

**MODEL ANSWER**  
**COMPILED FROM STUDENT ANSWERS**  
**FOR**  
**IP SURVEY FINAL EXAMINATION**  
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**NOTES:**

The answers given below are compiled from several student answers. That is, the answer for the trade secret section may have been written by a different student than the answer written for the copyright section, etc.

The answers below were selected because they were the one of the highest point-obtaining answers for a specific area of law among a few of the student answers that earned an "A" on the examination. The answers are provided directly as written by the student, without any spelling or any other type of correction or editing.

A. *Trade Secret*

A trade secret is defined in the UTSA as information, including a formula, pattern, compilation, program, device, method, technique or process that derives independent economic value from not being known and not being readily ascertainable by proper means; and is subject to reasonable efforts to maintain its secrecy.

Balm's salve formula pretty clearly falls into the UTSA definition of formula. While the information does not specify, it seems a pretty clear guess that Balm was developing the salve for use in her business. This would lead me to believe that the information does have economic value to (perhaps only potential) to Balm which stems from its not being known.

The second part of the UTSA definition for TS is that the information must be subject to reasonable efforts to maintain its secrecy. As discussed in Metalurgical and Christophe, these efforts do not have to be absolute, only reasonable in light of the circumstances and an economic balancing test. Balm usually kept her formulas under lock and key. Duck might argue that the fact Balm had windows in the area where she was working shows an unreasonable effort to maintain secrecy. He probably wouldn't be successful in this claim, especially since he had to use highpowered binoculars to look in. Also, the fact that Balm took her notes with her downstairs to use does not seem especially unreasonable. Thus, it would appear that Balm did have a valid TS because it was a formula which had economic value and she used reasonable efforts to maintain its secrecy.

To prove TS Infringement, Balm would additionally have to show that her secret was misappropriated, or wrongfully acquired by Duck. Duck would probably argue that he innocently found the information lying in the magazine rack. His argument would not be very strong because the UTSA says the means of taking a TS is improper if you knew or had reason to know it was improper. Duck should have known that what he found was misplaced and not 'up for grabs'. Additionally, the fact he rented the apartment across the street and placed Balm under surveillance shows pretty clearly his improper appropriation. Thus, Balm should be able to put forth a good TS infringement case: She had a TS and it was misappropriated.

*B. Patent*

Does Duck's Saddface infringe upon Balm's Happy face?

In order to determine if D infringes upon B, B would look at literal infringement under s112. To prove this, Saddface must have every element set forth in Happpface's claim - a literal correspondance between each element of B's claim and D's product is sought.

The elements:

a) Duck admits that his system has claim 1's element

b) B claims at least two fractifying plates located near the middle. Under the common meaning of 'at least' D's three plates would seem to infringe upon this. Likewise, B's expert says that D's plates are 'approximately near the middle' of the tube. Under Markman, the meaning of claims is question of law and therefore a matter for the judge to decide (not the jury) so a judge would have to use cannons of construction to determine if D's plates are truly 'approx. in the middle'. This factor would have to be determined for a case of literal infringement. Also - B claims fractifying plates with a distance btwn 1 to 2 centimeters between them. If D's plates were less than 1 or greater than 2 centimeters apart they would not infringe. Another question to be determined for literal infringement Finally, its important to note that even though B show's an embodiment, his claims are not limited to the preferred embodiment shown in the specification. On a literal infringement claim, it does not appear that B would make a successful showing on this element.

B would then argue that DOE applies. DOE says that a device may be held to be infringing even if it is not identical to the patent claims, provided that the two devices do the same work in substantially the same way and accomplish substantially the same result. DOE is tested at the time of infringement and not at the time of invention. Equivalency is a matter for the jury to decide. Additionally, DOE is tested element by element which means that every element of the infringing device must be seen to be equivalent. Here's D admits that his plates are substantially similar so B should be able to show that this element at least satisfies DOE.

c) Again the phrase 'pattern' would be at issue. An inventor's later offering of a definition is not given much weight while in the patent itself the inventor can be his own lexicographer. Here D did not write a patent but is offering definitions presumably at trial. Once again it would be up to the court to determine the plain meaning of the phrase 'face pattern'. D's definition does not seem to help him too much on a claim analysis because his definition of face pattern seems to satisfy both literal infringement and DOE analysis for B's device.

