



Trademark & Copyright Webinar:
2020 Year in Review
January 7, 2021

Meet The Speakers



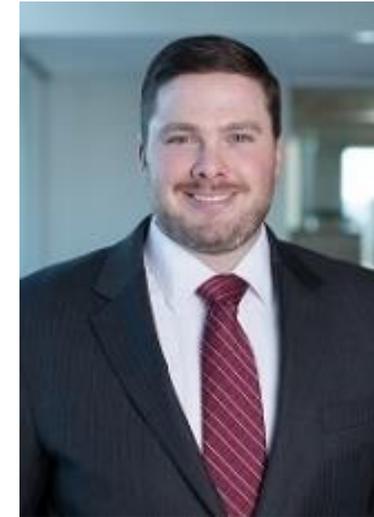
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Agenda

- **Notable Trademark Cases & Developments in 2020**
 - *USPTO v. Booking.com*
 - *Lucky Brand v. Marcel Fashions*
 - *Romag Fasteners v. Fossil*
 - *In re Forney Industries*
 - *Tiffany & Co. v. Costco*
- **Notable Copyright Cases & Developments in 2020**
 - *Georgia v. Public.Resource.Org, Inc.*
 - *Allen v. Cooper*
 - *Skidmore v. Zeppelin*
 - *Genius Media Group Inc. v. Google LLC*
 - *Dr. Seuss Enterprises, LP v. ComicMix LLC*
 - *Cohen v. G&M Realty LP*
- **Updates at the USPTO**
- **Notable TTAB Decisions in 2020**
- **Notable Cases and Developments to Watch in 2021**
- **Key Aspects of the Consolidated Appropriations Act, 2021 to Watch**



Notable Trademark Cases in 2020

Lucky Brand v. Marcel Fashions (Supreme Court)

- Question: Can federal preclusion principles bar a defendant from raising a defense it could have, but did not, raise in a prior lawsuit between the parties?
 - In general, *res judicata* prevents a plaintiff from litigating a claim or issue that it could have raised against the same defendant in an earlier litigation, or re-litigating a claim or issue which was already decided.
- Answer: **No**. A party is not precluded from raising defenses submitted in an earlier litigation where the subsequent lawsuit relates to different conduct/claims.



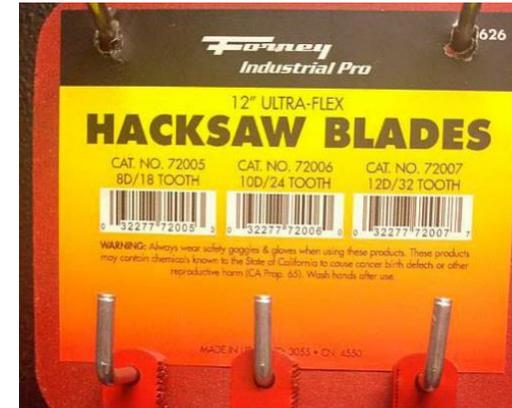
Romag Fasteners v. Fossil (Supreme Court)

- **Is willfulness required in order to obtain disgorgement of profits?**
- The Supreme Court held that a plaintiff in a trademark infringement suit is not required to show that a defendant willfully infringed the plaintiff's trademark as a pre-condition to a profits award.
- While “a trademark defendant’s mental state is a highly important consideration in determining whether an award of profits is appropriate,” there is no “inflexible precondition” to show willfulness.
 - Notable was the absence of the express requirement of willfulness in the Lanham Act.



In re Forney Industries (Fed. Cir.)

- Forney Industries appealed the Board's refusal to register the mark depicted below for use in connection with metal hardware, welding equipment, safety goods, and marking products to the U.S. Court of Appeals for the Federal Circuit.



- The Board concluded that Forney's "color mark which is not combined with a distinctive well-defined shape, pattern or other distinctive design is not inherently distinctive."
- The Federal Circuit held that the Board erred in finding that a multi-color packaging mark can never be inherently distinctive, or that a multi-color mark must be associated with a specific peripheral shape in order to be inherently distinctive.
- Remanded for determination of inherent distinctiveness.

Tiffany & Co. v. Costco (2d Cir.)

