND FRACTIONATION OF RESULTING MIXTURES WITH THE USE OF SOLVENTS OF DIFFERING POLARITIES; OBTAIN PURITIES IN EXCESS OF 80% Patent No.: US 6037492 Assignee: Universidad de Granada (Spain) COMPACT DISC Patent No.: US D421427 Assignee: Shape CD Inc. (USA) FREESTANDING PUNCHING BAG Patent No.: US 6027435 Assignee: Everlast World's Boxing Headquarters (USA) HIGH ENERGY MAGNETIZER AND SELECTIVE DEMAGNETIZER INTEGRAL WITH DRIVE TOOL OR THE LIKE Patent No.: US 6026718 Inventor: Wayne Anderson (USA) Bestway Tools UTILITY LIGHT WITH A PAIR OF ADJUSTABLE SUPPORTING ATTACHMENTS Patent No.: US D418238 Assignee: Central Tools Inc. (USA) ADJUSTABLE PLIERS Patent No.: US D418030 Assignee: Olympia Industrial Inc. (USA) HAIR CUTTING MACHINE Patent No.: US D417931 Assignee: Moser Elektogerate GmbH (Germany) AIR PURIFICATION APPARATUS Patent No.: US 6001145 Assignee: Clinix GmbH (Switzerland) COMPUTER-CONTROLLED GAME DEVICE WITH CASSETTE ROM AND CD-ROM Patent No.: US 5986991 Assignee: Sega Enterprises Ltd. (Japan) DEGASSING UNIT FOR HIGH PERFORMANCE LIQUID CHROMATOGRAPHY Patent No.: US 5980742 Assignee: Micro Electronics Inc. (Japan) METHOD AND ARRANGEMENT FOR FOLDING AND STACKING SEWING GOODS Patent No.: US 5979347 Assignee: Schips AG Naehautomation (Switzerland) COMBINATION PICK AND FLOSSING DEVICE Patent No.: US D398076 Assignee: Majestic Drug Co., Inc. (USA) DRIVER TOOL WITH HIGH ENERGY MAGNETIZER/ DEMAGNETIZER ON TOOL HANDLE Patent No.: US 6026717 Inventor: Wayne Anderson (USA) Bestway Tools

No.: 2297596 Assignee: Cunard White Star Ltd. RY BLUELINE and Design Reg. No.: 2286671 Registrant: Canex Fashion Inc. SINKEL Reg. No.: 2246042 Registrant: Sinkel Espana, S.A. (Spain) UNICIPAL ADVANTAGE Reg. No.: 2232265 Registrant: Suffolk Bankcorp GLYDROX Reg. No.: 2226155 Registrant: San-Mar Laboratories, Inc. BELL-TOUCH Reg. No.: 2228420 Registrant: Kanebo Kabusiki Kaisha (Kanebo Ltd.) (Japan) DV8 Reg. No.: 2260340 Assignee: Candie's, Inc. ZA (Stylized) Reg. No.: 2296606 Registrant: Shiseido Company, Ltd. (Japan) HPP and Design Reg. No.: 2235717 Registrant: Hyundai Motor America 5S Reg. No.: 2272845 Registrant: Shiseido Company, Ltd. (Japan)

**BACKstreet
Boys**

Reg. No.: 2241482 Assignee: Backstreet Productions, Inc.

WORDWEAVER Reg. No.: 2219551 Registrant: DataMorphosis, Inc. S PATRON SAINT and Design Reg. No.: 2229448 Registrant: Beijing GFJX Science & Technology Development Corporation (China) CLASSIC NEW YORK Reg. No.: 2215746 Assignee: WNYC Radio NUTBUSTER Reg. No.: 2277007 Assignee: Channellock, Inc. LEMON CHIFFON Reg. No.: 2289232 Registrant: W. Atlee Burpee Company

Kenneth Cole
NEW YORK

Reg. No.: 2217647 Registrant: K.C.P.L., Inc.

DIANE VON FURSTENBERG THE COLOR AUTHORITY (Stylized) Reg. No.: 2234750 Registrant: Diane Von Furstenberg Studio LIFE LOCK Reg. No.: 2218043 Registrant: W. Atlee Burpee Company ON THE MEDIA Reg. No.: 2276253 Registrant: WNYC Radio REACTION KENNETH COLE (Stylized) Reg. No.: 2362439 Registrant: K.C.P.L., Inc. R and Design Reg. No.: 2362332 Registrant: Russell Harrington Cutlery, Inc. WORK GEAR and Design Reg. No.: 2326681 Registrant: Olympia Group, Inc. TIMECAPITAL Reg. No.: 2319375 Registrant: Time Capital Investor Advisory Service, Inc. NICKELS Reg. No.: 2319247 Registrant: Nickels Restaurants Inc.

EVERLAST
WOMAN

Reg. No.: 2315855 Registrant: Everlast World's Boxing Headquarters Corporation

WHITE STAR Reg. No.: 2330874 Registrant: Cunard Line Limited POWER SCRUB Reg. No.: 2322116 Registrant: USA Detergents, Inc. PERLINI'S (Stylized) Reg. No.: 2330358 Registrant: Perlini's PTE Ltd. (South Africa) REACTION Reg. No.: 2345847 Registrant: K.C.P.L., Inc.

