

Introduction to Intellectual Property
Spring 2006
Professor Ohm

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Sample Solution Outline to Model Exam Questions 1 and 2

I. Model Question 1: Legoland and Shrek/Donkey

A. Study the Call of the Question:

1. Copyright infringement?
2. Trademark infringement?
3. ...to Owners of Shrek/Donkey
4. Advice for Legoland?

B. Copyright

1. Threshold

a) TWO separate possible copyrights infringed here.

(1) The "characters" as the "story being told" a la Nichols and Stallone

(2) The visual depiction -- Pictorial, Graphic and Sculptural. Section 102(a)(5)

(a) Section numbers are not required.

2. Copyright Requirements

a) Ownership

(1) Presumably BOTH are owned by someone other than Legoland.

b) Fixation? Yes.

(1) Characters: Book, script, screenplay.

(2) Visual Depiction: Movie, merchandising, etc.

c) Sufficiently creative?

(1) Absolutely.

(2) You can try to make an argument about "Donkey" -- he looks a lot like a real donkey -- still, there are probably enough creative aspects to be copyrighted.

3. Infringement

a) Two Prongs:

(1) Copying? (Access plus sufficient similarity)

(a) Access -- absolutely

(b) Similarity -- Strikingly similar.

(c) Could also get full points by saying: Legoland would probably concede this point.

(2) Wrongful appropriation?

- (a) Characters:
 - (i) Placing them in a new storyline. (A little like Stallone).
 - (ii) But: Not really "taking" the essential qualities of Shrek and Donkey from the original stories. Not even at the level of Nichols (Jewish and Irish Fathers).
 - (iii) So no infringement.
- (b) Visual Depiction:
 - (i) Probably a reproduction.
 - (ii) Probably a derivative work. (3d copy in Lego).
 - (iii) Almost certainly took too much.
 - (iv) Under any test: e.g., Steinberg test is clearly met.

4. Fair Use

a) Four Prongs:

- (1) Nature of Use:
 - (a) Commercial Use
 - (i) Yes. Legoland charges an entrance fee.
 - (ii) (not sure I agree with this argument, but you'd get points): Seems only weakly commercial since this isn't a major draw of the park and you don't pay a separate fee to see this one.
 - (b) Parody?
 - (i) Broad Campbell standard -- can a parodic purpose reasonably be perceived?
 - (ii) Even under the broad standard, this is probably not a parody.
 - (iii) Here: What's the parody? Poking fun at Shrek/Donkey?
 - (iv) Nope. Purpose? Make Jack in the Beanstalk seem fresh and new.
 - (c) Otherwise Transformative?
 - (i) Perhaps. New medium. New situation. A little like making a rap version of "pretty woman".
- (2) Nature of the Copyrighted Work
 - (a) Fictional. Weighs against fair use.
- (3) Amount/Substantiality of Portion Taken
 - (a) All of it taken. 100%
- (4) Market Effect:
 - (a) Direct effect: Probably none. Not likely to affect movies, merchandising, etc. May even inspire you to buy some.

- (b) Effect on other visual interpretations?
 - (i) Probably some effect. Sculptors in general may be dissuaded from sculpting Shrek because of this. Lego Sculptors may also be dissuaded. (Like the rap derivative work market for Pretty Woman).

b) Conclusion: Probably not a fair use. But close enough that can you try to make a compelling argument the other way.

5. Advice:

a) Legoland should not do it without a license.

C. Trademark

1. Threshold:

a) What is the "mark"?

- (1) The visual depiction of the two characters.
- (2) Don't be confused: The marks are NOT the words "Shrek" and "Donkey". Not mention that they are used here.

2. Trademark Validity/Priority

- a) Have Shrek and Donkey been used to market products? Sure. Movie, merchandise.**
- b) Senior user is not legoland.**

3. Trademark Infringement

a) Trademark Use in Commerce

- (1) We didn't discuss this, so you wouldn't get points for it. (e.g. of why black letter horn books aren't always helpful).

b) Likelihood of Consumer Confusion (Sleekcraft factors)

(1) Strength of Mark?

- (a) Shrek -- fanciful
- (b) Donkey -- a little weaker because resembles a donkey. Still, pretty distinctive.
- (c) Shrek for P, D slightly for P.

(2) Proximity of Goods

- (a) Probably pretty close -- movies and theme parks both cater to youth audience and both try to entertain.
- (b) For P.

(3) Mark similarity?

- (a) Identical
- (b) For P.

(4) Actual Confusion

- (a) No facts on record.
- (b) Advantages neither.