- Overturning a \$21+ million award in favor of Tiffany & Co., the Second Circuit vacated the district court's determination on summary judgment that Costco was liable for trademark infringement and counterfeiting.
- Second Circuit's determination based on:
 - triable issues of fact on three contested likelihood of confusion factors (actual confusion, Costco's bad faith, and sophistication of consumers);
 - triable issues of fact on Costco's fair use defense; and
 - Counterfeiting claim based on the trademark infringement finding (which involved issues of fact).





Notable Copyright Decisions in 2020

Georgia v. Public.Resource.Org, Inc. (Supreme Court)

- The Official Code of Georgia Annotated (“OCGA”) is a compilation of every Georgia statute currently in force accompanied by non-binding annotations. The OCGA is assembled by a state commission and the annotations were produced by Matthew Bender & Co. pursuant to a work-for-hire agreement.

Are the annotations in the OCGA copyrightable?

- District Court: No.

- Eleventh Circuit: Yes.



- **Supreme Court: No.** Applying the “government edicts” doctrine, the Court held that non-binding, explanatory legal materials created *by a legislative body* vested with the authority to make law are ineligible for copyright protection.

Allen v. Cooper (Supreme Court)

- The Copyright Remedy Clarification Act of 1990 (CRCA) did not abrogate state sovereign immunity to all copyright infringement cases because it failed to meet the test for “congruence and proportionality.”
- Evidence of unconstitutional infringement by states in the CRCA’s legislative record was “exceedingly slight” and did not balance with the CRCA’s “indiscriminate scope.”
- State governments are immune from copyright infringement claims, at least until Congress decides to enact another statute.



“ . . . going forward, Congress will know those rules. And under them, if it detects violations of due process, then it may enact a proportionate response. That kind of tailored statute can effectively stop States from behaving as copyright pirates. Even while respecting constitutional limits, it can bring digital Blackbeards to justice.”

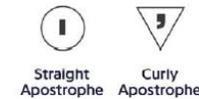
Skidmore v. Zeppelin (9th Cir.)

- After a jury trial in 2016 and multiple appeals, the Ninth Circuit, sitting *en banc*, affirmed that the opening of Led Zeppelin's "Stairway to Heaven" did not infringe "Taurus" by Spirit.
- The Ninth Circuit rejected the "inverse ratio rule."
- Copyright protection for musical works created before January 1, 1978 is limited to what is contained in the deposit copy because the 1909 Copyright Act extended copyright protection to sheet music *only*, not sound recordings.
- Because the copyright for "Taurus" is limited to a single page of sheet music, it was not error for the district court to decline to play sound recordings of "Taurus" for the jury.
- *Supreme Court denied a petition for certiorari in October 2020.*



Genius Media Group Inc. v. Google LLC (E.D.N.Y.)

- Genius runs an online repository of annotated music lyrics, including lyrics provided directly to Genius from the artists.
- LyricFind provides lyrics to Google for use in Google’s Information Box search results.
- Genius alleged that Google and LyricFind copied from Genius’ website lyrics that Genius had used its own labor and resources to transcribe. Genius devised a plan involving watermarks and Morse code to catch them “redhanded.”
- Genius alleged:
 - Breach of the Genius Terms of Service (and Indemnification)
 - NY Common Law Unfair Competition
 - CA Unfair Competition, Cal. Bus. & Prof. Code § 17200 *et seq.*
 - Unjust Enrichment
- Case dismissed because the Copyright Act preempts Genius' claims.



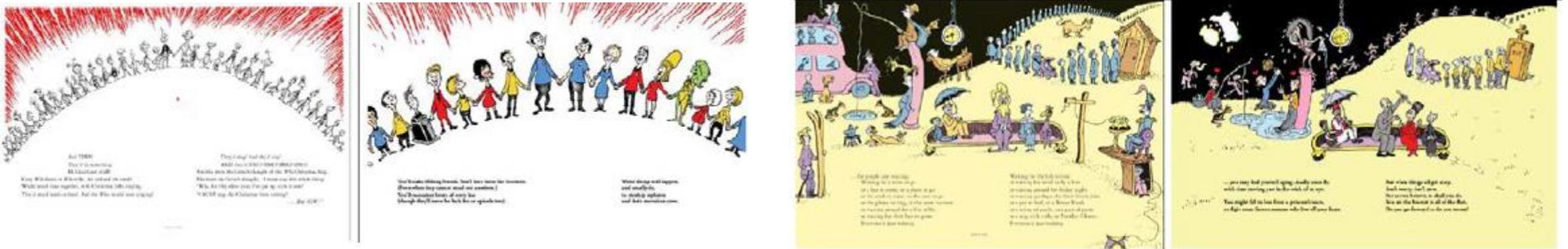
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9	○ Straight	Dot	
10	○ Straight	Dot	H
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15	○ Straight	Dot	N
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*Screenshot from: June 6, 2019

Dr. Seuss Enterprises, LP v. ComicMix LLC (9th Cir.)

