



The Legal 500 & The In-House Lawyer
Comparative Legal Guide
United States: Intellectual Property (3rd edition)

This country-specific Q&A provides an overview to intellectual property laws and regulations that may occur in United States.

This Q&A is part of the global guide to Intellectual Property. For a full list of jurisdictional Q&As visit <http://www.inhouselawyer.co.uk/practice-areas/intellectual-property-third-edition/>



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1. **What different types of intellectual property rights exist in your jurisdiction to protect: (a) Inventions; (b) Brands; (c) Other creations, technology and proprietary interests**

(a) Inventions

◦ **Patents**

Patents are granted to any new and useful machine, process, or composition of matter, or any new and useful improvement thereof. A patent is issued by the US Patent and Trademark Office (USPTO). A patent grants the owner the right to exclude others from practicing the claimed invention (i.e., making, using, offering to sell, selling, or importing a patented invention in the U.S.). There are three types of patents: utility, design, and plant.

Laws of nature and abstract ideas are generally not patentable, as well as non-functional descriptive materials like books or music.

◦ **Trade Secrets**

Trade secret protection is available for information that derives economic value from not being generally known or readily ascertainable to third parties who would economically benefit from knowing the secret information. Trade secret protects, e.g., formulas, patterns, compilations, programs, devices, methods, techniques, or processes. To obtain trade secret protection, the subject matter at issue must be used in business and provide an opportunity to obtain economic advantage over competitors without the information. Furthermore, the trade secret holder must implement measures to maintain secrecy. Trade secret protection is not available if the holder fails to implement such measures, the trade secret becomes released or otherwise generally known, or if the information is independently discovered by another.

(b) Brands

◦ **Trademarks**

Trademark protection is available for a word, phrase, symbol, or design, or any

combination of these that identifies and distinguishes the source of the goods from others. Similarly, a service mark identifies and distinguishes the source of services from others.

A trademark owner can obtain protection through registration or use in a particular geographical area ("common law" rights). Registration of a mark with the USPTO provides a nationwide protection while common law rights are limited to the particular geographical area in which the mark is used.

- **Passing Off / Unfair Competition**

Passing off occurs when a seller of goods or services misleads the public to think that its product or services are from another party. Reverse passing off occurs when a seller misleads the public to think that another party's goods or services are its own. The rules regulating passing off and reverse passing off are governed by state, as opposed to federal, law.

- **Collective Marks**

Collective marks are essentially trademarks for cooperatives, associations, or collectives (e.g., unions, associations, or other organizations) to indicate their membership. A collective mark applicant must establish a proper basis for filing, either through actual use in commerce or bona fide intent to use the mark in commerce. The applicant must also specify the class of people who can use the mark, describe their relationship to the applicant, and state the nature of the applicant's control or intended control over the use of the mark.

- **Certification Marks**

A certification mark is any word, symbol, device or combination that people other than the applicant can use. Specifically, certification marks are used to certify certain qualities of the users' products or services, such as the geographic origin, material or mode of manufacture, quality or accuracy, conformity with certain standards or tests of competency. Certification marks do not indicate commercial source or distinguish goods or services of one person from another person but rather indicate that the goods/services of authorized users are certified as to a particular aspect of the goods/services.

To obtain a certification mark, an applicant must establish standards, prove objectivity, exclusivity of use, and non-discrimination.

- **Geographical Indications**

Geographical indications identify a good as originating in a territory of a WTO member or a region or locality in that territory where a desirable quality, reputation or characteristic of a good is attributable to the geographic origin.

(c) Other creations, technology, and proprietary interests

- **Copyright**

Copyright protects works of authorship fixed in a tangible medium of expression. Copyright includes the right to reproduce and make copies of an original work, prepare derivative works based on the original work, distribute copies to the public by sale or another form of transfer, publicly perform the work, publicly display the work, and perform sound recordings publicly through digital audio transmission. Copyright registration with the US Copyright Office is optional because copyright arises as soon as an author creates an original work of authorship in a fixed medium. But only registered copyrights are enforceable through litigation.

- **Design Rights**

- *Design Patent*

Design patents protect ornamental features of an article of manufacture. For example, design patents can protect configuration or shape of a manufactured article or its surface ornamentation. Design patents do not protect features that serve structural or utilitarian features.

- *Design Copyright*

Graphic designs are copyrightable if they are original works fixed in physical objects, such as paper, signs, articles of clothing or digital media.

- **Semiconductor Topography Rights (Mask Work)**

One can register a mask work with the US Copyright Office, including three-

dimensional pattern of metallic, insulating, or semiconductor material. Rights granted to a mask work include the right to reproduce the mask work and distribute an integrated circuit made using the mask work.

