Intellectual Property
Fall 2023
Final Exam Memo

Your grades and some brief comments are available on Canvas. I graded by creating a rubric broken down into individual points, each corresponding to an issue I hoped you would spot, a factual point I hoped you would make, or advice I hoped you would give. I gave half credit for a wrong answer in the right ballpark; I gave full credit for identifying an issue and analyzing it carefully even if you reached a different conclusion than I did. I awarded bonus points for spotting an issue I missed, or for surprising me with an argument I had not thought of.

The scores on Canvas are raw scores corresponding to the total number of points you received. The class mean on question 1 was 20.0 and the standard deviation was 3.8. The class mean on question 2 was 19.5 and the standard deviation was 4.5.

The bullet points in the following outline do not precisely correspond to my grading rubric, but they do reflect the overall weight I put on different parts of the analysis.

I will of course be happy to discuss your essays and your grades with you if you have any questions.

Question 1: High Frontier Justice

The individual issues are almost completely distinct, and can be dealt with separately.

ChatGPT

Behr's use of ChatGPT is not ideal, but is not a serious problem.

- The scripts that Behr turned in should be carefully vetted to make sure that they have not incorporated material drawn from other literary works that ChatGPT has memorized.
- ChatGPT is a computer system and cannot be an "author" under the Copyright Office's position in its *Zarya of the Dawn* letter.
- Behr, however, is a human, so his contributions can be protected by copyright. The same goes for the other writers.
- The rewrites that Behr and the other writers gave the scripts are probably more than the "modicum of creativity" required for a copyright.
- In addition, the many other elements that go into each episode — the performances, the music, the set design, the visual effects, etc. — are all still copyrightable. As a result, the episodes overall are clearly copyrightable.
- Changeling probably needs to disclose to the Copyright Office that ChatGPT was used to create the initial script drafts, and disclaim copyright in any portions written by ChatGPT.
- Changeling should also evaluate whether the scripts written with the use of ChatGPT are as good as the scripts written using more traditional methods. If not, then it should more strictly enforce a policy against the use of generative AI to write episodes.

Avery Siddig

Both of these uses are fine if Siddig's heirs consent. The footage can probably be used even if they do not.

- Siddig's right of publicity protects against the use of his likeness to act in a television show without consent. As most states protect a per-

son's right of publicity even after their death, Siddig's is probably held by his heirs.

- Changeling should examine Siddig's contract. It almost certainly contains a clause allowing Changeling to use the footage of him as part of *Negen* episodes. It would be extremely unusual for that right to terminate at Siddig's death.
- On the other hand, it is less likely that the contract allows Changeling to artificially recreate his likeness and performances using generative AI. If it does not, then Changeling would need to negotiate permission with Siddig's heirs (and probably provide them with additional compensation).
- Changeling should also be concerned about the public-relations effects of using a deceased actor's likeness this way. Especially if his heirs object, it might be seen as cheap and disrespectful. It would be better to have their support to ensure that these newly created scenes are perceived as tasteful and appropriate.

I Can't Hear You

Changeling will probably need to find a different song for the scene.

- "I Can't Hear You" is almost certainly copyrighted as a musical work and a sound recording. Its use in the episode would indisputably involve copying from those works. Because it was specifically scripted to appear in the episode, a *de minimis* defense would be unsuccessful.
- The fair-use case for using "I Can't Hear You" without permission is weak. The use is commercial and involves only minimal transformation. The work is expressive and published; the use would involve a substantial portion of the work. Most importantly, this is a use for which there exists a well-developed licensing market, so failure to obtain a license would involve clear market harm.
- Although The Quarks have requested a licensing fee in excess of the industry standard, that is their right as copyright owners. Changeling's desire not to pay that high a fee is not a good basis for a fair use defense.

The DS-9

Changeling should be able to continue using the model of the Dax as is, without changes.

