

## IP Issue Spotting for the Non-IP Attorney

When intellectual property (IP) issues arise, there may be individuals and/or businesses that go directly to an attorney who specializes in IP; however, whether because of a prior relationship with a non-IP attorney or not understanding that there is an IP issue, those individuals and/or businesses may start with a non-IP attorney. While there may be some IP issues, such as with trademarks, that a non-IP attorney may believe that he/she can handle, it is important to understand certain IP basics to decide whether that attorney can handle the IP issue. If the attorney cannot (or does not want) to handle, the attorney should be able to engage in IP issue spotting to properly direct the individual and/or business to an IP attorney.

### A. Trademarks

For those that may not be that familiar with trademarks, a trademark may be almost anything that is used to identify a product or service. Trademarks can include words, logos, shapes, colors, smells, and even combinations of the same. Trademarks can represent one of the most important assets of many businesses. Having a good trademark can distinguish the business' products and/or services from those provided by competitors. Accordingly, it can be critical to the success of a business to secure trademark protection. Despite the value that good trademark protection can provide, individuals or companies may hold the belief that they can file a trademark application or maintain a registered trademark without the assistance of an attorney. It is understandable that individuals or companies are reluctant to incur the expense of hiring an attorney to handle trademark matters when the forms seem easy to fill out and, of course, doing the filing without an attorney seemingly can save money. However, there can be many pitfalls of cutting corners in securing and/or

maintaining trademark protection, and some of these are (1) failure to adequately select a protectable and enforceable trademark; (2) failure to meet Trademark Office requirements; (3) failure to adhere to less is more principle; and (4) failure to complete or maintain registration.

#### 1. Failure to Adequately Select an Enforceable Trademark

Due diligence is critical to reasonably confirm that the trademark is a good one (i.e., capable of being protected and enforceable). A trademark is more likely to be enforceable when it is distinctive and serves to distinguish the goods or services associated with the mark from those goods or services provided by others.

One of the more common problems in trademark protection is selecting a descriptive trademark to be protected. In terms of selecting a trademark, there is a sliding scale that indicates the strength of a trademark. Generic trademarks are the weakest form of trademarks. Generic trademarks are the common name for a good or service, and an example would be gasoline. This means that everyone can use the word or image without any problems. That is why you can print a picture of apples on the side of an apple bag without asking Apple Computers first. It is also why Apple can't sell real apples and force everyone else to call theirs "crispy fruit."

Descriptive marks are next on the sliding scale from weakest to strongest. A descriptive trademark is one that describes a quality or characteristic of the good or services to be associated with the mark, and these are the marks that are usually the hardest ones to obtain and enforce. Descriptive trademarks get right to the point by describing a company's products. However, this means they don't get as much protection from trademark laws. This is because it is possible for someone to use the trademarked word or image to describe

a different product. For example, some reviewers use the term “best buy” to describe good products, but you do not have to visit a Best Buy store to buy them. Companies named after their founders, like Ford Motors, also use descriptive trademarks. This is because a man named George Ford could own a motor and call it Ford’s Motor.

A descriptive trademark is one that describes a quality or characteristic of the good or services to be associated with the mark, and these are the marks that are usually the hardest ones to obtain and enforce. Someone who is unfamiliar with trademarks may believe that his/her selected trademark is good because it describes the goods and/or services to be associated with the mark. Similarly, they may believe that the trademark is good because a potential consumer would know what is being sold merely by being presented with the mark. When a descriptive trademark is selected to be protected, there is a risk that the Trademark Office may reject that mark for being too descriptive, leading to no registration at all. It will at least lead to a rejection, and there may be limited options to address the rejection, such as having the trademark placed on the Supplemental Register, but it can end up costing the person more time and money than not having pursued the descriptive trademark in the first place.

