

# Lackebach Siegel, LLP *today!*

INTELLECTUAL PROPERTY ATTORNEYS SINCE 1923

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## PATENT CORNER

*Featuring patents recently issued to Lackebach Siegel clients*

United States Patent Number:

**7,179,643**

### DEVICE AND PROCESS FOR EXPANSION OF HAEMOPOEITIC STEM CELLS FOR THERAPEUTIC USE

A sterilizable bio-reactor comprising a three-dimensional reactor culture assembly substantially equivalent to a bone marrow micro environment, an inert bio-compatible scaffolding material located on a base of the reactor culture assembly to provide a micro environment identical to the micro environment in human bone marrow, for cultivating stem cells in the scaffolding, forming part of a sterilizable bio-reactor device, and a process for the expansion of haemopoietic stem cells derived from Human Umbilical Cord Blood for therapeutic use, comprising growing haemopoietic stem cells in the bio-degradable non-toxic bio-compatible scaffold while providing necessary nutrition and gasses cultivating the stem cells in the scaffolding material to provide for the cell growth in the bio reactor, and supplying mobilizing oxygen and carbon dioxide to maintain gas tension for optimal expansion of the stem cells, and circulating media containing micro and macro nutrients and growth factors to establish gradients within the enclosure.

*Continued on page 6*

## Can Google Really Sell *My* Trademark?

*By Robert Golden*

The Internet is now ubiquitous. It is hard to imagine even a single day without using it. But the Internet is a vast and uncharted territory, virtually impossible to navigate without some guidance. Most people rely on a search engine such as Google, AltaVisa, or Ask to find their way around.

While few understand how search engines work, it is common to assume that the search results are displayed in some logical order, with the most “relevant” results displayed at the top of the list. Thus, if you enter “Everlast boxing” as your search term, you assume the official Everlast web site will be at the top of the list and that those who sell or otherwise deal in Everlast products will be displayed immediately below the official web site. Indeed, it would seem that the search engines have an incentive to put the most relevant results at the top of the list because the more helpful the search engine, the more likely it is that people will use it. If illogical or unrelated results are displayed at the top of the list, it will take users longer to find the information they are looking for and as a result, they may use a different search engine the next time.

But the most relevant results are not always displayed at the top of the list. Google, and most if not all other search engines use their search results pages to generate income. They do this by selling keywords (or in Google-speak, AdWords).

**Some search engines sell their keywords through an auction-like process. The keyword is available, for some period of time, to the highest bidder. If you are the highest bidder for the keyword, whenever it is entered, your listing will be at the top of the list. The listing for the second highest bidder will be second, and so on.**

Selling keywords to the highest bidder is a rational method for both search engines to make money and for advertisers to reach their target audiences. For example, if your company manufactures and sells boxing equipment, you would want your company listed first in response to a search for “boxing equipment.” Since you do actually make and sell boxing equipment, there is nothing illogical about having your company name appear first on the list. Users of the search engine who enter that type of generic search request are not necessarily expecting any single manufac-

*Continued on Page 3*

## Attorney Profile

*Position at Firm: Senior Counsel*



### René L. Duff

*Trademark/Publishing/Licensing Departments*

As a Senior Counsel with almost two decades of experience managing intellectual property assets from business, law firm and in-house perspectives, Ms. Duff lends her skills to three different departments of the firm, namely, the trademark, publishing and licensing departments. Her diverse abilities give her an uncommon combination of experience and insight that makes Ms. Duff a unique resource for clients on issues related to both the commercial and legal sides of intellectual property. She brings a unique creative, entrepreneurial spirit and valued diverse background to legal counseling and representation.

*Continued on Page 10: Attorney Profile*

# Lackenbach Siegel *today* and Since 1923

## The New Math-

## 140% "Reasonable Royalty"

By Myron Greenspan

A successful patent owner in an infringement action usually has the ability to secure a permanent injunction to prevent future infringement, and to be compensated for past infringement. The Patent Act provides that:

*...the court shall award the claimant damages adequate to compensate for the infringement, but in no event less than a reasonable royalty for the use made of the invention by the infringer...*

In most patent cases, the patentee either practices the invention of the litigated patent by making or selling the patented product, or licenses the litigated patent to others. Since profits made by practicing patentees are typically greater than royalties made by licensing their patents, practicing patentees normally seek to recover their lost profits they would have made but for the infringement. However, where lost profits do not exist or cannot be proven, a court "shall," as a minimum, award a "reasonable royalty." Typically, reasonable royalties in patent suits range from 2½% to 10%. In areas such as the pharmaceutical industry, where research and development costs in the 100's of millions of dollars are not uncommon, 15% can be deemed a reasonable royalty. A realistic average royalty, considering decades of litigation and reported license agreements, would be approximately 5%, and such percentage has been a standard benchmark for patentees and infringers alike, receiving or paying patent damages. So what new math could justify a 140% reasonable royalty?

