



THE NEW YORK PATENT, TRADEMARK AND  
COPYRIGHT LAW ASSOCIATION

# NYPTC BULLETIN

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## PRESIDENT'S CORNER

NYPTC members are volunteering for committee work in high numbers. Active participation on committee projects has been an Association hallmark since our contributions to the drafting of the Patent Act of 1952 and before.

Committee projects include ratification of the Berne Convention, amendments to the Lanham Act and modification of the Patent Rules of Practice, especially respecting the "inter parties" re-examination proposals and the duty of candor requirements in Rule 57.

Committee organization is now underway. Keep in mind the projects you are interested in for your committee. Work with your committee and subcommittee chairs to see that issues are developed in sufficient detail to support Board resolutions.

Committee participation provides for development of the law, professional growth and collegiality within our Bar. To all involved in Association committees this year, we send congratulations on your enthusiasm and encouragement on your future work. To those not yet signed up, we forward an invitation to send your preference to me now.

David H. T. Kane  
President, NYPTC

## NEW OFFICERS ELECTED

The New York Patent, Trademark and Copyright Law Association, Inc. elected the following officers for the 1988-1989

President: **David H.T. Kane**  
President-Elect: **John B. Pegram**  
First Vice-President: **Frank F. Scheck**  
Second Vice-President: **Peter Saxon**  
Treasurer: **Mary-Ellen M. Timbers**  
Secretary: **Pasquale A. Razzano**

term at its Annual Meeting at the New York Helmsley Hotel in New York City in May 1988.

The Association also elected to its Board of Directors for a three-year term **Dale L. Carlson, John E. Kidd and Evelyn M. Sommer.**

The Nominating Committee for the 1988-1989 term is **Paul H. Heller, Chairman; Jordan B. Bierman, Jay L. Chaskin, Theresa M. Gillis and Karl F. Jorda.**

## CALENDAR OF EVENTS

July 21-22, 1988	PLI: "Computer Software: Protection and Marketing" (New York, NY)
August 6-10, 1988	ABA Annual Meeting, P.T.C. Section (Toronto, Canada)
October 19-22, 1988	A.I.P.L.A. Annual Meeting (Arlington, VA)
October 20, 1988	Luncheon Meeting (Tentative)
November 2-5, 1988	U.S.T.A. Mid-Year Meeting (Boca Raton, FL)
November 11-13, 1988	NYPTCLA C.L.E. Weekend Seminar at Mohonk Mountain House (New Paltz, NY)
November 17, 1988	Luncheon Meeting (Tentative)

## DR. JACK RISEMAN NAMED INVENTOR OF THE YEAR

Dr. Riseman was presented with the Association's Inventor of the Year Award for 1988 at the annual meeting held on May 19, 1988 at the New York Helmsley Hotel.

Dr. Riseman was awarded a Bachelor of Science Degree in Chemistry from the City College of New York in 1940, and a Doctorate Degree in Physical Chemistry from Cornell University in 1947. He taught at the Graduate School of Brooklyn Polytechnic Institute and in 1958 joined IBM as Advisory Physicist in its Poughkeepsie Materials Laboratory.

Over the years, Dr. Riseman held a variety of managerial and technical positions in IBM's Semiconductor Laboratory in Fishkill. He was named an IBM Fellow in 1969, which is IBM's highest technical position. Dr. Riseman retired from IBM in 1985, having been with the company for over 25 years.

Dr. Riseman's inventions are basic to contributions in semiconductors technology. He made key contributions in: glass passivation of semiconductor devices; advanced field effect transistor technology; and sidewall technology involving the use of gases instead of liquids to etch holes and grooves in semiconductor circuit manufacture.

The basic patent on Dr. Riseman's invention covering glass passivation was filed in the Patent Office in 1961. The patent relates to the method of providing thin impervious glass films for electric devices, such as semiconductor diodes and transistors, for the protection of their electrical characteristics.

Dr. Riseman has published numerous papers in such diverse fields as rheology, polymer chemistry, X-ray defraction, and thin films, as well as in semi-

conductor processes. He is a named inventor on 51 U.S. patents and two U.S. pending applications, and on numerous corresponding foreign patents. ■

## ASSISTANT COMMISSIONER BRELSFORD ON DEALING WITH THE PTO

by Gregory J. Battersby

The Hon. Theresa A. Brelsford, the PTO Assistant Commissioner for Administration, recently addressed a luncheon meeting of the Association on the subject of "Helpful Hints for Dealing with the PTO."

Commissioner Brelsford noted that in the last Official Gazette of each month, the PTO publishes the status of the services which it provides to the public, the reports of improvements made, and helpful hints for ensuring more effective, less costly services.

### CONTACTS

Knowing who to contact in the PTO can save both the practitioner and the PTO time. The PTO offers two references to help identify the best person or area to contact:

- Information Contacts - Subject Index:* An updated version was published in the O.G. on May 31, 1988.
- PTO Organization Directory:* An updated version was published in the O.G. on June 28, 1988

The PTO offers a Public Service Center for resolving service problems. The telephone number is (703) 557-HELP.

### EXPRESS MAIL

Last year the PTO received 66,000 packages filed by Express Mail. To ensure that the sender gets the date of mailing, Commissioner Brelsford offered the following advice:

- Use a Certificate of Express Mailing containing an original signature of the person mailing the package. If an attorney signs the certificate and sends a secretary to mail the package, that is improper. The secretary should be signing the certificate.

