

# INTELLECTUAL PROPERTY AND TECHNOLOGY NEWS

Perspectives • Analysis • Visionary Ideas



## HEADS UP

### CANADA'S TRADEMARK LAW: AVOID THESE 6 MISTAKES

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## EDITOR'S COLUMN



**Victoria Lee**  
Global Co-Chair,  
Technology Sector;  
Partner, Intellectual  
Property and Technology

When I first started my practice as a commercial and technology transactions lawyer, the clients I worked with were primarily based in Silicon Valley and doing deals with other Silicon Valley companies. Today, even companies in their most nascent stages are doing deals on a global basis. As part of our constant search for ways to better address this globalization, our practice recently welcomed new colleagues in Canada. We now refer to our *IPT News* as the “North America” edition rather than the “United States” edition.

In this issue, learn about upcoming changes in Canadian trademark laws and how you can position your company to best take advantage of the changes. We also highlight key considerations for life sciences companies seeking to secure strong brands for their products.

We continue our discussion of legal issues in the Internet of Things area with a discussion of privacy issues around connected cars, a potentially complex area of global compliance.

In *Supreme Court Corner*, we’ve done something a little different: we provide an update on a recent decision as well as a summary of a very interesting lower court case.

Finally, we discuss some recent developments in standard-essential patents and RAND licensing.

I hope you find that the variety of subjects we address in this issue is a great example of our global practice. As always, if you have any suggestions for future issues or feedback on this issue, please contact me.

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# HIGHLY RANKED IN THE US AND GLOBALLY

DLA Piper's IP and Technology practices receive high marks in prominent legal directories



*Chambers Global 2015* ranks many DLA Piper IPT groups among the top practices in the world, including Data Protection, IP, Outsourcing, Commercial Contracts, and TMT. Our Franchise and Distribution practice ranks in the top tier once again.



*Chambers USA: America's Leading Lawyers for Business 2015* ranks DLA Piper's work in numerous IPT areas among the leading practices in the US. Here are just a few samples of the publisher's comments. Chambers describes our nationwide US IP practice as "a very impressive group... Sources say DLA Piper 'conduct[s] litigation efficiently and effectively for the client.'" Our Franchising and Distribution practice again earned the top tier ranking in the US. We are also highly ranked by Chambers in IT & Outsourcing, Privacy & Data Security, International Trade: IP (Section 337) and numerous other practice categories. Additionally, 30 US IPT lawyers are ranked by Chambers as leading individuals.



*The Legal 500 United States 2015* lists many of DLA Piper's IPT practice areas among the elite market leaders in the US, with top-tier rankings in both Cyber Crime and Data Protection & Privacy. The publisher writes of our Data Protection, Privacy and Security practice, "DLA Piper's '22-lawyer US team handles a large number of challenging privacy matters.'" Regarding our Patent Litigation practice, it comments, "DLA Piper's highly regarded group 'understands the client's objectives and provides balanced, honest advice.'" Of our Patent Licensing and Transactional work, it comments that "DLA Piper's 'top-notch' team has a broad range of industry expertise." For Trademarks, Legal 500 notes that "DLA Piper's [Trademark] group has 'a clear understanding of complex trademark laws, helping clients make informed decisions concerning their IP assets.'"

Learn more about *Chambers and Partners'* rating of DLA Piper and its lawyers in the US by visiting [www.chambersandpartners.com/USA](http://www.chambersandpartners.com/USA), and more about the *Legal 500* rankings at [www.legal500.com/c/united-states](http://www.legal500.com/c/united-states).

## ANOTHER PIECE OF THE GLOBAL PUZZLE

Since DLA Piper was created, now over 10 years ago, our IPT practice has had one mission – to be the top IPT practice in the world. What that meant to us was not that we would be the world's biggest IPT practice, although scale of course does matter. It meant, and it means, that we would become one of the top practices in each significant geographic or sector market, measured by quality of service, matters and clients.



**John Allcock**  
Partner  
Global Co-Chair and  
US Chair, Intellectual  
Property and Technology

Until now, we were missing a significant geographic piece: Canada. But it is missing no more. With our combination with the Davis firm, DLA Piper soundly establishes its position in Canada, not least with a vital IPT presence that is poised for growth.

