

Final Examination Memorandum
Intellectual Property Fall 2014
Professor Grimmelmann

I graded each question using a checklist, giving a point for each item (e.g., “Luther concedes copying from Mergatroid Dictation, so there is no need to analyze access and probative similarity.”) you dealt with appropriately. Ten percent of the credit in each question was reserved for organization and writing style. I gave partial credit for partially correct analyses; I gave bonus points for creative thinking, particularly nuanced legal analyses, and good use of facts.

Sample answers to the three questions are below. They aren’t perfect; no answer in law ever is. Indeed, it was frequently possible to get full credit while reaching different results, as long as you identified relevant issues, structured your analysis well, and supported your conclusions.

If you would like to know your scores on the individual essays, please email me. If you have further questions after comparing your essays to the model answers, or would like to discuss the course or anything else, please email me and we’ll set up a time to talk.

It has been my pleasure to share the past semester with you, to partake of your enthusiasm, and to learn from your insights.

James

	Translator	Tackle	Linkaholic	Total
Median	16.0	14.3	14.0	44.3
Mean	15.5	14.2	14.1	43.8
Std. Dev.	3.3	3.0	3.1	8.4

Question 1: Anger Translator

(1,064 words)

Luther should be concerned about a copyright suit based on her use of Mergatroid Dictation, about a right of publicity suit from Ron Balakay, and about trade dress infringement on the Insult Box. She should not worry about the ‘200 patent, about a copyright on the design of the Insult Box, or about trademark risks from using the name “Anger Translator.”

Mergatroid Dictation

Mergatroid Dictation is a copyrightable literary work. While the idea of voice-recognition software is uncopyrightable, as is the process of recognizing speech, *see Baker v. Selden*, copyright does protect the specific choices made by programmers, at least against wholesale verbatim copying. *Apple v. Franklin*. Luther concedes copying the software into the Anger Translator, so there is no need to analyze access and probative similarity. Since she copied “large portions” of Mergatroid Dictation, the Anger Translator is substantially similar to it. When she manufactures Anger Translators, she directly violates the reproduction right and when she sells them she directly violates the distribution right.

Luther could argue transformative fair use because her translator serves a different function than voice recognition, but the defense is unlikely to succeed. She is making a commercial use for entertainment purposes and she is taking large portions of Mergatroid Dictation to do so. Moreover, she is not really transforming the authorship in Mergatroid Dictation: she is not commenting on it or using its expressive meanings to create new and different meanings. Rather, she is using it for exactly the purpose for which it was written (voice recognition), in exactly the same way it was intended to be used.

Ron Balakay

The Anger Translator may infringe on Ron Balakay’s right of publicity. Although Luther is not using his name or image, a person’s voice can be protected by the right of publicity provided it is recognizable. *Midler v. Ford Motor*. Unlike in *Midler*, the resemblance is coincidental, which may cut in Luther’s favor. But Balakay could argue that some people will be fooled by Anger Translators because they sound like him, so that Luther is unfairly profiting off of the resemblance, whether she initially intended to or not.

‘200 Patent

The Anger Translator may infringe on the ‘200 patent. Whenever anyone uses it, it executes a “process for automatic translation.” The user’s spoken words are the “first audio signal.” The process of identifying significant words and replacing them is “transforming” that signal into a “second audio signal.” The Anger Translator itself is the “computer device.” And the process of using voice synthesis on the modified sentence is “emitting the second audio signal audibly.” Thus, the owner of the ‘200 patent could argue that the Anger Translator literally infringes.

Luther could argue that the Anger Translator does not meet the claim limitation of translating from a “*first* language” into a “*second* language.” Instead, it translates from a single language (English) into the same language (also English). The patent owner could

respond either that angry English is sufficiently different that it qualifies as a “second” language or that nothing in the patent explicitly requires the first and second languages to be different. I believe that these responses are weak because they cut against the explicit distinction in the claim between a “first” and a “second” language, but the threat of infringement is colorable.

