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President's Corner

Our 1997-98 Association year is off to a very solid and exciting start. The level of interest, enthusiasm and hard work by our Officers, Board members and, most notably, by our Committee Chairs, has signaled a renewed vitality in the Association's activities. I believe we will surely maintain a productive intensity throughout the year.

If dedication and commitment are a sine qua non for sustaining the vitality of our Association, they must be well-rooted in the base and fiber of our membership. There is no question that dedication and commitment to our Association remains in the hearts of our past presidents. Last May, the Board approved the concept of scheduling an annual dinner for the past Presidents of the Association, with the dual purpose to honor these individuals as well as to seize an opportunity to tap their energy and fertile minds as a valuable resource for our Association. Tom Creel, as the then immediate past President and Chair of the Past President's Committee, was asked to organize the first dinner and that event took place on September 9, 1997 at the 21 Club here in New York City. It was by all accounts a great evening. Fourteen of our past Presidents attended and, by the end of the night, there was no question in my mind and, I am sure none in the minds of my fellow Officers in attendance, that the interest and enthusiasm of our past Presidents for the work of the Association remains strong. There certainly was a dearth of suggestions for projects and programs that the Association committees should investigate and study during the course of the next year and beyond. A number of suggestions seemed to have a consensus among those present at the dinner. Most notably, there was a concern for civility within the intellectual property bar, particularly in litigated matters. The suggestion to explore the organization of an Inn of Court was well received. Past President David H.T. Kane (in attendance only in spirit due to a prior European travel commitment) agreed not only that we should have an Inn of Court, but also suggested that it should most appropriately be named in honor of Judge William C. Connor, who of course is a Second Circuit district judge with an intellectual property background and is himself a past President of our Association. I believe there is already a Giles Rich Inn of Court in Washington, D.C. Our Litigation Committee under the leadership of

Tom Beck has been asked to study the feasibility of organizing such an Inn of Court sponsored, at least initially, by our Association. In addition, the past Presidents reaffirmed the need to instill dedication, enthusiasm and commitment to the goals of the Association in our committee chairs and members. The past Presidents in attendance agreed that a past president should be assigned to each of the substantive committees of the Association with the stated purpose for each to offer suggestions to the Chair for projects and to ensure that as much encouragement and support as needed is given to the Chair and Vice-Chair of each committee as well as the members. Lastly, a number of the past Presidents believe that we should reinstitute the NYIPLA CLE weekend, including the golf and tennis tournaments, to promote an esprit de corps among Association members.

While our committees have only been active for a few short months, the following committee activities are notable:

Legislative Oversight and Amicus Brief Committee

Under the able leadership of Charles Baker, the Legislative Oversight and Amicus Brief Committee has recommended that amicus briefs be filed by the Association in two pending Federal Circuit cases, *College Savings Bank v. Florida Prepaid Postsecondary Expense Board* and *In re Zurko*. The brief in the *College Savings* case was approved by the Board at the September 16, 1997 Board meeting and is due to be filed by September 26. The Association has taken the position that the Florida State entity in that case should not be immune from suit under the patent statute. While the *In re Zurko* amicus brief is still being developed by the Committee, the position which will likely be recommended to the Board essentially is that the current "clearly erroneous" standard of review should be maintained and not changed to the Administrative Procedure Act standard of "unsupported by substantial evidence" 5 U.S.C. § 70b(2)(E). Amicus briefs in the *Zurko* case are due to be filed by November 2 and, as such, the Committee's draft NYIPLA brief will be considered at the Board meeting of October 14, 1997.

Young Lawyers Committee

The Young Lawyers Committee, with Mary Lee Jenkins as Chair, has already scheduled a number of activities for the year sponsored by the Association without charge. The first is a panel discussion focusing on "Practical Tips for Young Lawyers from In-House Counsel and Private Practice Attorneys" at the Harvard Club scheduled for October 30, 1997. This discussion will be followed in early 1998 by a panel discussion of federal judges who will provide practical "tips" for young lawyers from the perspective of the bench.

Committee on Design Protection

Under John Viola as Chair, the Committee on Design Protection is considering the new WIPO Industrial Design Act and more will be reported at a later date.

Trademark Law Committee

The Trademark Law Committee with Eric Prager as Chair has already drafted comments on behalf of the NYIPLA in response to the PTO proposed amendments to the Trademark Rules of Practice, particularly with regard to discovery.

