

# Managing your Intellectual Property

## Copyrights, Trade-marks, Trade Secrets and Patents

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BCIC New Ventures Competition  
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# Disclaimer

- © The information contained in this presentation is of a general nature. It is not legal advice and should not be construed as or in any way considered to be legal advice.



# IP management considerations

- I. IP identification
- II. IP ownership
- III. IP protection



# Intellectual Property

- ④ Four pillars of intellectual property
  - ④ Copyrights
  - ④ Trade-marks
  - ④ Trade secrets
  - ④ Patents
- ④ Other forms of IP
  - ④ Industrial design
  - ④ Plant breeders rights
  - ④ Integrated circuit topography



# Quiz

- © What types of IP protect software?



# Copyright

- © Copyright protects the expression of idea, not the ideas themselves
- © Copyright is the sole right to produce or reproduce a work, or a substantial part of a work

# Copyright cont'd

- “Work” includes books, songs, computer programs, instruction manuals and website designs



# Copyright Cont'd

## Ⓒ Requirements:

- Ⓒ Originality: the exercise of skill and diligence, but not necessarily creativity
- Ⓒ Fixation: must be expressed to some extent at least in some material form







# Copyright

- ⦿ As a general rule, the author (or creator) of a work is the first owner of copyright
- ⦿ Freelancers or independent contractors are considered the “author” or their creations
- ⦿ Employment is an exception to the general rule

# Moral Rights

- Ⓒ Moral rights give the author of a work the exclusive right to be associated with the work and to the integrity of the work
- Ⓒ Moral rights can only belong to people
- Ⓒ Moral rights cannot be assigned, only waived





# Copyright Protection

- ⦿ Arises automatically
- ⦿ © notices should be used
- ⦿ Registration enhances rights
  - ⦿ Simple and inexpensive to register
  - ⦿ Registration in US is more significant



# Copyright Management

- ⑥ Focus on ownership and rights
- ⑥ How are works developed?
- ⑥ What do your contracts say about copyright?
  - ⑥ Employment agreements
  - ⑥ Service contracts
  - ⑥ Licenses



# Copyright Questions?

- © Roger Kuypers
- © rkuypers@fasken.com
- © 604.631.4880



# Trade-marks

Interbrand's most valuable brands (2006):





## Why are trade-marks important?

- ④ The goodwill associated with products and companies reside in their respective trade-marks
- ④ Consumers make decisions based on trade-marks



# Managing trade-marks

- A. Picking a good trade-mark
  - I. Distinctiveness
  - II. Searching and Clearance
- B. Registration
- C. Enforcement



# A. Picking a good trade-mark

## I. Distinctiveness

- ⑥ Distinctiveness is the key to choosing an effective trade-mark
- ⑥ The purpose of a trade-mark is to distinguish your wares and services from those of your competitors. To do so, it must be distinctive.
- ⑥ Distinctiveness requires that your trade-mark:
  - ⑥ Does not describe your wares and services
  - ⑥ Is not confusingly similar to your competitors trade-marks
- ⑥ Distinctive marks: KODAK, APPLE (for computers)



# Descriptiveness

- ⦿ Trade-marks law generally prohibits obtaining rights to and registering trade-marks that describe the character or quality of the wares and services with which they are used
- ⦿ Reason: trade-mark owners should not monopolize words that describe wares or services
  - ⦿ E.g. “safe” cars, “fresh” bread
- ⦿ It is tempting to choose trade-marks that are somewhat descriptive
- ⦿ However, the more descriptive your trade-mark is, the less you will be able to claim rights to it and protect it
  - ⦿ E.g. “save on foods” for grocery stores



## Confusion with other Trade-marks

- ④ Trade-marks law generally prohibits the use and registration of trade-marks that are confusingly similar with those of your competitor because:
  - ④ it creates confusion in the marketplace
  - ④ infringes the rights of others
- ④ It is tempting to choose marks that are somewhat confusing with established marks or that contain common elements
- ④ Even if you are able to register a trade-mark with common elements, your ability to protect it could be compromised