That said, the patent is probably invalid under § 101. Under *CLS Bank*, it may claim an abstract idea. At step one, the process of translating from one language to another is routine and conventional; people have been translating for many centuries. (See, e.g., simultaneous translation at the United Nations.) Therefore, the question at *CLS Bank* step two is whether the claim limitations sufficiently restrict the idea to a particular implementation. The process described in the claim is simply the process of translation itself, and the use of “on a computer device” device amounts to no more than saying “do it on a computer.” So claim 1 of the ‘200 patent is invalid because it is directed to an abstract idea.

The ‘200 patent has a § 103 obviousness problem. The use of a computer means that the claim is novel over human translation. But the idea of using a computer to do what people have been doing for centuries would be obvious to a person having ordinary skill in computer language processing. All in all, the risks from the ‘200 patent are small.

Insult Box

The ANGER TRANSLATOR may infringe on the INSULT BOX trademark and trade dress. The Insult Box has priority at common law dating back to 2011 in any market where it has been sold. Since the Anger Translator is sold online, it will reach into all of these markets, making the Anger Translator the junior users. The names have some resemblances. Both are two words and ANGER and INSULT are related. The products are both novelty items and have similar uses: push a button and the box speaks something hostile. But they are sold in different channels (party stores vs. online) at very different prices (\$50 vs. \$5). I do not think that trademark infringement is a serious risk.

The bigger worry is trade dress infringement. The Anger Translator has the same shape (rectangular), same size (5” by 2”), same button on the front in the same color (red), and same decoration on the back (exclamation point) in the same color (red). The only difference is the color of the device (black rather than white), but in light of the similarities, purchasers might think that it is simply a different color of Insult Box. The likelihood of consumer confusion at the point of sale is correspondingly high; there is also a risk of post-sale confusion if people see Anger Translators in the wild and think they are Insult Boxes.

The makers of the Insult Box also have a weak copyright claim. The Insult Box is a useful article: it emits insults when you push the button. But the design of the Insult Box is conceptually separable from its function; it could have any coloring and appearance and still emit insults. That said, I doubt that a shape, a size, a button, and an exclamation point are enough to make for a copyrightable work, or that there is enough similarity to infringe when the colors are different. An ordinary observer would consider the Insult Box and the Anger Translator not to be substantially similar.

Question 2: Tackle and Grapple

(1,065 words)

Duggart can patent the Grapple Stick, use copyright to protect his instructional books and videos, and use trademark law to to protect some variation of the Tackle and Grapple name. But he cannot control similar fighting techniques or prevent copycat courses.

Trade Secret

Trade secret will not be be much help to Duggart. He has already taught Tackle and Grapple to numerous students without imposing confidentiality restrictions on them, so the fighting technique, the sequence of moves, and the instructional manual are all no longer secret and were never the subject of reasonable efforts to preserve secrecy. Looking forward, when he sells Grapple Sticks, they will be easy to reverse engineer by anyone who is willing to cut one open. While he can keep internal training materials secret by keeping employees and franchises pledged to confidentiality, this will not offer much protection against anyone who attends Tackle and Grapple classes and then offers a copycat course. Trying to use contracts to require confidentiality from all Tackle and Grapple students would be an exercise in futility; he is not likely to be able to identify the source of any leaks.

Patent

The methods of Tackle and Grapple and the sequence of 66 moves are patentable subject matter under § 101. They are not abstract ideas; they involve physical activity and motions of the human body. Fighting techniques in general are conventional, e.g. Brazilian jiu-jitsu, but Duggart claims to have developed a new and unfamiliar variation on them. If true, that is enough. For the same reason, Tackle and Grapple and the sequence are potentially novel under § 102: according to Duggart, no one has fought in this particular way, or done this particular sequence of moves before. I am not in a position to evaluate the obviousness of his improvements under § 103; this will require more extensive conversations with Duggart to understand more precisely how Tackle and Grapple differs from previous systems, along with a detailed examination of other similar systems.