Recently, in *Monsanto v. McFarling*, the Federal Circuit affirmed an award of \$375,000 for infringement of a patent related to plant seeds

containing a genetic benefit that facilitates herbicide resistance. The infringers were farmers who allegedly saved and replanted Monsanto's patented genetically modified seeds in violation of a "Technology Agreement." The jury assessed damages of \$40 per seed-bag and the court issued an injunction. If the normal amount paid by farmers to Monsanto was \$28.50 per seed-bag, an assessed damage award of \$40 per seed-bag amounted to a 140% royalty. The jury considered that in addition to \$22 per bag for the seeds themselves, Monsanto customarily required a "royalty payment" of \$6.50 per seed-bag. So, the infringer argued that \$6.50 was the "established" royalty, while Monsanto argued that the royalty rate is actually much greater. The Court agreed that the nominal designation of \$6.50 as a "royalty" was not the entire sum of the damages:

*Picking \$6.50 as the upper limit for the reasonable royalty would create a windfall for infringers ... [which] would have a huge advantage over other farmers who took the standard Monsanto license and were required to comply with the provisions of the license, including the purchase-of-seed and non-replanting provisions.*

The evidence at trial showed that Monsanto would not agree to an unconditional license in exchange for a payment of \$6.50, and the

explanation--that Monsanto would lose all the benefits it gets from having the cooperation of seed companies in promoting Monsanto's product and controlling its distribution--is a reasonable commercial strategy.

### Did You Know?

A realistic average royalty considering decades of litigation and reported license agreements would be approximately 5%.

## U.S. Patent Stats Tell the Tale

In 2006, of the 425,967 utility patent applications filed in the U.S. Patent Office, 47.9% were foreign originating, the highest percentage on record. Total design patent applications fell slightly from filings during 2005. But interestingly, design patent grants rose during 2006 to 20,965, the highest number on record and a significant increase over the 12,951 granting during 2005. The 173,177 utility patent grants for 2006, the highest on record, is comprised of 48.3% issued to foreign entities, the second highest percentage on record.

California, by far, was the leading state in the U.S., based upon the residency of the first named inventor, with 22,275 issued utility patents in 2006. New York was a sad distant second place with only 5,627 such patents. Country-wise, the U.S. had 89,823 utility patents issued to its nationals last year while Japan had 36,807 and Germany 10,005. Asia had a strong utility patent showing in 2006 considering Japan and Taiwan residents were granted 6,360, and South Korea nationals 5,908 utility patents.

When considering all patents: utility, design, plant, reissue and statutory invention registrations, foreign resident inventors accounted for 47.9 percent of the grants in 2006. Japan resident inventors represented 20.1 percent of all patents in 2006, Germany 5.5 percent, Taiwan 4.0 percent and South Korea 2.9 percent. Foreign countries, in order of rank for 2006 in total patent grants, are:

**Japan, Germany, Taiwan, South Korea, Canada, France, Italy, Netherlands, and Australia.**

With a focus on independent inventors, patents granted to US individuals (unassigned to a company at the time of grant) in 2006 rose to 15,247 patents, significantly up from 12,782 in 2005. But the percentage of all patents issued to U.S. resident independent inventors dropped to 14.9 percent in 2006 from 15.5 percent share in 2005.

The data tells us that U.S. resident inventors roughly equally share the total U.S. patent grants in recent years with all foreign countries, but lose ground each year, and the percentage of patent grants to companies far exceeds that to independent inventors.

The U.S. patent legal system is expected to be revamped significantly in the years to come. The prognosis is that it will make securing a U.S. patent more difficult. That will likely reduce the total number of new filings by all countries once such new patent law is promulgated.

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# Patents, Trademarks, Copyrights

## Can Google Really Do That? continued from cover...

Continued From Page 1

turer or seller to be at the top of the list, but rather are expecting merely a list of companies who make or sell such equipment. Because the first place on the list is valuable (users will “click though” on the first link more than on any other link), advertisers are willing to pay for the privilege of being listed first.

The issue for trademark owners, however, arises when search engines sell trademarks as keywords. For example, if Google sells the trademark EVERLAST as a keyword to a competitor, then the listing of the purchaser of that keyword will be displayed above the listing for the real Everlast in response to a search for “Everlast boxing.” Since search engine users have been conditioned to believe that the most relevant results will be displayed at the top of the list (in large part because the search engines themselves like to tout how effective their results are), the concern is that consumers will be misled into believing that the first entry in the search results list is the official site or somehow sponsored by or affiliated with the owner of the official site.

Imagine if Pepsi purchased Coke as a keyword and every time someone searched “Coke,” the first result in the list was the official Pepsi site. Can this really happen? Under the current Google policy it can. The Google policy on this issue as of August 2007 states:

*With Google AdWords, advertisers may select trademarked terms as keywords or use them in the content of the ad. As a provider of space for advertisements, Google is not in a position to arbitrate trademark disputes between advertisers and trademark owners.*  
<http://www.google.com/adwords/learningcenter/text/19466.html>.

It is interesting to note that this has not always been Google’s policy. For some period prior to 2004, Google would only sell a trademark as a keyword to the owner of the trademark.

In fairness to Google, it does take some steps to avoid confusion that could be created by the sale of trademarks as keywords. First, listings in response to purchased keywords (as opposed to the “organic” or natural results returned in response strictly to the search logic) are listed as “sponsored links” and are generally displayed in a shaded area and/or on the right side of the page. And while Google will sell your trademark as an AdWord, in response to a complaint from the trademark owner, it will prevent the purchaser of the keyword/trademark from using that trademark in the text of the displayed advertisement.