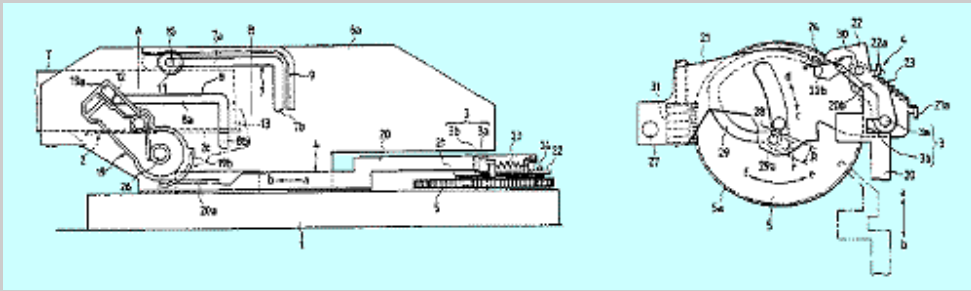
APPARATUS FOR APPLYING SOFT FILAMENTS TO CONTINUOUS ELONGATE ARTICLES Patent No.: US 5996216 Assignee: Nextrom, Ltd. (Canada) METHOD OF COATING A SPUTTER CATHODE WITH A LAYER OF MATERIAL TO BE APPLIED TO A SUBSTRATE BY SPUTTERING Patent No.: US 5853816 Assignee: Emiel Vanderstraeten (Belgium) FOLDING KNIFE AND INTERCHANGEABLE BIT SCREWDRIVER Patent No.: US 6047619 Inventor: Wayne Anderson et al (USA) Bestway Tools GRINDER ATTACHMENT FOR PRECISION GRINDING MACHINES Patent No.: US 6053804 Assignee: Channellock, Inc. (USA) MULTI-DIRECTIONAL HIGH VISIBILITY MERCHANDISING DISPLAY Patent No.: US 6006929 Assignee: Olympia Group, Inc. (USA)

COMPACT DISC

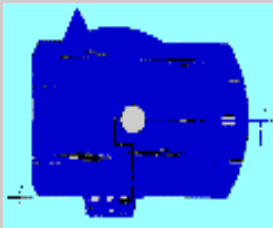


The ornamental design for a compact disc. Inventor: Alan A. Siegel, Orlando, Fla. Assignee: Shape CD, Inc., Orlando, Fla. Pat. No.: D421,427 Granted: March 7, 2000

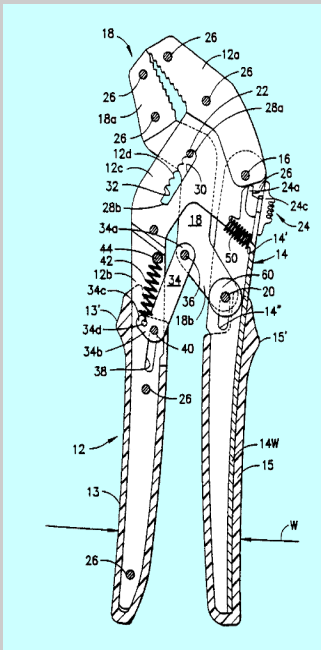
AUTO-ADJUSTING PLIERS



MAGNETIC TAPE CASSETTE WITH FAIL-SAFE INSERTING APPARATUS



COMPACT DISC

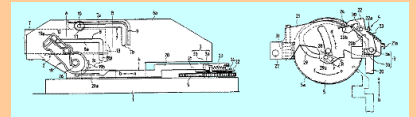


AUTO-ADJUSTING PLIERS



Spring-Loaded pliers for easy gripping and locking. Inventor: Zareh Khachatoorian, Northridge Calif. Assignee: Olympia Industrial, Inc., City of Industry, Calif. Pat. No.: 6,065,376 Granted: May 23, 2000

MAGNETIC TAPE CASSETTE WITH FAIL-SAFE INSERTING APPARATUS



United States Patent Number: 6,057,979 Date of Patent May 2, 2000 Inventors: Kunio Sawai; Hiroshi Hamahata; Shigeru Kaneko; Katsunori Onishi, all of Osaka, Japan Assignee: Funai Electric Co., Ltd., Osaka, Japan Appl. No.: 08/964,254 Filed: Nov. 4, 1997 Primary Examiner: David D. Davis Patent Firm: Lackenbach Siegel

FOREIGN TRADEMARK DEVELOPMENTS

By Rosemarie B. Tofano

India enacts new Trademark Law - The definition now includes services, shape of goods, packaging and color combinations.

European Community - The 15 member countries of the European Union now allow registration for retail store services (Int. Class 35) in conformance with a European Union Trade Marks Office decision.

Korea is now granting registrations for web domain names ending in dot com, net or org. Significant, considering Korea is a first-to-first file jurisdiction.

Taiwan issued determination guidelines for "Famous Marks." Sales volume, length of time, and distinctiveness are among key factors.

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