- The Express Mail number must be on the certificate of mailing. If there is no number, the sender gets the date received by the PTO. If, however, the number is wrong, the PTO will take care of the error and accord the date mailed.

- Place the package with the Post Office. The PTO has been noting that people are placing the packages in an Express Mail box after the last pickup. In such case, the PTO is giving the actual Express Mail date which is one day later than the deposit date.

- Make sure the date is legible.

- Put the Certificate of Express Mailing on each document to which it refers.

### POST CARD RECEIPTS AND CERTIFICATE OF MAILING

While post card receipts don't help the PTO, they can be valuable to the practitioner. Be sure to itemize the specific documents enclosed in the packages including the number of pages of specification and drawings if an application. Also, the return address should be included on the card.

Use of the Certificate of Mailing procedure is strongly encouraged by the PTO. Commissioner Brelsford noted that should the PTO never receive the correspondence, the post card receipt is not available to evidence the filing and/or timeliness of the correspondence. However, in circumstances where a Certificate of Mailing is properly used, 37 CFR 1.8(b) provides relief, even if the correspondence was never received by the PTO.

The Certificate need be signed only by a person who can attest to the fact that it was expected to be mailed on or before the date that was put on the Certificate. She noted a recent case involving an attorney who was found to have backdated submissions of papers and Certificates of Mailing. He was suspended from practice before the PTO for 7 years (5 years of which were suspended with him on probation).

### PROPER IDENTIFICATION OF PAPERS

The PTO receives over 30,000 documents each day. Unless an envelope is especially marked for immediate handling, it gets shelved until it can be opened and processed by Review Clerks who assign appropriate fee codes and identify it for routing. Normally, this takes 3-4 days after receipt. This year, due to a 30% in the number of documents received, it's taking about 10 days to process the mail.

In order to facilitate the proper routing of application papers, Commissioner Brelsford suggested that on all papers related to patent applications, the word "Patent" and the series code serial number should be written in the upper right hand of the corner of the document.

Special boxes have been established by the PTO to allow the forwarding of particular types of mail quickly to appropriate areas without being opened. Some of these boxes include:

- Box AF (After Final)—Which expedites handling of amendments or responses to final rejections. If Box AF is used, it is normally in the Examining Group within 24 hours of receipt.

- Box Issue Fee—for issue fees and corrected drawings.

- Box Non-Fee Amendment—for non-fee amendments to patent applications.

### STATUS CALLS

The Commissioner has directed that information related to the verification of the filing of Express Mail and deposit box packages with the PTO is not to be given other than by way of return post cards, filing receipts or other formal notice.

### CONTINUATION APPLICATIONS & DRAWINGS

Commissioner Brelsford noted that applicants are losing filing dates or are having to pay for a petition to get a filing date because of incorrect filing under 37 CFR 1.60 and 1.62. The most frequent problem is not submitting a true copy of the complete application including the oath or declaration as originally filed.

She suggested that the original drawings be retained when filing a new application with a high quality copy mailed to the PTO. Thus, if corrections are required, the attorney has the original on which to make the changes. A bonded draftsman is not needed. Also, if drawing changes are required, the changes should be received in the PTO well before the three-month statutory time limit, preferably allowing at least two weeks for the PTO to review the corrected drawings. What is required are *acceptable* drawings within the three month time frame.

### EXTENSIONS OF TIME

In many cases, extensions of time can be avoided by following the above practices. Other suggestions include:

- extensions do not have to be requested to revive abandoned applications.

- authorization to charge a deposit account to make up for fee deficiencies can eliminate the needs for extensions.

- failure to pay sufficient appeal fees necessitates the payment of extension fees to cover the time consumed in making up the deficiency.

### FILES AND MAINTENANCE FEES

Much time and frustration can be saved by notifying the PTO in advance if an attorney wishes to inspect a particular file on a planned visit. Not all files are always in Washington.

The PTO has received suggestions permitting the delayed payment of maintenance fees which were unintentionally not paid. Currently, only unavoidable delays are acceptable. A similar provision is being considered for accepting petitions to

revive unintentionally abandoned applications for failure to submit the required fee and/or oath within the prescribed time period.

### ELECTRONIC ORDERING SERVICE

Copies of patents and trademarks may be ordered electronically through the

PTO's Electronic Ordering Service (EOS). Orders can be placed any day, 24 hours a day. A PTO deposit account is a prerequisite for becoming an EOS user.

The cost of EOS orders charged to your deposit account is \$1.50 for each patent and trademark and \$6.00 for each plant patent. In addition, there is a communication cost that has been averaging 10 cents per copy. To use the EOS, you need a standard computer terminal and modem. For additional information, call (202) 377-2535. ■

### MARK YOUR CALENDAR:

**C.L.E.  
WEEKEND  
at Mohonk  
Mt. House**

**November  
11-13, 1988**

## JUDGE SWEET SPEAKS AT ANNUAL DINNER

by Howard B. Barnaby

One of the highlights of this year's annual meeting on May 19, 1988 was an after dinner speech given by Hon. Robert W. Sweet. Judge Sweet offered an anecdotal, tongue-in-cheek recollection of his experiences with intellectual property cases.