Accordingly, it is better to proceed with a suggestive, arbitrary, or fanciful trademark if you can. Suggestive trademarks can be made-up or real words or images, but in this case the mark suggests something about the company's products. For instance, the company Microsoft produces software, so there is a connection. The Greyhound bus company took the name of a fast dog breed to suggest speed, and Timex watches have the word “time” in their name. Suggestive trademarks are weaker than arbitrary trademarks, but the USPTO still considers them to be strong marks.

Arbitrary marks are those marks not readily identified as being related to the good or service. An arbitrary trademark is a word or image that already exists, but it has nothing to do with the business that uses it. Apple® computers is one of the classic examples since iPhones and laptops have nothing to do with fruit or cider. Shell® gas stations and Camel® cigarettes are other good examples.

Finally, the strongest trademarks are fanciful trademarks (sometimes called coined trademarks), which are completely made-up words such as Exxon®, Kodak®, Pepsi®, Clorox®, and Xerox®. To have the best chance of protection, an emerging company will want to try to select arbitrary or fanciful marks for the company name and/or product name. This lets companies have the full protection of U.S. trademark law. After all, no one has a reason to use a made-up word except the company. They are the strongest type of trademarks. The most well-known example would have to be Kodak®, which George Eastman made up for his camera and film company because he liked the hard K sounds. Most drug names are also made up, like Tylenol®, Advil®, and Percocet®.

Another potential pitfall of failing to adequately select an enforceable trademark at the outset is that when the Trademark Office performs a search during examination, they may identify an existing mark that presents a potential bar to registration because of likelihood of confusion. In such a scenario, the mark may not be protectable, and in fact, may be infringing, thereby causing the client to have to rebrand a business or product.

The best way to identify such problems is to carry out a good search prior to filing. The search may determine the availability of the mark for use and registration. Conducting a search may disclose marks that are identical or like the proposed mark. A knockout search may be done through the USPTO website, such as by using TESS (Trademark

Electronic Search System). This allows for a simple search to be conducted for marks that have been applied for and/or have been registered. Using TESS, a search can be focused on different classes of goods and services or even as to types of goods. Search engines such as trademarkia.com or trademarkengine.com are free services that can be used for a knockout search as well.

If an individual and/or business is planning to build a business around a certain mark, a more extensive search that may be human powered could be desirable. Examples include search services such as Corsearch® or SAEGIS® Online Screening. Following a more extensive search, the individual and/or business may desire to have an attorney opinion, which may be a written opinion as to the likelihood of registration.

If the proposed mark is identical or sufficiently like an existing mark and used for goods and/or services that are the same or like the proposed goods and services, there could be a risk of likelihood of confusion between these marks. Such likelihood of confusion could cause the denial of a registration of the proposed mark or expose the client to liability for trademark infringement if it uses the proposed mark. Unfortunately, there are no bright-line rules as to whether there is a risk of likelihood of confusion or the degree of such risk. It is a question of fact depending on an assessment of each mark and the degree of similarity of the relevant goods and/or services. Doing this search at the outset can be a good financial investment, as it can potentially help to avoid major legal and other business costs down the road, particularly if it helps to avoid a rebranding campaign.

## 2. Failure to Meet Trademark Office Requirements

Another pitfall that may arise with trademark applications is when there is a lack of full appreciation for the Trademark Office requirements. Some of the most common

mistakes arise with respect to identifying the proper owner of the trademark, knowing when to file an “intent-to-use” application as opposed to a use-based application, and accurately describing the goods and services associated with the mark.

First, the trademark application must correctly state who owns the trademark rights. If a company is identified as the owner of the trademark, the company should be legally formed and registered; otherwise, there may be an argument that the trademark registration was issued to a non-existent party, making the trademark unenforceable.

Second, if the trademark applicant is not yet using the trademark in connection with goods or services in the marketplace (i.e., interstate commerce) but still wants to proceed with protecting the trademark, an intent-to-use (ITU) application should be filed. Upon allowance, an ITU application may protect the mark while giving the owner time to get the mark associated with the goods and services and out into the marketplace. However, there can be a risk that an applicant may not appreciate the difference in the types of filings. In such a scenario, the applicant may end up having to amend, or worse, re-file the trademark application, to make it an ITU application as opposed to a use-based application. This raises the costs of securing protection, as another filing fee would need to be paid. But there also is a risk of intervening rights if another party secures rights in the same or similar mark in the interim, thereby eliminating or at least reducing the protection that the client may be able to obtain.