### *Google explains:*

*When we receive a complaint from a trademark owner, we only investigate the use of the trademark in ad text. If the advertiser is using the trademark in ad text, we will require the advertiser to remove the trademark and prevent them from using it in ad text in the future. Please note that we will not disable keywords in response to a trademark complaint.*

Can you do anything if Google sells your trademark as an AdWord? The answer is an unsatisfying “maybe.” As is typical, Congress and the Courts have been slow to address issues created by new technology. There are no laws specifically directed to the issue. Aggrieved trademark owners have relied on existing trademark laws and the Courts have

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## Trademark Paralegal Team U.S. and Foreign Trademark Departments



*Pictured above (left to right) are: Nicole Saraco, Litigation; Claudine Garofalo, U.S. Prosecution; Jill Weiss, U.S. Filing; Gina Cancellaro, Foreign Trademarks; and Mary Meschi, Post-Registration.*

Lackebach Siegel works closely with its global array of corresponding law firms to prepare, file, prosecute and renew an impressive number of trademark applications and registrations worldwide. Working behind the scenes is a dedicated team of paralegals that allow the firm to be a notable force in the intellectual property industry. The paralegal team is obviously successful as **Lackebach Siegel's attorneys are continually in the top ten percent of the country in U.S. trademark filings.**

Most of the paralegal force have B.A. degrees and additionally have been certified in their field. The secret of their success resides in the vast number of years of experience specifically in the IP field and dedicated specialization.

While the primary responsibility of each paralegal is to assist the attorneys in their respective departments, their long experience allows them to take on significant roles. As a group, they effect due diligence and research, maintain the dockets and records, and correspond directly with clients, under the supervision of their responsible attorney. Our paralegals are invaluable in connection with trademark searches, drafting identification of goods/services, obtaining certified copies of trademark documents, and communication with our clients and various governmental agencies. Our paralegals are present in all aspects of trademark litigation from initial discovery, preparation of disclosure materials, mediation and trial briefing and exhibits.

While our attorneys receive the public recognition, their success in large measure is made possible by the experience, diligence and efforts of our highly competent paralegals.

# Trolls Win! - But No Injunction?

By Myron Greenspan

The recent U.S. Supreme Court decision, *MercExchange v. eBay*, essentially defied decades of decisions of the federal courts that almost automatically provided winning patentees injunctions. So what went terribly wrong in the *eBay* case where the patents covered a business method in the context of an online auction?

In a unanimous opinion the Supreme Court decided to take a more careful look at the basic factors that courts should consider in the granting of any injunction. In *eBay* the issue was whether a permanent injunction should be granted following a trial in which the patentee's patent was found to be valid and willfully infringed. The Court unanimously held that the "well-established principles of equity" for granting a permanent injunction must also apply to disputes arising under the Patent Act. The Court explained that the law should not "lightly" recognize exceptions to general "equity" practice in patent cases, mentioning that an injunction benefits the general public

The Supreme Court considered companies that do not produce a product or render a service, but instead acquire patents solely to assert them for royalties. These companies are sometimes referred to as "patent trolls" – a derogatory reference. The Court also considered the rise of business method patents, which have been criticized for their "potential vagueness and suspect validity."

The Court ruled unanimously that a plaintiff in a patent suit must meet a four-factor test to receive a permanent injunction:

- It has suffered irreparable injury
- Remedies available at law are not adequate to compensate for that injury
- A remedy in equity is warranted in light of the balance of hardships between the plaintiff and defendant
- The public interest would not be disserved by a permanent injunction

Logically, the Supreme Court appears to have reached a correct conclusion notwithstanding the fact that the approach is a significant departure from that one followed by the federal courts for decades. Thus, while the Constitution has clearly authorized Congress to implement laws to give inventors the exclusive right to their discoveries, that does not mean that Congress has opted to legislate to the maximum limits of the power granted to it by the Constitution to automatically provide inventors the maximum protection and ultimate remedy of an injunction under all circumstances after a patentee prevails in an infringement action. While this ruling may benefit companies fighting "patent trolls," it is difficult to predict whether the courts will continue to grant injunctions in patent cases at the same rate as before. However, the need to meet the four-factor test will almost certainly drive up the cost of litigation.

**One-half of the Supreme Court in *eBay* expressed discomfort granting injunctions in cases involving patent trolls, business method patents, or patents where the invention is a small component of the product. The court appears to have found a middle ground that preserves the traditional economic power and value of patents while also giving trial courts the discretion to deal with emerging abusive practices. The Supreme Court emphasized that just because the U.S. Patent Act conveys to a patent owner the explicit right to exclude others from making, using, offering for sale or selling the invention does not justify a general rule in favor of granting permanent injunctions.**

The *eBay* decision by the Supreme Court changes the landscape for patent holders. It is likely to significantly impact not only the settlement dynamic, but also the manner in which many patent claims are tried. Questions remain open, including how the four-factor test will be implemented in cases of patentees who practice their invention as compared to those who do not.