- **Plant Varieties**
 - *Plant Patents*

Plant patents protect inventions or discoveries and asexually reproduces a distinct and new variety of plant, other than a tuber propagated plant or a plant found in an uncultivated state. To be eligible for a plant patent, the subject plant must have been created through breeding or other human efforts. Plant patent matters are governed by the federal law and must also satisfy the general patentability requirements.

Non-patent intellectual property protection is available for new varieties of seeds and tubers through the US Department of Agriculture's Plant Variety Protection Office (PVPO). The PVPO examines new applications and grant certificates that protect varieties for 20 years (25 years for vines and trees). Certificate owners obtain rights to exclude others from marketing and selling their varieties, manage the use of their varieties by other breeders, and receive legal protections.

- **Database Rights**

Databases are eligible for copyright protection as compilations. But, under the Copyright statute, the compilation must consist of pre-existing materials or data that are selected and compiled in a way that constitutes an original work of authorship. The underlying facts themselves are not protected.

2. **What is the duration of each of these intellectual property rights? What procedures exist to extend the life of registered rights in appropriate circumstances?**

Right	Duration
Utility and plant patents	20 years from the filing date of the earliest non-provisional U.S. or international (PCT) application to which priority is claimed

Design patent	<ul style="list-style-type: none"> · Applications filed on or after May 13, 2015: 15 years from issuance · Applications filed before May 13, 2015: 14 years from issuance
Trade Secret	Perpetual if requirements for trade secrets are met
Trademark	Perpetual if used in commerce and maintenance requirements are met
Copyright	<ul style="list-style-type: none"> · Works created after January 1, 1978: 70 years after the death of the author · Works made for hire: 95 years from the year of its publication or 120 years from the year of its creation, whichever expires first
Mask work	10 years from the date on which a mask work is registered or it is first commercially exploited anywhere in the world, whichever occurs first

3. **Who is the first owner of each of these intellectual property rights and is this different for rights created in the course of employment or under a commission?**

In general, the first owner of a patent or copyright is the inventor, designer, or author who created the work. The first owner of a trademark is one who first uses the mark in commerce.

Under the “work made for hire” doctrine codified in the Copyright statute, a designer or author’s copyright may transfer to the employer if the requirements are met. While no similar codified law exists for patents and trademarks, employers and employees can sign contracts containing a “work made for hire” provision, which assigns the employee’s rights to patents or trademarks to the employer.

4. **Which of the intellectual property rights described above are registered rights?**

Patents (utility, design, and patent by the USPTO), registered trademarks (by the USPTO), registered copyright (by the US Copyright Office), and registered mask works are registered rights (by the US Copyright Office).

5. **Who can apply for registration of these intellectual property rights and, briefly, what is the procedure for registration?**

◦ **Patents**


The inventor or anyone to whom the invention has been assigned or is under an obligation to assign the invention can file a patent application with the USPTO. Officers and employees of the USPTO are prohibited from applying or acquiring a patent.

An applicant can file a patent application with the USPTO directly or indirectly through a registered patent agent or patent attorney. For a utility patent, the applicant may file a provisional application to obtain a priority date to the invention but must subsequently file a non-provisional application within a year of the provisional filing date. If the non-provisional application meets the patentability requirements, the USPTO will issue a patent. If the application fails to meet certain requirements, a patent examiner will issue an office action identifying deficiencies in the application and/or claims in the form of objections and/or rejections. For example, the examiner may reject the claims of a patent application based on many grounds, including lack of novelty or failing to differ only in an obvious manner from what can be found in the prior art. The examiner may also issue a rejection for a lack of written description or failing to enable the claimed subject matter. The applicant must respond and cure problems with the application with the prescribed time limit. It is common for all or some of the claims of the application to be rejected or objected to in an office action. Applicants are rarely granted as filed. After the patent issues, the patent owner must pay maintenance fees to keep the patent alive.

◦ **Trademarks**

Anyone, whether a person or an entity, who uses a mark in commerce or intends to use a mark in commerce can apply for a trademark. Of note, a foreign-domiciled applicant must be represented by a licensed U.S. attorney. A domestic applicant domiciled in the U.S. need not be represented by a licensed U.S. attorney, but the USPTO strongly encourages all applicants to hire an attorney who specializes in trademark law.