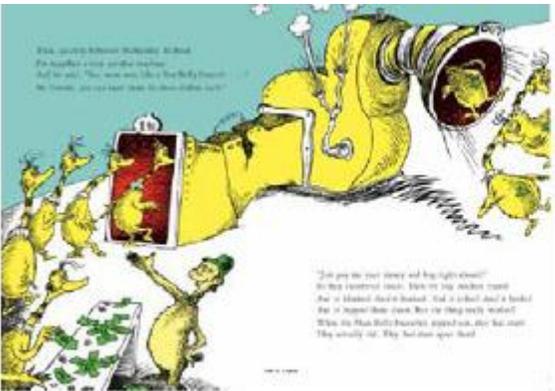
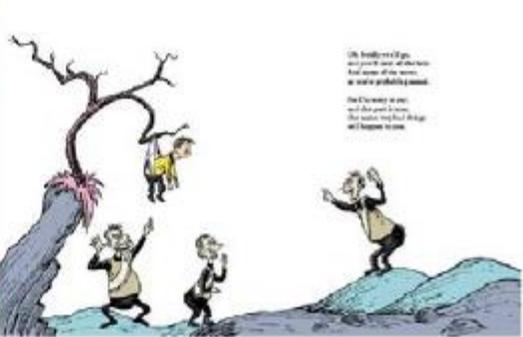
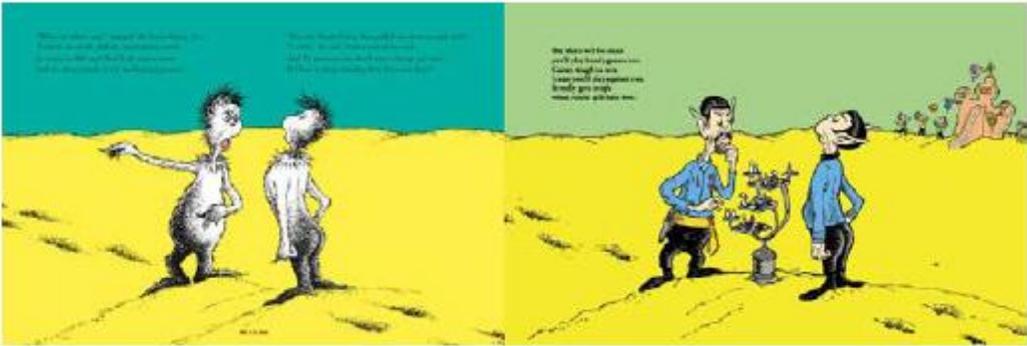
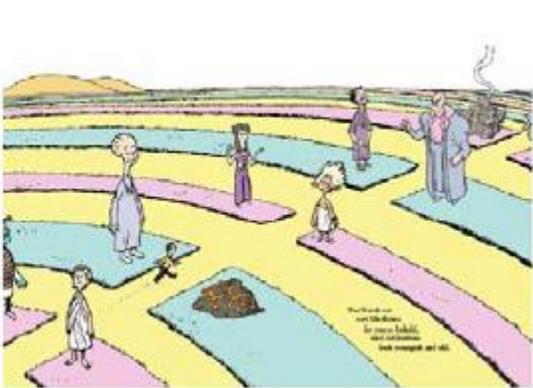
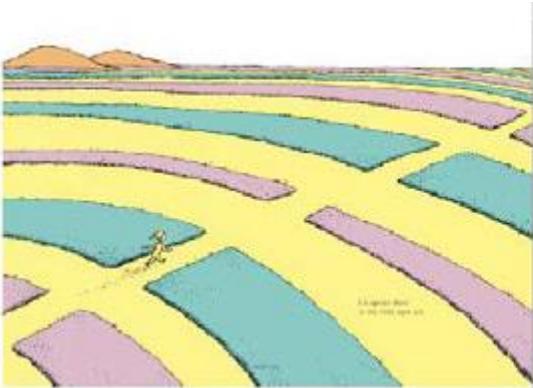
- Is a mash-up of *Oh, The Places You'll Go!* with elements from *Star Trek* in ComicMix's *Oh, the Places You'll Boldly Go!* sufficiently transformative to constitute copyright fair use?
- Ninth Circuit: No. *Boldly* is not a parody. It did not critique or comment on Dr. Seuss' work and did not possess any of the other benchmarks of transformative use laid out in *Campbell*.
- “[I]t merely repackaged *Go!*.”