The concurring opinion in *eBay* provides some potential relief for technology companies now feeling besieged by so-called patent trolls. If such reasoning is adopted by lower courts, patent trolls may face a higher hurdle in getting a permanent injunction, which could end up pushing down the cost of a settlement:

*An industry has developed in which firms use patents not as a basis for producing and selling goods but, instead, primarily for obtaining licensing fees....When the patented invention is but a small component of the product the companies seek to produce and the threat of an injunction is employed simply for undue leverage in negotiations, legal damages may well be sufficient to compensate for the infringement and an injunction may not serve the public interest. In addition injunctive relief may have different consequences for the burgeoning number of patents over business methods, which were not of much economic and legal significance in earlier times.*

If the courts do not grant injunctions in certain winning patent infringement cases, the infringers in effect receive a "compulsory license" on uncertain terms. In some countries the laws are such that third parties, under certain conditions, may obtain a "compulsory license" under a patent without formal negotiations or an elaborate agreement with the patentee by payment of a royalty. Unlike countries such as Canada, Mexico, Indonesia, etc., compulsory licensing has never existed in the U.S., although it has been the subject of much debate. Even in countries where compulsory licensing is the law, it is frequently limited to certain inventions, such as pharmaceuticals, medical procedures, etc. Since the recent U.S. Supreme Court *eBay* case, a patentee should no longer have the expectation of an automatic injunction upon winning. The winning plaintiff may receive "damages," but if no injunction is granted, the outcome is tantamount to a compulsory license.

To learn more about Permanent Injunctions, contact:  
Myron Greenspan, [MGreenspan@Lackebach.com](mailto:MGreenspan@Lackebach.com)

# Dress Up Your Consents & Licenses

By Howard Aronson

A “Consent for Use and Registration” (Consent) is an agreement wherein one party agrees not to oppose the second party’s application for a similar mark for certain goods, and to allow co-existing federal registrations and concurrent use of the respective marks. Typically, an applicant will submit a Consent to a trademark examiner who cited the consenting party’s registration against the applicant during prosecution.

Separate and apart from registration, an executed Consent also functions as a contract between the respective parties. Thus, even though not binding upon a trademark examiner, a Consent can be used in a court of law as an agreement enforceable against the party granting its consent, should the terms and conditions of the agreement be ignored. The growing trend in decisional law has been to give great weight to such agreements, and to afford less discretion to examiners who do not honor them. Courts are, with increasing frequency, wresting authority for assessing likelihood of confusion away from the trademark examiner in cases involving Consents, and vesting authority instead in the hands of the parties. Judges recognize that the parties bear the commercial risk of concurrent use, and have the best understanding of each other’s uses of the mark at issue. As one court explained:

*[W]hen those most familiar with use in the marketplace and most interested in precluding confusion enter agreements designed to avoid it, the scales of evidence are clearly tilted. It is at least difficult to maintain a subjective view that confusion will occur when those directly concerned say it won’t.*

## “Naked” Consents

But to be effective, Consent must show that the parties have considered the commercial impact and are concerned about the public’s

potential confusion. If this is not done, the consent is naked. It is bare, not dressed with an explanation and a plan setting forth the parties’ restrictions to avoid confusion.

The Trademark Office generally requires Consents to not only recite the agreement for concurrent registration, but also demonstrate any differences between the goods and channels of trade, and the parties’ plan to remain clear of each other in the marketplace to avoid confusion. While not binding upon a trademark examiner, Consents are strong evidence of the absence of a likelihood of confusion. Even though all of the business details are not available for review within the Consent, the competing parties “clearly would have thought out their commercial interests with care” and would not have “deliberately created a situation in which the sources of their respective products would be confused by their customers.” The courts have in the past and will continue to reverse examiners’ decisions that do not give proper consideration to the fully dressed Consent.

## “Naked” Licensing

As reported in our Fall 2002 Newsletter, *Naked Licensing Isn’t Sexy*, a licensing arrangement is naked if it does not expressly provide for and the licensor does not exercise reasonable quality control. The federal courts have stated that “naked licensing” without quality control effected in fact is a fraud on the public and unlawful, and that naked and uncontrolled licensing is “inherently deceptive and constitutes abandonment” of trademark rights.

**The rationale for this requirement is that: Marks are treated by purchasers as an indication that the trademark owner is associated with the product. Customers rely upon the owner’s reputation when they select the trademarked goods. If a trademark owner allows licensees to depart from its quality standards, the public will be misled, and the trademark will cease to have utility as an informational device.**

The *Restatement of Unfair Competition* makes the connection between naked licensing and the abandonment of trademark rights:

*An uncontrolled or ‘naked’ license authorizes use of the trademark on goods or services for which the trademark owner cannot offer a meaningful assurance of quality. When the trademark owner fails to exercise reasonable control over the use of a mark by a licensee, the presence of the mark on the licensee’s goods or services misrepresents their connection with the trademark owner since the mark no longer identifies the goods and services that are under the control of the owner of the mark.*

Although prospective purchasers may perceive a designation as a trademark, the courts have traditionally treated an erosion of the designation’s capacity for accurate identification resulting from uncontrolled licensing as a loss of trademark significance, thus subjecting the owner of the mark to a claim of abandonment.

## Conclusion

Trademark law is fixated upon dressed up Consents and Licenses. Such obsession is well reasoned and ultimately in effect to protect the public. “Naked” licensing undermines a trademark owner’s standards of quality and style when the mark is used by a licensee. In the instance of a trademark registration owner granting a Consent for another to register a similar mark for similar goods, in order to avoid a likelihood of confusion among purchasers, the document must describe the activities and criteria the parties have set up to avoid confusion.