Judge Sweet began with a humorous explanation of his attempts to avoid such cases by changing the initials of the Judge assigned to the case from RWS to RJW (Robert J. Ward). When he got involved in an intellectual property case, Judge Sweet suggested that he was often confident in adopting the position of a member of the NYPTC since if they are smart enough to get into the Association, they must be right. He also recognized that this approach presented a problem when both sides were represented by members of the Association

### PASSION RECALLED

Judge Sweet next reviewed some of his ventures into intellectual property. He recalled the "Passion" perfume case in which he decided "what stores sell to the class as opposed to the mass." He suspected that his efforts at resolving the conflict caused the parties to settle the case on appeal. He also briefly touched on his experiences in cases involving the Rolling Stones, Ginger Rogers and King Kong.

On a more serious note, Judge Sweet offered his views on the struggle between trial and appellate courts in applying the *Polaroid* factors in trademark infringement cases. He viewed his analysis of the factors as a series of findings of fact subject to the clearly erroneous rule on appellate review. He suggested that these factors should not be treated as conclusions of law on appeal since this "makes a nullity of trial court fact-finding and virtually requires appellate review."

### BENEFICIAL INFLUENCE OF NYPTC

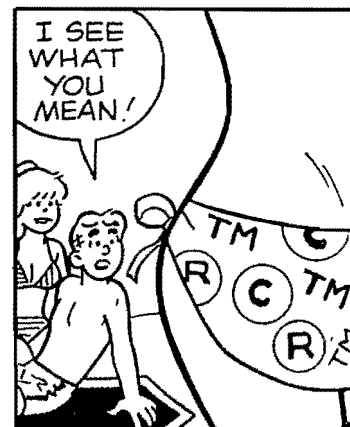
Judge Sweet concluded by acknowledging the beneficial influence on

intellectual property litigation provided by the NYPTC. Besides fostering an understanding of intellectual property law by both the bench and the bar, Judge Sweet believed that the common understanding created by membership in the Association provided an ability to make peace which enabled the attorneys to "bring your clients together to avoid the pitfalls of trial and that even more frightening black hole — appellate review." He also recognized that "when counsel know each other and can assess each other's capacities and motivation on the basis of past history," that the abuses and expense of the discovery process can be minimized.

Judge Sweet concluded with a warm note of "thanks" to the Association:

*It is rather paradoxical that in this most modern area of the law, this organization fosters the spirit, the camaraderie and fellowship of the practices of a simpler day when lawyers rode the circuit, knew and trusted each other. Because you strengthen each other and your own branch of the profession, you strengthen all of us in the justice system.*

# Archie



# PATENT LAW HARMONIZATION

by William J. Brunet

The United States and thirty five other nations, as well as the Commission of European Communities and the European Patent Office, are currently negotiating a treaty according to which their respective patent laws would be brought into closer harmony with each other. The present status of these negotiations is such that a treaty may be signed within the next few years. If this treaty goes into effect, it will result in profound changes in U.S. patent law. Recognizing this, the NYPTCLA sent Samson Helfgott, Esq. and the writer to participate as non-governmental delegates in the current negotiations in Geneva. The purpose of this article is to report on the substance and progress of those negotiations.

## HARMONIZATION BACKGROUND

The wide disparities in patent systems throughout the world have resulted in administrative problems for inventors and intellectual property owners seeking international protection. In addition, these disparities in many cases have prevented inventors and intellectual property owners from obtaining a fair remuneration for their inventions. Recognizing this, the United States and several other countries have engaged in negotiations at several levels and in several areas in order to bring about greater harmonization of their patent systems. These negotiations have involved the General Agreement on Tariffs and Trade (G.A.T.T.), Trilateral Discussions between representatives of the U.S.P.T.P., the European Patent Office and the Japanese Patent Office, and negotiations of the Committee of Experts on the Harmonization of Certain Provisions in Laws for the Protection of Inventions. The Committee of Experts negotiations are being conducted under the auspices of WIPO (World Intellectual Property Organization) in Geneva and are aimed at developing a treaty which would operate in conjunction with the Paris Convention. The WIPO ne-

gotiations are covered in this report.

WIPO, which is also known by its French acronym OMPI, is located in its own building in Geneva, Switzerland close to the European Headquarters of the United Nations. It is one of sixteen "specialized agencies" of the United Nations. WIPO serves as the central administrative agency for many intellectual property treaties including the Paris Convention, the Patent Cooperation Treaty (PCT), the Berne Convention and the Madrid agreement. WIPO also provides a forum, which operates in a manner similar to the United Nations General Assembly, for member countries and observers to conduct negotiations leading to treaty modifications or to new treaties.

WIPO initiates treaty negotiations by inviting its member states to send an official delegation to the negotiation sessions. WIPO also sends invitations to selected intellectual property law associations and other non-governmental organizations to send observer delegates to participate in the proceedings. The NYPTCLA is one of the organizations that receives invitations from WIPO and the NYPTCLA has always been an active participant in the harmonization discussions.