- All four fair use factors decisively weighed in Dr. Seuss' favor.
- The Ninth Circuit affirmed dismissal of Dr. Seuss' trademark infringement claim based on the *Rogers* test because *Boldly* did not explicitly mislead consumers as to source.

Dr. Seuss Enterprises, LP v. ComicMix LLC (9th Cir.)

- Additional comparisons in the Ninth Circuit opinion (Dr. Seuss on left; ComicMix on right):



Cohen v. G&M Realty LP (2d Cir.)

- The Visual Artists Rights Act (VARA) gives “the author of a work of visual art” the right “to prevent any destruction of a work of recognized stature” and provides that “any intentional or grossly negligent destruction of that work is a violation of that right.” 17 U.S.C. § 106A(a)(3)(B).

Can “temporary artwork” such as graffiti be a “work of recognized stature”?

- Second Circuit: **Yes**, and the art at 5Pointz, a global center for aerosol art, qualified for protection from destruction under VARA.
- “[A] work is of recognized stature when it is one of high quality, status, or caliber that has been acknowledged as such by a relevant community.”
- Nothing in VARA excludes temporary artwork from attaining recognized stature.
- Second Circuit affirmed an award of **\$6.75 million** in statutory damages—\$150,000 per work—the maximum amount allowed for a willful violation.





Updates at the USPTO

- **Effective Feb. 15, 2020: Mandatory Electronic Filing and Specimen Requirements. See: [Examination Guide 1-20](#).**
- **Published May 2020: Guidance from the USPTO regarding Marks Including Geographic Wording that Does Not Indicate Geographic Origin of Cheeses and Processed Meats. See: [Examination Guide 2-20](#).**
- **Published October 2020: Guidance from the USPTO regarding Generic.com Terms after *USPTO v. Booking.com*. See: [Examination Guide 3-20](#).**
- **Effective Jan. 2, 2021: Increase in Fees for New Applications, Post Registration Filings, Petitions, Letters of Protest, and TTAB Filings. See: [Link to Fees](#).**
 - New Fees: Deletion of goods/services *after* submitting a Section 8 or 71 declaration, but before the declaration is accepted; Letter of Protest; Appeal Brief in ex parte appeal; Request for oral hearing.



Notable TTAB Decisions in 2020

Continuing Trends: Failure-to-Function



In re Texas With Love, LLC



In re Lee Greenwood

REJECTED



In re Mayweather Promotions, LLC



In re Team Jesus LLC

Out of Sight, But Not Mind: Overcoming Abandonment

- **Section 45 of the Lanham Act: Abandonment occurs when use of a mark has been discontinued with intent not to resume such use.**
 - Non-use for 3 consecutive years, including never having used the mark, shall be *prima facie* evidence of abandonment, which triggers a rebuttable presumption that a mark was abandoned with intent not to resume use.
 - Rebuttable presumption shifts the burden to the party contesting abandonment to submit evidence of either (1) use of the mark or (2) activities reflecting an intent to resume (or commence) use during the non-use period.
 - *However*, burden of persuasion always remains with party asserting abandonment.



Out of Sight, But Not Mind: Overcoming Abandonment



- ***Wirecard AG v. Striatum Ventures B.V.:***
Registration issued under Section 66(a), but the mark had not yet been used in the first three years after registration.
- ***Jill E. Peterson v. Awshucks SC, LLC:***
Registrations for A.W. SHUCK'S and A.W. SHUCK'S [& Design] for restaurant/bar services were acquired and after a brief period of continued use, operation was suspended while new owner considered an alternative business strategy – which was focused on the use of AW SHUCK'S (without the periods).

Similar but Different: Lack of Bona Fide Intent

- ***Société des Produits Nestlé S.A. v. Cándido Viñuales Taboada***: Does a business plan – developed two years after the filing of an application and which lists obtaining a registration as a main objective – show a bona fide intent to use the mark?