Among Canada's many virtues, it is one of the 15 largest countries in the world in terms of gross domestic product, with a highly educated workforce, diverse population and low corporate tax rates. It is an increasingly important player in the technology space (particularly as it relates to the energy sector). For our IPT practice, Canada is a place of opportunity.

We welcome our new Canadian colleagues (some of whom are introduced to you on the next page) and look forward to continuing to provide top-quality IPT services in every market that matters to you, our clients.

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## TOP FRANCHISE FIRM

- \* RANKED THE ONLY TIER 1 FIRM FOR FRANCHISE AND DISTRIBUTION – *Chambers USA 2015* and *Chambers Global 2015*
- \* INTERNATIONAL FRANCHISE LAW FIRM OF THE YEAR FOR ELEVEN CONSECUTIVE YEARS – *International Who's Who Legal 2015*
- \* LAW FIRM OF THE YEAR FOR FRANCHISE LAW – *US News & World Report 2014*



## CANADIAN IP LAWYERS BROADEN DLA PIPER'S GEOGRAPHIC REACH

The combination of DLA Piper LLP (US) with Canadian firm Davis LLP in May 2015 has strengthened our leading global IP and Technology practice. We are pleased to introduce some of our Canadian lawyers who focus on IP prosecution, protection and transactional matters. An additional nine partners handle IP-related litigation and other IP-matters across Canada.



**Chris Bennett**, a partner based in Vancouver, heads Canada's IT Law group and Trademark Law group. Chris advises on creating, protecting, enforcing and commercializing intellectual property and technology.

He negotiates software licensing agreements,

IT outsourcing and services agreements and sponsorship agreements and provides advice regarding privacy, anti-spam, contest and gift card laws. Chris also manages large Canadian and international trademark portfolios for a wide variety of clients, among them Mountain Equipment Co-operative, Earls Restaurants, Big Rock Beer, Goldcorp and numerous credit unions in British Columbia. He's been known to host lunchtime meetings while running around Vancouver's Stanley Park, and he advises a number of sports-related clients, such as the Toronto 2015 Pan American and ParaPan American Games, one of the world's largest international multisport games.



**Sara Zborovski**, a partner in the Toronto office, helps companies overseen by Health Canada obtain market access and comply with their regulatory obligations. She also provides strategic counsel to pharmaceutical, medical device and food and beverage companies

on acquiring and asserting all forms of IP. A self-proclaimed regulatory geek, Sara takes great joy in helping clients bring new products to market. She loves working with companies in all areas of compliance. In her spare time, Sara enjoys beating (or more often getting beaten by) her two sons in baseball, basketball and soccer.



**David Spratley**, an associate counsel in the Vancouver office, advises clients on a wide range of IP- and IT-related matters, including trademarks and copyrights, technology protection and commercialization, domain names, e-commerce, IT outsourcing and

support, video game law, privacy law, anti-spam law, licensing, distribution, contest rules and sponsorships. Dave has spent time in-house at a large public healthcare organization and recently helped a local video game development company negotiate an international marketing and commercialization contract. Outside of the office, Dave cycles, plays on a Star Wars-themed hockey team (he goes by Darth Daver) and tries to keep up with his five-year-old son.

Learn more about the team at [www.dlapiper.com/people/](http://www.dlapiper.com/people/).

BY AARON FOUNTAIN,  
PENNY PRATER AND MAYA CHOKSI

## STANDARD-ESSENTIAL PATENTS AND THE RAND REQUIREMENT: RECENT DECISIONS ON REASONABLE AND NONDISCRIMINATORY ROYALTIES

Issues related to standard-essential patents (SEPs) have generated significant attention in the wake of the first appellate decisions on royalties for SEPs – *Ericsson, Inc. v. D-Link Systems*, 773 F.3d 1201 (Fed. Cir. 2014) and *Microsoft v. Motorola*, Case No. 14-35393 (9th Cir. July 30, 2015). This article reviews the guidance these cases provide when determining royalty rates for SEPs.

SEPs cover technologies implemented in established industry standards. Standard setting organizations (SSOs) typically require SSO members to license their SEPs on “reasonable, and non-discriminatory” or RAND terms (sometimes referred to as “fair reasonable and non-discriminatory” or FRAND). The goal of RAND is to encourage stakeholders to adopt and implement an industry standard and to ensure that SEP owners benefit for the contributions of their patented technology to that standard.