To obtain a trademark, a trademark applicant must file an application with the USPTO. The application should identify a mark format (i.e., a standard character mark, a



stylized/design mark, or a sound mark) and goods and/or services to which the mark will apply. The application should also identify a proper filing basis, whether actual use or intent to use the mark in commerce. Before filing an application, however, the applicant should search the USPTO database to see if anyone has already claimed trademark rights in the wording or design of the mark of interest. Each application is assigned to an examining attorney at the USPTO, who reviews the application. If the application meets the requirements, the examining attorney will register the mark. If it fails to meet certain requirements, however, the examining attorney will issue an office action, explaining the grounds for rejection. The applicant must timely respond to the letter and cure the problems that prompted the office action. After registration, the registrant must file specific maintenance documents to keep the trademark alive.

- **Copyrights**

Anyone who is the author of the original work or has obtained rights from the author can register copyright with the US Copyright Office.

To obtain copyright, an applicant must submit a completed application form, a non-refundable copy or copies of the work to be registered. The application can be filed electronically through the Copyright Office website. The applicant can submit an electronic copy of the work in a CD-ROM.

- *Mask Work*

To register a mask work, an applicant must submit an application with the US Copyright Office. To secure protection, the mask work registrant must submit the application within two years after the date on which the mask work is first commercially exploited.

6. **How long does the registration procedure usually take?**

The length of the registration procedure varies depending on the right and the subject matter of the application. Applications that prompt rejections from the USPTO or the Copyright Office have longer processing time than those that are not rejected.

Patents: Approximately 22 months from the filing date

Trademarks: Approximately 6 months to a year

Copyrights: Approximately 4 months to 28 months

7. **Do third parties have the right to take part in or comment on the registration process?**

Patents: Using a preissuance submission, a third party may submit patents, published patent applications, or other printed publications of potential relevance to the USPTO with a concise description of their relevance to the examination. Such submission may be made (1) before 6 months after the application at issue is published or before the date of a first office action on the merits rejecting any claims, whichever comes later; or (2) before the date of a notice of allowance, if the notice issues before (1).

A protest can also be filed by any member of the public against a pending patent application. Any information which would make the grant of the patent improper can be relied upon in a protest. A protest must be served and filed prior to the date the application is published or the date a Notice of Allowance is mailed, whichever occurs first. The only exception to this is if one obtains consent of the applicant, a protest may be filed during prosecution of the application.

Trademarks: When an examining attorney preliminarily approves a trademark application, the application publishes for 30 days, during which any member of the public can oppose the mark. An opposer must show a real interest in the proceedings and a reasonable basis for believing that the registration will cause damage. Permissible grounds for opposition are likelihood of confusion or mere descriptiveness.

Copyrights: There is no formal process for a third party to partake or comment on the registration of copyright. Once a registration certificate issues, however, a third party may file a petition to the Copyright Office to correct any error on the certificate.

8. What (if any) steps can the applicant take if registration is refused?

For patents and trademarks, the USPTO issues an office action to the applicant whose application has been rejected, explaining the basis of rejection and requesting the applicant to respond to the office action within a certain time period. The applicant must respond to the office action and respond to the examiner's objections and/or rejections of the claims.

When a patent examiner issues a final office action, the applicant can file further arguments and/or claim amendments, reopen prosecution by filing a Request for Continued examination along with any further arguments and/or claim amendments, or appeal the objections and/or rejections in the office action to the Patent Trial and Appeal Board.

Similarly, when a trademark examining attorney issues a final action, the applicant can file a request for reconsideration of the final action. If unsuccessful, the applicant can then appeal the examining attorney's decision to the Trademark Trial and Appeal Board.

When a copyright registration application is rejected, the applicant can request the Copyright Office to review the application again and reconsider the rejection. If the Copyright Office issues another rejection after the first request for reconsideration, the applicant can then make a second request for reconsideration at the Copyright Office's Board of Review. The Board's decision is the final agency action.

9. What are the current application and renewal fees for each of these intellectual property rights?


- **Patents**

Application fees:

Filing fee	Regular fee	Small entity fee	Micro entity fee
Utility - basic (paper filing)	\$300	\$150	\$75
Utility - basic (e-filing for small entities)	N/A	\$75	N/A
Design	\$200	\$100	\$50
Design CPA	\$200	\$100	\$50
Provisional application	\$280	\$140	\$70
Reissue	\$300	\$150	\$75
Reissue (design CPA)	\$300	\$150	\$75
Each independent claim in excess of 20	\$460	\$230	\$115
Each reissue claim in excess of 20	\$100	\$50	\$25
Multiple dependent claim	\$820	\$410	\$205

To maintain an issued patent alive, a patent holder must pay regularly scheduled maintenance fees:

Description	Due date	Fee	Small entity fee	Micro entity fee
First maintenance fee	3.5 years after issuance	\$1600	\$800	\$400
Second maintenance fee	7.5 years after issuance	\$3600	\$1800	\$900
Third maintenance fee	11.5 years after issuance	\$7400	\$3700	\$1850
Surcharge - Late payment of maintenance fees	Within 6 months of the maintenance fee due date	\$160	\$80	\$40



Petition for the delayed payment of the fee for maintaining a patent in force	\$2000	\$1000	\$500
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* An applicant must meet specific statutory criteria to qualify as a small or micro entity.