In re Stanley Brothers Social Enterprises, LLC

- General Rule: Registration generally will not be refused based on unlawful use in commerce unless either (1) a violation of federal law is indicated by the application record or other evidence, or (2) when the applicant's application-relevant activities involve a per se violation of a federal law.
- FDCA prohibits “[t]he introduction or delivery for introduction into interstate commerce of any food to which has been added ... a drug or biological product for which substantial clinical investigations have been instituted and for which the existence of such investigations has been made public”
21 U.S.C. § 331(II).



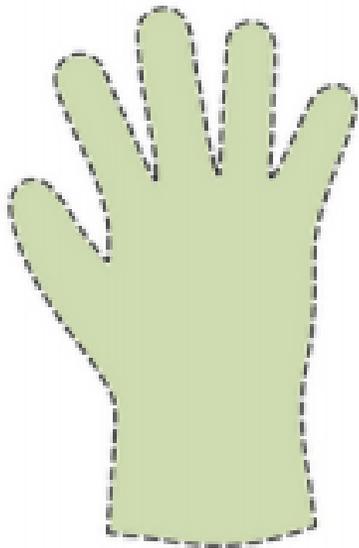
Sock It To Me, Inc. v. Aiping Fan

Is an oral, intra-family license with informal quality control sufficient to establish that the licensee is a related company?



In re Medline Industries, Inc.