The official delegation from the United States at the current WIPO harmonization discussions comprises Donald J. Quigg, U.S. Commissioner of Patents and Trademarks, Michael K. Kirk, Assistant Commissioner for External Affairs, Lee J. Schroeder, Intellectual Property Specialist, U.S.P.T.O. and R. Franklin Burnett, Special Assistant to the Assistant Commissioner of Patents. Other countries are represented by their respective Patent Commissioner, Assistant Patent Commissioner, Ministry of Justice or United Nations Mission.

The non-governmental organizations from the United States which have received invitations from WIPO and which have sent delegates to the discussions include the American Bar Association, the American Intellectual Property Law Association, Intellectual Property Owners Inc. and the International Patent and Trademark Association. The NYPTCLA is the only regional group from the United States represented at the WIPO negotiations.

Although the governmental delegations are given preference in regard to presentation of their position on each item of

discussion, the non-governmental observer groups, including NYPTCLA, are afforded full opportunity to speak; and their views become part of the official record.

So far, WIPO has conducted four full sessions and a major portion of a fifth session at its Geneva headquarters for the preparation of a draft patent harmonization treaty. The first part of the fifth session was held during the week of June 13-17, 1988; and the remainder of this fifth session will be held during the week of December 12-16, 1988.

## OVERVIEW OF DRAFT TREATY

As of the present time, three chapters of a draft patent harmonization treaty have been prepared by WIPO and are being discussed by the participating countries and organizations. These chapters, and their associated articles are as follows:

<b>CHAPTER I: PROVISIONS CONCERNING FORMAL REQUIREMENTS OF PATENT APPLICATIONS</b>	
Articles 101:	Requirements for Granting a Filing Date
Article 102:	Naming of Inventor; Declaration Concerning the Entitlement of the Applicant
Article 103:	Manner of Description
Article 104:	Manner of Claiming
Article 105:	Unity of Invention
<b>CHAPTER II: PROVISIONS CONCERNING PATENTABILITY AND EXCLUSIONS FROM PATENT PROTECTION</b>	
Article 201:	Grace Period
Article 202:	Prior Art Effect of Applications

Article 203: Exclusions from Patent Protection

CHAPTER III: PROVISIONS CONCERNING THE RIGHT TO A PATENT AND THE RIGHTS CONFERRED BY A PATENT

Article 301: Rights to a Patent Where Several Applications Were Filed by Different Applicants in Respect of the Same Invention

Article 302: Rights Conferred by a Patent

Article 303: Extension of Process Patent Protection to Products; Reversal of Burden of Proof

Article 304: Extent of Protection and Interpretation of Claims

Article 305: Terms of Patents

Article 306: Maintenance Fees

Article 307: Provisional Protection

Article 308: Prior Users' Rights

Article 309: Restoration of the Right to Claim Priority

Each of the Articles has accompanying notes which are to be used in interpreting its meaning. Also, Articles 101-105 and Article 304 have corresponding rules setting forth more details regarding their implementation.

### EFFECT OF PROPOSED TREATY ON U.S. PATENT LAW

Should the proposed treaty be ratified by the U.S. in its present form, significant changes would have to be made to our patent law. These changes would include the following:

1. Elimination of the first to invent system (including elimination of interferences) in favor of a first to file system.

2. All previously filed patent applications would be considered prior art as of their international priority date provided that date is validly claimed and the prior application is not withdrawn. (If the previously filed application was not published as of the filing date of the later application, it would be considered prior art only as to novelty but not as to obviousness or inventive step).

3. The one year grace period would be measured from the international priority date. It would *not* protect the inventor against intervening applications filed by others who made their invention independently.

4. The protection of process patents would be extended to cover products which directly result from the patented process. If the product itself is new, its presence would create a presumption that it was made by the patented process.

5. Patent term would be 20 years from original domestic filing (i.e. patents issuing from continuation, divisional or C-I-P applications would expire 20 years from the filing date of the oldest parent application.)

6. Provisional patent protection would be available for applications published before grant in the country where published, as well as in any country designated in a published PCT applications.

7. Anyone who independently made effective and serious preparation for using an invention before another filed an application, would be permitted to continue practice of the invention.

Item 1 (*first to file system*) is perhaps the most radical departure from present U.S. law and it is generally considered the principal contribution to be made by the U.S. in exchange for better patent protection in other countries.

Item 2 (*prior art effect of other applications*) is somewhat like 35 U.S.C. 102 (e) except that it would apply to the

inventor's own applications. Also, the doctrine of *In re Hilmer*, 359 F. 2d 859, 149 U.S.P.Q. 480 (C.C.P.A) 1966 would be eliminated and the concept of provisional prior art and prior art for novelty, but not obviousness, purposes would be introduced.

Item 3 (*grace period*) would cover the year prior to the earliest application on which priority is claimed. However, the grace period would be restricted in that it would not avoid the effect of intervening applications filed by others who had not derived *the invention*.

Item 4 (*extension of product patent protection to products*) is expected to become part of U.S. law independently of the proposed treaty. It is already the law in most major countries.

Item 5 (*20 year patent term measured from the first filing*) would extend U.S. patents protection in cases where prosecution is less than three years but it would lessen the duration of effective protection in cases where prosecution is extended, for example by appeals or the filing of continuing applications. However, countries would be free to grant longer terms of patent protection.

