

# **An Overview of Intellectual Property & Protection Strategies**

*Presented by*

**Frank Nagorney**

**Cowden & Humphrey Co. LPA**

© 2009, Cowden & Humphrey Co. LPA  
*Entrepreneurs Advising Entrepreneurs* ®

# Agenda

- Introduction – what is Intellectual Property (“IP”)
- Types of Intellectual Property
- Protection Strategies
- Foreign IP Issues

# What is IP?

- **A category of intangible rights protecting commercially valuable products of the human intellect.**

# Types of IP

- Patents
- Copyrights
- Trademarks
- Trade Secrets

# Patents

- The governmental grant of a right, privilege or authority
- Any new or useful process, machine, manufacture or composition
- Application and file with USPTO
- Term –
  - Inventions: 20 years
  - Utility and Design: 10 years

# Patents

- **Owner must enforce his/her rights**
- **Sale- Presumptive notice if recorded**
- **Outline Ownership**
  - **Employee v. Contractors**
  - **Establish review and notice policies**

# Copyrights

- A property right in an original work of authorship fixed in any tangible medium of expression, giving the holder the exclusive right to reproduce, adapt, distribute, perform and display the work
- **NO NOTICE or REGISTRATION required—the owner is generally the creator at the moment the work is fixed in physical form**
- **Term - lifetime of author plus 50 years**

# Copyrights

## Types

- **Joint Works**
- **Compilations**
- **Collective Work**
- **Derivative Works**



# Copyrights

## Joint Works

- Intent at time of creation to have works merged
- Inseparable or interdependent parts of unitary whole
- Joint ownership and duty to account for profits

# Copyrights

## Compilations

- **Collection or assembly of preexisting works; or selection, arrangement, and coordination of data**

# Copyrights

## Collective Works

- **Examples: periodical issues, anthology, encyclopedia**

## Derivative Works

- **Dependent rights**
- **Permission required**
- **Limited protection**

# Copyrights

## Limitations

- Copyright law does not protect ideas, simple facts and data, simple geometric shapes, short phrases and slogans, works of the U.S. government, works created prior to 1923, works in public domain
- Fair Use
- Limited time

# Trademarks

- **Words, logos and slogans**
- **Smells, sounds, packaging, color**
- **Product configurations**
- **Domain names**

# Trademarks

- Federal registration application
- Using the mark (rights limited to geographic territory of use)
- In the United States, registration is not required

# Trademarks

- **Select generic name for invented products**
- **Search before adopting**
- **Consider registering for statutory benefits and presumptions**
- **Address trademark ownership in agreements with vendors & manufacturers**
- **Police your trademark**

# Trade Secrets

- A formula, process, device or other business info that is kept confidential to maintain a competitive advantage
- Grant right to exclude others from using or disclosing for an **UNLIMITED** time



# Trade Secrets

- **Uniform Trade Secrets Act**
  - **Specific business info, listings, procedures, formulas**
  - **Secret**
  - **Competitive Value**
  - **Reasonable steps to protect access and secrets**

# Trade Secrets

- Take steps to preserve secrecy (e.g. control access, agreements)
- Establish a confidential relationship
- Label trade secret material
- Establish trade secret protection program

# Protecting IP

## Confidentiality, Nondisclosure Agreements (NDAs)

- **Modify and re-execute agreements upon promotion to managerial positions**
- **Maintain distribution lists or access logs**
- **Monitor and review publications to guard against inadvertent disclosure**
- **Be wary of term limits on confidential information v. trade secrets under NDAs**

# Structuring Transactions

- Licensing
- Joint Ventures
- Sales

# Foreign IP Issues

## Protection/Enforceability Concerns

Public Disclosure prior to filing  
may bar enforceability

Example:

- China

# China Legal System

- Trademark Law (1982)
- Patent Law (1984)
- Copyright Law (1990)
- Regulations regarding Computer Software, Copyrights Treaty, Technological Contract Law and others
- Treaties

**Enforcement remains a big problem**

# Patent Applications

- Chinese language
- Applications based upon foreign invention and utility applications must be filed within 12 months of foreign application date
- Design applications must be filed within six months
- Treaties may supersede
  - Patent Cooperation Treaty
  - Paris Convention

# Trademark Protection

- Must register a mark to obtain exclusive rights (unlike U.S.)
- Must be used in commerce and not “confuse” the public
- Term is 10 years with 10 year renewals
- Paris Convention gives priority to original application date in member locations (including U.S.)



# *Questions?*

*Frank P. Nagorney, Esq.*

**COWDEN HUMPHREY**  
ENTREPRENEURS ADVISING ENTREPRENEURS  
ATTORNEYS AT LAW

*4600 Euclid Avenue, Suite 400*

*Cleveland, Ohio 44103*

*frank@cowdenlaw.com*

*Phone: (216)241-2880*

*Fax: (216)241-2881*