# Confusion





## II. Searching and Clearance

- ⦿ Prior to choosing a trade-mark, search the trade-marks **register** and **marketplace** to ensure that no identical or confusingly similar marks are already used, registered or applied to be registered for the same wares or services
- ⦿ Best practice: come up with more than one potential trade-mark at the start of the searching process and rank according to preference



# Types of Rights to Search For

- ⦿ There are two types of trade-mark rights:
  - ⦿ Statutory rights
    - ⦿ arise from registering or applying to register a trade-mark
    - ⦿ need to search the Canadian Intellectual Property Office Trade-marks Registry to find them
  - ⦿ Common law rights
    - ⦿ arise from use of a trade-mark in the marketplace
    - ⦿ need to search the marketplace to find them
    - ⦿ more limited than statutory rights



# Search Tools

- ④ The main search tools are:
  - ④ Knock-out searches
  - ④ Full availability searches
  - ④ Investigations
  - ④ Legal opinions

# Knock-out Searches - Canada

The screenshot shows a web browser window titled "CIPO - Canadian Trade-marks Database - Microsoft Internet Explorer". The address bar shows the URL: <http://strategis.ic.gc.ca/cipo/trademarks/search/tmSearch.do>. The page header includes the Canadian Intellectual Property Office logo and the text "Canada". A navigation menu contains links for "Français", "Contact Us", "Help", "Search", and "Canada Site". Below this, there are links for "Strategis", "Site Map", "What's New", "About Us", and "Registration". The main content area features the "Canadian Intellectual Property Office" logo and the heading "Canadian Trade-marks Database". A sidebar on the left contains a menu with items: "CIPO Home", "Patents Database", "Decisions of the Commissioner of Patents", "Trade-marks Main Page", "TRADE-MARKS DATABASE", "Help", "Disclaimer", and "Copyrights Database". The main content area includes a "Notices" link and a message stating "The database was last updated on: 2005-09-20". Below this, there is a search form with the text "Enter words/numbers in the text box and select field from the drop down menu. There are five searches you can enter criteria for. Click here for [Help on Search](#), [Help on Fields](#), or [Help on Operators](#)". The search form is titled "Search 1" and contains an input field for "Enter search text:", a dropdown menu for "Select search field:" (currently set to "TM Lookup"), and "Search" and "Reset" buttons. The Windows taskbar at the bottom shows the Start button, several open applications, and the system clock displaying "7:47 AM".



# Knock-out Searches - US

Trademark Electronic Search System (TESS) - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address <http://tess2.uspto.gov/bin/gate.exe?f=searchss&state=vc0j1r.1.1> Go Links >>

United States Patent and Trademark Office

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**Trademarks > Trademark Electronic Search System (TESS)**

TESS was last updated on Wed Apr 9 04:10:56 EDT 2008

[TESS HOME](#) [STRUCTURED](#) [FREE FORM](#) [BROWSE DICT](#) [SEARCH OG](#) [BOTTOM](#) [HELP](#)

**WARNING:** AFTER SEARCHING THE USPTO DATABASE, EVEN IF YOU THINK THE RESULTS ARE "O.K.," DO NOT ASSUME THAT YOUR MARK CAN BE REGISTERED AT THE USPTO. AFTER YOU FILE AN APPLICATION, THE USPTO MUST DO ITS OWN SEARCH AND OTHER REVIEW, AND MIGHT REFUSE TO REGISTER YOUR MARK.

View Search History:

Plural and Singular  Singular

Live and Dead  Live  Dead

Search Term:

Field:

Result Must Contain:

Please logout when you are done to release system resources allocated for you.

This **New User (Basic)** search form allows for searching of the most commonly searched fields: word marks, serial or registration numbers, and owners.

The **Combined Word Mark** is the default search field and includes the **word mark** and **translation**.

