



IDEAS ON INTELLECTUAL PROPERTY LAW



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FOR U.S. UTILITY PATENTS*

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FOR U.S. TRADEMARKS*

*ANT-LIKE PERSISTENCE

Oh, the places you won't go

Fair use defense fails for mashup

The fair use defense to copyright infringement traces its roots back to an 1841 case involving the use of George Washington's writings for a biography. To say things have become more complicated is an understatement, as demonstrated by a recent fair use case that considered a "mashup" combining elements of Dr. Seuss with elements of the TV show "Star Trek."

CULTURE CLASH

"Oh, the Places You'll Boldly Go!" is a mashup book that borrows from the works of Theodor S. Geisel (aka Dr. Seuss), including his perennial graduation season best seller "Oh, the Places You'll Go!" The court referred to the challenged book as "Boldly" and the collective Seuss works as "Go!."

Dr. Seuss Enterprises (Seuss) owns the copyrights in Geisel's books and markets them to children and adults. It licenses and oversees the creation of new works under the Dr. Seuss brand and carefully vets the many licensing requests it receives.

Licensed works include fine art, toys, video games, stage productions, movies and books that

incorporate elements of Dr. Seuss's works. Go!, for example, is the basis for several authorized derivative works. Boldly wasn't a licensed work of Seuss or a collaboration or otherwise authorized use.

Fair use is assessed on a case-by-case basis, with all of the factors explored and the results weighed together in light of the purposes of copyright.

In 2016, Seuss became aware of a crowdsourcing campaign by ComicMix to pay for the production and other costs related to publication of Boldly. It subsequently sued ComicMix for, among other things, copyright infringement. The trial court dismissed the claims before trial, holding that Boldly was a fair use of Go!. The plaintiff appealed.

LIVE LONG AND PROSPER — OR NOT

The U.S. Copyright Act lays out four non-exclusive factors (identified below) for determining whether use of a copyrighted work is considered fair use. Fair use is assessed on a case-by-case



TRADEMARK CLAIMS SHOT DOWN

The plaintiff in the *Dr. Seuss* case (see main article) also claimed that the defendant infringed its trademarks in the title of “Oh, The Places You’ll Go!” as well as in the “Seussian style of illustration” and “the Seussian font.” The U.S. Court of Appeals for the Ninth Circuit rejected those claims, though, holding that the federal trademark law didn’t apply.

The Lanham Act doesn’t apply unless the use of the trademark at issue either: 1) isn’t artistically relevant to the underlying work or 2) explicitly misleads consumers about the source or content of the work. The court found that the defendant’s work easily surpassed the low bar of artistic relevance because the alleged trademarks in the title, typeface and style of the plaintiff’s work were relevant to achieving the defendant’s artistic purpose.

The bar on the second prong of the test is higher, and the plaintiff fell short there, too. A title that includes a well-known name, the court said, isn’t explicitly misleading if it only *implicitly* suggests endorsement or sponsorship.

basis, with all of the factors explored and the results weighed together in light of the purposes of copyright law.

The U.S. Court of Appeals for the Ninth Circuit found that all four factors decisively weighed against the defendant:

The purpose and character of the use (including whether the use is commercial or for nonprofit educational purposes). The court explained that the central purpose of the inquiry into this factor is to determine whether and to what extent the new work is “transformative.” A transformative work “adds something new, with a further purpose or different character, altering the first [work] with new expression, meaning or message.”

The court rejected the defendant’s argument that its use was transformative because it was a parody. Boldly, the court said, didn’t hold up the Seuss works to ridicule or criticism. Its repackaging, copying and lack of critique of Seuss — coupled with its commercial use of Go! — didn’t result in a transformative use.

The nature of the copyrighted work. Creative works, the court noted, are closer to the core of intended copyright protection than informational

works, so fair use is harder to establish for the use of such works. Boldly’s copying of a creative and “expressive work” like Go! tilted the second factor against fair use.

The amount and substantiality of use of the portion used compared with the copyrighted work as a whole. The third factor considers both the quantitative and qualitative value of the original work used. The defendant copied close to 60% of Go!, along with significant illustrations and two stories from other books. Qualitatively, the court found that the defendant “took the heart of Dr. Seuss’s works,” highlighting the extensive and meticulous copying.

The effect of the use on the potential market for or value of the copyrighted work. The defendant targeted and aimed to capitalize on the same graduation market as Go!. And, the court said, works like Boldly would curtail Go!’s potential market for derivative works.

NOT YET THE FINAL FRONTIER

In the absence of any countervailing copyright principles indicating otherwise, the appellate court concluded that Boldly didn’t make fair use of Go!. It therefore sent the case back to the lower court for trial on the claims of copyright infringement. □

Take two

Court revives trademark infringement claim

You might think that using the exact words of a competitor's trademark in your own mark would pretty clearly constitute infringement. While a trial court evaluating such a situation disagreed, the U.S. Court of Appeals for the Second Circuit found infringement in what it described as a "somewhat unusual" trademark case.