Committee on Publications

For more than ten years, Greg Battersby chaired the Publications Committee and did an outstanding job for the Association. As all should now be aware, Greg was recently nominated and elected to the ladder position of Second Vice-President which has required a change in the Publication Committee Chair. Most fortunately, Tom O'Rourke, who worked with Greg for several years on the Committee, has agreed to assume the Chair position. Tom has already been very active and has made the transition on this important and vital committee an easy one.

Committee on Meetings and Forums

With regard to our Committee on Meetings and Forums under the leadership of Susan McHale, a number of luncheon lectures have been scheduled starting with a lecture by Federal Circuit Judge Pauline Newman on September 26, 1997. I urge you all to attend and look out for further notices.

For your information, the Board is scheduled to meet on the following dates during the remainder of the 1997-98 Association year:

October 14, 1997
November 11, 1997
December 16, 1997
January 13, 1998
February 10, 1998
March 17, 1998
April 14, 1998
May 12, 1998

If anyone wishes to have a matter brought before the Board for its consideration, I ask that you call the Secretary, John Sweeney, or any officer or board member, at least one week before the targeted Board meeting so that your topic can be considered for inclusion on the meeting agenda. Supporting materials need to be sent to the Board members in good time to permit meaningful review prior to the meeting to enable any appropriate decision or action by the Board.

Many of you are already aware of a notice from the Administrative Board of Courts for the State of New York that final approval has been given by New York State Unified Court System to a mandatory continuing legal education program for newly admitted attorneys in New York. Attorneys admitted to the Bar after October 1, 1997, are now required to complete a 32-hour program during the first two years of admission to the Bar. The program emphasizes ethics and professionalism, practice management and practical skills in specific areas of legal practice. The program will be administered by a CLE Board consisting of 16 members appointed by the New York State Chief Judge and the Presiding Justices, serving staggered three-year terms and responsible for governing the program and insuring that minimum standards for creditation are satisfied.

At the Board meeting on September 16 with Ira Levy, the Chair of the CLE Committee, in attendance, the Board directed the CLE Committee to explore ways in which our Association can assist future newly admitted attorney members, to whom this program will apply, to complete the 32-hour requirement as now mandated. More about this will be published within the next several months.

It appears that the 1997-98 Association year is shaping up to what it should be, an active year with many opportunities for our membership to keep current on matters affecting intellectual property practice.

I encourage you to review this Bulletin for notices of upcoming CLE and other functions of the Association and, even if your schedule does not permit at the present time participation in committee activities, we ask your support for the various activities of the Association.

-- Edward V. Filardi

Calendar of Events

October 5-7, 1997

The National Association of Patent Practitioners (NAPP) Annual Meeting, The Inventor's Hall

of Fame, Akron, Ohio

October 16-18, 1997

American Intellectual Property Law Association Annual Meeting, Crystal Gateway Marriott Hotel, Arlington, Virginia

October 31, 1997

NYIPLA Luncheon Meeting, "TTAB" Speaker: Assistant Commissioner Philip Hampton. Cornell Club, New York City

November 2-5, 1997

Licensing Executive Society (USA and Canada) Annual Meeting, Hyatt Regency, San Diego, California

November 20, 1997

NYIPLA Luncheon Meeting, "Litigation Advocacy" Cornell Club, New York City

News From the Board of Directors

by John F. Sweeney

The Board of Directors met at The University Club on Tuesday, September 16, 1997. Edward Filardi presided. In addition to the board members and officers who attendance, the following individuals were also in attendance at the request of the Board: Charles P. Baker-Chairperson of the Legislative Oversight and Amicus Briefs Committee; Bruce Wexler, who assisted Mr. Baker with his report; Kelly Talco-substituting for Eric Prager, Chairperson of the Trademark Law And Practice Committee; Ira Levy-Chairperson of the Continuing Legal Education Committee; John W. Olivo-Chairperson of the Design Protection Committee; and John B. Pegram- Chairperson of the U.S. Bar/Japan Patent Office Liaison Committee.