Start Fasken Martineau Inbox - Micro... 7 Reminders Microsoft Word Microsoft Powe... Trademark EL... 2:17 PM



## B. Registration

- ⦿ Registration is by country (except EU)
- ⦿ Canada:
  - ⦿ One and a half years average for registration
  - ⦿ \$2,500 (no objections, oppositions)
  - ⦿ 15 year renewable registration period
- ⦿ Prioritize countries by value of market and likelihood of sales



# Rights arising from registration

- ⑥ Exclusive use of trade-mark throughout Canada with the registered wares and services
- ⑥ To prevent others from using an identical or confusingly similar mark in Canada with the same wares and services
- ⑥ To prevent others from using the trade-mark in a manner that is likely to depreciate the goodwill attached to the trade-mark



## C. Enforcement

- ④ Keep an eye out for possible infringement of your rights, by
  - ④ Monitoring your market and related markets for trade-marks that are similar to yours
  - ④ Monitoring trade-mark registries for attempts to register marks that are similar to yours
    - ④ You can order regional and global watch services to alert you of such attempts



# Enforcement

- ⑥ Take action against infringements and potential infringements
  - ⑥ Cease and desist letters
  - ⑥ Litigation
  - ⑥ Opposition
- ⑥ Failure to act can weaken your trade-mark rights



# Trade-marks Management

- ④ Pick the right trade-mark
  - ④ Consider more than one potential trade-mark
  - ④ Avoid trade-marks that are descriptive or similar to other trade-marks used in your industry
  - ④ Search the marketplace
  - ④ Assess risks before proceeding
- ④ Register trade-marks where you plan use
- ④ Use it or lose it
- ④ Keep an eye out for infringers
- ④ **Bonus tip: use fewer trade-marks**



# Trade-mark Questions?

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## One Product=Multiple Forms IP

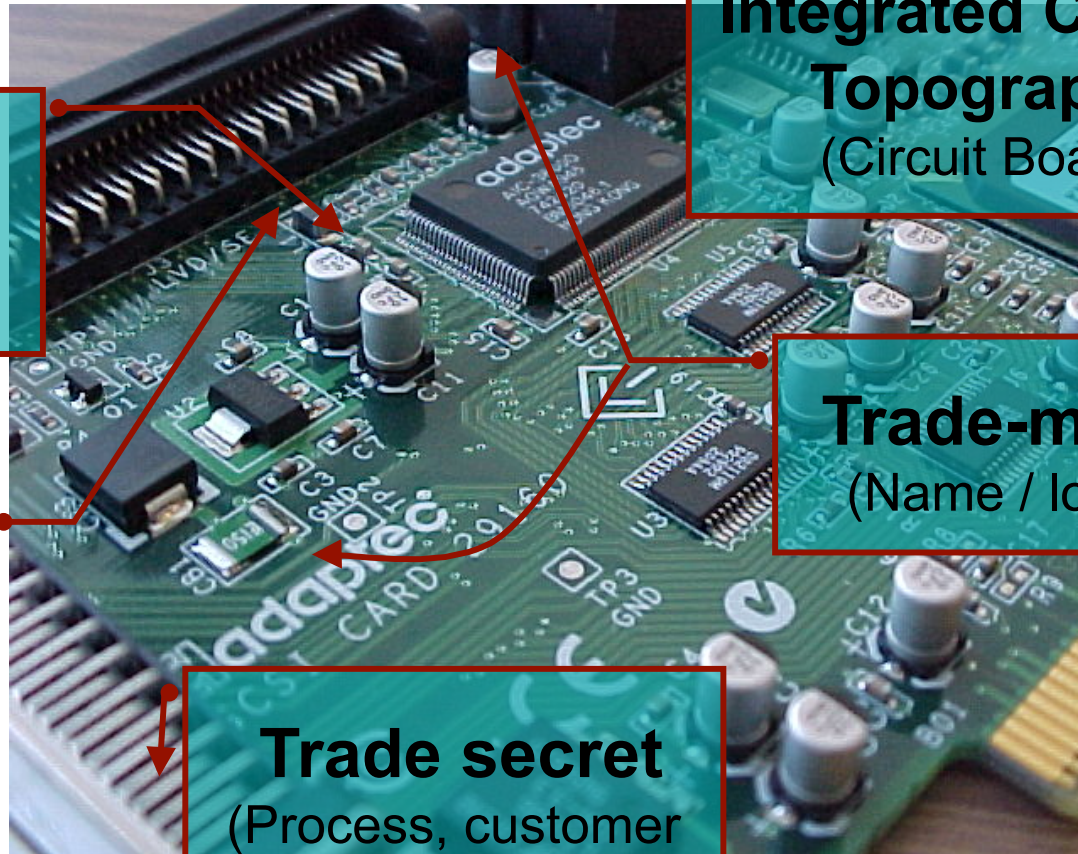
**Copyright**  
(Embedded software)

