Introduction to Intellectual Property

Final Examination

Professor Field Spring 2003

Instructions

This is a three-hour, open-book exam. You may consult any written materials. Do not discuss the exam with others.

- **Put your exam number and answers on the sheet provided.**
- **Note that questions in Part I are worth four times as much as those in Part II.**

Do not waste time answering more questions than you need to!

Part I: Multiple choice

[80 points — 20 questions total]

Enter the *letter* for the most correct concluding phrase or statement in the numbered space **on the answer sheet.** In Part I, *only the first 5 answers* will count in each section.

A. Patents

*Answer **only** 5 of 7.*

1. Pratt (P) does not use his patent but refuses to give Dilbert (D) a license. D uses it anyway. D's *best* defense against an injunction is that:
   A. P's invention lacks utility.
   B. P is entitled to relief only if it uses its patent.
   C. he sends a generous monthly royalty check to P.
   D. he satisfies otherwise unmet health and safety needs.

2. Patentees who consider restricting claim scope during prosecution must remember that:
   A. additional fees will be required.
   B. this will make it more difficult to stop non-literal infringers.
   C. their patents will be more difficult to obtain.
   D. this will make it more difficult to stop literal infringers.

3. If Potable (P) patents a new apparatus useful for purifying water, P's infringers:
   A. do not include unlicensed users who make P's apparatus for other than purifying water.
   B. do not include unlicensed users who invent an improved way to make P's apparatus.
   C. include unlicensed users who use P's apparatus for any purpose.
   D. include unlicensed persons who purify water.

4. Phigg (P) invented an improved way to synthesize newtonium, a basic chemical. In deciding whether to seek a patent, P's *least* important consideration is that:
   A. P will have difficulty detecting infringement.
   B. competitors may learn from P's disclosure and get patents for better processes.
   C. P may find it difficult, if not impossible, to satisfy § 103.
   D. trade secrecy is an option.

5. If Whiff's software implements his important advance in stock-portfolio management:
   A. the software is unpatentable because it does not satisfy § 112.
   B. a software patent would satisfy § 101 if it requires no algorithms.
   C. the software is unpatentable because it does not satisfy § 102.
   D. a software patent would satisfy § 101.

6. If a patent is challenged under § 103, the patentee's *least* attractive option is to prove that:
   A. those skilled in the art did not expect his invention to work.
   B. many competitors have taken licenses.
   C. commercial success predated filing by several years.
   D. his invention is more cost-effective than what came before.

7. Doofus (D) has a thriving business replacing (unpatented) blades in used disposable razors. The razors are patented and say "single use only". D's liability is most likely to turn on whether the use limitation binds:
   A. purchasers.
   B. blade manufacturers.
   C. anyone other than purchasers.
   D. anyone who reconstructs the razors.

B. Copyright

*Answer **only** 5 of 7.*

1. After Drat (D) copied his (published but unregistered) book, Peter (P) filed an application with the Copyright Office and sued. P cannot recover statutory damages unless he:
   A. filed within three months of publication.
   B. is a foreign author and published abroad.
   C. filed before publication.
   D. can show that D's infringement was willful.

2. Dipper (D) collects newspapers stories for clients. If a publisher has registered and sues:
   A. there is no basis for liability under § 106(2).
   B. it will win in every jurisdiction regardless of copying.
   C. § 106 liability will depend on whether facts are copyrightable.
   D. §106(1) liability will depend on whether D reproduces its stories.

3. Myrtle's videotape shows many ways that her employer's workplace is unsafe. She sent it to CNN. Her employer is most likely to recover from CNN for broadcasting the tape:
   A. if Myrtle did not convey her rights to CNN in writing.
   B. if Myrtle was hired to make such videotapes.
   C. because it is a joint author.
   D. under § 106(6).

4. Al's website features "free" images. Doofus (D) put one of them on a popular T-shirt.
   A. Al's representations eliminate D's potential liability to others.
   B. As between himself and Al, D has no rights because of § 204(a).
   C. D's reliance on Al's representations prevents any liability to others.
   D. D's reliance on Al's representations may reduce potential liability to others.

5. Paul (P) wrote a song. David's (D) later, similar song became very popular.
   A. The uniqueness of P's song may be very relevant to D's liability.
   B. The uniqueness of P's song is likely to be irrelevant to D's liability.
   C. Similarity is most relevant if D could not have had access to P's song.
   D. Because his song was written later and the songs are similar, D infringes.

6. Pedant (P) wrote a history textbook. Druid's (D) later book on the same subject contained a few fictional facts that P made up. After P complained, D, quoting it briefly, published a scathing review. Sales of P's book dropped sharply.
   A. If both D and P are educators, any use D makes of P's work satisfies § 107.
   B. D's use of P's "original" facts is unlikely to infringe.
   C. D's review infringes if it caused P's lost sales.
   D. No prior statement is correct.

