

Final Exam

Intellectual Property Law Survey

Professors Greenberg & Anderson

Fall 2005

1. You have **three (3) hours** to complete this exam. You are not required to spend the entire time working on the exam - the average time for completion is between two and three hours. **It is strongly recommended that you outline your response to each question, before writing the response.** I recommend that you spend one third of the time on each question creating your outline, and the remainder of your time writing your answer. For example, if you spend 1.0 hour per question, devote 20 minutes to the outline, and 40 minutes writing the answer.
2. THIS IS AN OPEN BOOK, OPEN MATERIALS EXAM. You may use any notes, books or other materials to assist you in responding to the questions.
3. There are three (3) essay questions on this exam. The first two questions are worth thirty-three points, and the third question is worth thirty-four points. The third question pertains to patent law. This question will be graded by Adjunct Professor Anderson. **YOU MUST ANSWER THE THIRD (PATENT) QUESTION IN A SEPARATE BLUE BOOK, LABELED PATENT QUESTION.** If you need more than one blue book to answer this third question, each blue book you use must be labeled Patent Question. The remainder of the exam will be graded by Prof. Greenberg. Answer each question as fully as you can, citing any appropriate cases, industry standards, and statutes that are relevant. Students often fail to allocate enough time for the Patent question, so we recommend that you work on that question first.
4. Write your exam number on your exam envelope. Put your correct class section and student exam # at the top of this page, each page of questions, and each blue book. **Do not** use your name, student ID number or Social Security Number on any exam materials.
5. DO NOT WRITE ON BOTH SIDES OF THE PAGE. WRITE LEGIBLY OR PRINT IF YOUR HANDWRITING IS DIFFICULT TO READ. If I cannot read your response to a question, your grade will be adversely affected.
6. At the conclusion of the exam, return all test materials, including blue books, scratch paper, and this exam packet to the envelope and submit it to the proctor. **DO NOT** seal the envelope. Students who do not return all exam materials at the end of the exam may not be graded.

Good Luck

QUESTION NO. 1 (33 Points)

This week, just in time for Christmas sales, famous software game company SEGA has introduced a new software game system it calls XXXBox 180, whose main feature is a violent game based on the action motion picture series XXX. The game is extremely violent, featuring the killing of small animals and children. Microsoft, maker of the just-released XBox 360 game system, for which a trademark has been applied for but not yet received, has filed a complaint for trademark infringement and dilution, and is seeking a preliminary injunction to halt the further sale of any of the XXXBox 180 systems. Microsoft is the owner of a previous trademark for the XBox System, its original game software and hardware system. Microsoft's in-house attorneys have asked you, based on your work in this class, to draft a memo identifying the elements they will need to prove to prevail on their claims at trial and at the injunction hearing, analyzing the merits of their two claims, and outlining what defenses are available to SEGA, and who is likely to prevail and why. Draft the memo Microsoft has requested.

QUESTION NO. 2 (33 Points)

In addition to their trademark and dilution claims arising from the conduct discussed in Question One, Microsoft also wants to bring a copyright infringement case against SEGA for allegedly copying elements of the XBox 360 software program which Microsoft claims are protected by a software copyright they registered before publishing the game.

Microsoft claims that SEGA has copied a basic concept of the Xbox 360 software program, which is the use of progressively difficult levels of skill in mastering the games on the system. Microsoft also claims that the use of certain standard keystrokes to change the positions of characters on the screen, which have been used on all Microsoft-created games, are also protected by copyright, and are infringed by the XXXBox 180. Microsoft also claims that one of the games on the Xbox 360 system, based on the famous story of Robin Hood, has been copied by SEGA and is also an infringement. Microsoft finally claims that its copyright registration protects the names of its characters in its games run on the Xbox 360 system, and on the storyline it created about those characters and their adventures, all of which it claims that SEGA has copied by creating characters with similar names and stories. Microsoft acknowledges that these last elements are not direct copies, but alleges that the names and characters in the SEGA game systems are so similar that they are infringing.

Microsoft has asked you to draft a memo advising them how they should go about proving their copyright infringement claims, and what damages are available to them if they prevail. Microsoft also asks you to analyze what defenses are available to SEGA, and whether those defenses have any merit. Draft the memo they have requested.

QUESTION NO. 3 (34 points)

You must answer the third question (patent question) in a separate blue book, labeled patent question. If you need more than one blue book to answer this third question, each blue book you use must be labeled patent question.

The patent law question consists of three subparts set out below. The fact patterns that precede each subpart are cumulative, that is, all of the facts that precede each subpart should be considered in answering that subpart. For your convenience, portions of the patent law are attached.

Fact pattern first part.

Marielena Jane- Prats (MJP), an inventor comes to your office in December 2005 and wants your help in bringing a lawsuit to enforce her patent on a pillow with retractable umbrella (attached). MJP makes you aware of the following facts:

A. MJP came up with the idea while sunning herself on the beach in Florida during the summer of 2000. Because she was busy going to school she didn't get around to having her patent attorney apply for a patent on her invention until March 4, 2003.

B. While the patent was issued on March 30 2004, school commitments prevented her from entering into a marketing agreement with Sunny Side Manufacturing (SS) for the production of the devices until April 1 2005. SS began to sell the devices on June 1st 2005 with a retail price of \$20. Only 500 of the devices have been sold to date.

C. MJP just discovered that Beach Bum Products (BB) has been selling a device that looks identical to figure 4 of the patent since the summer of 2003 and have sold 100,000 of them by mail order at 10 dollars each.