**Patent**  
(embedded software, novel system, novel method of manufacture)

**Trade secret**  
(Process, customer list)

**Integrated Circuit Topography**  
(Circuit Board)

**Trade-mark**  
(Name / logo)





# You Have an Invention – What Next?

- ⑥ Your business has an invention, i.e. “something” that makes your product or service better/cheaper/faster
- ⑥ Your goal – to prevent competitors from using that “technology”





# The Problem

- ④ If you disclose your invention to the public, or wish to do so, others can use it unless.....
- ④ You take steps to protect it



# Why a Patent?

- ④ Gives you the right to prevent others from making, using, selling the claimed invention=“negative rights”
- ④ Lasts 20 years from filing date
- ④ In exchange – you have to disclose your invention
  - ④ Eventually it will become public domain

# What You Don't Get With a Patent

- ④ What doesn't a patent grant?
  - ④ Freedom to operate
  - ④ Government enforcement of patent rights (only through courts)
  - ④ You must be your own “patent police”



# Steps in Obtaining Patent

- ② Secrecy
- ② Patentability
- ② First Filing
- ② Other (International) Filings
- ② Exploiting your Patents

# Secrecy Issues – KEEP THE SECRET!

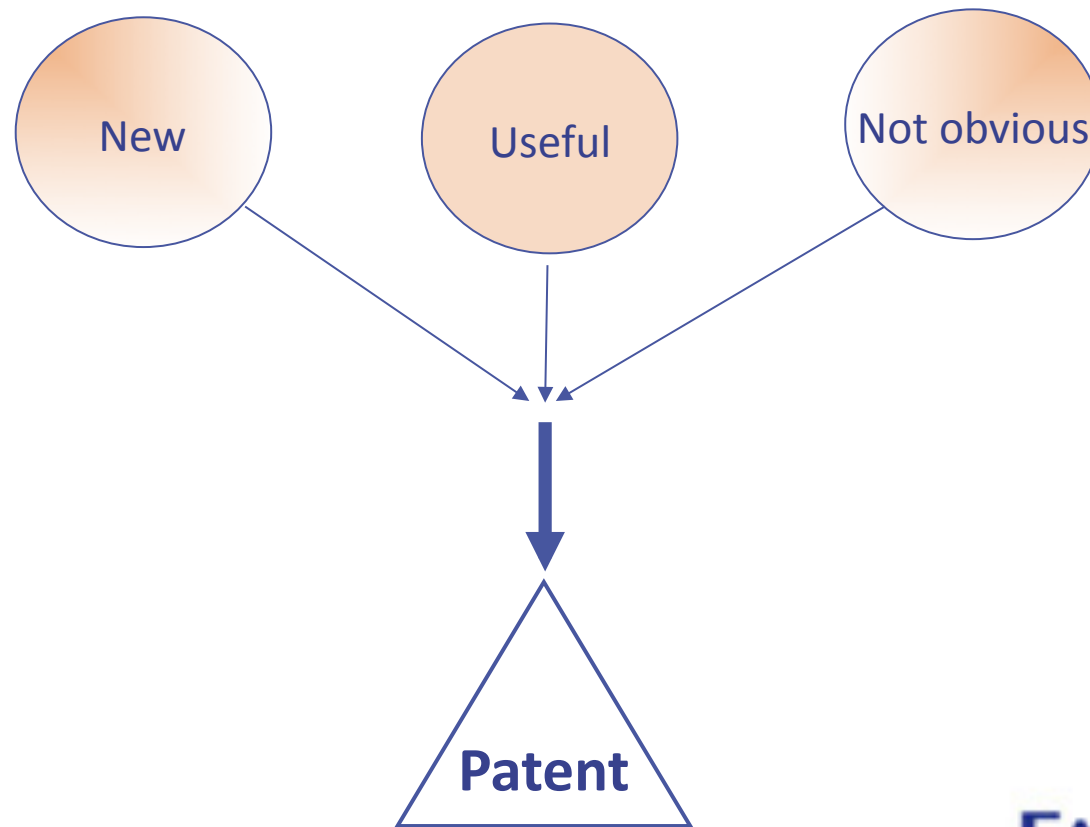
- ④ Public disclosure of invention prior to filing may be used against the application
- ④ Use NDAs etc., prior to filing. After filing, can disclose contents of application
- ④ Canada and US give one year grace period - most countries don't