John Murnane circulated the Treasurer's reports, dated June 30,1997, July 31, 1997 and August 31, 1997, respectively. Mr. Murnane informed the Board that the current Association balance is higher than the balance at this same time last year. Mr. Filardi observed that in the future consideration should be given to increasing the Association's operating balance to two or three times the amount of revenues produced annually by the Association dues. Specifically, Mr. Filardi noted that we should bear this in mind when considering fees for Association programs, dinners and other activities. Upon motion by Brian Poissant, seconded by Marilyn Brogan, the Treasurer's reports were unanimously approved.

Reports on Committee Work

Mr. Filardi then gave a brief report on the Committee Chairpersons' lunch meeting held on Thursday, September 11, 1997, and proposed Committee agendas. Mr. Filardi also reported on the Past Presidents' Dinner held at the 21 Club on September 9, 1997. At the dinner, each of the Past Presidents was provided with the agendas for all of the Association's Committees. Each of the Past Presidents was asked to choose a Committee to advise.

Mr. Baker reported on the work of his Committee, the Legislative Oversight And Amicus Briefs Committee, on Amicus briefs in the College Savings Bank v Florida Prepaid Postsecondary Education Expense Board and The United States and In re Zurko cases. After some discussions of the substantive issues, the Board unanimously gave Mr. Baker and his Committee approval to finalize their amicus brief

on behalf of the Association in College Savings advocating the position that the State of Florida should not be immune from patent infringement suits. The Board also authorized Mr. Baker and his Committee to proceed with work on the In re Zurko amicus brief advocating the applicant's position that Patent Office decisions of patentability should be continued to be reviewed under the clearly erroneous standard. The final decision as to whether to file an amicus brief in Zurko and what position it should present was deferred until the Board meeting on October 14, 1997.

Kelly Talco, who was substituting for Eric Prager, discussed the work of the Trademark Law And Practice Committee, with respect to the preparation of proposed Association comments on the proposed amendments to rules governing the Trademark Trial and Appeals Board. The Board asked Mr. Talco to ask the Trademark Law And Practice Committee to finalize its proposed Association comments to the proposed amendments to the TTAB rules and present them to the Board for discussion and possible approval.

Herbert Schwartz gave a brief report concerning the Annual Dinner In Honor Of The Federal Judiciary to be held on March 27, 1998. Mr. Schwartz observed that it appears our contract with Horizon Conference Center, the Association's consultants in the planning and organization of the dinner, has expired. Mr. Battersby commented that the contract expired several years ago and that Horizon has continued to provide its services to the Association using old rates. Mr. Filardi asked that finalizing a contract with Horizon be given high priority. Mr. Schwartz will be meeting with Horizon to negotiate a new contract.

Mr. Levy reported on the work of the Continuing Legal Education Committee. Mr. Levy suggested that the Board approve in the upcoming year a one-day CLE program at Fordham University Law School. Mr. Levy said that his Committee would be looking into the possibility of weekend seminars for future years. Mr. Filardi observed that the Administrative Board of the Courts of the State of New York has given final approval to a Mandatory Continuing Legal Education Program For Newly Admitted Attorneys in New York. He received a letter from the Honorable Jonathan Lippman, Chief Administrative Judge of the State of New York, advising the Association of the new requirements. Mr. Filardi asked Mr. Levy to begin to develop CLE programs for the Association to satisfy the new Mandatory Continuing Legal Education Program For Newly Admitted Attorneys in New York.

Mr. Pegram reported on the work of the U.S. Bar/Japan Patent Office Liaison Council. Mr. Pegram said that as a result of the Council's work, there is now the possibility that the Association may provide comments on proposed new procedures in the Japanese Patent Office. On behalf of the Association, Mr. Pegram will be attending the November 20, 1997 meeting with the Japanese Patent Office officials.

Mr. Olivo gave a brief report on the work that is planned for his Committee, the Design Protection Committee, concerning possible revision to the Industrial Design Treaty. In particular, Mr. Olivo reported that changes to design patent protection may allow photographs to be submitted in place of drawings in a design patent application.

Mr. Filardi reported that Marylee Jenkins, the Chairperson of the Young Lawyers' Committee, had requested approval for a seminar for young lawyers at the Harvard Club on October 30, 1997. The costs for the program are \$600 for the use of the room at the Harvard Club, plus \$40 per person for hors d'oeuvres, an open bar and dinner. The Board unanimously approved the proposed seminar subject to Mr. Filardi working with Ms. Jenkins to reduce the per-person costs of the program by having a wine bar rather than an open bar.