7. Dimple (D) was asked to prepare an art gallery catalog including photos of, e.g., Potter's (P) figurines. When D's catalog later proved to be more valuable than his figurines, P sued.
   A. D is apt to have an implied license.
   B. D's use is fair if the gallery is a public place.
   C. P will lose because 3-dimensional figurines do not qualify for copyright.
   D. P is entitled to compensation because, under § 101, she and D are joint authors.

C. Trademarks

[All statutory citations to the Lanham Act]

Answer only *5 of 7.*

1. After Petro's gizmo patent expired, Droopy (D) began to sell gizmos. Petro (P) sued.
   A. P cannot prevail because its patent has expired.
   B. If P has federal registrations, infringement will be easily shown.
   C. If D copies P's gizmos exactly, it will violate P's state common law rights.
   D. To prevail, P must show likely confusion arising from protectable source indicators.

2. Gallo Perfumes (P), operating out of Los Angeles (LA), has been in business since 1966 and holds a federal registration. The Gallo Delicatessen (D) has been in Manhattan since 1960. Although long popular with out-of-state commuters, D holds only a state registration. Several years ago, D got the registered domain name (RDN) *gallo.com.* When P learned of D, it got the RDN *gallodelicatessen.com* and sued. D filed various counterclaims.
   A. P may have superior rights because of its federal registration.
   B. D can probably recover from P for trademark misuse.
   C. P may be cybersquatting.
   D. D may be a cybersquater.

3. D (Q2) recently applied to the PTO to register *Gallo* for restaurants. If P tries to interfere under § 37,
   A. success of its challenge is most likely to turn on § 2(a).
   B. success of its challenge is very unlikely to turn on § 2(d).
   C. it cannot do so until after D's mark is published for opposition.
   D. it is most likely to prevail because D's services do not cross state lines.

4. After D (Q2) opened a 2d restaurant in LA, P asked the Court to close it.
   A. P is unlikely to prevail under 43(a)(1)(A).
   B. D's prior use is very helpful for this part of the dispute.
   C. D might lose if P proves that it plans to open a delicatessen in LA.
   D. The goods recited in P's registration are irrelevant to its rights under § 32.

5. A federal registration issued to D (Q2) in January 2003, based on an application filed in June 2001. P opened a delicatessen in New York (but over 100 miles from Manhattan) in May 2002. D could probably get it closed by relying on:
   A. its common law rights.
   B. its state registration.
   C. § 43(a)(1)(A).
   D. § 32.

6. By D's (Q5) promising not to sell perfume, and P's promising to stay out of the restaurant business, they settled their dispute. In April 2003, both became upset when Dominic (Dom) began selling Gallo-brand concertinas (musical instruments).
   A. Dom can clearly be stopped by either P or D under § 32.
   B. Dom can clearly be stopped by either P or D under § 43(a)(1)(A).
   C. Dom is likely to prevail regardless of which one sues or the basis of suit.
   D. Dom can most readily be stopped if P and D sue jointly under § 43(a)(1)(A).

7. Ernest & Julio Gallo Winery (E&J) federally registered *Ernest & Julio Gallo* in 1964. To determine E&J's priority over P or D (Q2):
   A. the duration of P's use is irrelevant.
   B. the duration of D's use is irrelevant.
   C. the duration of P's use suggests that it will win.
   D. that "gallo" means rooster in Italian is highly relevant.

D. Miscellaneous

Answer only *5 of 7.*

1. Expensive dies are required to craft Precision's (P) once-patented products. When P hired Tuler (T) to make additional dies, T also made sets for Diablo (D). If P sues D, it:
   A. will lose if it emailed the die specifications to T.
   B. can probably secure the destruction of the unauthorized dies.
   C. will lose because trade secrets are preempted by federal patent laws.
   D. can probably secure an injunction forbidding D from copying P's product.

2. Here, assume that P (Q2) had licensed Mitu (M) and others to make its products and that T had been making dies for P and its licensees for several years prior to making the sets for D. If Restatement (3d) Unfair Competition § 40(b)(3) applies, and P sues D, it:
   A. will lose because its patent surely contained detailed die specifications.
   B. will lose because the configuration of the dies is known to several parties.
   C. may win despite lack of expressed confidentiality agreements with licensees.
   D. may win, but only if it had written confidentiality agreements with licensees.

3. In 1999, Pug (P) filed an application to patent soap bars containing hollow plastic bubbles. The application was published in 2000 but, after being rejected for inoperability, was abandoned in 2002. In 2001, Dazzling (D), knowing nothing of P's application, licensed his idea for 1.5% (no terminal date). D learned of the abandoned application and stopped paying. If P sues, it

A. may lose because the royalty rate did not drop upon abandonment.
B. should lose because key information had already been published.
C. may win because 1.5% is exceedingly reasonable.
D. should win, given D's ignorance of the application.

4. Pro Sports (P) has exclusive pay-per-view broadcast rights for certain events. After Digital (D) paid arena spectators to email key information to its website, P sued. On these facts, P:

A. can prevail under 17 U.S.C. § 106.
B. might prevail if arena tickets clearly forbid spectator transmissions.
C. can establish misappropriation because D is free riding on its hot news.
D. might prevail if joined by all other parties with commercial rights in the events.