D would raise a couple of defenses. First I believe he could argue a utility defense to B's claim (c). The fact that the fractifying plates has a face cut out does not seem to add any utility to the device beyond allowing material to pass through. While utility is a low bar to pass, this face design could be seen as 'insubstantial' utility like the examples in class of transgenic mouse as snakefood or a complex invention being used as landfill material, and thus disallowed.

D would also raise a defense that B's use in the mall raises a statutory bar to her patent claim. Stat Bars go against patentability when there is too long a delay in seeking patent protection. It is meant to encourage rapid availability of inventions to the public. The wording is a little weak in the test - the one year mark is important to show - assuming that B used her embodiment one year prior to her filing Stat bar would become an issue.

Would her use in the mall be a public use? As per the statute the use does not need to be very public to start the proverbial clock ticking. B would claim that her use in the mall was

experimental and therefore subject to an exception. Experimental use by the inventor does not cause the statutory bar when it is used in effort to improve/perfect the invention. Also - may experiment to determine if there is sufficient commercial value to justify applying for a patent - BUT market testing to determine customer preferences not considered experimental. B's use in the mall seems an awful lot like this. Other factors to determine whether experimental use

exception is applicable include:

control by inventor (most important)

confidentiality/secret agreements - does not seem like B did this

Necessity of public testing - unlike the road example in class where wear and tear was the issue, B's use does not seem to meet

length of test period - na

commercial exploitation - does not seem like tests were performed for \$

experiments for claimed features of invention - utility - does not seem like this is why B did this.

It would appear that a statutory bar was raised by B's sampling market research for this product. Accordingly, the patent should not have issued because the novelty requirement of section 102 was not met.

Because of the above, B would have valid claims under DOE for patent infringement against D. D in turn would have a good defense in the novelty/statutory bar. D may be successful in the patent infringement suit.

### C. *Copyright*

Did Duck violate Balm's copyright in her poem and table? Copyrightable items must be expressions fixed in a tangible medium of sufficient permanency, and be original. The expression cannot be functional, and when there is only a few ways to express the idea, the idea and the expression merge and there is no copyright. Balm's copyrights give her the right to reproduce, distribute, make derivatives, perform, or display her work.

Balm's table is probably functional. The only creative aspect of the table is the row highlighting. There are probably many ways to express satisfaction with the results of the results, but the highlighting is informational in nature, and facts are not copyrightable. A taxonomy is sufficiently creative to satisfy the originality requirement, so Balm could make a decent argument that the table was sufficiently original, but she will probably lose due to the factual nature of the table.

Duck's poem probably infringes on Balm's. Duck's poem could be seen as a copy of Balm's. It is a copy if the reasonable person would consider them substantially similar. Where evidence of access is high, the similarity can be much lower. In the current case, there is proof that Duck took Balm's poem, so similarity can probably be quite low. The third lines of both poems include the word "buzz" and end in words that almost rhyme, as does the 4th 5th and 6th lines. The fifth lines of both are quotations. With the knowledge that Duck took Balm's poem, and considering their subject matter, a reasonable person could easily find that they are substantially similar. Duck's poem could also be considered a derivative work. A work is derivative when it is a recasting, transformation, or adaptation of the original or when the original pervades the alleged infringer.

Duck reproduced and distributed Balm's poem to sell in his non-profit organization. Duck also performed both his poem and Balm's poem by reading them aloud at the county fairs. Certain non-profit performances are exempted from liability for infringing this right, so Duck might not be liable for this.

Duck might also be able to claim fair use as a defense to infringement. The fair use factors are the purpose of the use, the nature and the infringed work, the amount of the work used, and the effect of the use upon the work's market.

People paid for the poems, but the profits are donated to charity, and there might be a public policy in favor of charitable organizations. The heart of the work was used, and Duck's work could be considered parody which nudges towards fair use, but it could also be satire which nudges away from fair use.

Balm did not plan to publish the poem, and the amount of dissemination is considered in the nature of the work factor.

The entire work was used.

Duck's use created a market for the poem, so it could not have negatively effected the poem's market value.

Duck will probably not be able to assert the fair use defense, because 2 of the factors are definitely met, and a third might be.

Duck will probably lose the copyright claim on the poem because his fair use defense will fail, and he reproduced, performed, and distributed Balm's poem. Duck will win the claim on the table.