Item 6 (*provisional patent protection*) would apply only in countries which publish applications before grant and in countries which are designated in PCT applications. This may cause inequities for U.S. inventors. The United States does not publish applications before grant and therefore U.S. inventors would not have provisional protection. However, under the proposed treaty, the U.S. must grant provisional protection to foreign applicants who had filed PCT applications and had designated the United States.

Item 7 (*intervening rights*) is similar to the intervening rights doctrine in reissue and reexamination situations but under the proposed treaty, prior use or preparations for use would create rights superior to any subsequently filed patent.



## EFFECT OF PROPOSED TREATY ON FOREIGN PATENT LAW

A principal incentive for the United States to enter into a harmonization treaty is to secure a full measure of protection in foreign countries for U.S. inventors. Some deficiencies in the protection now granted by various foreign countries are: a) short patent term; b) narrow claim interpretation; c) lack of any grace period; d) lack of process protection; and e) lack of protection in certain subject matter areas, e.g. pharmaceuticals and computer related inventions.

The proposed new treaty would require all participants to provide the following rights to all patentees:

1. Patent term of at least 20 years from first filing;
2. Patent scope at least as broad as the literal terms of the claims plus a reasonable range of equivalents;
3. A one year grace period for the acts of the inventor;
4. Process protection;
5. Protection for inventions in all technical fields.

Item 1 (*20 year term*) has encountered resistance principally from the developing countries.

Item 2 (*broad claim interpretation*) has been questioned by the Japanese delegation; however this item is being worked out.

Item 3 (*grace period*) had been opposed by the Scandinavian countries but the delegations from these countries have indicated a willingness to consider a grace period as part of an overall harmonization package.

Item 4 (*process protection*) does not appear to be meeting any appreciable opposition.

Item 5 (*protection in all technical*

*fields*) presents a problem for most developing countries as well as some industrialized countries which do not grant patents in certain technical fields; and difficult negotiations remain before an agreement will be reached in regard to Item 5.

However if most of the industrialized countries agree on this item, it is possible that an agreement would be reached only among those countries; and the undeveloped countries would accede to the treaty at some later time.

## FURTHER PROCEEDINGS

The fifth session of the WIPO harmonization negotiations will resume in December 1988. This will probably be the last substantive negotiating session. Although there will be subsequent sessions, they will deal principally with administrative matters. A diplomatic conference will then be held and the treaty will be finalized for ratification.

In view of the present advanced stage of treaty negotiations, it is important for patent lawyers and their clients to become familiar with the basic provisions of the treaty and to make their views known to the U.S. delegation either directly or through their respective intellectual property associations. The New York Patent Trademark and Copyright Law Association Inc. is the only local association represented at the WIPO sessions. The NYPTCLA delegation has worked closely with the official U.S. delegation and is recognized by the WIPO administration and the other governmental and non-governmental delegations. Consequently, interested members of our association have a good opportunity, by working through the Association's Special Committee on Harmonization of Patent Laws, to learn about the harmonization process and to have their views made known in the negotiations.

A full text of the draft treaty and of the latest proceedings can be obtained from William J. Brunet, c/o Fitzpatrick, Cella, Harper & Scinto, 277 Park Ave., New York, New York 10172, telephone (212) 758-2400. ■

## COMMITTEE REPORT HIGHLIGHTS

by Gregory J. Battersby

The following are highlights of the Committee Reports for the Association Year 1987-1988 which were presented at the Annual Meeting in May, 1988.

### ADMISSIONS (Martin E. Goldstein)

The Committee processed and referred 36 applications for membership to the Board. As a result of the organizational meeting, a streamlined admission procedure was outlined and proposed to the Board. These revisions were acted upon by the Board and will be referred to the full membership.

An active program has been implemented to contact intellectual property attorneys in the New York area who are not NYPTC members. Letters were sent to AIPLA members in the area who were not NYPTC members, and registered patent attorneys in the New York area who are not members will be contacted as well.

### ANNUAL DINNER IN HONOR OF THE FEDERAL JUDICIARY (John B. Pegram)

The Association's 66th Annual Dinner was held at the Waldorf-Astoria. The dinner was the largest ever, with over 2,000 attendees and over 110 honored guests, including 40 federal district and circuit judges. While managing to keep the cost below \$100 per person, the Committee still managed to make a profit.

In the Fall of 1987, BNA published its *Guide to Patent Arbitration* written by the Committee. The NYPTC received an advance royalty and will receive on-going royalties as well.

It also gathered information on the actual use of arbitration by NYPTC mem-

bers including the types of cases in which arbitration has been used, specific examples and the user's evaluation of this form of dispute resolution. The results will be published when available.

### CONTINUING LEGAL EDUCATION

(Dale L. Carlson)

On April 26, 1988, in association with the New Jersey, Connecticut and Philadelphia Patent Law Associations, the Committee presented a very successful one-day seminar on patent practice at the New York Penta Hotel.

The Association's annual week-end seminar is planned for November 11-13, 1988 (Veteran's Day Weekend) at Mohonk Mountain House in New Paltz, New York.

### COPYRIGHTS

Copyright Legislation and Copyright Office Affairs Sub-Committee  
(Joseph B. Taphorn)

The Sub-Committee recommended that the Board send a letter to the Copyright Office on the registration of screens of computer programs urging that it adhere to its present practice where a single overall registration of a computer program covers the screen display. It was also urged that the screens be separately registerable at the pleasure of the copyright owner.