D. MJP has also discovered that Wild Wave Corp (WW) has been offering a device identical to figure 4 since June 2002 but because they were selling the devices through beach side resorts at \$100 each only 1000 devices were sold.

SubQuestion A. (11 points)

As MJP's attorney who do you sue and what damages do you seek for what periods of time? Discuss both Beach Bum (BB) and Wild Wave (WW). Give your reasons in each case.

Fact pattern second part.

A. During the course of the litigation it is discovered that nearly identical devices were sold and used on the French Riviera since at least the 1960's but there is no evidence they were brought into the United States.

B. During the course of MJP's deposition, she testified that in 1998 during a trip to France, she rented and used one of these French umbrella devices while spending a day at the beach..

SubQuestion B. (11 points)

Do these additional facts provide any concerns whether MJP will prevail at trial? Are there any additional facts which would be helpful in determining the likely outcome at trial? Please give reasons.

Fact pattern third part.

MJP testifies at her deposition that she was told by representatives of Sunny Side Manufacturing (SS) when she first met with them on January 15, 2003 to license her invention that they thought they would make the pillows and fabric portions of the umbrellas out of SUMBRELLA waterproof fabric (a patented material) and the metal portions out of aluminum in order to avoid rust from the salt air at beaches. MJP told SS that she thought that was a good recommendation.

SubQuestion C. (12 points)

What arguments, if any, does this give defendants Beach Bum (BB) and Wild Wave (WW) that the patents are invalid? What responses can MJP make? Are there additional facts that would effect the outcome? Please be specific.

END OF EXAM

SELECTED PORTIONS OF

TITLE 35 UNITED STATES CODE

CHAPTER 10 PATENTABILITY OF INVENTIONS

101 Inventions patentable

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent thereof, subject to the conditions and requirements of this title

102. ♦ Conditions for patentability; novelty and loss of right to patent.

A person shall be entitled to a patent unless

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for patent, or

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States, or

(c) he has abandoned the invention, or

(d) the invention was first patented or caused to be patented, or was the subject of an inventor's certificate, by the applicant or his legal representatives or assigns in a foreign country prior to the date of the application for patent in this country on an application for patent or inventor's certificate filed more than twelve months before the filing of the application in the United States, or

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent . . .

(f) he did not himself invent the subject matter sought to be patented, or

(g). . . before such person's invention thereof, the invention was made in this country by another inventor who had not abandoned, suppressed, or concealed it. In determining priority of invention under this subsection, there shall be considered not only the respective dates of conception and reduction to practice of the invention, but also the reasonable diligence of one who was first to conceive and last to reduce to practice, from a time prior to conception by the other.

112 Specification.

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear concise, and exact terms as to enable any person skilled in the art to which it pertains , or with which it is most nearly connected, to make and use the same, and shall set forth the best mode contemplated by the inventor of carrying out his invention..

CHAPTER 29 REMEDIES FOR INFRINGEMENT OF PATENT, AND OTHER ACTIONS

281. Remedy for infringement of patent.

A patentee shall have remedy by civil action for infringement of his patent.

282. Presumption of validity; defenses.

A patent shall be presumed valid. Each claim of a patent (whether in independent, dependent, or multiple dependent form) shall be presumed valid independently of the validity of other claims; dependent or multiple dependent claims shall be presumed valid even though dependent upon an invalid claim. . . The burden of establishing invalidity of a patent or any claim thereof shall rest on the party asserting such invalidity.

The following shall be defenses in any action involving the validity or infringement of a patent and shall be pleaded:

- (1) Noninfringement, absence of liability for infringement or unenforceability,
- (2) Invalidity of the patent or any claim in suit on any ground specified in part II of this title as a condition for patentability,
- (3) Invalidity of the patent or any claim in suit for failure to comply with any requirement of sections 112 or 251 of this title,
- (4) Any other fact or act made a defense by this title. . . .

284. Damages.

Upon finding for the claimant the court shall award the claimant damages adequate to compensate for the infringement, but in no event less than a reasonable royalty for the use made of the invention by the infringer, together with interest and costs as fixed by the court.

When the damages are not found by a jury, the court shall assess them. In either event the court may increase the damages up to three times the amount found or assessed. Increased damages under this paragraph shall not apply to provisional rights under section 154(d) of this title.

The court may receive expert testimony as an aid to the determination of damages or of what royalty would be reasonable under the circumstances.

285. Attorney fees.

The court in exceptional cases may award reasonable attorney fees to the prevailing party.

286. Time limitation on damages.

Except as otherwise provided by law, no recovery shall be had for any infringement committed more than six years prior to the filing of the complaint or counterclaim for infringement in the action. . . .

287. Limitation on damages and other remedies; marking and notice.

(a) Patentees, and persons making, offering for sale, or selling within the United States any patented article for or under them, or importing any patented article into the United States, may give notice to the public that the same is patented. either by fixing thereon the word patent or the abbreviation pat., together with the number of the patent, or when, from the character of the article, this can not be done, by fixing to it, or to the package wherein one or more of them is contained, a label containing a like notice. In the event of failure so to mark, no damages shall be recovered by the patentee in any action for infringement, except on proof that the infringer was notified of the infringement and continued to infringe thereafter, in which event damages may be recovered only for infringement occurring after such notice. Filing of an action for infringement shall constitute such notice.

END OF SELECTED PORTIONS OF TITLE 35 UNITED STATES CODE