A typical RAND provision is not an actual license, but an agreement to grant a license on reasonable and non-discriminatory terms. Most SSOs do not define “reasonable and non-discriminatory” or specify a RAND royalty to apply. Therefore, courts have been left to determine how royalties for RAND-encumbered patents should be determined.

*Ericsson* is the Federal Circuit's first opinion on how royalties should be determined when RAND-encumbered SEPs are asserted in patent infringement actions. In the district court, the SEP owner prevailed on its infringement claim, and the jury determined the RAND royalty owed. On appeal, the Federal Circuit vacated the award and remanded the case for a new trial on damages, concluding that the jury instructions for determining a RAND royalty were improper.

The Federal Circuit eschewed any set use of *Georgia-Pacific* or other factors, but offered the following guidance for determining RAND royalties on a case-by-case basis:

- Comparable licenses based on the entire value of the accused product can be considered if the expert testimony on those licenses accounts for the value contributed by the licensed technology.



## DLA PIPER PANELIST SPEAKS ON STANDARDS AT AIPLA ANNUAL MEETING

- Juries should be instructed as to the SEP owner's actual RAND commitments.
- The value of the patented feature should be apportioned from: (1) other features in the standard; and (2) value added by the adoption of that feature in the standard.
- Jury instructions on patent hold-up (when SEP owners leverage the mere inclusion of their patents in an industry standard to charge an unreasonably high royalty) and royalty stacking (a standard-compliant company forced to pay successive royalties to all SEP holders) should only be given if competent evidence of patent hold-up or royalty stacking has been presented.

*Motorola* was a breach of contract case brought by a standard-compliant company alleging that the SEP owner violated its RAND commitments. The SEP owner did not assert its patents in the case and the judge determined the RAND royalty with the consent of the parties. A jury then concluded that the SEP owner breached its RAND obligations and awarded as damages the fees and mitigation costs incurred by the standard-compliant company that related to patent infringement actions in which the SEP owner sought injunctions on its SEPs. In affirming the district court's judgement, the Ninth Circuit also rejected a requirement to employ a set list of *Georgia-Pacific* factors and offered the following points of guidance for determining RAND royalties.

- Unlike patent infringement damages, the hypothetical negotiation for determining a RAND royalty need not be confined to the time of first infringement.
- Patent pool arrangements (collections of SEP owners licensing their SEPs collectively) can be considered, but these rates are generally lower than might be achieved in a bilateral agreement like the hypothetical negotiation.
- Existing licenses for SEPs should be considered to the extent they are comparable to the hypothetical negotiation at issue.

The *Ericsson* and *Motorola* decisions provide effective direction to parties in RAND negotiations. RAND royalties should reflect the value of the SEPs at issue and account for the particularities of the RAND commitments and existing licensing practices related to a given standard. Leading SSOs, such as the IEEE, have adopted by-laws that require considering the value of the functionality of the claimed invention in setting RAND royalties. Time will tell whether these cases signal a building consensus on the royalty determination for RAND-encumbered patents or whether the divergent procedural postures of these cases will lead to different RAND considerations in different fora.

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DLA Piper partner Stan Panikowski was among the speakers on the educational panel "The Perplexing Intersection of IP, Standards, Licensing, and Antitrust" during the AIPLA Spring Meeting, April 28-May 2 in Los Angeles. (See article to the left, discussing how these elements came together in the *Ericsson* decision from the Federal Circuit.)

Stan considered the licensor's viewpoint in his examination of ways in which the licensing dynamic changes when standard-essential patents are involved, while panelist Dave Djaveherian of Pactech Law, PC considered that of the licensee. Representatives from standard setting organizations, including Clark Silcox of National Electrical Manufacturers Association and Eileen Lach of Institute for Electrical and Electronics Engineers, considered the ways in which standards bodies create standards, as well as how such bodies are addressing current patent issues.





# HEADS UP

## CANADA'S TRADEMARK LAW: AVOID THESE 6 MISTAKES

Hockey players are taught a fundamental lesson at an early age: when you have the puck, keep your head up or you could end up in a world of hurt.