Duggart's bigger problem is that his own activities have barred him under § 102(a) (1). His classes are "public use" of the fighting technique and the sequence of moves. *Beachcombers*. His booklet is a "printed publication." *Klopfenstein*. Both of these took place more than one year ago, so they do not qualify for the § 102(b)(1) grace period. The classes extend back five years, and the booklet was published in 2012.

The Grapple Stick is another matter. As a physical object, it is a patentable manufacture under § 101. Because Duggart has not started using it with students yet, it is not subject to the § 102 bar. A patent would keep competitors from selling or using Grapple Sticks without his permission. As above, I will need to conduct a prior art search to ensure that the Stick really is novel and nonobvious; people have been fighting using sticks for a long time.

Copyright

The fighting technique is an uncopyrightable method. *Baker v. Selden*. The sequence of poses is original. Even if the poses themselves are not individually original, the

selection and ordering make them original as a compilation. *Feist*. They are fixed in a medium of expression: the booklet. That said, the sequences is also uncopyrightable under *Baker*. While the sequence might seem like a choreographic work, its use as a method of exercise and fight training make it a functional process, not a creative work.

The essay is copyrightable, just like the essay describing the accounting system in *Baker*. So are the photographs, and so will be any training videos or manuals that Duggart creates in the future. He should register the copyrights: doing so is inexpensive and will let him deter infringers with the threat of statutory damages and attorneys fees. He should also clear up ownership of the photographs. Without an employment relationship or written contract, they are not works made for hire. Perhaps Duggart is a joint author, or perhaps he exercised such total creative control that he is sole author, but on the facts given, Sanders is most likely the sole copyright owner of the photographs. Duggart probably has an implied nonexclusive license to use them, *Effects Associates*, but this is not certain. He should either get a written license or stop using the photographs.

The Grapple Stick is probably not copyrightable. It is a three-dimensional sculptural work, but it is also a useful article. Its size, shape, and weighting are all essential to its use as a weapon. As in *Brandir*, its design was never free from functional constraints. Duggart might be able to copyright any incidental decorations applied to the surface of the Grapple Stick (e.g. drawings of lightning bolts or ponies) but that copyright will not allow him to prevent competitors from selling similar sticks with different decorations .

Trademark

TACKLE AND GRAPPLE is descriptive: it describes the methods used in Duggart's fighting system. His use of the phrase for five years might have given him the necessary secondary meaning. DOUG DUGGART'S is an arbitrary name mark; it is not just a surname, so it does not require secondary meaning. True, it is the name of a particular living individual, but Duggart can give himself permission to use it. And while consumers will recognize that BRAZILIAN refers to a place, they will not think that the martial arts training actually is delivered in Brazil, so it is not geographically descriptive or primarily geographically deceptively misdescriptive. Overall, DOUG DUGGART'S BRAZILIAN TACKLE AND GRAPPLE is arbitrary. Duggart could register it immediately with the USPTO. He should, however, give thought to devising another trademark that is less cumbersome to say and has fewer potentially descriptive sub-parts.

GRAPPLE STICK is descriptive: it's a stick used for grappling. Duggart could attempt to register it once he develops secondary meaning, but he should think of a better name. As described, the trade dress in the Grapple Stick is not distinctive: it looks like what it does. It is also functional. Applying a design or a trademark to the stick itself would not stop competitors from selling similar sticks but would at least allow him to build up goodwill for his brand of sticks.

Right of Publicity

If Tackle and Grapple takes off, Duggart's name may become valuable in connection with martial arts. He can use his right of publicity to ward off competitors who falsely put his name on their classes or materials.

Question 3: Linkaholics

(941 words)

Neesons has a strong claim against Pegasus for trademark infringement. The websites' lists of links are copyrightable, but it is not clear who (if anyone) is copying from whom. Any false advertising or trade secret claims are weak on the present facts.