# Considering a Patent

- ⑥ Not everything is patentable
- ⑥ Requirements for Invention to be Patentable
  - ⑥ Novelty - the invention is “new”
  - ⑥ Non-obvious – the invention not a minor tweak on what has been done before
  - ⑥ Utility – the invention does what it is described to do
- ⑥ Subject Matter

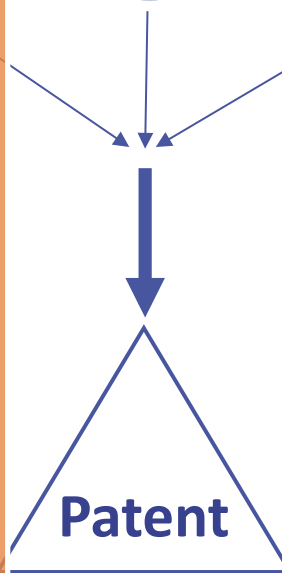
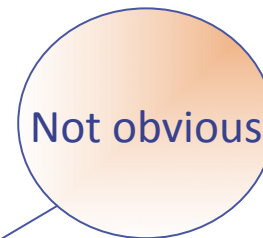
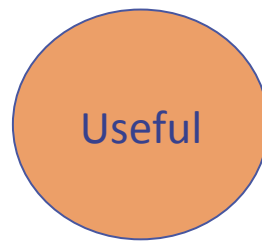
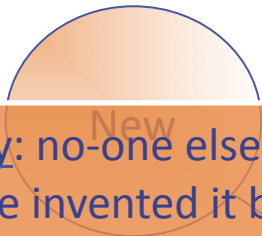
# Patents: What can you patent?