** A complete list of application fees, maintenance fees, and miscellaneous fees can be found on the USPTO website.

- **Trademarks**

Application fees: Trademark applications can be filed using the Trademark Electronic Application System (TEAS). TEAS offers three different filing options, and application fees vary depending on the option selected. The application fees are \$400 for TEAS Regular, \$275 for TEAS Reduced Fee (RF), and \$225 for TEAS Plus, per class of goods and services. To be eligible for TEAS RF or TEAS Plus, the applicant must meet additional statutory requirements on top of minimum filing requirements.

Maintenance fees: Between the 5th and 6th year of registration, a trademark registrant must file a declaration (known as Section 8 declaration), proving that the trademark is in use in commerce with the goods or services listed in the registration or the trademark is not in use due to special circumstances justifying the non-use. The fee for filing this declaration is \$125 per class of goods or services in the registration.

Between the 9th and 10th year of registration, the registrant must file another Section 8 declaration and a renewal application (known as Section 9 application). A combined filing fee for both documents is \$425 per class of goods or services in the registration. The registrant must file the combination of Section 8 declaration and Section 9 application every 10 years from the date of registration.

- **Copyrights**

Registration fees for electronic application are \$35 for a single application (single author, same claimant, one work, not for hire) and \$55 for a standard application (all other filings). Registration fees for paper applications are \$85. There are no maintenance fees for copyright registrations.

10. **What are the consequences of a failure to pay any renewal fees and what (if any) steps can be taken to remedy a failure to pay renewal fees?**

◦ **Patents**

If the maintenance fee is paid within 6 months of the deadline, then the patent holder must pay a surcharge of \$160, \$80 for a small entity, or \$40 for a micro entity. If the patent holder fails to pay within six months of the deadline, then the patent will expire. If it expires, the patent holder can file a petition to revive the expired patent. To revive the expired patent, the patent holder's failure to pay the maintenance fee on time must have been unintentional.

◦ **Trademarks**

Failure to file Section 8 declaration will result in cancellation of the registration. If the applicant missed the filing dates of the Section 8 declaration or Section 9 application, then the applicant must file a new registration application to reclaim the cancelled trademark.

11. **What are the requirements to assign ownership of each of the intellectual property rights described in section A?**

Assigning ownership of Intellectual Property rights operates generally as a contract. To assign a patent, trademark, or copyright, the assignment should: 1) be in writing; 2) clearly identify the parties; 3) identify the patent, trademark, or copyright; and 4) recite exchange of consideration, though the consideration can be nominal. In addition, if the assignment is with an individual rather than a corporation, it is

recommended that the agreement be notarized. With respect to trademarks, the assignment must also include the goodwill associated with the mark.

A party may assign its entire interest or a share to another party. A party may also assign its rights in a patent for a geographic region.

12. Is there a requirement to register an assignment of any of these intellectual property rights and, if so, what is the consequence of failing to register?

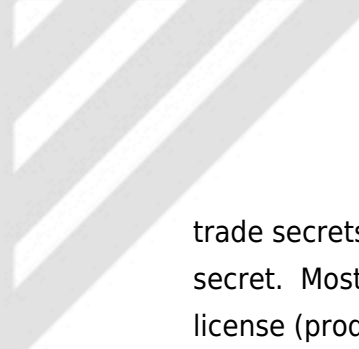
Patent and trademark assignments may be recorded with the USPTO. For both, the USPTO has an online form that an owner can use to record the assignment. The failure to record an assignment of a patent or trademark does not render the assignment invalid. But if an owner fails to record the assignment, then the assignment will be void against a subsequent purchaser that lacked notice of the earlier assignment.

For Copyright assignments, recording with the Copyright office is optional. If recorded with the Office, the recordation creates constructive notice of the facts surrounding the assignment or transfer of ownership if a subsequent dispute arises.

13. What are the requirements to licence a third party to use each of the intellectual property rights described in section A?

Under U.S. law, there are no formal requirements for a license of IP. Licenses can be granted both in writing and orally. Moreover, licenses can be implied in certain circumstances based on the conduct of the parties.