BY CHRIS BENNETT



Improper trademark usage and protection in Canada can also bring you into a world of hurt, and this will be even more true given upcoming changes in the Canadian trademark laws. Companies doing or planning to do business in Canada should take a close look at their trademark portfolio to avoid potential issues.

Here are some common trademark mistakes that companies may face in Canada, as well as summaries of some upcoming changes to Canadian law:

**1 You don't conduct searches.** The fact that a mark is available for use in another country does not mean it is available for use in Canada. It is important to conduct Canadian clearance searches before using or applying to register a trademark in Canada. These searches can identify potential issues in advance and help you avoid unnecessary legal fees, rebranding fees and damages.

**2 You don't register.** Your mark must be registered in Canada to be fully protected in Canada. Registrations in other countries provide no protection in Canada. Using your mark extensively in Canada might give you some "common law" trademark rights in areas where your mark has become well known; however, this will not stop competitors from using the mark in other areas. In contrast, registration will protect your mark throughout Canada. Registration also provides a complete defense if you get sued for trademark infringement.

**3 Your licensing is improper.** Your trademark rights in Canada could be diminished or destroyed if a third party uses your mark without a proper license agreement. Canadian law requires a trademark owner to have an agreement in place with any third party who uses your mark, and requires you to have control over the "character and quality" of the products and services offered in connection with your mark. This rule applies to arms-length third parties as well as to intercompany agreements with affiliates and subsidiaries, often overlooked.

**4 You don't use the mark.** Your Canadian registration can be expunged if you do not use your mark in Canada in association with the goods and services in your registration for at least three consecutive years. Your mark can also be expunged if there are material differences between the registered version of the mark and the actual version you are using.

**5 You forget copyright and moral rights.** Logos and design marks can be protected in Canada by both trademark law and copyright law, but registering a logo as a trademark *does not provide any rights under copyright law*. If the logo was created by a contractor or any third party other than an employee in the course of his or her employment, then the contractor or third party will own the copyright (even if the person was paid to create it). The contractor and third parties must transfer ownership to you, in writing, to secure the logo. It is also important to ensure that the copyright transfer includes an irrevocable waiver of "moral rights," a special type of right held by authors of creative works in Canada. *Moral rights are separate from copyright* and include the right to prevent copyrighted works from being altered to the authors' detriment without consent, the right for authors to have their names associated (or not associated) with their works, and the right to prevent the works from being used in association with products, services or causes. Moral rights are not transferred with copyright; they must be specifically waived or else will remain with the authors even after the copyright has been transferred. Moral rights are not relevant for word trademarks, but they are relevant for logo trademarks and all other copyrightable works.

**6 You ignore upcoming changes to Canada's trademark laws.** Canada's trademark laws are about to change in a big way in 2016 or 2017. Some of the changes will benefit registrants, but others may provide challenges:

- **Benefits:** Among the benefits of the upcoming changes include implementing the Madrid Protocol; eliminating the requirement to use a trademark before it can be registered (although this will also present challenges too, as mentioned below); allowing additional grounds of opposition; and permitting applicants to divide applications.
- **Challenges:** Some disadvantages include reducing the length of a registration from 15 years to 10 years; the likelihood of higher filing costs (due to the new Nice classification system); a significantly higher number of conflicting applications (because use will no longer be required for registration) and a requirement to submit evidence of a mark's distinctiveness upon the Registrar's request.

The prospect of these upcoming changes should encourage applicants to file their Canadian applications soon to avoid the undesirable changes in the new legislation while still taking advantage of the positive changes that will apply after applications have been examined and allowed.

Our trademark lawyers in Canada would be happy to help you avoid these mistakes and protect your IP in Canada.

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Chris Bennett heads DLA Piper's IT Law group and Trademarks Law group in Canada. He is based in Vancouver, Toronto and Calgary. Reach him at [chris.bennett@dlapiper.com](mailto:chris.bennett@dlapiper.com).



# HOW PRIVATE IS THAT CONNECTED CAR? US V. EU

BY MARK O'CONOR AND ELLIOT KATZ

Among the fastest growing sectors in the industry of smart things is the connected car. No longer a simple way from point A to point B, cars now comprise a computer, cell phone and camera all rolled into one motorized package. Because these cars collect and transmit significant amounts of data, and can access sensitive information on drivers' (and passengers') cell phones, many vehicle owners are asking what lies ahead for their personal privacy.