- (5) **Marketing Channels**
- (a) Probably similar, mass-market channels.
(TV, print, word of mouth).
- (b) For P.
- (6) **Purchase Care**
- (a) Not buying the sculptures, so a little hard to analyze.
- (b) But theme park attendees tend to be pretty careful because it's a rare occasion and the cost is high.
- (c) Can go either way.
- (7) **Intent**
- (a) Intentional reproduction, but maybe not an intent to use someone's goodwill?
- (b) Slightly for P?
- (8) **Likelihood of Product Expansion**
- (a) By Legoland:
- (i) Probably high? Gift shop keychains.
- (b) By Shrek Owners:
- (i) Probably high. Lots of merchandising done.
- (c) For P.
- (9) **Conclusion?**
- (a) Suggests infringement.
- c) Defenses?**
- (1) **Nominative use?**
- (a) Perhaps -- but one prong is "no implied sponsorship" so probably a loser.
- 4. Trademark Dilution (incl. defenses)**
- a) Famous Marks?**
- (1) Absolutely.
- b) Distinctive?**
- (1) Not clear this is a factor (and we barely touched on this in class).
- (2) At any rate, these depictions are distinctive.
- c) Commercial use in commerce?**
- (1) Much harder case than Barbie.
- (2) Are the sculptures being used to sell anything?
- (a) You come upon them first when you are already in the park. No extra fee to see them.
- (b) So not a strong argument for this factor.
- d) Dilution?**

- (1) **Blurring?**
 (a) Sure. When you see future Shreks, you might think back to the Legoland Shrek and not the movie shrek. Even if you're not confused about source, the distinctiveness may be blurred.
- (2) **Tarnishment?**
 (a) Doubtful. Probably not an offensive display.
- (3) **Actual Dilution?**
 (a) We still don't know how this test is defined.
 (i) Justice Stevens told us just that it isn't "Actual Loss" in V. Secrets.
 (b) Points for flagging it.
- (4) **Defense: (Mattel): Noncommercial use.**
 (a) Don't confuse this with the "Commercial use in commerce" prong.
 (b) Does it do more than propose a commercial transaction?
 (i) Probably. But it's not parody, most likely. So unsure on whether this is a defense.
- e) Advice?**
 (1) A slightly better argument than for copyright, but it's still a lot of risk. Get a license.

II. Model Question 2: Java Jacket

A. Call of the Question

1. **Does the cup infringe the patent claim, either literally or under the doctrine of equivalents?**
 a) I don't like this call of the question, because it's not clear that validity is being raised.
 b) I would have preferred to say, "The holder of the patent for the Java Jacket sues the styrofoam cup holder manufacturer for patent infringement. Who prevails?" OR Assess the likely success of the cause of action...
 (1) Validity is now clearly raised.
 c) Or: "Will java Jacket be able to prove infringement literally or under the doctrine of equivalents? Do not address validity."

B. Validity

1. **Subject Matter**
 a) Clearly. Manufacture.
2. **Utility**
 a) Clearly. (Stated in facts)
 b) And the bar is low.

3. **Novelty**
 - a) **No anticipation: Not preceded in identical form in public, prior art.**
 - b) **No statutory bars on these facts.**

4. **Non-Obviousness**

- a) **Test:**

- (1) Would someone of ordinary skill in the art have found that the java jacket was obvious at the time of invention? (Graham)

- (2) Secondary considerations (now required): Commercial Success; Long-felt need, failure of others; copying; unexpected results.

- (a) Can't really address these on the facts.

- b) **Applied:**

- (1) Prior art seems much more limited.

- (a) Foam Rubber cup holders and ring-shaped cup holders

- (i) I suppose you could say something about Dembecziak: Suggestion/Motivation, but that doesn't really get you much, since this still wouldn't have come close to rendering the Java Jacket obvious.

- (2) Nothing explains why foam rubber insulates, but it may be because of depressions, pockets of air.

- (a) Can talk about combining prior art references a la Dembiczk and Vaeck: Suggestion/Motivation/Teaching test.

- (3) Maybe able to say something about failure of others -- since this cheaper and easier to store.

- c) **Conclusion: Seems like a very different invention from the much-thicker, rubber invention. Probably non-obvious.**

5. **Enablement**

- a) **We didn't cover it directly, so no points for flagging or not flagging it.**

- C. **Infringement: Literal**

1. **All-elements test.**

2. **Part of the exercise is element parsing.**

- a) **Splitting a claim into elements is often difficult.**

- b) **We didn't do it too much in class.**

- c) **So the point isn't to see if you split the elements into logical places, it's just to see if you remember to look at the claim in terms of elements.**

3. **(one of many) Possible list of elements here:**
- a) 1. Band of material.
 - b) 2. Open Top.
 - c) 3. Open Bottom.
 - d) 4. Inner surface immediately adjacent the cup.
 - e) 5. Plurality of discrete, spaced-apart, approximately semi-spherically shaped depressions distributed on substantially the entire inner-surface of the band.
 - f) 6. Each depression defines a non-contacting region of the band creating an air gap between the band and the cup.
 - g) It's important to see early that elements 1, 2, 3, and 4 aren't in doubt here, so spend very little time on them!