Pantone 2274C versus Pantone 4488U

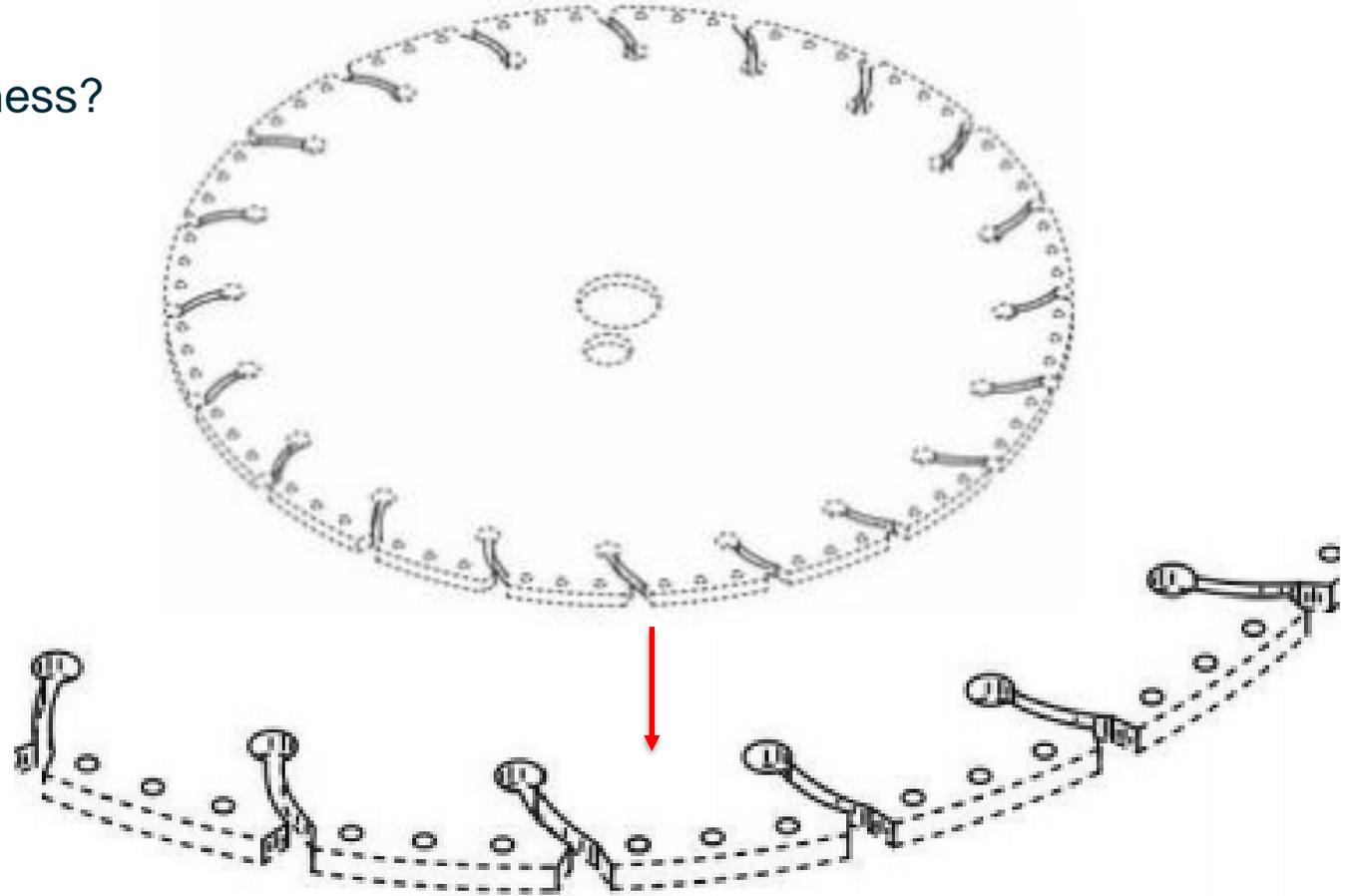


VERSUS



In re MK Diamond Products, Inc.

- **The Board considered:**
 1. Is the mark functional?
 2. Has the mark acquired distinctiveness?





Notable Cases and Developments to Watch in 2021

Trademark & Copyright Cases to Watch in 2021

- ***Google LLC v. Oracle America Inc.*** (Pending): (1) Whether copyright protection extends to a software interface; and (2) whether, as the jury found, the petitioner’s use of a software interface in the context of creating a new computer program constitutes fair use.
- ***LinkedIn Corp. v. HiQ Labs, Inc.*** (Cert. Petition pending): Whether a company that deploys anonymous computer “bots” to circumvent technical barriers and harvest individuals’ personal data from computer servers that host public-facing websites—even after the computer servers’ owner has expressly denied permission to access the data—“intentionally accesses a computer without authorization” in violation of the Computer Fraud and Abuse Act.

Trademark & Copyright Cases to Watch in 2021

- ***Jack Daniel's Properties Inc. v. VIP Products LLC*** (Cert. Petition pending): (1) Whether a commercial product using humor is subject to the same likelihood-of-confusion analysis applicable to other products under the Lanham Act, or must receive heightened First Amendment protection from trademark-infringement claims, where the brand owner must prove that the defendant's use of the mark either is “not artistically relevant” or “explicitly misleads consumers”; and (2) whether a commercial product's use of humor renders the product “noncommercial” under 15 U.S.C. § 1125(c)(3)(C), thus barring as a matter of law a claim of dilution by tarnishment under the Lanham Act.



Trademark & Copyright Cases to Watch in 2021

- ***The Moodsters Company v. The Walt Disney Company*** (Cert. Petition pending):
(1) Whether originality is the proper standard to determine character copyrightability;
and (2) whether copyrightability — for a character or any work — is a question of
fact, or involves questions of fact, ill-suited for resolution on a Rule 12 motion.



Cases re Embedded Instagram Posts to Watch in 2021

Does embedding (a.k.a. in-line linking) a public Instagram post via Instagram's API tool infringe copyrighted posts?

- Pending cases:
 - *McGucken v. Newsweek* (S.D.N.Y.)
 - *Sinclair v. Ziff Davis, LLC, Mashable* (S.D.N.Y.)
 - *Hunley v. BuzzFeed, Inc.* (S.D.N.Y.)
- Facebook's counsel recently stated in a discovery conference in *Sinclair* that, while it has the ability to grant sub-licenses, it did **not** "do that for anybody"



Key Aspects of the 2021 COVID-19 Stimulus Relief Bill to Watch

- **Trademark Modernization Act of 2020**

- Restores the rebuttable presumption of "irreparable harm" when likelihood of confusion is shown by a party requesting injunctive relief
- Authorization to shorten Office Action response times
- Two new *ex parte* proceedings to seek cancellation of registrations:
 - "**Expungement**" of a registered mark that has never been used in commerce with some or all of the claimed goods/services
 - "**Reexamination**" of registered marks not used in commerce with claimed goods/services before the filing date or any subsequent amendment

- **Copyright Alternative in Small-Claims Enforcement ("CASE") Act of 2020**

- New Copyright Claims Board ("CCB") focused on resolving small copyright infringement disputes

Thank You!



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