In the US, several major automakers voluntarily banded together to create the Consumer Privacy Protection Principles For Vehicle Technologies and Services, precepts regulating how automakers collect, use and share sensitive consumer information. The seven principles are (1) transparency; (2) choice; (3) respect for context; (4) data minimization, de-identification and retention; (5) data security; (6) integrity and access; and (7) accountability.

The Principles apply to the collection and use of "Covered Information," which is information that is (1) collected, generated, recorded or stored in electronic form; (2) on a car or light truck sold or leased to individual consumers for personal use in the US; (3) that is retrieved by or on behalf of an automaker that has signed on to the Principles; and (4) that is identifiable to the vehicle, owner or registered user using a service associated with that vehicle.

Importantly, the Principles apply only to automakers that have signed on to the Principles (Participating Members) and are now binding baseline privacy commitments enforceable against Participating Members through Section 5 of the FTC Act. When a Participating Member engages unaffiliated companies to conduct business on its behalf (such as an auto dealership or call center), the Participating Member commits to taking "reasonable steps" to ensure those companies adhere to the Principles if they will be receiving Covered Information, and the Principles provide Participating Members flexibility in determining which accountability measures may be "reasonable." For example, contracts with such entities could include audit rights, or a commitment by the unaffiliated companies to comply with the Principles.

A similar approach to vehicle owner privacy is being adopted in the EU. In 2014, the Article 29 Working Party published its Opinion on the Internet of Things (WP 29 Report). The WP 29 Report did not focus on connected cars *per se*, but the principles it puts forth nonetheless apply.

In essence, the WP 29 Report states that concerns over processing of personal data should not be an obstacle to innovation and seeks to balance technological advancement with personal data safeguards. Because privacy compliance will only grow more complex, the WP 29 Report urges manufacturers to adopt "privacy by design" principles.

For example, cars are already capable of monitoring physical data, such as pulse or breathing rates. But that information constitutes highly regulated sensitive personal data under the EU regime. Manufacturers should address the implications of these legal parameters in the design of cars that will be used in the EU.

Similarly, the global nature of the auto business presents some significant challenges where car-generated data may be transferred outside the EU. Ordinarily, when an individual's data is being sent outside the EU, the individual must first consent. However, in the context of a connected car, the issue grows thorny: the individual from whom consent must first be obtained may be the vehicle owner, or the driver, or a renter, or a passenger. Manufacturers will need to establish a way of obtaining informed consent from the relevant data subject, which may be challenging if the data subject changes based on who is using the vehicle at any given moment.

Concerns over compliance are particularly urgent because violating the new EU Data Protection Regulation can mean massive fines for a company in breach of its obligations: up to 5 percent of global annual turnover, or €100 million, whichever is the greater. This issue cannot be ignored.

In sum, the connected car goes for a spin in a fluid, rapidly shifting landscape. Automakers, whether selling in the US or the EU, are well advised that bringing the latest technology to market is not enough: they also need to attend to rapidly evolving privacy laws.

<sup>1</sup> See "Internet of Things: EU v. US Guidance" in DLA Piper *Intellectual Property and Technology News*, Q2 2015.

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# SUPREME COURT CORNER

## RECENT DECISIONS

### *Kimble v. Marvel Enterprises, Inc.*

PATENT LICENSING – DECIDED: JUNE 22, 2015

In *Kimble v. Marvel Entertainment*, the Supreme Court upheld a long-standing precedent that restricts the ability of a patent holder to charge a royalty beyond the term of a patent. In a 6-3 decision, the Court declined to overrule the 1964 *Brulotte* decision, which held that an obligation to pay royalties beyond patent expiration was unenforceable. “Overruling precedent is never a small matter,” the Court explained, and the petitioner failed to persuade the Court to overrule the controlling precedent.

In 1997, petitioner Kimble, original owner of a patent to a web-shooting toy, sued Marvel for infringement. The settlement included a 3 percent royalty on future sales of the toy, with no end date. Marvel later learned of *Brulotte* and filed a declaratory judgment action seeking an end to its royalty payments at the end of Kimble’s patent term. The district court found in Marvel’s favor. Citing *Brulotte*, the Ninth Circuit affirmed.