Third, a trademark application requires an accurate identification of the goods or services to be associated with the trademark. The Trademark Office provides a list of pre-approved descriptions for goods and services (ID Manual). Trademark attorneys are trained to consult this list and identify the proper goods and services to be associated with

a trademark, and when the pre-approved descriptions may not entirely align with a trademark, the attorney can rely on his/her experience with the Trademark Office to suggest descriptions that are likely to be approved. With do-it-yourself trademark applications, the most common problems arise when the applicant includes an improper description of the goods and services to be associated with the mark. This may lead to one or more rejections, thereby increasing the costs to obtain registration.

Another pitfall that arises with respect to preparing a description of goods and services is exaggeration of the goods and services allegedly associated with the trademark. The goods and services section of a trademark application should describe how the mark is or will be used in commerce. Applicants sometimes tend to list every potential product or service that they can think of being associated with the mark. If the mark is registered for goods and services that are not actually associated with the mark, the applicant may be viewed as having committed fraud on the Trademark Office and it could lead to nullification of the trademark registration in its entirety. Trademark attorneys are trained to scrub the description of goods and services and to drop any goods/services not being associated with the mark, prior to registration to minimize the likelihood of fraud on the Trademark Office or potential unenforceability of the trademark in the future.

On the other hand, applicants sometimes omit goods and services being used in commerce or those where there may be a legitimate intent-to-use. Applicants may not be aware that the description of goods and services in an application cannot be expanded beyond what was presented in the initial filing. While applicants may file additional applications to cover additional goods and services, careful consideration of the description of goods and services prior to the initial filing may save time and money. The bottom line

is taking time to confirm the use or potential for use of each item identified in the description may ensure the survival of the trademark registration.

### 3. Failure to Adhere to the “Less is More” Principle

In trademark applications, many applicants make the mistake of filing for protection on the most detailed version of their trademark (i.e., full color logo with business name and slogan). It is possible that applicants do so believing that the detailed version is most likely to be approved for registration or it may be a cost issue (maximizing the filing fee). However, protecting the most detailed version of the trademark (without separately protecting other aspects, such as the logo or the slogan) may dramatically limit the breadth of the registration. This may then affect the applicant’s ability to enforce the trademark later. For example, to prove infringement, the client would have to show the competitor used a confusingly similar name *and* logo *and* slogan. While this may be possible to prove, it is less likely that a competitor would use all three components together. On the other hand, if the applicant protects the business name alone, with no particular claim to font or color, the applicant may be in a better position to show a competitor is using a confusingly similar name, even if the competitor uses a drastically different logo.

### 4. Failure to Complete/Maintain Trademark Registration

Many applicants are not aware of what is required to have the trademark application proceed to registration, and online services do not always provide the information sufficient for applicants to ensure compliance. For example, in the past, LegalZoom has sent trademark applicants a letter telling them that it is time to file a trademark statement of use in connection with an ITU application. This letter stated “[b]ecause you filed your trademark on an ‘Intent to Use’ basis, you now need to file a Statement of Use to complete

the application process. This must be done within **6 months** of your original filing date.” However, there is no such time limitation for submission of a Statement of Use following filing of an ITU application; rather the Statement of Use (or a request for extension) must be filed within 6 months after the ITU application has been allowed. While the LegalZoom letter confirmed that extensions of time are available to file a Statement of Use, unwary applicants may be led to believe that use must be more imminent than the Trademark Office requires, and mistakes are made.

There are other scenarios where do-it-yourself applicants may believe that they have a registered trademark just by filing a trademark application. Having this belief, if the Trademark Office issues a rejection of the application, they may not respond to the rejection within the time limit, and this may result in abandonment of the application.