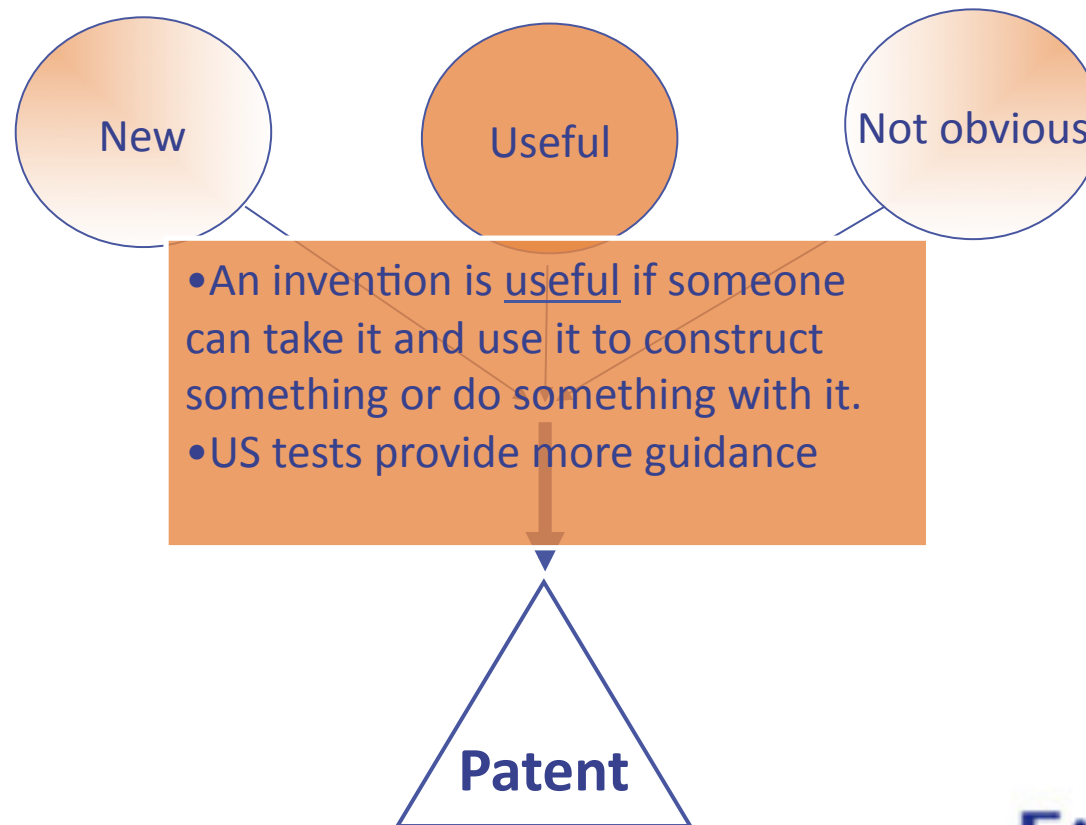


# Patents: What can you patent?

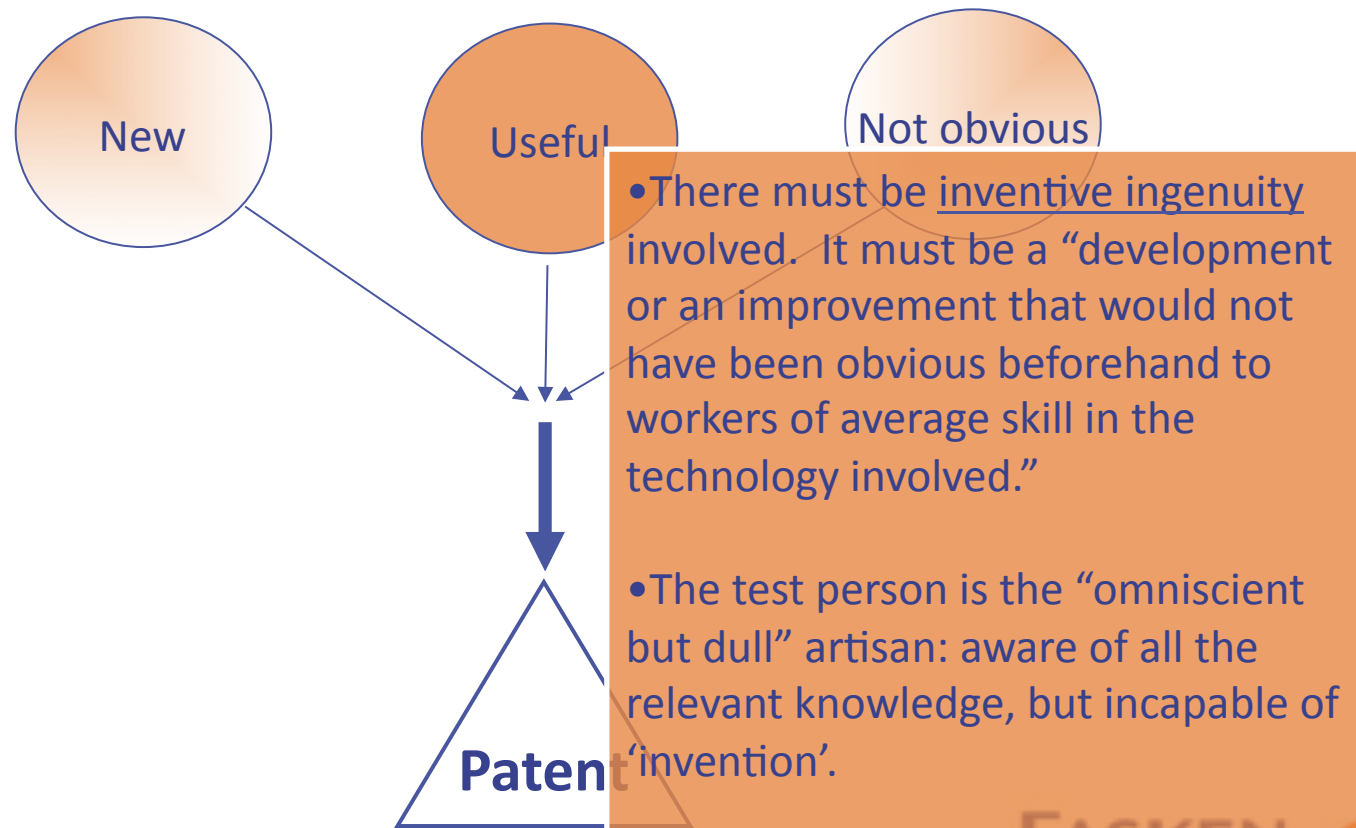
- Absolute novelty: no-one else in the world can have invented it before and made it available to the public
- Keep it secret until you file the patent application. In Canada and the U.S., you have one year to file after public disclosure; in other countries, you lose your right to file if you have disclosed it publicly.