*To learn more about Licensing please contact:  
Howard N. Aronson, HAronson@Lackebach.com*

# Patents, Trademarks, Copyrights, Domain

## PATENT CORNER

Continued From Page 1

### DEVICE AND PROCESS FOR EXPANSION OF HAEMOPOEITIC STEM CELLS FOR THERAPEUTIC USE

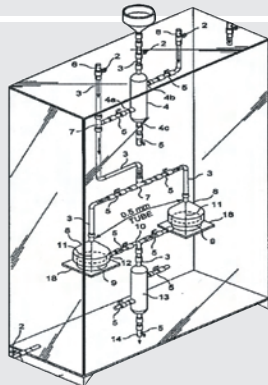
United States Patent Number:

**7,179,643**

Date of Patent  
February 20, 2007

Assignee:

Reliance Life Sciences Pvt. Ltd. (India)

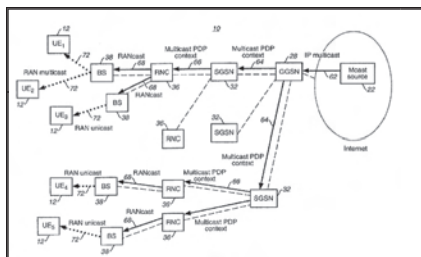


### Notable, recent LS Patents

#### APPARATUS, AND ASSOCIATED, METHOD FOR MULTICASTING DATA IN A RADIO COMMUNICATIONS SYSTEM

Patent No.: 7,149,195

Assignee: Nokia Corporation (Finland)



#### TAMBOURINE

Patent No.: D543,579

Assignee: Rhythm Tech, Inc. (US)

#### CONTAINER

Patent No.: D525,876

Assignee: Water Sensations, Inc. (US)

#### FLOWER LIGHT DEVICE

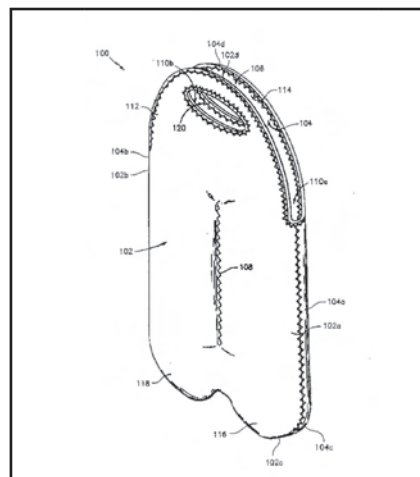
Patent No.: D529,216

Assignee: GAMA Sonic USA, Inc. (US)

#### TOTES FOR BOTTLES

Patent No.: 7,219,814

Assignee: Built NY, Inc. (US)



#### HARVESTER

Patent No.: 7,163,547

Inventor: Heshmat Majlessi (US)

#### FRAME FOR A T-SHIRT

Patent No.: D537,638

Assignee: Cedge, Inc. (Japan)

#### MULTIPLE-SPEAKER

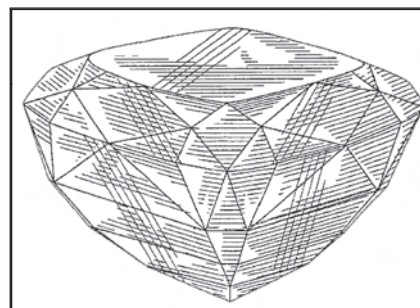
Patent No.: 7,088,833

Inventor: Martin Kling (Denmark)

#### MIXED CUT GEMSTONE

Patent No.: 7,146,827

Assignee: Diamond Innovations, LLC (US)



#### PATHWAY LIGHT

Patent No.: D530,033

Assignee: GAMA Sonic USA, Inc. (US)

#### CONTAINER DEVICE

Patent No.: D531,458

Assignee: Built NY, Inc. (US)

#### SPIN SHOE SOLE DESIGN

Patent No.: D535,462

Assignee: Aerogroup International Inc. (US)

#### ROTATING TOOL WITH A CLAMPING SHANK

Patent No.: 7,175,373

Assignee: Reiner Quanz GmbH & Co., KG (Denmark)

#### APPARATUS, AND AN ASSOCIATED METHOD, FOR FACILITATING SYNCHRONIZATION IN A WIRELESS MESH NETWORK

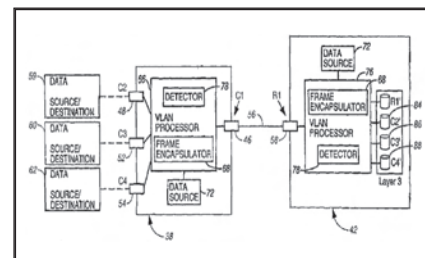
Patent No.: 7,180,915

Assignee: Nokia Corporation (Finland)

#### NETWORK ELEMENT, AND ASSOCIATED METHOD, FOR FACILITATING COMMUNICATION OF DATA BETWEEN ELEMENTAL DEVICES

Patent No.: 7,170,892

Assignee: Nokia Corporation (Finland)