Even once the trademark has been registered, do-it-yourself trademark owners may not appreciate the requirements that must be met to maintain a trademark registration. A trademark registration never expires until the owner fails to show continuous use in commerce or the owner fails to renew the trademark. Trademarks in the United States must be renewed every 10 years. If the registration is not renewed, it will be cancelled. Further, a Section 8 Affidavit showing use or justifiable non-use must be filed between the 5th and 6th year of the first registration term. A Section 8 Affidavit and a Section 9 renewal application must be filed every 10th year to maintain the registration in force. The most common pitfall with do-it-yourself trademark owners concerns failure to maintain a trademark registration. If a trademark owner works with an attorney to obtain/maintain trademark registrations, these deadlines would be docketed, and the trademark owner would likely receive reminders from the attorney in advance of the deadlines to act. While

there are some online services that will provide trademark owners with unsolicited reminders of renewal deadlines, these reminders are not always accurate and sometimes look more like advertisements, causing trademark owners to disregard them. Failure to renew a trademark registration when there is continuous use in commerce may not be fatal, but like the other pitfalls previously described, it can prove costly as a new trademark application may need to be filed, thereby restarting the application process when it was not necessary to do so.

As you can see, there are many perils and pitfalls that may befall a trademark applicant, but there are many others we have not discussed, including oppositions following trademark publication, changes in ownership following registration, and submission of proper specimens with a trademark application. The cost of consulting an IP attorney to file and/or maintain a trademark can be minimal in comparison to the costs that may arise in attempting to salvage an application containing serious errors, reviving a trademark registration that has lapsed, or fighting an infringement lawsuit.

## B. Patents

Unless you have no access to media (television, print, radio, Internet), you have probably heard or seen at least one advertisement about services, such as InventHelp® or LegalZoom®, that purport to enable the average person to generate their own legal documents at a low cost. They also may promote their use to assist inventors in attempting to obtain patent protection but using these services when patenting can be full of pitfalls for the unwary. While there are numerous potential pitfalls in attempting to obtain/maintain patent protection, this article will highlight several of the most common including misconceptions about provisional patent applications, how having an improperly

written patent application can be worse than no patent application at all, and, if we have time, mixing marketing/commercialization with patent protection.

#### 1. Misconceptions About Provisional Patent Applications

Some inventors attempt to use online services or go at it themselves particularly when filing provisional patent applications, which is considered a placeholder or less formal application to buy an inventor time (up to 1 year) to work on the invention and file a non-provisional application to be considered by the Patent Office. Of course, the low cost of filing a provisional application without engaging an attorney can be enticing; the filing fee is only \$130, and some online solutions like LegalZoom will only charge \$200 in preparation fees, much less than the average patent attorney. But there are many pitfalls that may result when engaging in the provisional patent application process.

Many patent applicants (and even non-IP attorneys) are led to believe that filing a provisional patent application means that you have patent protection. For example, at one time, at least one of these online services promoted that an inventor could obtain a “Provisional Patent.” But there is no such thing as a “Provisional Patent,” only a provisional patent *application*. The applicant must file a non-provisional application within 1 year of the provisional application filing date or else the provisional application expires, and no patent will issue. Unfortunately, unwary applicants may file a provisional patent application on their own or use one of these services to file a “Provisional Patent” and think they have a patent to enforce or that protects them merely by filing. But all they have is an application that has not been examined for patentability and that is only good for a limited time (up to 1 year). This leads to another pitfall – failure to appreciate the need to convert the provisional application to a non-provisional application within 1 year