Upon motion by Mr. Battersby, seconded by Mr. Baker, the meeting was adjourned at 2:00 p.m.

NYIPLA Launches Its Own Web Site

The New York Intellectual Property Law Association recently joined the ranks of many of today's most

successful organizations and businesses by launching its own web site. The web site, which can be found at www.nyipla.org, was designed to assist NYIPLA members as well as members of the general public in accessing current information about the Association's activities and intellectual property matters in general.

Visitors to the New York Intellectual Property Law Association web site can browse through a number of topics. The web site offers a brief description of the NYIPLA, defining the general purpose and scope of the 75-year-old Association. In addition, visitors can find the complete history of the Association, which is a reproduction of the 75 Year History program distributed at this year's Judges Dinner. The site also lists the Association's current officers and directors along with addresses, phone numbers and fax numbers. The 1997-1998 Committee Assignments have also been posted, so that visitors see what types of activities the Association is involved in and possibly contact the committees of interest. The site also posts a frequently-updated NYIPLA membership list, complete with addresses and phone numbers. Visitors can search for information on upcoming events and meetings of interest to the profession in a calendar of events section and browse through the most recent issue of the Bulletin. There is also a section on the NYIPLA Annual Dinner in Honor of the Federal Judiciary, or Judges Dinner, which has become one of the Association's most popular events. Information on this year's dinner will be posted on the site as it becomes available.

For anyone interested in becoming a member of the NYIPLA, there is a list of the rules for admission and a membership form which can be downloaded, printed and submitted to the Membership Committee for consideration. A "Facts on IP" section has also been included in the web site, which contains some frequently asked-and-answered questions about intellectual property law. These questions are designed to be of assistance to both IP practitioners, general practitioners and members of the general public.

There are currently plans for the NYIPLA web site to have the ability to link to other intellectual property-related web sites as well as to offer privatized e-mail services to members. All NYIPLA members are encouraged to visit the NYIPLA web site at www.nyipla.org and to contact members of the Publication Committee with any comments and/or suggestions about expanding or improving the site.

Pending Legislation

by Edward P. Kelly

PATENTS

Plant Patents

Bills are pending in the House (H.R. 1197) and Senate (S. 1072) that would attempt to close a loophole with respect to plant patents. The patent statute provides for reproduction or use of novel varieties of asexually-produced plants. However, the statute does not provide protection for plant parts and, therefore, it is possible to reproduce and use outside the United States plants subject to a U.S. plant patent and import products harvested from protected plants. An identical bill was introduced by Senator Hatch earlier this year and is part of the Omnibus Patent bill (H.R. 400 and S. 507).

TRADEMARKS

Trademark Law Treaty

A bill (H.R. 1661) previously introduced by Rep. Coble was approved by the House last July. The bill would make certain changes to U.S. law to make the United States a party to another international treaty call the Trademark Law Treaty. This treaty is aimed at harmonizing trademark registration standards worldwide.

There are currently eleven countries which have joined the trademark law treaty. The changes that would have to be made to the U.S. law to bring the United States into conformance with the treaty would involve amending U.S. law to relieve certain restrictive requirements. For instance, in order to accede to the treaty, U.S. law would have to be amended so that an assignment could be accomplished in the U.S. Trademark Office without submitting a copy of the underlying assignment document. Foreign registrations would no longer be required to be submitted in support of an application based on a foreign registration in order to receive a filing date and it would be possible to revive an application abandoned during the examination process. Practitioners who handle foreign assignments and applications for clients filing in Europe would be pleased to learn that the treaty does not allow a country to impose formalities such as notarization and legalization of signatures.

H.R. 1661 also contains another unrelated provision that would change U.S. trademark law. Under current case law, at least one court has held that an incontestable registration cannot be attacked on the ground of functionality under Section 14 of the Lanham Act. See *Shakespeare Co. v. Solstar Corp. of America, Inc.*, 9 F.3d 1091 (4th Cir. 1993). The Court reasoned that the defenses available against incontestable registrations are listed in Section 33 of the Lanham Act and functionality is not one of them. The new amendment to H.R. 1661 would amend 15 U.S.C. § 1115 to provide that functionality may be asserted as a defense.