Different types of IP may also require specific provisions. With respect to trademark licenses, the license must generally include provisions providing for quality control of the licensee's products. Failure to provide for adequate quality control can result in a "naked license," which can lead to loss of trademark rights. Agreements involving



trade secrets obviously need to include confidentiality provisions to maintain the trade secret. Most licenses will also include provisions regarding consideration, scope of the license (products and territories), termination, etc.

14. **Is there a requirement to register a licence of any of these intellectual property rights and, if so, what is the consequence of failing to register?**

There is no requirement to register a license of patents, trademarks, or copyrights. Moreover, recordation of such a license will have no legal effect.

15. **Are exclusive and non-exclusive licensees given different rights in respect of the enforcement of the licensed IP, and if so, how do those rights differ?**

Exclusive and non-exclusive licensees are given different rights for enforcement. A non-exclusive license is generally just a covenant not to sue the licensee for infringement. Therefore, the licensee has no inherent property right and no right to enforce the property.

An exclusive licensee *may* be granted the right to enforce the IP right. But typically, the exclusive licensee will have to sue jointly with the IP owner. If the exclusive license represents a transfer of "all substantial rights" in the property, and is therefore tantamount to an assignment, the exclusive licensee sue on its own. For trademarks, a non-exclusive licensee has been found to have standing to sue when the licensee is the exclusive distributor for a product sold under the trademark.

16. **Are there criminal sanctions for infringement of any intellectual**

property rights, and if so, what are they and how are they invoked?

Criminal sanctions are available for certain types of copyright and trademark infringement, but not available for patent infringement. For copyright, 35 U.S.C. § 506(A) governs when criminal sanctions are appropriate. Under the statute, a party may be criminally charged when a person wilfully reproduces or distributes a work for purposes of commercial advantage or private financial gain.

Trademark enforcement is still primarily civil, but a party may be criminally liable under 18 U.S.C. § 2320(d)(1). This statute is reserved for trademark infringement connected to trafficking goods or services using the infringing mark, such as counterfeiting.

Trade Secret misappropriation can also be prosecuted as a criminal offense. Under 18 U.S.C. § 1831, trade secret misappropriation is punishable if it is done to benefit a foreign government, instrumentality, or agent. Common commercial theft or trade secret misappropriation, however, is punishable under 18 U.S.C. § 1832.

17. What other enforcement options are available in your jurisdiction for each of the intellectual property rights described in section A? For example, civil court proceedings, intellectual property office proceedings, administrative proceedings, alternative dispute resolution.

For patent and copyright issues, federal courts are the main jurisdiction to decide substantive issues of law. State courts, which exist in parallel to the federal courts, can decide issues such as ownership of the intellectual property, assignment, and license disputes. For trademark and trade secret disputes, an owner can pursue civil action in federal or state court depending on the rights they are seeking to enforce.

Owners may also pursue action at the International Trade Commission to exclude the importation of goods involved in “unfair methods of competition,” encompassing each

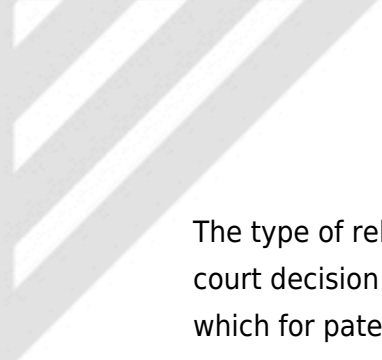
of the intellectual property rights described in section A. Although not enforcement, but related to patent litigation, a party may also challenge the validity of a patent at the USPTO. For alternative dispute resolution, the U.S. code does provide a “voluntary arbitration” provision, but ADR may be included in an agreement.

18. **What is the length and cost of such procedures?**

For District Court proceedings, the length of patent litigation varies depending on the jurisdiction and complexity of the case. On average, cases take over two years to reach trial after filing the complaint. On average, trademark, copyright, and trade secret cases generally take slightly less than two years from filing the complaint to reach trial. The average cost of bringing a civil claim in federal court varies depending on the complexity of the case and the overall value of the property.

19. **Where court action is available, please provide details of which court(s) have jurisdiction, how to start proceedings, the basics of the procedure, the time to trial, the format of the trial, the time to judgment and award of relief and whether any appeal is available.**

Federal and state courts can hear various IP disputes depending on the right and the substance of the complaint. For federal courts, filing a complaint starts the litigation process. After the Defendant answers the complaint, the court will hold a Case Management Conference where the schedule leading up to trial is established. Next, the parties engage in discovery where each side exchanges information followed by expert discovery where the parties exchange materials and reports developed by technical experts. After discovery has closed, the parties engage in motion practice to resolve evidentiary issues before trial during pre-trial proceedings. Last, the trial is held followed by post-trial proceedings. The complexity of facts can affect the time to judgment, but typically a case can be resolved from start to finish in approximately two years.