- The '036 utility patent covers only a method of mowing grass. The components of the model used on the Dax do not practice this method.
- The DS-9 is a useful article; its design is copyrightable only if and to the extent that it includes pictorial, graphic, or sculptural features that can be separated from its utilitarian aspects. Under the *Star Athletica* test, this standard may be easy to meet — as long as those components can be imagined as nonfunctional, aesthetic artifacts. Almost by definition, that standard has been met here: the design of the Dax uses those components purely for their aesthetic aspects.
- Instead, Changeling can argue that the Dax is not substantially similar to the DS-9 because only a few pieces of the DS-9 model kit have been incorporated and the overall appearance is highly different. Changeling can also argue that the design of the Dax is a transformative fair use because the pieces make a very different impression and appear in a very different context.
- The design of the DS-9 is protectable trade dress only if it has secondary meaning and is nonfunctional. Neither of these tests is likely to be met here. It seems very unlikely that consumers would recognize specific lawnmower parts on sight and associate them with the DS-9. These parts' shapes are also highly likely to have been influenced in substantial part by their function.
- Changeling can also raise a *Rogers* defense, which survives *Jack Daniel's* because Changeling is not using the model pieces as a mark for anything. This use is close to the purely expressive use protected in the *Hangover Part II* case.
- Finally, Changeling should be able to argue that there is no likelihood of confusion because consumers will not believe that a spaceship on a TV show is in fact a lawnmower.
- Any § 43(a) failure-to-attribute reverse-passing-off claim is barred by *Dastar*. [Many of you analyzed this as a false-advertising issue, but

that's the wrong prong. This is a § 43(a)(1)(A) passing-off claim, not a § 43(a)(1)(B) false-statement claim.]

- The '899 design patent might be valid, as the design of an article of manufacture is ornamental and design-patentable as long as the design is not purely dictated by functional considerations.
- There is no possibility of infringement, however, as the creation of the Dax model is protected by exhaustion. When Jein Products sold properly licensed scale models of the DS-9, Starlight's design-patent rights in those model kits were exhausted, so Changeling did not infringe by assembling parts of those models into the Dax model. The TV show is not an article of manufacture covered by the patent, so there is no infringement for filming and performing episodes of *Negen*.

Uploads

The various uploads raise different issues and Changeling should approach them differently.

- The Negen Generation fansite synopses, photographs, and character sketches have a good fair use argument. They are transformative (commenting on and summarizing the fictional universe); they use only small portions of each episode; and they do not compete with any similar resource offered by Changeling. Indeed, they probably enhance the viewing experience by giving fans of the show a resource to consult in their conversations with each other. Even if Changeling could win a copyright-infringement lawsuit, bringing one would be bad for the show's public image and would discourage fans. Changeling should allow the site to continue and to cultivate an actively engaged fanbase.
- FreeTVScreenplays has a weaker fair use case. It uses complete works (entire screenplays), which may have greater market impact (reducing the demand for official screenplays or other detailed episode-by-episode collections). There is also less of a fanbase interest here (as the site is not tied to Negen fandom). Changeling should consider sending a cease-and-desist letter requesting the removal of Negen screenplays.

- The YouTube clips don't have a single answer. The complete-episode uploads are blatantly infringing, but short highlights have a better fair use case because the amount copied is smaller. In addition, the purpose of different uploads will vary; some will have additional commentary, while others won't. Changeling will need to develop some rough policies to determine which clips to send DMCA take-down notices for and which ones to leave alone. One possibility might be to set a threshold — e.g., two minutes — and send notices for clips longer than that threshold.

Question 2: Face/On

Koskinen has a fundamental choice to make: keep the formula for MMMSkin as a closely-held secret for her own use, or patent it and sell it as a mass-market product.

Secrecy

The formula for MMMSkin is currently a trade secret, but it is not guaranteed to remain one.

- The formula has economic value. It produces a foundation that can improve one's appearance and enhance the effectiveness of other cosmetics, and if only one company has the knowledge to produce that foundation, it will have a competitive advantage.
- The formula is currently secret. There is no indication that anyone outside of MMMK knows how to make it (or even that it exists).
- Some uses of the formula are compatible with this secrecy. Koskinen can use the formula herself to improve her appearance without disclosing the details to others, and she can also do photoshoots using it without revealing the details to the public.
- Other uses, however, will necessarily disclose the formula to the public. Obviously, publishing the formula in a scientific journal article will result in a loss of secrecy. Selling MMMSkin will too, because anyone can take a sample and chemically analyze it to reverse engineer the formula. In addition, the longer that Koskinen waits, the greater the likelihood that others will be curious about her foundation and make efforts to learn what she uses.

Utility Patent

The formula for MMMSkin is likely patentable.