COPYRIGHTS

Liability of Online Service Providers

An Internet online service provider may face some difficult choices when a copyright owner notifies the online provider that certain material presented by the online provider's customers infringes a registered copyright. On the one hand, the provider may be charged with direct or contributory copyright infringement for allowing its customer to continue providing the alleged infringing material and, on the other hand, the online service provider has a commitment to its customer to evaluate the validity of a claim before blocking access to the alleged infringing material. In the event that the online service provider blocks access to its customer's site, the customer may also potentially claim damages against the online service provider for resulting damages - if such damages are not expressly excluded in the contract between the provider and its customer.

Bills are currently pending in the House and Senate which would attempt to place certain parameters on suits against online service providers and limit their liability for copyright infringement. One bill, H.R. 2180, introduced by Rep. Howard Coble (R. N.C.), would grant an exemption to online service providers from copyright infringement if certain conditions were met. In order to avoid infringement liability, the online service provider must be able to show that it did not: (1) place the material on line; (2) select or alter the content of the material alleged to be infringing; (3) determine the recipients of the material; (4) benefit financially from the alleged infringement; (5) endorse or advertise material; and (6) know or be on notice that the material is infringing. Rep. Coble's bill would also solve the online provider's potential problem with liability for losses incurred by its customers. The bill would relieve the provider from liability for blocking access to the online material.

The other bill pending in the Senate (S. 1146), introduced by Sen. John Aschcroft (R. Missouri), would set up a procedure for dealing with an alleged copyright infringement. Under the Senate bill, the online service provider would avoid infringement liability unless it failed to block access to the material after receiving notice from the copyright owner.

Criminal Liability for Copyright Infringement

Section 506 of the Copyright Law provides that a person who willfully infringes a copyright and does so for the purpose of commercial gain is subject to the criminal punishments set forth in Title 18 of the U.S. Code. In 1994, the Justice Department failed in its attempt to prosecute a defendant under the federal wire fraud statute who had helped others download copyrighted software from the defendant's computer.

bulletin board. The defendant in that case, a student at MIT, reaped no financial gain from his actions. In *U.S. v. Lamacchia*, 871 F.Supp. 535 (D. Mass. 1994), the court held that because the copyright statute included the term "financial gain," Lamacchia's actions were not criminal conduct under Section 506(a) of the Copyright Act and could not form the basis of the wire fraud statute prosecution.

A bill introduced by Rep. Bard Goodlatte (H.R. 2265) would eliminate the requirement for financial gain for certain willful copyright infringements. The bill would create a new section (506(a)(2) of the Copyright Statute. The infringements which would not need the element of financial gain are the reproduction of distribution of ten or more copies of copyright work if the retail value of the work is \$5,000 or more.

Pearls of Wisdom

The following "pearls of wisdom" were recently downloaded from the Internet.

"Everything that can be invented has been invented." - Charles H. Duell, Commissioner, U.S. Office of Patents, 1899

"I think there is a world market for maybe five computers." Thomas Watson, Chairman of IBM, 1943

"Heavier-than-air flying machines are impossible." Lord Kelvin, President, Royal Society, 1895

"We don't like their sound, and guitar music is on the way out." Decca Recording Co. rejecting the Beatles, 1962

"There is no reason anyone would want a computer in their home." Ken Olson, President, Chairman and founder of Digital Equipment Corp., 1977

"Stocks have reached what looks like a permanently high plateau." Irving Fisher, Professor of Economics, Yale University, 1929

"Louis Pasteur's theory of germs is ridiculous fiction." Pierre Pacht, Professor of Physiology at Toulouse, 1872

"Computers in the future may weigh no more than 1.5 tons." Popular Mechanics, forecasting the relentless march of science, 1949

"This 'telephone' has too many shortcomings to be seriously considered as a means of communication. The device is inherently of no value to us." Western Union internal memo, 1876