The type of relief customarily requested is monetary and injunctive relief. When a trial court decision is final, issues may be appealed to the appropriate Court of Appeals, which for patent cases is the Court of Appeals for the Federal Circuit, and for other non-patent cases can be the regional appellate court.

20. **What customs procedures are available to stop the import and/or export of infringing goods?**

The International Trade Commission (ITC) is a government agency that determines if goods that are being imported or exported violate IP protections under U.S. law. If an action is filed with the ITC, the party can ask for an exclusion order which would prohibit the infringing goods from being exported or imported into the U.S. U.S. Customs and Border Protection enforces ITC exclusion orders at the various ports of importation in the United States.

21. **Are any non-court enforcement options or dispute resolution mechanisms mandatory in respect of intellectual property disputes in any circumstances? If so, please provide details.**

In the United States, there are no mandatory non-court enforcement options for IP disputes.

22. **What options are available to settle intellectual property disputes in your jurisdiction?**

Parties are able to settle a dispute any time during the litigation. The parties' settlement can take the form of a customary IP license or agreement. Private parties also frequently use binding arbitration or voluntary mediation to settle intellectual property disputes.

23. **What is required to establish infringement of each of the intellectual property rights described in section A? What evidence is necessary in this context?**

Patents: In order to establish infringement of patents, the intellectual property owner must show that an alleged infringer practices every element of an asserted claim. An infringer is one that “without authority makes, uses, offers to sell, or sells any patented invention, within the United States or imports into the United States any patented invention during the term of the patent.” 35 U.S.C. § 271(a). An IP holder may also accuse an alleged infringer of “inducing” infringement, wherein the alleged infringer provides for the infringement actually carried out by another. 35 U.S.C. § 271(b). Often, a comparison of a product or service to the claims of the patent is used to show element-by-element infringement. Experts may assist with this analysis.

Trademarks: In order to establish infringement of a trademark, the trademark holder must show that the accused infringer used the mark in commerce without its consent and that the unauthorized use was likely to deceive, cause confusion, or result in a mistake. Many times, the factual question at the heart of a trademark infringement claim rests on whether there is a likelihood of confusion between the challenged marks. Customer surveys relating to the level of confusion in the market are often used to show infringement.

Copyrights: In order to establish infringement of a copyright, a copyright owner must show two elements: (1) ownership of a valid copyright and (2) copying of constituent elements of the work that are original. Copying is demonstrated when someone who has access to a copyrighted work uses material substantially similar to the copyrighted work in a manner which interferes with a right protected by U.S. copyright law, namely 17 U.S.C. § 106. Section 106 protects the copyright owner’s right to reproduce the copyrighted work, prepare derivative works based upon the copyrighted work, distribute copies of the copyrighted work to the public, to perform the copyrighted work publicly, and to display the copyrighted work. Lay evidence as well as expert evidence can be used to show that certain works were improperly copied.

Trade Secrets: Claims for trade secret misappropriation can be brought under various state laws, as well as under federal law. While the requirements for each jurisdiction vary slightly, in general, a claim for trade secret misappropriation must include a claim that the plaintiff owned a trade secret, and that the defendant misappropriated that trade secret through non-sanctioned means, like theft. Absent clear evidence that a trade secret was misappropriated (for example, evidence of a former employee disclosing top-secret company information), trade secret misappropriation can also be proven through inference, like a comparison of similar products and a showing that the defendant had the possibility of access to restricted information through illicit means.

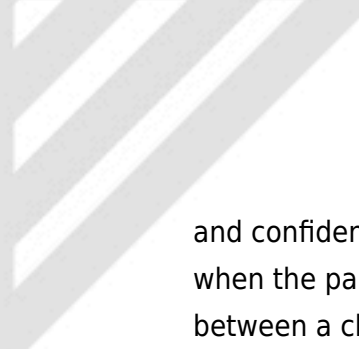
24. **How does the court acquire any necessary information (fact or technical) and in what circumstances does it do so? In particular - a) Is there a technical judge, a judge with technical experience, a court appointed expert, an expert agreed by the parties, and/or parties' expert witness evidence? b) What mechanisms are available for compelling the obtaining and protecting of evidence? Is disclosure or discovery available?**

a) Is there a technical judge, a judge with technical experience, a court appointed expert, an expert agreed by the parties, and/or parties' expert witness evidence?