Trademark

Neesons is the senior user of the LINKAHOLIC mark. Just like the registration of a company under the name GALT HOUSE was not a use of the mark without putting up a hotel or taking reservations, the creation of an empty website is not a use of the LINKAHOLIC mark. The website did not offer any goods or services to users and did not create any associations with the mark in consumers' minds. Indeed, the website itself was just a promise that the mark would be used in the future, not a present use of the mark. Pegasus's federal intent-to-use registration also does not create any enforceable rights in the absence of an affidavit of actual use (and affidavit that Pegasus could not have truthfully filed such an affidavit until 2012, three years after its ITU). Meanwhile, Neesons started using the mark when it launched in 2010. The mark is unregistered, but Neesons still has priority under state common law. Neesons is also the senior user of the dark-blue with white-and-yellow logo trade dress in its website's design.

The LINKAHOLIC mark is suggestive. It uses the word "link" but as part of a made-up coinage that implies addictive qualities. The result is a mark that suggests something having to do with hyperlinks but does not actually describe any characteristic of the services offered. The website colors add to the distinctive qualities of Neesons's use.

Pegasus's use of the mark is likely to cause consumer confusion. The word marks are identical (LINKAHOLIC) and they are presented using highly similar trade dress (similar fonts, similar logo shapes, similar color schemes). The differences between the two fonts are minimal. Both are elegant scripts with similar slopes and similarly tall ascenders. The two websites also offer essentially identical services in compiling random web links, and this advertising-supported market is one in which consumers can be expected not to use much care. The use of the "Neesons presents" house mark on Neesons's site is not likely to dispel the confusion in light of the other similarities.

To the extent that Pegasus has any rights in the arbitrary PEGASUS mark, Neesons's use of it on a drooling clown is probably protected as a parody. *Haute Diggety Dog*. And even if Pegasus were the senior user of LINKAHOLIC, Neesons's use of it in the clown caption would be protected as comparative advertising.

False Advertising

Pegasus's ad promising "100% original links you will not find anywhere else"* is literally false: many of those links are on Neesons's website as well. Neesons has standing to sue as an injured competitor. But the ad is almost certainly protected as puffery: reasonable consumers will think that Pegasus has lots of unique content, not that it has completely unique content. Neesons's ad promising "better" links is also safe; "better" is a subjective term not susceptible to being proven true or false.

* The exclamation point was a typo.

Copyright

The targets of the links (the cat videos, cupcake recipes, etc.) are not original to Neesons or Pegasus; those are created by third-party websites. But Neesons and Pegasus are the authors of their sentences describing the links. Those sentences exhibit originality, as the two different descriptions of the cat on a branch show. Each individual sentence is so short that it may be an uncopyrightable short phrase, but Neesons' and Pegasus's websites have extensive originality when all of those sentences are aggregated. That said, if the cat on a branch example is typical, the similarities are not sufficient for either's descriptions to infringe on the other. Once we filter out the common and unoriginal fact that both are describing a cat hanging from a branch, there are no similarities in protected expression between the two.

The two websites may also be copyrightable compilations formed by selecting and arranging preexisting links. The facts in evidence suggest that there is little or no similarity in the arrangement of links on the two sites; links show up in wildly different orders, sometimes differing by weeks. But there may be similarity in selection if there really are thousands of common links between the two. This is a question for the fact-finder at trial.

It is also unclear from the facts offered by the parties who, if anyone, is copying from the other. Neesons's evidence shows that links show up on Pegasus both before and after they show up on Neesons. That might be proof that Pegasus has an insider at Neesons leaking it advance information—or it might prove that Neesons is immediately copying links that Pegasus posts. Some of the similarities could be coincidences. Given the public distribution of both websites and the alleged similarities, it is possible that one copied from the other. More facts are required to say for sure; this issue will need to be tried.

Trade Secret

Neesons' argument that Pegasus is stealing leaked links is plausible. But it has not provided sufficient evidence to rule on the issue one way or the other. The evidence is circumstantial, and, as noted above, is also consistent with coincidence, with copying from a publicly available website after the links were no longer secret, or with Neesons misappropriating secret links from Pegasus. Again, this issue will need to be tried, but unless either party has more of a smoking gun, the elements of trade secret misappropriation have not been established.