In affirming the Ninth Circuit, the Supreme Court reasoned that the end of a patent term is a carefully guarded end to one’s monopoly right. Contract provisions that accrue a running royalty beyond patent expiration contradict patent law’s policy of “establishing a ‘post-expiration . . . public domain’ in which every person can make free use of a formerly patented product.”

While *Brulotte* restricts a party’s right to freely contract to a royalty that runs beyond the patent’s term, the Court explained that parties “can often find ways around *Brulotte*, enabling them to achieve those same ends,” such as structuring payments or tying post-expiration royalties to a non-patent right.

*Kimble* turns on the principle of *stare decisis*, providing that the Court generally should stand by prior decisions. But the Court acknowledged that a consequence of *stare decisis* is “sticking to some wrong decisions.” While the Court was not convinced it should overturn *Brulotte*, it invited the critics of *Kimble* to “take their objections across the street, and Congress can correct any mistake it sees.”

The dissent argued that the Court’s reliance on *stare decisis* is misplaced because that doctrine teaches judicial restraint and should not be invoked to maintain precedent like *Brulotte* that is “a clear case of judicial overreach.”

*Kimble* serves at least three important functions. First, the decision and the dissent remind practitioners that the Court will not overturn precedent lightly, giving market participants at least some confidence and certainty in past decisions. Second, the decision affirms the finality of a patent’s term yet provides guidance for structuring patent licensing agreements that do not run afoul of *Brulotte*. Third, the decision may serve as a call to action for interested parties to take the argument to Congress, which the Court regards as the appropriate forum to continue the discussion.

## CASES TO WATCH

### *Pro-Football, Inc. v. Amanda Blackhorse, et al. (E.D. Va.)*<sup>1</sup>

TRADEMARK – PENDING APPEAL: JULY 8, 2015

In July, the US District Court for the Eastern District of Virginia affirmed the Trademark Trial and Appeal Board’s June 2014 decision cancelling six trademark registrations owned by Pro-Football, Inc. (PFI), proprietor of the Washington Redskins NFL franchise. The registrations had been cancelled based on claims that the REDSKINS trademarks “may disparage” a substantial composite of Native Americans under Section 2(a) of the Trademark Act. On appeal, the team challenged the constitutionality of Section 2(a) as well as the substance of the TTAB’s analysis.

The Court rejected the constitutional claims as well as the non-constitutional claims, holding that the evidence in the record was sufficient to show that the REDSKINS marks consisted of matter that “may disparage” Native Americans.

Although the Court ultimately ordered cancellation of the six trademark registrations at issue, the decision carefully noted that the judgment is not an order that precludes the team from using the REDSKINS marks or that precludes sports fans from collecting or wearing items bearing REDSKINS marks.

The registrations will not be finally cancelled until the team has exhausted all of its available appeals. Almost immediately following the issuance of this decision, the team indicated its intent to appeal to the Fourth Circuit. While the future of the controversial mark is unclear, the litigation is far from over.

For more on this case, see our article in DLA Piper’s global trademark blog, [www.remarksblog.com](http://www.remarksblog.com).

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<sup>1</sup> Editor’s Note: While in this feature we normally focus on cases that are before the US Supreme Court, in this issue we highlight an interesting and important appellate issue of trademark law decided by the Eastern District of Virginia that was recently appealed to the Fourth Circuit.

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# GENERATING LIFE SCIENCES BRAND NAMES: 5 KEY TIPS

BY CHRISTINA MARTINI AND VIRGINIA WOLK MARINO

In the challenging and complex world of life sciences product development, choosing a brand that survives the US Patent and Trademark Office and US Food and Drug Administration clearance processes are critical. Brand names in this industry are subject to heightened scrutiny because confusingly similar names may lead to medication error and patient harm. The proliferation of brands in this field, combined with financial and public relations consequences of a potential rebrand in the event of infringement, have made selecting a brand riskier than ever.

There is no magic formula for creating a successful life sciences brand. Given the high stakes, pharmaceutical companies often retain specialists to help compile lists of names for legal consideration and brand clearance, a process that usually entails a few rounds of searching and often includes both preliminary and full searches. Preliminary trademark searches typically provide a review of nearly identical federal applications and registrations. Full trademark search reports are generated by experienced search vendors and generally include state registrations, common law references, Orange Book references, United States Adopted Names (USAN) and FDA Phonetic Orthographic Computer Analysis (POCA) scores. Reviewing these sources is crucial when analyzing whether a potential name is likely to survive both FDA and USPTO scrutiny.