The Sub-Committee is further drafting a statement on the issue of "downloading" from computer databases in light of the Electronic Communications Privacy Act of 1986. A list of relevant cases is also being prepared on the extent of copyrightability of databases.

With respect to Copyright Office practice, a questionnaire is being prepared to ascertain the experience of the membership with the Office and their requirements.

### ECONOMIC MATTERS AFFECTING THE PROFESSION

(Eric C. Woglom)

A formal meeting was held in May, 1988. The Committee considered the professional liability insurance question

and explored alternative sources of insurance. It appears likely that another insurance company will compete for the business. H.L. Jamison is reviewing the current program and is considering offering a three-year policy as an alternative to the current one-year policy.

### EMPLOYMENT

(Patrick J. Walsh)

The Committee acts to assist prospective employers and attorneys in finding suitable employment. In the past year, the Committee assisted approximately 17 prospective employers, including four executive recruiters, and approximately 19 applicants who registered with the Committee. No formal business meeting of the Committee was conducted.

### FOREIGN PATENT LAW AND PRACTICE

(Jay L. Chaskin)

The major activity of the Committee was a consideration of the impact on U.S. law of the WIPO and Trilateral Conference proposals for patent law harmonization. The matter was addressed via an article and survey questionnaire insert in the Bulletin, a joint meeting with other Committees and a discussion and resolution by the Board. 52 completed questionnaires were received.

The views regarding the merits of harmonization indicate a retreat from the previous Association position. The present consensus is that no concessions regarding U.S. patent law, especially first to file, should be made. The Committee favored:

- (1) "first-to-file" providing substantial concessions were obtained;
- (2) maintaining the present grace period in U.S. patent law;
- (3) the present U.S. law permitting patents on a broad range of subject matter;
- (4) the present best mode requirements; and

(5) permitting the filing by the assignee providing the actual inventor is named.

There was also a significant minority opposed to:

(6) "first-to-file" with a personal right to the prior user;

(7) eliminating the *In re Hilmer* Rule;

(8) eliminating 35 USC 102 (e) from 35 USC 103;

(9) a patent term of 20 years from the U.S. filing date; and

(10) publication of patent applications 18 months from U.S. or priority date, whichever is earlier.

### FOREIGN TRADEMARK LAW AND PRACTICE

(Gabriel M. Frayne)

The Committee is undertaking a continuing review of various aspects of foreign and multi-national trademark law and practice.

### HARMONIZATION OF PATENT LAWS

(Karl F. Jorda)

The Fourth Session of the Committee of Experts on Harmonization was held at Geneva, Switzerland in November, 1987 and was attended by Karl Jorda, and a report was rendered to the Board. Prior to the meeting, a Committee luncheon was held to discuss the issues on the agenda and develop NYPTC positions on the agenda items. Mr. Jorda also participated in meetings held at the USPTO and in Geneva.

A similar observer was present at the Fifth WIPO Harmonization Session in June, 1988 in Geneva.

### INCENTIVES FOR INNOVATION

(Kenneth B. Hermon)

The Committee considered the International Labor Organization's paper



on "The Protection of Salaried Authors and Inventors" which was to be the subject of the organization's Tripartite Meeting in Geneva in December, 1987. The Committee concluded that it should not make specific recommendations on what position the United States should take. A report of the Geneva meeting has been obtained and will be considered by the Committee.

#### **LEGAL AID** (Lawrence Alaburda)

There were no significant activities for the year and no resolutions can be made at this time.

#### **LICENSE TO PRACTICE REQUIREMENTS** (Thomas M. Gibson)

A Committee meeting was held on February 16, 1988. The Committee recommended that the Association should continue to oppose the certification of specialties in the law, noting the expense involved in administering a specialist certification procedure, the burden on the qualification as a specialist, and other factors.

The committee will continue to investigate the development of specialist certification in other states and the status of the matter in New York.

#### **MEETINGS AND FORUMS** (William H. Dippert)

The Committee organized six luncheon meetings and one dinner meeting which was a joint meeting between the New York and New Jersey Patent Law Associations. In addition, the Committee worked with the City Bar Association in hosting a panel discussion on March 3, 1988.

Members of the Committee also worked with the Bicentennial Committee and assisted in organizing the wine and cheese reception at the Federal Courthouse.

#### **PAST PRESIDENTS** (John O. Tramontine)

The Committee met on January 14, 1988 and made the following proposals to the Board:

1. The Establishment of a Judicial Search Committee. This proposal was in response to the solicitation of endorsements by candidates for nomination to the CAFC and the failure of the Association to seek, find, and advance well-qualified candidates of its own. This committee could be an informal or an Ad Hoc committee and should be separate from but cooperate with the Committee on Public and Judicial Personnel.

2. Longer Tenure of Committee Chairmen and Members. Continuity is needed to effect the one term work of committees, particularly in the area of consideration of pending legislation. Consideration should be given to a system similar to the City Bar where committee chairmen are appointed for three years and the members have staggered three year terms.

#### **PROFESSIONAL ETHICS AND GRIEVANCES** (Arthur S. Tenser)

No complaints were referred to the Committee and there are no pending complaints under investigation. One inquiry requesting an advisory opinion was received and will be responded to by the incoming Committee.