"640K ought to be enough for anybody." Bill Gates, 1981

NAPP to Hold Annual Meeting

The National Association of Patent Practitioners (NAPP) is having its annual meeting at The Inventor's Hall of Fame in Akron, Ohio. The meeting will run from Sunday, October 5 to Tuesday, October 7, 1997 and includes a guided tour of The Inventor's Hall of Fame. Practical topics to make patent prosecution easier, and more cost effective, will be handled in a seminar atmosphere which encourages lively, but voluntary, audience participation and networking. These topics will benefit patent agents, patent attorneys and those involved in developing or licensing technology. For example, U.S. Patent Office spokespersons

will discuss the impact of important recent Federal Circuit cases on prosecution and the latest changes to Patent Rules and Statutes. Also, there will be rainmaking tips and an eye-opening panel discussion devoted to advanced claim drafting techniques in the major technical fields. A trade show for vendors to the patent industry will also run during this meeting. The meeting fee is extremely reasonable. For the meeting agenda, visit NAPP's home page at <http://www.napp.org>. For registration information or Trade Show information contact: Joy Bryant by phone at (800) 216-9588, by fax at (757) 874-6278 or on the Internet at NAPP@napp.org.

In Memoriam

Edgar N. Jay

Edgar N. Jay, a member of the New York Intellectual Property Law Association, passed away on July 14, 1997 at the age of 80.

At the time of his death, he practiced in Garden City and lived in Glen Cove, New York.

Mr. Jay had previously been associated with the law firm of Fish & Neave.

Recent Decisions of Interest

by Thomas A. O'Rourke

PATENTS

Claim Interpretation

The CAFC has ruled in *In re Morris* 54 BNA PTCT 412 (CAFC 1997) that the Markman decision does not change the traditional rule of claim interpretation during patent prosecution that the Patent and Trademark Office must give words used in the claims their broadest reasonable meaning in accordance with their ordinary usage. The CAFC rejected Morris' argument that the claim language should be interpreted by the PTO in the same manner as courts during infringement actions. The CAFC stated:

It would be inconsistent with the role assigned to the PTO in issuing a patent to require it to interpret claims in the same manner as judges who, post-issuance, operate under the assumption the patent is valid. The process of patent prosecution is an interactive one. Once the PTO has made an initial determination that specified claims are not patentable (the *prima facie* case concept ***) the burden of production falls upon the applicant to establish entitlement to a patent *** This promotes the development of the written record before the PTO that provides the requisite written notice to the public as to what the applicant claims as the invention.

The CAFC also noted that the fact that an applicant can point to definitions or usages of words that conform to the applicant's interpretation does not render the PTO's interpretation unreasonable, when the PTO can point to other sources that support the PTO's interpretation of the language.

Prior Art

Prior art under 102(f) may be used in finding obviousness under §103 even where the 102(f) prior art is not public. In *Oddz On Products Inc. v. Just Toys Inc.*, 54 BNA PTCJ 326 (CAFC 1997), the CAFC affirmed a holding that the design patent in suit on a foam football-shaped ball was not obvious. The district court found there were two ball designs that were available to the inventor of the Oddz On ball that "inspired" the inventor. Although neither of these designs was publicly available, the district court treated

the "inspirational" designs as prior art. On appeal, Oddz On challenged the district court's conclusion that these non-public designs were 102(f) prior art. The CAFC in the appeal reviewed the statutory history of the 1984 amendments to §103 and held that 102(f) prior art was not limited solely to publicly available information. The CAFC stated:

We therefore hold that subject matter derived from another not only is itself unpatentable to the party who derived it under §102(f), but when combined with other prior art, may make a resulting obvious invention unpatentable to that party under a combination of §§102(f) and 103. Accordingly, the district court did not err by considering the two design disclosures known to the inventor to be prior art under the combination of §§102(f) and 103.

Thus, the confidential design that "inspired" the inventor of the ball could be used as prior art. The patent in suit, however, was upheld because the court concluded that although the designs were prior art under Section 102(f) and 103, there were sufficient differences between the prior art and the invention that the inspirational designs did not render the patent in suit invalid.

COPYRIGHTS

Costumes

In *Entertainment Research Group Inc. v. Genesis Creative Group Inc.*, 54 BNA PTCJ 362 (9th Cir. 1997), the Ninth Circuit addressed the issue of copyright protection for costumes. The issue in *Entertainment* was whether inflatable costumes based on two-dimensional cartoon characters were copyrightable subject matter as derivative works. Plaintiff designed and manufactured inflatable costumes used in publicity events. The costumes were based on cartoon characters that are identified with a particular company. These included the Pillsbury Doughboy, the Toys 'R Us Geoffrey the Giraffe and Captain Crunch.