after filing. If the provisional application is not converted to a non-provisional application, the provisional application will expire. The invention will no longer have “patent pending” status, and the inventor has little recourse to be able to revive the application and attempt to gain protection. The Patent Office does not send any reminders to the patent applicant about this conversion deadline. And even if the applicant knows of the deadline, he/she may not appreciate what needs to be done to properly convert a provisional application. In contrast, if the inventor engages a patent attorney/agent to file the provisional application (or at least assist in the conversion process), the patent attorney/agent will docket the appropriate deadlines and generally provide reminders in advance of the deadline. The patent attorney/agent also will provide the inventor with advice as to what may be needed to be done to properly convert the provisional application, more specifically how to draft the claims, how to meet formal drawing requirements, and the effects of adding significant disclosure not previously contained in the provisional application. So, the inventor will be aware of what needs to be done and the deadlines for doing so. If an attorney is approached by a person wishing to convert a do-it-yourself provisional patent application, it is critical to ask questions about when the application was filed and understand the level of detail (or lack thereof) contained in the application. This will help the attorney/agent to ensure that any non-provisional application is filed on time and hopefully benefit from the priority filing date associated with the provisional application. This ties in with another pitfall that can arise with respect to both provisional and non-provisional patent applications – the danger of having an improperly written patent application.

## 2. Improperly Written Patent Applications Can Be Worse Than No Application At All

Another pitfall of using online services to file a patent application, or filing a patent

application *pro se*, is that an improperly written patent application can be almost as bad as never having filed an application in the first place. While there are many factors that can contribute to a patent application being considered “improperly written,” failure to describe the invention in sufficient detail, failure to claim the invention properly, and over-describing prior art are just a few.

If a provisional application does not describe the invention and how to make/use the invention in sufficient detail, and more details are then added to the non-provisional application that more fully describe the invention, it is possible that the non-provisional application may not get the benefit of the provisional application priority filing date. This can be a significant pitfall because the main benefit of filing a provisional application is getting a filing date for priority purposes. If the inventor loses the benefit of that early filing date, then the inventor might as well not have filed a provisional application at all. This can also be a problem with a do-it-yourself non-provisional patent application. If the invention is only described at a very high level in the patent application, the full scope of the invention may not be contained in the application. Accordingly, when the Patent Office examines the application, the details that might otherwise help to distinguish the invention from the prior art may not be contained in the application, and no new matter can be added without filing an entirely new application. This lack of sufficient detail can doom success of the patent application. Even if not fatal, the applicant may have to file an additional application to include the details relevant to patentability and may lose the benefit of the non-provisional application filing date and the priority filing date of any provisional application.

Another area where pitfalls arise concerns the claims contained in a non-provisional

application. Patent claims legally define what is, and is not, the invention (i.e., the metes and bounds of the invention, like the property lines). The Patent Office will examine the claims of the patent application to define the scope of protection for an invention. It can be unwise for an applicant to draft its own claims when not trained to do so, and they may not always draft claims that result in a valid patent and with a worthwhile scope of protection. That result may be worse than having no patent at all.

Applicants should be encouraged to engage a patent attorney/agent if only just to prepare the claims associated with a non-provisional patent application and later negotiate the claim scope with the patent examiner. Patent attorneys/agents are trained to draft claims and they understand the practices and procedures of the Patent Office. Having a good set of claims in an issued patent is what can make the issued patent valuable, as there is only infringement when all limitations of the patent claims are met, not just based on what is described in the patent application. If the claims are too narrow, the claims may be easy for a potential infringer to design around. Conversely, if the claims that issue are too broad, it may be possible for an accused infringer to seek to invalidate the claims either through the courts or through procedures available in the Patent Office (i.e., reexamination, post-grant review (PGR) and inter partes review (IPR)).

Regardless whether someone is filing a provisional or a non-provisional patent application, a common tendency for do-it-yourself patent applicants is to describe the prior art (references that describe what has been done in the past) in a lot of detail, particularly including positive descriptive comments about the prior art. These types of comments can often backfire when the Patent Office later examines the non-provisional application because the applicant's own admissions about the prior art may provide the examiner with

the support needed to reject the claims, even without the examiner performing a search. A better approach is to keep the prior art (or background) section of the patent application to a minimum, while disclosing any relevant references through an Information Disclosure Statement. A patent application should merely indicate what is lacking in the prior art and frame the discussion in the context of what the invention adds or improves upon when compared to the prior art. This may make it less likely that an examiner rejects the claims using statements from an inventor's own patent application.