Parties normally employ their own experts that help inform the court about technical issues. There is no technical judge, however, some judges do have technical backgrounds. Due to the rules regarding jurisdiction, certain judges have more experience with IP specific disputes than others. The collection of knowledge normally develops when a jurisdiction is home to a certain industry, or where many companies are incorporated, like Delaware.

b) What mechanisms are available for compelling the obtaining and protecting of evidence? Is disclosure or discovery available?

In the United States, the parties may compel the opposing party to reveal any relevant information they have, subject to only limited protection for attorney-client privileged



and confidential information. The discovery process is designed to prevent surprises when the parties reach trial. Privileged evidence typically applies to information shared between a client and their attorney, or material that is prepared in view of litigation. This evidence should be properly marked and designated as privileged under attorney client or work product.

25. **How is information and evidence submitted to the court scrutinised? For example, is cross-examination available and if so, how frequently is it employed in practice?**

Before trial, parties can make preliminary motions to exclude or restrict the use of certain evidence. For example, parties can make a “Daubert motion” to keep the fact finder from hearing certain proposed expert witness testimony. Parties can also make a “motion in limine” to exclude or restrict other factual evidence.

During trial, each party can enter evidence relevant for the fact finder. Each party can offer documentary or testimonial evidence through live witnesses. The evidence can be scrutinized by the opposing party through cross-examination at trial, or through the introduction of other evidence that may reduce its weight.

For example, if a witness gives direct testimony, he or she will be subject to cross-examination from the opposing party. Additionally, if documentary evidence is introduced, the opposing party may introduce evidence that negates the documentary evidence, or which might reduce the relevancy of the documents. This practice normally forces the judge or jury to make a credibility determination before deciding on the merits. Additionally, to the extent the court plans to accept designated deposition testimony into evidence, the court will also allow the opposing party to introduce counter-designated testimony, placing the designated deposition testimony in proper context.

26. **What defences to infringement are available?**

Patents: The most common defenses to patent infringement include showing that a defendant does not literally infringe the elements of the claim (in other words, that not every element of the claimed invention is present in the challenged product), or that the patent itself is invalid and thus cannot be enforced.

Trademarks: A common defense to allegations of trademark infringement is showing that the accused infringing mark is different enough from the registered mark to not result in consumer confusion. Also common is showing that the trademark itself is not a protectable mark because it has become generic or lacks other characteristics of registrability. Depending on the context, an accused infringer may also be able to show that their use of a mark is protected speech under the First Amendment of the U.S. Constitution.

Copyrights: Common defenses to copyright infringement include showing that the matter alleged to have been copied was not actually copyrightable (for example that it lacked originality), or that accused infringing use was actually “fair use.” A fair use defense depends on the purpose and character of the use, including whether the use is commercial or educational purposes, the nature of the copyrighted work, the amount of the copied work in relation to the whole, and the effect on the market for or value of the copyrighted work. In certain contexts, an accused infringer may be able to show that their use is protected speech under the First Amendment of the U.S. Constitution.

Trade Secrets: Defenses to charges of trade secret misappropriation include showing that the material that is subject to the trade secret was publicly known or otherwise disseminated by the plaintiff (for example by showing that a product available on the market can be reverse-engineered). Additionally or alternatively, a defendant may be able to show independent development of the product.

27. **Who can challenge each of the intellectual property rights described above?**

Patents: Accused infringers can challenge patent rights as a defense. Third parties can

also challenge patent rights in proceedings before the United States Patent and Trademark Office through the use of ex parte reexamination, inter partes review, post grant review, and to a limited extent covered business method review.

Trademarks: Accused infringers can challenge trademark rights as a defense. Third parties can also challenge trademark rights in proceedings before the United States Patent and Trademark Office through the use of cancellation proceedings.

Copyrights: Certain rights to copyrightable material attach as soon as a work is completed. However, an accused infringer may challenge the registrability of a copyright in legal proceedings.

Trade Secrets: Generally, and as a practical matter, accused infringers will challenge the sufficiency of trade secrets during legal proceedings.

28. **When may a challenge to these intellectual property rights be made (e.g. during any registration process or at any time during the subsistence of the right)?**

Patents: Parties may challenge the grant of patents during the registration process, after a grant of the patent in post-grant proceedings before the U.S. Patent and Trademark Office, or as a defense to a charge of infringement at any time.

Trademarks: Parties may challenge the grant of a trademark registration during the registration process, or after the grant of a registration in a cancellation proceeding, or as a defense to a charge of infringement at any time.