5. Phuss (P) lost a suit against Geronimo (G) that alleged infringement of its skyhook patent. Duplex (D), a major competitor of both, then began to sell a skyhook identical to G's. P sued it too and threatened many of D's customers. A California court ruled that the patent was not infringed, enjoined P's threats and scheduled a jury trial to address D's tort counterclaim for intentional interference. On appeal, the Court of Appeals for the:

A. 9th Circuit will address the tort issues under state law.
B. 9th Circuit will address the tort issues under federal law.
C. Federal Circuit will address the tort issues under state law.
D. Federal Circuit will address the tort issues under federal law.

6. Priscilla (P), a belly dancer, perfects her act by watching tapes. Dooley (D) surreptitiously taped her act and posted it at his website. If P sues in federal court in Ohio, she should:

A. lose unless she has registered under 17 U.S.C. § 411(a).
B. lose unless she has registered under 17 U.S.C. § 411(b).
C. lose because enforcing her common law rights clearly interferes with free speech.
D. win because enforcing her common law rights does not interfere with free speech.

7. Publications of the Pfoo Law College (P) often feature a recent photograph of its striking 1920s-era portico. After Doofus (D) flunked out, he registered *pfoolawsucks.com.* His home page features a large image, vaguely similar to that used by P. Beneath, the caption: "Phoo Law, den of phools" appears in a large typeface. If P decides to sue, 15 U.S.C.

A. § 1125(a) offers the best chance to prevail.
B. § 1125(c) offers the best chance to prevail.
C. § 1125(d) offers the best chance to prevail.
D. § 1125 is unlikely to be useful.

Part II: Matching
[20 points]
*Answer **only** 20 of 24*

Related *terms* are grouped. Lettered definitions match only one term. Please enter the **best** letter in the corresponding space **on the answer sheet**.

1. Staple
2. Induced
3. Contributory
4. Fair use
5. Statutory compulsory license
6. Unclean hands
7. Invalidity
8. Infringement search
9. Willfulness
10. Art. I § 8, cl. 3
11. Art. I § 8, cl. 8
12. Supremacy clause
13. Damages
14. Statutory damages
15. Disclaimers
16. Attorney fees
17. Property
18. Monopoly
19. Right to use
20. Free riding
21. Renewal
22. Opposition
23. Maintenance fee payment
24. Ex parte examination

A. Signifies an interest that is divisible, transferable and legally enforceable.
B. A good defense to liability for all types of IP.
C. Required for some Title 15 rights, but unavailable under Titles 17 and 35, of the U.S. Code.
D. Does not necessarily infringe IP rights.
E. Supports federal trademark and trade secret legislation.
F. Helpful to avoid patent and trademark, but not copyright or trade secret, infringement.
G. Use of the term usually indicates judicial hostility to various types of IP.
H. Makes otherwise infringing activity legitimate.
I. Inter partes process unavailable under Titles 17 and 35 of the U.S. Code.
J. Possible way to avoid copyright, but not trademark or trade secret, liability.
K. May interfere with obtaining relief from infringers.
L. Supports legislation under Titles 17 and 35 of the U.S. Code.
M. Needed for criminal liability under Title 17 of the U.S. Code.
N. Underlies federal preemption.
O. Recoverable as a function of copyright defendants' misbehavior.
P. Product with at least one substantial non-infringing use.
Q. Recoverable in many statutorily-based IP actions; not in common law actions.
R. Obligation of patent, but not copyright or trade secret, owners.
S. Usually recoverable as a function of plaintiffs' income.
T. Vicarious liability that requires defendant's encouragement.
U. Not an attribute of "property".
V. Process set forth in Titles 15, 17, and 35 of the U.S. Code.
W. May be required as a condition of using another's mark.
X. Vicarious liability that does not require defendant's encouragement.

Examination No. _____

Answer Sheet

Part I — (80%)

*Answer **only** 5 of 7 in each set* (4% each)

A. Patents

1. __D__
2. __B__
3. __C__
4. __C__
5. __D__
6. __C__
7. __A__

B. Copyrights

1. __A__
2. __D__
3. __B__
4. __D__
5. __A__
6. __B__
7. __A__

C. Trademarks

1. __D__
2. __C__
3. __C__
4. __A__
5. __D__
6. __C__
7. __C__

D. Miscellaneous

1. __B__
2. __C__
3. __D__
4. __B__
5. __D__
6. __A__
7. __D__

Part II — (20%)

*Answer **only** 20 of 24* (1% each)

1. __P__
2. __T__
3. __X__
4. __H__
5. __J__
6. __K__
7. __B__
8. __F__
9. __M__
10. __E__
11. __L__
12. __N__
13. __S__
14. __O__
15. __W__
16. __Q__
17. __A__
18. __G__
19. __U__
20. __D__
21. __C__
22. __I__
23. __R__
24. __V__