4. **Are All-elements Present in the Alleged-Infringing Device?**

- a) Will turn on the claim construction, but these elements are present in the alleged infringing device:
 - (1) 1; 2; 3; 4 all present.
 - (a) "exactly the same shape" is a tip off that you shouldn't be wasting too much time on the "geometry" elements.
 - (2) It probably turns on element 5.
 - (a) It depends on claim interpretation. Beyond that, you can't say much.
 - (3) Element 6 is also interesting.
 - (a) "Each depression defines a . . . Air gap between the band and the cup"
 - (i) Styrofoam -- some of the "air gaps" may be between the hand and the band, but the cup may touch the band directly.
 - (4) Answer depends on Claim Construction.

5. **Claim Construction**

- a) The point is to identify words or phrases in the list of elements that are likely to be important here.
- b) Question of Law
 - (1) In some jsdns, will be decided in advance by a Markman Hearing.
 - c) The key here: The depressions / air pockets.
 - (1) First: what is "approximately semi-spherically shaped"?
 - (a) Styrofoam pockets are "all different shapes."
 - (b) Two questions:

- (i) Can "approximately semi-spherically" mean "random shaped"?
- (ii) Does anything in the claim suggest that the depressions must be similar to one another in size or shape??

(2) **Second: Must these be man-made depressions?**

- (a) Styrofoam pockets are "natural" as part of the process.
- (b) Claim says "spaced-apart" and "distributed on substantially the inner surface."
- (c) Alleged Infringer probably wins this one, because nothing in the facts suggests that the Java Jacket depressions are man-made. They too may be "natural" and if they are, that is probably described in the specification, which is used for claim interpretation.

(3) **Third: What about this air gap?**

- (a) Patent says: Between band and the cup.
 - (i) Can this mean: Cup, air, Band?
 - (ii) Probably not.

(4) **You can't really construe the terms on the exam, but you should talk about what a court would look at (Phillips v. AWH)**

- (a) The Patent Claims (Claim differentiation)
- (b) The specification
 - (i) You might be able to say something about the prior art here -- the ring-shaped cup holders and the thick rubber sleeve.
 - (ii) NOT really in the facts, but you can say, "The patent probably discusses the prior art here..."
- (c) The file wrapper
- (d) Extrinsic Evidence:
 - (i) Dictionaries
 - (ii) Experts
- (e) NOTE: You would get a few points from intelligently guessing how these factors would fall, namely:
 - (i) Styrofoam forms predate the invention and patenting of the java jacket, so the experts and dictionaries are likely to suggest that the words mean something that does not capture styrofoam forms, at least not literally. For example, an expert is likely to say that the innovation here was the man-made depressions, and that's why distinguished it from styrofoam.

6. **Conclusion**

a) **Probably not Literally Infringed.**

D. **Infringement: Doctrine of Equivalents**

1. **No facts about amendments, so don't spend time on PHE/Festo**
2. **Tip: Don't exhaustively reiterate the elements that are present. Just refer back to Literal infringement in one sentence.**
3. **Test: Does the accused product or process contain elements identical to or equivalent to each claimed element of the patented invention? (Warner-Jenkinson)**
 - a) **Other formulations:**
 - (1) **Function-Way-Result Triple Identity Test: Does the element serve the same function in the same way leading to the same result?**
 - (2) **Insubstantial Differences Test: Is the element "insubstantially different" from the claimed element?**
4. **So test is: Here, it seems to boil down to the depressions/air pockets, and much turns on the claim construction.**
 - a) **Are the styrofoam pockets of "all different shapes" equivalent to the "approximately semi-spherically shaped" depressions of the patent?**
 - (1) **Function-Way-Result: Seems similar**
 - (2) **Insubstantial Differences?**
 - (a) **On the one hand: Really not that different.**
 - (b) **On the other hand: Maybe some differences in how well it works.**
 - (c) **Use a series of "JJ will argue" and "Styro" will respond...paragraphs.**
 - b) **What about the "air gap between band and cup" example?**
 - (1) **Function/Way/Result?**
5. **Conclusion**
 - a) **Much turns on Claim Construction.**
 - b) **One possible conclusion: because of the breadth of the DoE (function/way/result), possibly for D.**