Copyrights: Parties may challenge the existence of a copyright when accused of infringement.

Trade Secrets: Parties may challenge the existence of a trade secret right when accused of misappropriation.

29. **Briefly, what is the forum and the procedure for challenging each of these intellectual property rights and what are the grounds for a finding of invalidity of each of these intellectual property rights?**

Patents: Patent rights can be challenged in federal district court, at the U.S. Patent and Trademark Office, or at the International Trade Commission which deals in importation of allegedly infringing goods. As a procedural matter, challenges to patent rights in court or at the International Trade Commission occur as defense to infringement. Affirmative challenges at the U.S. Patent and Trademark Office can take the form of requests for post-grant proceedings to cancel patent rights. A patent may be invalidated or not issued if it is found not to conform with statutory requirements such as not directed to patentable subject matter (35 U.S.C. § 101), not being new or novel (35 U.S.C. § 102), obvious over the prior art (35 U.S.C. § 103), or failing to properly describe or enable the invention (35 U.S.C. § 112).

Trademarks: Trademark rights can be challenged in court, at the U.S. Patent and Trademark Office, or at the International Trade Commission. At the time of proposed registration, a party can file an opposition. After a grant, a party can file for cancellation of a mark. In defense to a charge for infringement, a party can challenge the trademark registration. To show that a trademark should be cancelled, a challenger must show that the mark fails to meet statutory requirements.

Copyrights: Generally, a challenge to copyrights occurs in response to allegations of infringement. A party may challenge a copyright by showing that it fails to meet common law or federal requirements for copyrightable material (for example, the alleged rights are actually to the particular utility of a copyright and not the work itself).

Trade Secrets: Challenges to trade secrets occur in response to allegations of misappropriation, in state or federal court as well as the International Trade Commission.

30. **Are there any other methods to remove or limit the effect of any of the intellectual property rights described in section A, for example, declaratory relief or licences of right?**

In general, obtaining a license to use particular intellectual property will limit the ability of the owner to file an infringement suit against a defendant. If a party is accused of infringement of an intellectual property right, that may be sufficient to trigger a case or controversy such that a court of competent jurisdiction will hear and adjudicate an affirmative declaratory judgment claim for non-infringement or invalidity of the challenged intellectual property right.

31. **What remedies (both interim and final) are available for infringement of each of the intellectual property rights described in section A?**

At the outset of an infringement case, a party may file for a temporary restraining order (“TRO”) or a preliminary injunction (“PI”). This type of relief is usually sought to bar an accused infringer from continuing its infringement while the case is pending. In order to successfully make out a case for a TRO or PI, a party must show that they have a likelihood of success on the merits of the underlying case, and that absent an injunction, irreparable harm would occur. Finally, the party seeking a TRO or PI must show that the balance of hardships favors the movant.

Traditional remedies for intellectual property infringement include damages. For patent infringement, depending on the circumstances and specifics of a case, a party may be able to seek lost profits, price erosion, or a reasonable royalty on the intellectual property right. If, in the context of patent infringement, the infringement was willful, then damages may be multiplied. For trademark infringement, a plaintiff may in some circumstances be able to obtain the defendant’s profits and the damages may be multiplied if it can be shown that the defendant intentionally used counterfeit marks. In some cases statutory damages are available for counterfeit marks. 15 U.S.C. § 1117. For copyright infringement, a plaintiff may be able to obtain actual damages,

profits of the infringer, or statutory damages. 17 U.S.C. § 504.

A plaintiff may also be able to seek injunctive relief to bar future infringement depending on the context of a case. In order to succeed on a request for injunctive relief, the plaintiff must show that it has suffered an irreparable injury, monetary damages would be insufficient, the balance of hardships weighs in the movant's favor, and the public service would not be disserved by the grant of an injunction.

At the International Trade Commission, the only remedy available is to block the importation of infringing goods into the United States.

32. **What are the costs of enforcement proceedings and is any kind of costs recovery available for successful parties? Is there a procedural mechanism enabling or requiring security for costs?**

The costs of a proceeding vary greatly depending on the type of the proceeding, its complexity, and forum, among other things. In general, administrative proceedings tend to have lower total costs than litigation in court or the International Trade Commission. Under the American Rule of attorneys' fees, each party bears their own costs for attorneys' fees except under special circumstances where a party may be able to seek payment for its attorneys' fees. For example, in patent cases, under 35 U.S.C. § 285, a "court in exceptional cases may award reasonable attorney fees to the prevailing party." What constitutes an "exceptional case" is dependent upon the specific facts of a case, but can include taking unreasonable litigation positions or vexatious increases in litigation costs.