#### **PUBLIC INFORMATION AND EDUCATION** (Julius Fisher)

The Committee solicited nominations for the Inventor of the Year Award and presented them to the Board for their selection.

The Committee responded favorably to a recommendation to develop an information kit for use by members of the NYPTC in delivering lectures to selected groups. It is anticipated that the kit will be available within the coming year.

#### **PUBLIC & JUDICIAL PERSONNEL** (Evelyn M. Sommer)

A Committee meeting was held on December 10, 1987 at which time the CAFC vacancy was discussed. In March, the resume of Hon. Paul J. Luckern was circulated to the Committee and its views were

sought. The Committee favorably recommended him to the Board for their consideration as a candidate for the CAFC.

#### **PUBLICATIONS** (Gregory J. Battersby)

A Committee meeting was held on November 9, 1987. Six issues of the Bulletin were published in an expanded format with regular features on recent decisions of interest, an expanded calendar of events and legislative update reports. Conversion over to desktop publishing has now been completed. There has been some coordination with the Employment Committee to advertise the services offered by that Committee.

The Greenbook was published in early 1988 for the Association year 1987-1988. Typesetting was converted over to desktop publishing and it is anticipated that future issues of the Greenbook will be greatly facilitated as a result of this conversion. The directory section of the Greenbook has been set on a database which permits the section to also be used as the Association mailing list.

#### **TREASURER'S REPORT** (Mary Ellen Timbers)

The statement of income and expenses for the Association showed a net gain of \$10,640.32. Reserve funds of the Association were invested, to the extent possible, to take advantage of competitive interest rates. The Association's finances continue to be in a healthy condition.

#### **U.S. PATENT LAW AND PRACTICE** (Robert L. Baechtold)

#### **Antitrust, FOIA and Trade Secrets Subcommittee** (Jordan B. Bierman)

Various matters were considered and further work is necessary, particularly in the area of FOIA where a balance is needed between the rights of private entities to retain data in secret and the right of the public to obtain copies and publicize them. The burden on the various agencies was also discussed.

### **Court Procedure and Practice Subcommittee**

(Philip T. Shannon)

An organizational meeting was held in December, 1987. The thrust of the sub-committee work was on the "new Era of Sanctions" as recited by the Second Circuit in the *Eastway Construction* case. The Sub-Committee sought to find out whether Rule 11 FRCP was effective against frivolous lawsuits or whether it had become a vehicle for spawning unnecessary and expensive satellite litigations. It was agreed that a debate should be held on the issue.

The debated was superseded by a February 24, 1988 directive of the principal Committee to study and make recommendations on proposed new USPTO Rule 57. Recommendations were made to the Chairman with respect to proposed Rule 57. No consensus has been reached and it will be debated next year in regularly calendared meetings.

### **Interference Laws and Practice Subcommittee**

(Bruce M. Collins)

No input was received from the Committee and the Committee activities were best described as nil.

### **Legislation Subcommittee**

(David J. Mugford)

The major thrust of the Subcommittee was the Process Patent legislation which became part of the Omnibus Trade Bill. Both Houses did manage to pass an Omnibus Trade Bill which, due to a "Plant Closing" provision, is expected to be vetoed by the President. The Subcommittee is prepared to act promptly if a new Trade Bill is introduced. Another important provision of the Omnibus Trade Bill were amendments to Section 337 of the Tariff Act which would have eliminated the requirement to show economic loss in order to have standing for an exclusion order.

The Subcommittee also studied the changes in the Reexamination Procedure proposed by Commissioner Quigg which would have converted Reexamina-

tion into a truly interpartes matter. By a vote of 6-2, it was decided to oppose these changes.

### **Patent and Trademark Office Affairs Subcommittee**

(Theresa M. Gillis)

The Subcommittee favors amendment of Rule 57 to require a "but for" standard for imposition by the PTO of its remedies for inequitable product. The Subcommittee further believes that the amendment should clearly indicate that no substantive change in the duty of disclosure requirement is being made (the standard remains as set forth in the controlling CAFC precedent), rather the availability of the PTO remedies for such conduct is being narrowed. Finally, the rule should incorporate the CAFC's "intent to deceive" requirement, rather than the "intentional" or "gross negligence" requirements of the draft.

Subject to the below statement, the Subcommittee endorses the draft rule insofar as it permits cure of an intentional failure to disclose a reference during prosecution of an application only by filing a timely disclosure statement. The Subcommittee further believes that applications which claim Sec. 120 benefits from a tainted application should be able to be cured of the taint by expressly waiving the benefit of such section.

The Subcommittee was divided as to whether a disclosure statement should be required even when no art is known to the applicant. It opposed the draft rule's requirement of refiling or payment of a fee even when an applicant promptly fulfilled the duty of disclosure. Fees should be required only if the applicant has failed to make prompt disclosure.

### **U.S. TRADEMARK LAW AND PRACTICE**

(Stanley Silberberg)

The three Subcommittees concentrated on the Trademark Revision Act, with each Subcommittee being assigned the responsibility to consider one primary area of revision, namely: intent to use; revision of section 43(a); and federal dilution.

The Committee, based on recommendations of its Sub-Committees, proposed a resolution to the Board whereby the NYPTC would agree in principle with the proposed amendments to the Trademark Act of 1946, S. 1883.