Experienced trademark counsel can help anticipate potential issues associated with these clearance processes. FDA clearance includes promotional and safety reviews, taking into account various ways in which a name may trigger a medication error including, but not limited to, POCA scores, existing medication error data and name simulation studies/assessments. USPTO clearance primarily consists of distinctiveness and likelihood of confusion considerations by the Examining Attorney.

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WE RECOMMEND THAT COMPANIES KEEP THE FOLLOWING FIVE TIPS IN MIND WHEN DEVELOPING NAMES:

## 1 START THE CLEARANCE PROCESS EARLY

It often takes several rounds of searches to identify viable names. The FDA and USPTO clearance processes usually take at least a few months. Thus, names should be generated and vetted at least two to three years before a scheduled product launch.

## 2 TRY UNIQUE LETTER COMBINATIONS AND MULTIPLE SYLLABLES

Viable names often share certain characteristics. For example, they may incorporate three or more syllables and/or include unusual letter combinations. Viable names generally steer away from incorporating terms which may be deemed to constitute an expressed or implied product claim.

## 3 AVOID USAN STEMS AND OTHER POTENTIAL SOURCES OF MEDICATION ERROR

A USAN is a nonproprietary, generic name assigned to a new pharmaceutical product. Given that pharmaceutical manufacturers are required to use certain stems in connection with their products, it is important that brands do not incorporate such elements because such use generally violates naming convention requirements issued by the USAN Council and World Health Organization.

## 4 PHONETIC SEARCHING IS IMPORTANT

Slight spelling modifications can sometimes make a meaningful difference in the availability of a name (e.g., substituting the letter “I” for “Y”). We recommend conducting phonetic searches from the outset to capture these types of substitutions.

## 5 DEVELOP DISTINGUISHABLE BACKUPS

Companies should submit at least several names which are meaningfully different from one another in appearance, sound and commercial impression. For example, name candidates featuring the same letter strings or phonetics may all suffer the same fate if one is rejected.

Through a sound investment in strategic name generation and thorough legal analysis from the outset, life sciences companies can make the most of their branding efforts in the long run.



# INTA MEETS IN SAN DIEGO

More than 9,800 trademark practitioners from around the globe convened in San Diego in May for the largest ever International Trademark Association Annual Meeting. DLA Piper celebrated INTA with a series of client events, trademark practice-related discussions and CLE seminars.

Nearly 40 DLA Piper lawyers from offices around the world enjoyed connecting with 100+ clients and friends at an exclusive reception held at the Ultimate Sky Box in the Diamond Tower, featuring spectacular views of San Diego's skyline and harbor.

Throughout the week, DLA Piper hosted several substantive events, including a CLE event on the new China trademark laws presented by our China-based partners and a CLE luncheon focused on the fashion and retail sector presented by DLA Piper panelists from the US, Australia, Europe, Asia and the Middle East. Our patent lawyers also presented a CLE seminar on the changing US patent laws post-Alice.



Melinda Upton (Sydney) connects with a guest at the VIP client reception



John Nading, Naomi Abraham, Ryan Compton (all Washington, DC), Jennifer Zador (Chief Counsel Licensing, SolarWinds), Ann Ford and Tom Zutic (both Washington, DC)



DLA Piper women trademark lawyers from around the globe gather for a luncheon in San Diego.



Wolfgang May (Cologne) and Leon Medzhibovsky (New York) join guests from Gucci at our Fashion CLE luncheon event.



Clients and partners network at the VIP client reception at the Ultimate Sky Box

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## TOP TRADEMARK FIRM

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DLA Piper ranked #3 among law firms for number of US trademark registrations issued. – *IP Today* 2014

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## COVERING YOUR GLOBAL IP

Your business doesn't stop at the border, and neither do we. From the US and Canada to Europe, the Middle East and Asia Pacific, our dedicated IP and Technology lawyers have your IP covered. We aim to help protect and enforce your valuable brands and technologies as you continue to reach new customers around the globe.