#### INDICATION OF USER EQUIPMENT CAPABILITIES BEFORE RADIO RESOURCE CONTROL CONNECTION

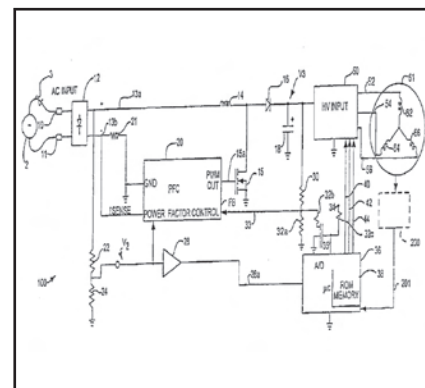
Patent No.: 7,158,810

Assignee: Nokia Corporation (Finland)

#### AUTOMATIC OUTPUT POWER LIMITING ELECTRICAL DEVICE

Patent No.: 7,088,066

Assignee: Thor Power Corp. (US)



#### SYSTEM AND METHOD FOR THE TOMOGRAPHY OF THE PRIMARY ELECTRIC CURRENT OF THE BRAIN AND OF THE HEART

Patent No.: 7,092,748

Assignee: Centro Nacional de Investigaciones Cientificas (CNIC) (Cuba)

# in Names, Internet and Advertising Law

## TRADEMARK CORNER

### *Notable, recent LS Trademarks*

#### **FAITH CONNEXION**

Registrant: Faith Connexion (France)

#### **NAVITEC**

Registrant: Monsieur David Attias (France)

#### **SINDOPOWER**

Registrant: Semikron International GmbH (Germany)

#### **GAB**

Registrant: Zhejiang Lumex Systems Co., Ltd. (China)



#### **SBK**

Registrant: FGSport S.r.L. (Italy)

#### **SUBTLESILK**

Registrant: Fran Wilson Creative Cosmetics, Inc. (USA)

#### **INGENASA**

Registrant: Immunologia y Genetica Aplicada, S.A. (Spain)

#### **BACCALAUREAT INTERNATIONAL**

Registrant: International Baccalaureate (Switzerland)

#### **DELANY**

Registrant: Coyne & Delany Company (USA)



#### **DFI**

Registrant: Mitsui Chemicals, Inc. (Japan)

#### **HYDE**

Registrant: Hyde Tools, Inc. (USA)

#### **DC DIAMOND CHEF**

Registrant: Victory Foodservice Distributors Corp. (USA)



#### **DIACAR**

Registrant: Vives, Eduard Pola (Spain)

#### **PIEROGIPOWER**

Registrant: Le Groupe Arka Inc. (Canada)

#### **KENNETH COLE NEW YORK**

Registrant: Kenneth Cole Productions (LIC), Inc. (USA)

#### **POWER STICK**

Registrant: A.P. Deauville, LLC (USA)

#### **DG DEXTERGUARD**

Registrant: Dexter-Russell, Inc. (USA)



#### **NICKELS**

Registrant: Nickels Franchises Inc. (Canada)

#### **SPEED STIX**

Registrant: Orchard Yarn and Thread Company (USA)

#### **COPPOPORTOGHESE**

Registrant: Gambale Srl (Italy)

#### **CULPEO**

Registrant: La Fortuna S.A. (Chile)

#### **SANTA ALICIA**

Registrant: Vina Santa Alicia S.A. (Chile)

#### **CHANNELLOCK WORK HARD. SWEAT BLUE.**

Registrant: Channellock, Inc. (USA)



#### **LEXI BLOOM**

Registrant: Van Zeeland Inc. (USA)

#### **INTELLIGENT ALARM**

Registrant: Wolo Manufacturing Corp. (USA)

#### **SILVER ICE**

Registrant: Thyssenkrupp Acciai Speciali Terni S.p.A. (Italy)

#### **DESIGN ONLY**

Registrant: Shiseido Co., Ltd. (Japan)

#### **CREANS MAERD**

Registrant: Creans Mared Co., Ltd. (Japan)

#### **GENNA DE ROSSI**

Registrant: Van Zeeland Inc. (USA)

#### **BURPEE**

Registrant: W. Atlee Burpee Company (USA)



#### **YMI**

Registrant: YMI, Inc. (USA)

#### **BEBA LOVE**

Registrant: 167081 Canada Inc. d/b/a Dizaro (Canada)

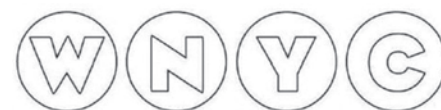
#### **AUCTION TEACHER**

Registrant: UNIM, LLC (USA)



#### **WNYC**

Registrant: WNYC Radio (USA)



#### **FITIT**

Registrant: Shiseido Company, Ltd. (Japan)

#### **SOLLEONE**

Registrant: Concept S.r.L. (Italy)

Continued on Page 9

# More Patents

## PATENT CORNER

Continued from Page 6: Patent Corner

### METHOD OF EVALUATING THE PERFORMANCE OF A RELIEF PITCHER IN THE LATE INNINGS OF A BASEBALL GAME

Patent No.: 7,092,847

Inventor: Paul Storch (US)

### TWO BOTTLE TOTE APPARATUS

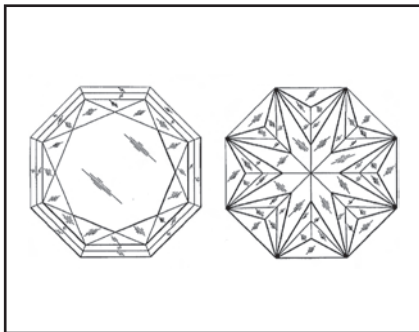
Patent No.: D529,278

Assignee: Built NY, Inc. (US)