SOMETHING DOESN'T SMELL RIGHT

Car-Freshner Corporation (CFC) and American Covers LLC both sell automotive air fresheners and trademark the name of the scents. CFC sued American Covers for, among other things, trademark infringement. It contended that American Covers' sale of products labeled with the words "Midnight Black Ice Storm" infringed its mark "Black Ice."

The trial court rejected the claim before trial, finding that Midnight Black Ice Storm wasn't similar enough to the plaintiff's mark to create a likelihood of confusion about the source of the products. The plaintiff appealed.

CASE GETS A FRESH LOOK

As the Second Circuit explained, a court considers a number of factors when determining whether the requisite likelihood of confusion has been shown to proceed to trial on a trademark infringement claim. In the Second Circuit, the likelihood of confusion test uses the *Polaroid* factors. It reviewed each of the factors as follows:

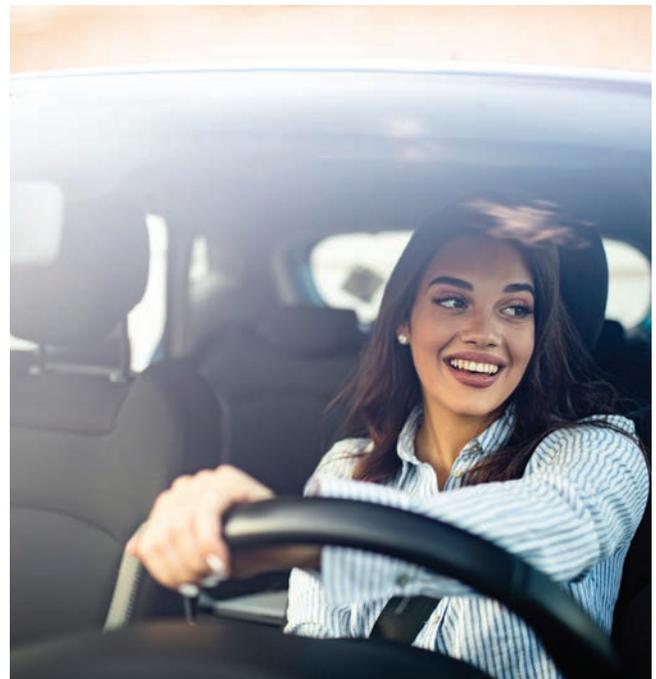
1. The strength of the senior user's marks.

The Black Ice mark had "considerable strength" in the context of automotive air fresheners. The court pointed to the millions of dollars in sales of Black Ice products and widespread recognition of the mark in unsolicited news coverage, social media posts and popular culture.

2. The similarity of the parties' marks. Despite differences in the packaging, this factor favored

the plaintiff. The defendant's mark was significantly similar to the plaintiff's mark because it used the same two nondescriptive words, in sequence or on adjacent lines, where the words were readily read together because they form a well-known phrase.

3. The market proximity of the products. The parties' products directly compete with each other and often are displayed side-by-side on retailers' shelves. The factor thus favored the plaintiff.



4. The likelihood that the senior user will bridge any gap separating the parties' current markets. The court found this factor irrelevant because the parties already competed in the same market.

5. The existence of actual consumer confusion.

The plaintiff didn't demonstrate actual consumer confusion. But the court noted that, while evidence of actual confusion is "very helpful" to an infringement claimant, its absence isn't fatal.

6. Whether the junior user acted in bad faith in adopting its mark. “Rarely,” the court said, “does an infringement case reveal such explicit evidence of bad faith.” It cited undisputed evidence from internal staff emails showing the defendant’s intent to mislead consumers. One email, for example, referred to getting “as close to the Black Ice name as we can.”

Courts consider a number of factors when determining whether likelihood of confusion has been shown to proceed to trial on a trademark infringement claim.

7. The quality of the junior user’s products.

The products were found to be of similar quality, so the relative quality didn’t play a significant role in the existence of a likelihood of confusion.

8. The sophistication of the relevant consumer group. The competing products were priced relatively modestly, not complicated to use and sold in general merchandise stores. These circumstances made confusion more likely because consumers were unlikely to spend much time on their buying decisions.

SCENT BACK FOR TRIAL

The Second Circuit acknowledged the lack of guidance on how the *Polaroid* factors are to be weighed in the aggregate, or whether any one or more are entitled to extra weight. Nonetheless, it found the balance in this case favored the plaintiff enough to preclude a dismissal before trial. Should the case reach trial rather than settle, the “smoking gun” emails probably won’t help the defendant much with a judge or jury. □

Federal Circuit diverges from PTAB on analogous art ruling

As patent owners are well aware, sometimes overcoming invalidating prior art can be difficult. Prior art — which makes an invention known and/or obvious, and therefore unpatentable — includes existing patents that are “analogous art.” But what makes an existing patent analogous? The U.S. Court of Appeals for the Federal Circuit, which handles all patent-related appeals, has explained.

CAN YOU HEAR ME NOW?