ANNOUNCEMENTS  
SOUGHT FOR  
FUTURE  
ISSUES  
OF

NYPTC  
BULLETIN

## RECENT DECISIONS OF INTEREST

by Thomas A. O'Rourke

### PATENTS - ASSIGNOR ESTOPPEL

Although the doctrines of licensee estoppel has been long dead in patent cases, the doctrine of assignor estoppel still has vitality according to the CAFC in *Diamond Scientific Co. v. Ambico*, 36 BNA PTCJ 138 (Fed. Cir. June 3, 1988).

In *Diamond* a former employee Wetter invented a vaccine against gastroenteritis in swine and the rights were assigned to Diamond's predecessor in interest. Wetter left the employ of Diamond and founded the defendant Ambico. When Ambico began making gastroenteritis vaccine for swine, Diamond sued for patent infringement. Ambico's answer raised lack of novelty, insufficient disclosure, and obviousness as grounds of invalidity.

The CAFC affirmed the District Court's grant of Diamond's motion to strike the defenses. The CAFC rejected the application of *Lear v. Atkins* 395 U.S. 653 (1969) and focused on the unfairness and injustice suffered by the assignee if the assignor were permitted to raise patent invalidity defenses.

### PATENTS - DECLARATORY JUDGMENT

A declaratory judgment action may be proper even in the absence of any communication from the patent owner per a decision of the Federal Circuit in *Arrowhead Industries Water Inc. v. Ecolochem, Inc.*, 36 BNA PTCJ. 26 (Fed. Cir. May 6, 1988). In *Arrowhead*, the patent owner Ecolochem learned that Virginia Power was about to purchase deoxygenation services from Arrowhead. Ecolochem sent a letter to Virginia Power notifying it of the existence of the patent and sent another letter to Arrowhead's attorney seeking confirmation that there was no "unauthor-

ized use" of Ecolochem's patented process. Ecolochem's letter also informed Arrowhead's attorneys that Ecolochem enforces its patent rights where appropriate. Arrowhead's lawyers, in response, inquired what Ecolochem meant and Ecolochem referred the lawyers to its infringement litigation which it brought to enforce its patents.

Arrowhead brought a declaratory judgment action. The District Court dismissed the complaint on the ground there was no actual controversy. Arrowhead later brought a second Declaratory Judgment action and informed the Court of statements made in another litigation by Ecolochem that Arrowhead infringed Ecolochem's patents. The District Court dismissed this action as well and held that there was no reasonable apprehension of suit because the allegations of infringement were communicated to the Court not to Arrowhead.

The Federal Circuit reversed, holding:

*If the circumstances warrant, a reasonable apprehension may be found in*

## THE EMPLOYMENT COMMITTEE HAS A NUMBER OF POSITIONS AVAILABLE

INTERESTED CANDIDATES SHOULD CONTACT

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the absence of *any* communication from defendant to plaintiff.

The Court cautioned that the mere existence of a patent does not give rise to a reasonable apprehension. However where the totality of the circumstances are such that there is a reasonable threat of a lawsuit, a declaratory judgment action would be proper.

### TRADE DRESS - FUNCTIONALITY

Trade dress protection was accorded to a beverage server in *Service Ideas, Inc. v. Traex Corp.* 36 BNA PTCJ (7th Cir. May 13, 1988) even though each of the individual features were functional. These features, when taken together, formed a non-functional trade dress.

In reaching its conclusion that the beverage server was entitled to trade dress protection, the Court focused on the fact that other manufacturers of servers were able to compete without copying plaintiff's trade dress. Also, the Court noted that while the plaintiff's beverage server's receptacle, handle, lid and spout were essential functional features, Traex chose to combine all the functional elements in the identical external design of plaintiff's.

### PATENTS - CONCEPTION

In an interference involving a chemical compound, the CAFC held that conception of the chemical compound includes not only a conception of the structure, but must include a method of making the compound. In *Oka v. Youssefeyeh*, 36 BNA PTCJ 202 (Fed. Cir. June 15, 1988) Youssefeyeh conceived of the class of compounds on February 27, 1980. On October 10, 1980, Youssefeyeh had an operative method of making a related chemical compound, but it was not until January 1981, that Youssefeyeh reduced compound in question to practice.

The CAFC rejected Youssefeyeh's arguments that the October 10, 1980, date should apply because there was no evidence that the method used for the related compound would be used to make the compounds at issue in the interference.

### TRADEMARKS FALSE DESIGNATION OF ORIGIN

The failure to include a joint author on a record album cover constitutes false designation of origin according to the Ninth Circuit in *Lamothe v. Atlantic Recording Corp.*, 36 BNA PTCJ 202 (9th cir. June 1, 1988).

In *Lamothe*, Lamothe, Jones and Crosby were co-authors of songs which were composed while they were members of a now defunct band. Crosby licensed the songs to Atlantic and it published versions of the song with no credit given to Lamothe or Jones. When Lamothe and Jones sued, the District Court granted Atlantic's motion for summary judgment ruling that Section 43 (a) was inapplicable. The Ninth Circuit reversed, and held that authors have an interest in protecting their creative work from being falsely designated as the work of another. The Court of Appeals rejected defendant's argument that there could be no violation of 43 (a) if the designation was partially correct. ■

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