### QUEEN CUT JEWEL

Patent No.: D528,458

Assignee: Gitanjali Gems Limited (India)



### TRANSFORMATION METHOD OF PRODUCTS CONTAINING AMIANTUS

Patent No.: 7,132,583

Inventors: Maurizio Nannini (Italy)

Remo Tralli (Italy)

### VIBRATION GENERATOR FOR SEISMIC APPLICATIONS

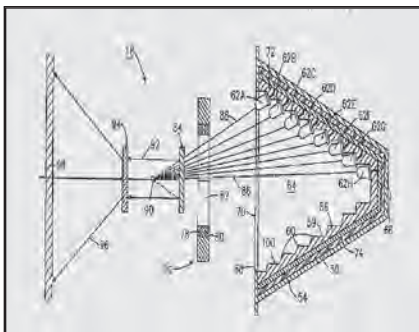
Patent No.: 7,136,325

Assignee: Institut fuer Geowissenschaftliche Gemeinschaftsaugaben (Denmark)

### DIODE LIGHTING SYSTEM

Patent No.: 7,152,996

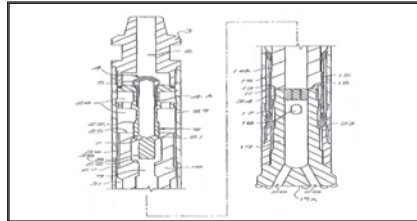
Assignee: Altman Stage Lighting Co., Inc. (US)



### DOWN-THE-HOLE DRILL ASSEMBLY

Patent No.: 7,198,120

Inventor: Bernard Lionel Gien (Zambia)



### COOLING OF MOLDS

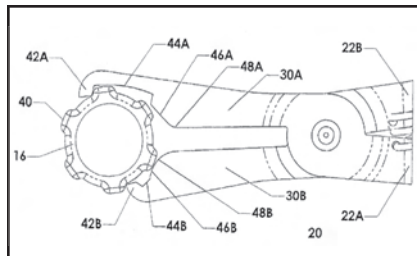
Patent No.: 7,143,814

Assignee: Ritemp Pty Ltd. (Australia)

### LOCKNUT TIGHTENING CONSTRUCTION

Patent No.: 7,210,381

Assignee: Channelock, Inc. (US)



### MIRROR AND COIL LASER BEAM PROJECTION APPARATUS

Patent No.: 7,149,020

Assignee: LaserRave LLC (US)

### PHARMACEUTICAL COMPOSITION FOR CONTROLLED DRUG DELIVERY SYSTEM

Patent No.: 7,157,100

Assignee: J.B. Chemicals & Pharmaceuticals Ltd. (India)

### METHOD OF PREPARING WET PROCESS PHOSPHORIC ACID

Patent No.: 7,172,742

Assignee: Shandong Lubei Enterprise Group Company (Canada)

### HEAD SUPPORT BASE FOR THERMAL PRINTER

Patent No.: 7,175,356

Assignee: Custom Engineering SpA (Italy)

### PULSED FIELD ELECTROPHORESIS CHAMBERS, ACCESSORIES, AND METHOD OF UTILIZATION FOR SEPARATION OF DNA MOLECULES

Patent No.: 7,189,316

Assignee: Centro Nacional de Investigaciones Cientificas (Cuba)

### METHOD FOR IMPROVING SECURITY AND ENHANCING INFORMATION STORAGE CAPABILITY, THE SYSTEM AND APPARATUS FOR PRODUCING THE METHOD, AND PRODUCTS PRODUCED BY THE

### SYSTEM AND APPARATUS USING THE SYSTEM

Patent No.: 7,207,481

Assignee: Secure Symbology, Inc. (US)

### UTILITY KNIFE HANDLE

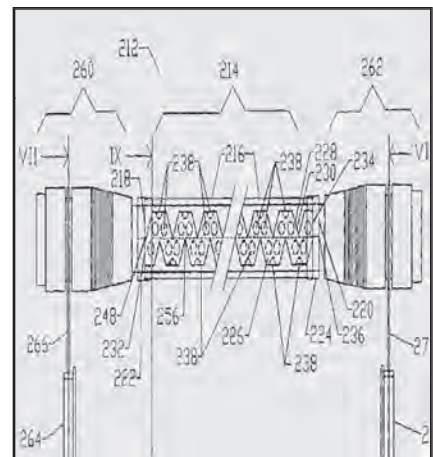
Patent No.: D541,128

Assignee: Hyde Tools, Inc. (US)

### FLEXIBLE LED LIGHTING STRIP

Patent No.: 7,210,818

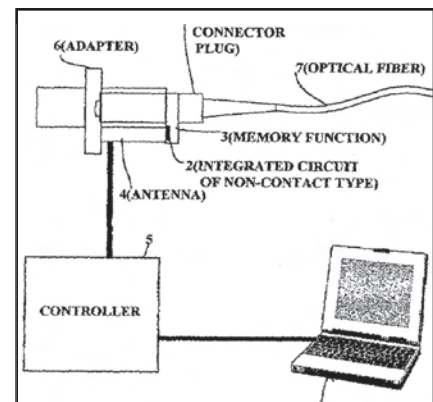
Assignee: Altman Stage Lighting Co., Inc. (US)