### 3. Dangers in Assistance With Marketing/Commercializing Invention

Often clients do not look to their attorneys for assistance in marketing/commercializing an invention as they can often get better advice on those sorts of topics from marketing or business professionals. However, the danger is when clients go to an online service for assistance on these topics, while also possibly utilizing the online service to evaluate the potential for patent protection. Both areas can be fraught with problems, both in terms of the effectiveness of the protection (if any) as well as the cost. InventHelp is the most common online service purporting to offer services to assist inventors to market and commercialize their inventions. This service also provides means for inventors to have their inventions evaluated and possibly file for patent protection. However, clients should be aware that the costs associated with use of this type of service (often upwards of \$10,000) and the lack of meaningful results (possibly no patent protection and no one interested in the invention despite the investment) may counsel against use of such services. In fact, the Better Business Bureau (BBB) has received countless complaints about InventHelp over the years. Many of these complaints and the attempts to resolve the complaints are available online; reviewing some of these complaints

may assist attorneys/patent agents in better counseling clients of the perils and pitfalls of utilizing such a service.

When an individual or company is considering whether to engage in do-it-yourself patent protection, an analogy may be made to a commercial from some time ago where a man is sitting at the table with a butter knife and the surgeon on the phone is telling him how to perform the surgery. The man asks: “Shouldn’t you be doing this?” A wise question for sure! Preparing a patent application on your own is a lot like doing surgery on yourself. You are going to make mistakes; it is not a good idea and only in the most extreme of circumstances should it be attempted. Further, while services such as LegalZoom or InventHelp may have been created with noble intentions – allowing the public essential documents without substantial inconvenience or high fees – using such services to pursue patent protection can be risky. But the largest pitfall is that an inventor loses his/her potential for patent protection by using these services, which may be a loss of money far greater than the cost of engaging a patent attorney to assist in the process.

### C. Mixed IP Issues

In corporate due diligence, such as may occur with mergers and acquisitions, it is critical to verify the ownership of IP before any transfer occurs. Any assignment agreement including the right to sue for patent and/or trademark infringement without any other rights accompanying the transfer should be analyzed to determine the nature and extent of the IP rights that the assignee claims to possess. If the records associated with IP transfers do not appear to be complete or are unclear, this should prompt further investigation, at least to obtain a written copy of any license agreements or assignments of rights.

There also may be questions about the strength of certain IP. With a trade secret,

it may depend on what measures have been employed to keep the information secret and the commercial value of the information. A patent's strength may depend on its validity based on prior art, the patent claims, and how they may be interpreted. Decisions also may be made as to whether to protect a new product through a patent or keep it as a trade secret. This may be based on the subject matter involved and/or the competitive landscape, among other considerations.

#### D. Social Media and IP

Various IP issues can arise related to social media websites and content. Social media websites and content can impact different IP areas including, but not limited to, copyright law, trademark law, patent law, trade secret law, and contract law.

For example, copyright law can protect original content, data, and other information on a website. Protectable content could include blog posts, tweets, pictures taken or created and posted, as well as other content-driven expression. Copyright law can be used to prevent others from data mining content from a website without the owner's permission. However, it is also important to avoid posting copyrighted content of others without permission; accordingly, clearing rights to post copyrighted content can be necessary.

With trademarks, issues can arise when others adopt domain names that incorporate an owner's registered trademark. Allowing these domain names to be active can be harmful to the trademark owner's reputation or can divert business away from the trademark owner. Policing mechanisms can be a helpful way to monitor how trademarks are being used in e-commerce and on social media websites. When issues arise, take-down procedures can be utilized to address the offending use(s).

#### E. Conclusion

It can be risky to bet the future of what can be a business' vital assets – its IP – by using do-it-yourself IP to save money in the short run. And hopefully with this information, even if you do not practice IP law, you can steer people in the right direction – to consult an IP attorney before putting these valuable assets at risk.