*D. Trademark*

HappyFrac

Validity -

HappyFrac's incontestable status means that the mark is presumptively valid and at a minimum has acquired distinctiveness (can't attack b/c descriptive)

does SaddFrac Infringe?

infringement is shown by confusion or likelihood of confusion here the type of confusion at issue might be as to products and/or source

Here the products seem to be not directly competitive but definitely related. thus test for infringement is the 8 factor sleekcraft test for likelihood of confusion. The strength of the mark HappyFrac for B's embodiment seems at a minimum suggestive in that some leap of imagination is req'd to connect the mark with the products use. similarly the mark might be fanciful in that it's short for using happy face disks to fractify a moisturizer. D will argue descriptive, but seems to have a weak argument. The proximity of the goods is fairly high with extensive overlap of the customer base. The similarity of the marks (by sight, sound, meaning) is moderate. the Frac abbr. the same, the modifier is exact opposite and sound is somewhat similar. Actual confusion is shown in that 100% of people who haven't heard of SF would associate it with HF. Both B and D use trade shows for selling. The type of goods, grease/moisturizer, are probably purchased with a low to moderate level of care b/c ppl purchase such product based on either name recognition (indicating confusion) or quality of the good (less likely confusion). Defendants intent not shown. Likelihood of expansion is high since markets overlap so closely. Therefore the majority of these factors indicate that confusion is likely.

Does the marketing literature and advertising infringe.

Here the relevant infringement inquiry is whether the literature dilutes the HF mark by blurring.

Five elements of a dilution claim are sr mark famous, distinctive, jr use commercial, jr use began after sr mark became famous and jr use must cause actual dilution. famous, distinctive, commercial and priority not at issue as dilution elements. 5th element analyzed by 8 nabisco factors.

Distinctiveness - no use of secondary meaning when analyzing as a factor, but likely suggestive or fanciful (see above)

Similarity - somewhat similar (see above)

Proximity - somewhat (see above)

Interrelationship of first three - since all three point somewhat to dilution this factor definitely points to dilutions (all 3 weights on sliding scale are on the same side)

Shared Consumers - 50% of B's customers

Sophistication - again low to moderate

Actual confusion - no evidence of actual confusion b/c 50% of customers no the difference between the two, but uneducated customer likely to be confused (see above)

Adjectival use - moderate "happily frac" used to describe the use of SF.

Only adjectival use clearly points to no dilution so B likely win on dilution claim against literature.

Does the trade show commercial dilute by tarnishment?

Here the inquiry is not so much the 8 factors of Nabisco, although Distinctiveness and similarity are clearly relevant, (see above for analysis) but on whether infringing use displaces positive product associations with negative associations and reduces the value of the mark to the mark owner. Here since the commercial has already been aired, B must prove that HF actually tarnished to prevail. Thus if commercial limited to the tradew show, must survey attendee's to get direct evidence. Relevant circumstantial evidence would be that lack of SF mark appearance in the commercial and the repugnant nature of the commercial. Thus if B can marshal even a little direct evidence of tarnishment, will likely win on this dilution claim as well.

Face patter and a product design/shape mark.

validity.

D will challenge validity by saying that product design marks can have no inherent distinctiveness and therefore must have secondary meaning. thus depending on proof D will probably invalidate here.

Alternatively, D will allege that the face pattern is functional and therefore is not a valid mark. There is a strong presumption in favor of D b/c B claimed the face pattern in her patent. similarly, her success in the patent claim depends largely on asserting the D's embodiment used the useful feature. Thus if B really wants to win this claim she must not bring patent claim, but this still wouldn't help B b/c D can still use the patent to show functionality.

If the mark is valid, B will have to show a likelihood of confusion. This will be next to impossible because most users don't disassemble their products. Thus although seven of the likelihood of confusion factors indicate confusion is likely, the actual confusion factor stands very strongly against a likelihood of confusion. so B probably not win.

alternatively if the product design mark is upheld, B can argue that the design is directly competitive with that used by D --> its design for fractification. in competitive products similarity alone is enough to prove a likelihood of confusion. here the designs used by both are quite similar so B probably win if can convince the court to by the major premise, that the designs are competitive.

In sum B mark in design invalid and probably no confusion if it is valid.