Pro Stage Gear LLC owns a patent on an improved guitar effects pedalboard for amplifying a guitar’s sound. Pedals are foot-operated, and, when multiple pedals are used, they must be interconnected

by cables to the original sound source. Once interconnected, the pedals are placed on a pedalboard and covered with foam so the cables aren’t exposed. The patented pedalboard reduces the difficulty involved in swapping or adding new pedals on a board.

Donner Technology LLC filed an *inter partes* review (IPR) against the patent, challenging various claims as obvious and therefore invalid. In an IPR proceeding, the Patent Trial and Appeal Board (PTAB) can reconsider and cancel an already-issued patent based on certain types of prior art. The PTAB’s final decision is subject to the Federal Circuit’s review.

Donner's challenges all relied on the teachings of an earlier patent known as the Mullen patent. That patent covers an improved structure for supporting electrical relays and providing wiring-channel space for receiving wires to connect to the relays. Donner argued that certain embodiments of the Mullen patent disclose a structure that is analogous to the structure in Pro Stage's pedalboard.



The PTAB rejected the obviousness challenges. It found that Donner failed to show the Mullen patent was analogous prior art for purposes of establishing obviousness. However, on appeal, the Federal Circuit found the PTAB's analysis flawed.

WHAT'S THE PROBLEM?

Two separate tests define the scope of analogous art:

1. Whether the art is from the same field of endeavor, regardless of the problem addressed, and
2. If the reference isn't within the field of the inventor's endeavor, whether the reference still is reasonably pertinent to the particular problem the inventor is tackling.

The Federal Circuit determined that the prior art and subject application weren't in the same field of endeavor in this situation, so the court looked to the second way to qualify as analogous prior art. If the two patents had pertinent similarities such that the Mullen patent was reasonably pertinent to one or more of the problems addressed by Pro Stage's patent, it said, Mullen was analogous art.

The court found the PTAB erred in its reasonable pertinence analysis because it didn't properly identify and compare the problems that the two patents tackle. The problems must be identified and compared from the perspective of a "person having ordinary skill in the art" (PHOSITA) — a PHOSITA who is considering turning to the teachings of references outside of his or her field of endeavor.

A person having ordinary skill in the art might reasonably consult a reference even if he or she couldn't understand every last detail.

The PTAB reasoned that the relevant PHOSITA would have a relatively low level of skill and a poor understanding of Mullen's relay technology. But the court said the relevant question was whether a PHOSITA would reasonably have consulted Mullen in solving the problem. A PHOSITA, it said, might reasonably consult a reference even if he or she couldn't understand every last detail — as long as the PHOSITA understood the parts relevant to solving the problem well enough to glean useful information.

DON'T GET TOO AMPED UP

The court concluded that the PTAB applied the wrong standard, but it didn't go so far as to hold that no reasonable judge or jury could conclude the Mullen patent wasn't analogous art and, therefore, irrelevant to the obviousness issue. Rather, it vacated the PTAB's decision and sent the case back for the board to apply the correct standard. ■

Language matters: Grammar guides court's patent interpretation

Grammar nerds can delight in a new ruling from the U.S. Court of Appeals for the Federal Circuit, which hears all appeals involving patent litigation. Asked to interpret the meaning of the phrase “a plurality of” when it precedes a list of components in a patent, the court relied in part on a source likely to be found on the bookshelf of every English major at some point.

DEFENDANT TRIES TO AVOID CHARGES

SIMO Holdings Inc. owns a patent on apparatuses and methods that let individuals reduce roaming charges on cellular networks when traveling outside their home territory. It sued Hong Kong uCloudlink Network Technology Limited for infringement.

The parties presented briefs addressing whether the patent required a “non-local calls database” and, if so, whether the defendant’s products had such a database. The trial court held that a database wasn’t required and sent the case to trial, which resulted in an \$8.2 million judgment for the plaintiff. The defendant appealed, arguing that the district court misinterpreted the phrase in the patent that included the reference to the database.

COURT MAKES A CLEAR CALL

The patent claim at issue referred to a “wireless communication client or extension unit comprising ...,” followed by a list of components that included a non-local calls database. The Federal Circuit agreed with the lower court that the language was limiting, meaning that what it required was an essential part of the patented invention.

But it disagreed with the trial court’s finding that the language made the database optional. It explained that the determinative issue was the



role of “a plurality of” in the phrase “a plurality of memory, processors, programs, communication circuitry, authentication data stored on a subscribed identify module (SIM) card, and/or in memory and non-local calls database.”

The trial court treated the word “and” near the end of the phrase as meaning “and/or” and concluded that “a plurality of” requires only “at least two” items from the entire list of components. The Federal Circuit, however, held that “a plurality of” required at least *two* of each of the listed items. In support, it cited various grammatical principles, Strunk and White’s “The Elements of Style” and a well-regarded book on interpreting legal texts co-authored by the late U.S. Supreme Court Justice Antonin Scalia.

PLAINTIFF IS CUT OFF

Although the appellate court reversed the trial court, the case wasn’t sent back for further proceedings. The plaintiff’s failure to identify evidence demonstrating that the defendant’s products actually had two non-local calls databases prompted the court to enter a judgment of noninfringement without trial. ▣



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