Defendant Genesis marketed promotional and advertising devices including plaintiff's costumes. Genesis terminated its relationship with *Entertainment* in 1991 and began selling costumes manufactured by a third party Aerostar. *Entertainment* obtained derivative copyright registration for its costumes and brought action for copyright infringement against Genesis.

The district court granted summary judgment on Genesis' motion and held the copyright invalid. On appeal, the Ninth Circuit affirmed the holding of invalidity following the test enunciated by the Second Circuit in *Durham Industries Inc. v. Tomy Corp.*, 630 F.2d 405 (2d Cir. 1980). In *Durham*, the Second Circuit set forth a two-pronged test for the validity of copyright for derivative works. Under *Durham* the original aspects of the derivative works: "(1) must be more than trivial; and (2) must reflect the degree of derivative work's reliance on preexisting material and must not affect the scope of any copyright protection in that preexisting material."

The Ninth Circuit rejected an earlier test for validity of copyright in derivative works set forth in the California case *Doran v. Sunset House Distributing Corp.*, 197 F.Supp. 940 (S.D. Cal 1961). In *Doran*, a derivative work was original for copyright purposes if the derivative works form was merely sufficiently different from the underlying work.

The Ninth Circuit in *Entertainment* held the costumes were not copyrightable because the costumes were instantly identified as embodiments of the underlying characters. As a result:

no reasonable juror could conclude that there are any 'nontrivial' artistic differences between the underlying cartoon characters and the immediately recognizable costumes that ERG had designed and manufactured.***

Thus, because ERG followed detailed instruction from its customers regarding exactly how they wanted the costumes to appear, it can not be said that ERG's artistic contributions were more than merely trivial contributions.

TRADEMARKS

Post-Sale Confusion

A new trial was recently granted by the Court of Appeals reversing a ruling of no likelihood of confusion because the district court ignored post-sale confusion in holding there was no trade dress infringement. In *Chrysler Corp. v. Silva*, 54 BNA PTCJ 264 (1st Cir. 1997) Chrysler brought an action for violations of Section 43(a) that Silva's Mongoose car infringed Chrysler's Viper sports car's trade dress.

The District Court found the Viper design was entitled to trade dress protection based on secondary meaning and nonfunctionality. However, the district court held there was no likelihood of confusion. On appeal, Chrysler argued that the district court's ruling placed undue emphasis on differences in trade channels, advertising channels and the class of prospective purchasers and insufficient emphasis on post-sale confusion in considering whether there was a likelihood of confusion. The Court of Appeals agreed with Chrysler and granted Chrysler a new trial.

Classifieds and Announcements

Technology Transfer Executives. Competitive Technologies, Inc., (CTI) seeks a patent and licensing attorney for its Fairfield, CT headquarters. Responsibilities will include patent prosecution, business assessment of patents and licensing.

Qualifications: Admission to the Patent Bar with 1-3 years experience in patent prosecution and licensing. The ability to work independently in handling a broad variety of technologies is required. Excellent interpersonal skills, verbal and written communications skills.

Compensation: Competitive salary and benefits package which includes stock options and performance bonus.

Company: CTI is a publicly-traded company that has been in the technology transfer, licensing, and new venture business for more than 25 years. Our clients include major Fortune 50 corporations, research universities and laboratories. CTI has offices in Fairfield, CT; Cleveland, OH; Bethlehem, PA; Osaka and London. For additional information on CTI, visit our web site at www.cti.lehigh.edu.

Submit resume and salary history to: Personnel Director, Competitive Technologies, Inc., 1960 Bronson Road, P.O. Box 340, Fairfield, CT 06430.

Registered patent attorney sought by large Phoenix law firm. Outstanding opportunity to join an expanding intellectual property practice. Candidate should have excellent academic and professional credentials and 2-4 years experience. Please send cover letter, resume and law school transcript to: Lisa Nealon, Recruitment Coordinator, Fennemore Craig, 2 N. Central, Suite 2200, Phoenix, AZ 85004-2390.

Experienced patent attorney (biotechnology/chemical) seeking overflow work. Diverse practice includes prosecution, validity/infringement analysis, agreement drafting and negotiation. References available. C. A. O'Gorman, Pleasantville Road, Brearcliff Manor, NY. Telephone: (914) 923-3520.

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