# Patents: What can you patent?



# Patents: What can you patent?





# Subject Matter

- ⑥ Traditional:
  - ⑥ Pharmaceuticals, Electronics, Chemicals
- ⑥ Less traditional:
  - ⑥ Games
  - ⑥ Software
  - ⑥ Business Methods – Bilski decision
- ⑥ You may be surprised what is patentable



# What cannot be patented

- ④ Scientific principles
- ④ Pure mathematic algorithms
- ④ Mental processes
- ④ Data (trade secret?)



# The First Filing

- ② Preparing the Application
  - ② Work with your agent
    - ② Provide detailed description
    - ② Remember you know this area of technology better than they do
- ② If cost is an issue, consider a provisional application
- ② First to invent (US) vs. first to file



# Where to File?

- ⦿ Patents are territorial, i.e. a U.S. patent only covers activities in the U.S.
- ⦿ Problem: Filing in multiple jurisdictions gets very expensive (> \$100,000 very quickly), however your own applications and disclosure may be used against you if you wait
- ⦿ Solution: Take advantage of treaties.



# Claiming Priority

- ④ International Treaties allow an applicant to file a first application, then file applications up to one year later and “backdate” the later filed applications
- ④ Can used to defer costs
- ④ First application may be a provisional
- ④ Allows you to make invention public after first filing





# PCT Applications

- ⑥ Closest thing to “world patent” application (covers most major industrial countries)
- ⑥ Treated as a pending application in all selected member countries
- ⑥ Still requires entry into those countries within 2 ½ years – just defers cost