- The formula is proper statutory subject matter; it is a composition of matter.
- The formula is useful as a makeup foundation layer.
- The formula appears to be novel, as there is no indication that anyone has previously combined 2MT with silica oxide and talc.

- The formula appears to be nonobvious. Although 2MT is used in other products, none of them are related to makeup, so there is no suggestion that a PHOSITA would have been led to try creating a makeup formulation using it.
- Koskinen will need to disclose the formula if she applies for and receives a patent. The enablement and best mode requirements, taken together, effectively require her to publish the use of 2MT and the 1:2:1 ratio. This will destroy any prospect of trade secrecy in the formula.
- A patent will give Koskinen exclusive rights over MMMSkin as a compound for makeup foundation. No one else will be able to sell a similar compound for 20 years.
- MMMK's scientists should investigate other ratios, the combination of 2MT with other common makeup ingredients, and similar plastics to 2MT, to capture the widest possible range of embodiments. Otherwise, there is a risk that other makeup companies could invent around the patent and create close substitutes for it.
- A patent is compatible with all of Koskinen's other proposed business models. In addition, the potential market for breakthrough makeup products is much larger than the market for her celebrity appearances. So she is probably better off pursuing a patent than retaining it as a trade secret.
- Koskinen may be able to obtain patent protection on the use of cosmetics or temporary tattoos on a foundation of MMMSkin, but this patent protection will face enforcement challenges. Koskinen will not want to sue the consumers who actually apply cosmetics over MMMSkin — indeed, they will be her customers. That means she will need to sue other companies making MMMSkin-compatible products only for secondary infringement. The details will depend on how specifically formulated their products are for use with MMMSkin (contributory infringement) and whether they are marketed for use with MMMSkin (active inducement). Koskinen should not count on using patents to exclude these forms of competition.

Trademark

MMMSKIN and MMMPLUS are protectable trademarks.

- MMMSKIN is suggestive. The "SKIN" portion of the mark refers to human skin, but the mark as a whole does not describe how the product relates to skin. The mark will have trademark rights as soon as MMMK begins using it in commerce.
- MMMPLUS is a strong suggestive mark. The "PLUS" portion of the mark indicates something more, but the mark as a whole does not describe what that something is. The mark will have trademark rights as soon as MMMK begins using it in commerce.
- MMMK can file intent-to-use registrations for MMMSKIN and MMMPLUS as soon as it is ready for information about its plans to go public; it does not need to wait for its first sales.
- A trademark on MMMSKIN will not prevent other companies from using the mark nominatively (e.g., "try using this rouge over a base of MMMSkin"), as long as they are careful not to imply endorsement or approval by MMMK. Similarly, a trademark on MMMPLUS will not prevent other companies from selling MMMSkin-compatible products, only from using the MMMPLUS mark.

Publicity-Creating Uses

Koskinen can and should engage in a variety of uses to promote awareness of and demand for MMMSkin.

- A line of temporary tattoos will feature copyrightable designs. It might also be possible to obtain design-patent protection on some designs, as the tattoo sheet is the article of manufacture. Copyrights, however, will do all of the work required, so design patents do not provide much additional value.
- Similarly, makeup videos and model photographs will be copyrightable works of authorship.
- All of these copyrights will protect only against direct imitation of specific designs and scenes. They will not prevent others from creating their own tattoos, makeup videos, and photoshoots.
- Koskinen's right of publicity will be implicated in her makeup videos, and any models in the photoshoots will have rights of public-

ity as well. But no matter how these rights are licensed, they will not suffice to prevent competitors from creating similar kinds of content.

- All of these uses would be commercial use sufficient to trigger the public-use bar. MMMK should not engage in any of them until after filing a patent application on MMMSkin.
- This content will be more unique and thus potentially more valuable if Koskinen restricts the supply of MMMSkin and prevents others from using it. But that value is probably not sufficient to outweigh the commercial potential of MMMSkin itself. Indeed, Koskinen should regard this content as promotional material for MMMSkin and encourage other models and influencers to create MMMSkin content themselves.
- Publishing the formula could be good publicity. It is, however, clearly a printed publication that could count as prior art. Thus, Koskinen should not publish any such article until after applying for a patent on the formula for MMMSkin.
- The "ancient Egyptian beauty secret" advertisement is false. The product is a modern creation. MMMK could face false-advertising liability for these ads, and should not run them.