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Long, hot summer provides many new opportunities for IP owners

Although the end of the scorching temperatures earlier this month gave Chicagoans a respite from what may well continue to be a long, hot summer, the legal arena has not enjoyed similar relief. Regardless of which area of intellectual property law draws your concern, recent developments have created new challenges and opened new doors of opportunity. Now is the time to plan for what should be an extremely active fall on both the domestic and international fronts.

Those who seek to protect copyright owners from the continued rapacity of digital piracy will find the path even more difficult. On July 4, while the United States was celebrating its independence, the European Parliament (EP) (the legislative body of the European Union) may have delivered a death blow to hopes for the Anti-Counterfeiting Trade Agreement (ACTA) by voting overwhelmingly against its ratification. Touted as the new international bulwark against digital piracy, ACTA has a troubled past.

Negotiated in secrecy with enforcement obligations that were perceived to threaten the continued viability of the Internet, ACTA and its potential U.S. counterpart, the Stop Online Piracy Act (SOPA), were the focus of successful Internet blackout campaigns led by Google and Wikipedia. ACTA was signed last year by 30 countries, including 22 members of the European Union. Unless at least six signatory countries ratify it, however, the treaty will not come into effect. The EP vote effectively prevents any EU country from ratifying ACTA. Although eight signatory countries remain who could still ratify it, without the support of the European Union, the treaty loses much of its impact on international copyright enforcement.

The end of ACTA, however, does not necessarily mean the end of efforts to create stronger enforcement measures against pirate websites. The European Commission (the executive body of the EU) has vowed to continue the

fight by seeking a determination from the European Court of Justice that could allow the EP to reconsider its vote. In addition, a recently leaked version of a proposed Free Trade Agreement between Canada and the European Union (CETA) contains an intellectual property chapter that copies many of the enforcement provisions of ACTA, including ISP liability and end user disclosure (Article 5.16). Even aspects of SOPA remain legislatively active. Most recently, a proposed Intellectual Property Attaché Act, derived from Section 205 of SOPA, would extend a current U.S. Patent and Trademark Office program placing attachés at various embassies to promote IP protection. Regardless of which side of the protection issue you support, the fight over SOPA/ACTA is far from over.

Battles over performance rights are also guaranteed to heat up this fall. With the signing of the Audiovisual Performances Treaty last month, ratification efforts will likely include new legislation aimed at granting actors performance rights in their films and videos. The most contentious issue may not be the grant of legal rights to actors but how to split the compensation pie with producers — the typical copyright owner of film rights and presently the only ones entitled to compensation under U.S. law.

Patent lawyers can also anticipate a busy fall in reaction to the publication this month of the 2012 Global Innovation Index (GII) by the World Intellectual Property Organization. The United States dropped to 10th place, behind top-ranked Singapore, Hong Kong and Sweden. Factors cited include a decline in innovation linkages, including joint research publications and patenting. Since the report was compiled prior to the effective date of the patent reforms contained in the America Invents Act, the results do not reflect the impact of a number of the act's key enhancements. Most significantly, it does not reflect the innovation benefits arising from the act's joint patenting and first disclosure



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rights provisions (Section 3).

Unfortunately, the present undefined nature of what constitutes a qualifying disclosure reduces the positive impact of these provisions. Clearer prohibitions against anticompetitive suppression of innovation, including generic drug suppression agreements, are also needed to support the open innovation policies identified by the GII as critical linchpins for 21st century sustainable development. Future legislative action may be needed to secure such support.

Reveal Day for the new "dot anything" generic top level domains (gTLDs) assured trademark lawyers a busy summer and fall. One of the more interesting surprises for brand owners was

what appeared to be industrywide decisions to forego "dot brand" gTLDs. The automotive industry was well represented, with gTLDs for such diverse brands as "dot bmw," "dot ford," "dot fiat" and "dot toyota." The soft drink industry, by contrast, sat out the process with no applications for "dot coca-cola," "dot pepsi," "dot soda" or even "dot beverage."

Approximately 40 percent of applied-for gTLDs were for generic terms, including multiple applications for terms such as "law," "movie," "music," "blog," "cloud" and "hotel." Negotiations have already begun as applicants purportedly are seeking to obtain co-ownership or co-management arrangements to avoid a scheduled auction by ICANN of approximately 231 multiple applicant generic terms. For those who plan on using secondary registrations (before the dot) as part of their branding strategy, now is the time to file comments objecting to, or supporting, applicants for relevant gTLDs at newgtlds.icann.org/en/program-status/application-results/strings-1200utc-13jun12-en.

This particular comment period closes Aug. 12 and is the only opportunity brand owners will have to comment on the applicants themselves, as opposed to legal objections to the selected terms used for a gTLD. Any issues regarding registration and cybersquatting policies should be raised. Comments related to an applicant's technical, financial or experiential qualifications should also be included.

There is presently no limit to the number of comments that can be filed. Since all comments are publicly available, the site should be carefully monitored to be certain brand owners' concerns are being accurately represented. The fall should see an increased emphasis on legal objections to the gTLDs, including those based on string confusion, since the formal objection period does not end until next January.

The hot days of summer promise an even hotter fall for IP owners across the boards.

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