# Provisional Applications

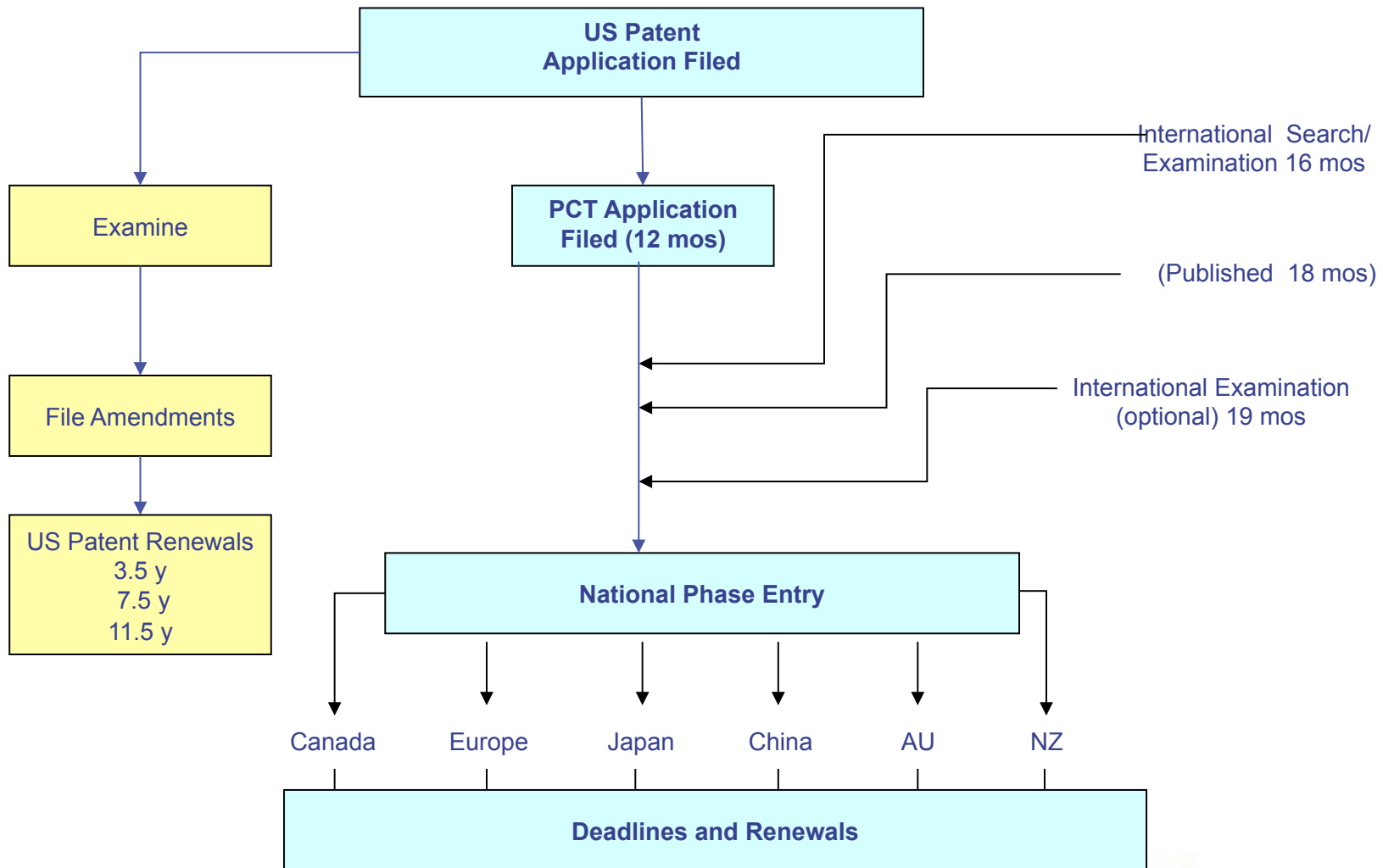
- ⑥ Only serve as an initial filing for the purposes of claiming priority – they will never become a patent
- ⑥ Can be less expensive than a regular application
- ⑥ Useful when invention is in development (can file multiple provisionals)
- ⑥ **BE CAREFUL** – need to ensure provisional contains enough to preserve priority claim



# Common Strategy

- ⑥ Goal – Delay costs as much as possible while preserving rights
- ⑥ 1. File Provisional Application
- ⑥ 2. One year later, file PCT Application
- ⑥ 3. Two and a half years from provisional application, enter national phase in selected jurisdictions
- ⑥ **DISADVANTAGE** – Delays obtaining patents

# It is a long road .....





# Who is Inventor?

- ⑥ Person(s) who has a:
  - ⑥ Definite and conception of the invention (at least one claim)
  - ⑥ Can describe to others how to practise invention
- ⑥ Not “authorship” standard
- ⑥ Patent can be invalidated if inventorship is incorrect *and* error reflects deceptive intent



# Trade Secrets

- ④ Trade secrets:
  - ④ Information of commercial value that is not disclosed to the public
  - ④ The value has to be partially linked to the fact that it's not known
  - ④ Efforts have to be made to maintain secrecy



# Examples of Secrets

- ④ Technology
- ④ Formulas, recipes
- ④ Client/Customer information
- ④ “Know how”

# Reasonable Efforts to Maintain Secret

- ⑥ **CONTRACTS!** Everyone who knows secret should be under a contractual obligation to keep it secret
  - ⑥ Use Non-disclosure Agreements
- ⑥ **Other steps:**
  - ⑥ Mark documents as confidential
  - ⑥ Control access to documents
  - ⑥ Lock doors and cabinets



# Advantages of Trade Secrets

- ⦿ Never expire – as long as the secret remains secret
- ⦿ No filings or government approval required
- ⦿ Can be very successful – Coke, KFC





# Disadvantages of Trade Secrets

- ⦿ Not everything can be protected – e.g. technology can be reverse engineered
- ⦿ If the secret is exposed, then it's no longer a secret
- ⦿ Can be expensive to maintain, as it requires security, contracts, complicated processes



# Questions?

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