### OPTICAL CONNECTOR WITH MEMORY FUNCTION

Patent No.: 7,210,858

Assignee: Tokyo Communications Equipment Co., Ltd. (Japan)



### THERMAL MATERIAL BODY

Patent No.: D541,218

Assignee: Durable Systems, Inc. (US)

### CLEANING DEVICE FOR JEWELRY

Patent No.: D542,484

Assignee: Visions in Technology, Inc. (US)

### JOCK SHOE WRAP SOLE DESIGN

Patent No.: D542,515

Assignee: Aerogroup International, Inc. (US)

# More Trademarks

## TRADEMARK CORNER

Continued from Page 7: Trademark Corner

### VI TECHNOLOGY

Registrant: VIT (France)

### EVE'S QUEST

Registrant: Shakin' The Tree Productions Inc. (Canada)

### MAGNIFICA CLASS

Registrant: Alitalia - Linee Aeree Italiane S.p.A. (Italy)

### SFERRA

Registrant: Sierra Bros. Ltd. (USA)

### PASCUAL

Registrant: Grupo Corporativo Teype, SL (Spain)



### GOMASHABU

Registrant: Kabushiki Kaisha Mitsukan Group Honsha (Japan)

### BX BIOGENIX HEALTH & NUTRITION

Registrant: Olimp Laboratories SP. Z o.o (Poland)

### AQUASEAL

Registrant: YKK Corporation (Japan)

### PMXT

Registrant: BNL Eurolens (France)

### HOW AND WHY

Registrant: Tessloff Verlag Ragnar Resstoff GmbH & Co. KG (Germany)



### KA INTERNACIONAL

Registrant: Valdepeza Textil, S.L. (Spain)

### RD ROYAL DEMEURE HOTEL GROUP

Registrant: International Hospitality Management S.p.A. (Italy)

### STITCH N TURN

Registrant: Aerogroup International Holdings (USA)

### Y

Registrant: YKK Corporation (Japan)



### SHISEIDO

Registrant: Shiseido Company, Ltd. (Japan)



### LIGHTS

Registrant: Lights Medical Supply Co., Ltd. (China)

### MAX

Registrant: Max Co., Ltd. (Japan)

### NEO

Registrant: Cynovad Inc. (Canada)

### E ENCORE FRESHLY LAUNDERED

Registrant: Encore Enterprises AB (Sweden)

### DIANE VON FURSTENBERG

Registrant: Diane Von Furstenberg (USA)

### SM2

Registrant: Artemis International Corporation (United Kingdom)



### FITOVIT

Registrant: J.B. Chemicals and Pharmaceuticals Limited (India)

### EVERLAST

Registrant: Everlast World's Boxing Headquarters Corporation (USA)

### THE PILLOW DIAMOND

Registrant: Colormasters Precious Jewelry, Inc. (USA)

### RASCO

Registrant: Rascor Spezialbau GmbH (Germany)

### GOTO HYBRID PLANETARIUM

Registrant: Kabushikigaisya Goto Kogaku Kenkyujiyo (Japan)

### DOKTOR MOM

Registrant: J.B. Chemicals and Pharmaceuticals Limited (India)

### TROESTER EXCELLENCE IN EXTRUSION.

Registrant: Troester GmbH & Co. KG (Germany)

### ENTOURAGE

Registrant: Hyundai Motor America (USA)

### LION BRAND YARN

Registrant: Orchard Yarn and Thready Company (USA)

### IMPRESSIVE LASH

Registrant: Shiseido Company, Ltd. (Japan)

### X XPEDO

Registrant: Wellgo Pedal's Corp. (Taiwan)

### CI:LABO

Registrant: DR.CI:LABO Co., Ltd. (Japan)

### FINMECCANICA VALCOM

Registrant: Finmeccanica S.p.A. (Italy)

### LOYAL REWARDS

Registrant: Corsica Enterprises, Ltd. (USA)



### ACUO CENTER

Registrant: Petroleo Brasileiro S/A - Petrobras (Brazil)

### SPACIO 1

Registrant: Petroleo Brasileiro S/A - Petrobras (Brazil)

### VP VENTURES

Registrant: V.P. Holdings S.p.A. (Italy)

### FITOVIT

Registrant: J.B. Chemicals and Pharmaceuticals Limited (India)

### EVERLAST

Registrant: Everlast World's Boxing Headquarters Corporation (USA)

### THE PILLOW DIAMOND

Registrant: Colormasters Precious Jewelry, Inc. (USA)

### WODKA GDANSKA FABRYKA ...

Registrant: Fabryka Wodek Gdanskich w Starogardzi e Gdanskim S.A. (Poland)

### DESIGN ONLY

Registrant: Kenneth Cole Productions (LIC), Inc. (USA)



# More Intellectual Property Law

Can Google Really Sell **My** Trademark?...continued from Page 3

## CAN GOOGLE REALLY DO THAT?

struggled to apply the laws to the AdWords and other similar programs. Google's main defense to claims by trademark owners has been that there can be no trademark infringement because Google is not making "use" (as the term is defined in the trademark law) of the trademark, as the trademark is never displayed to the public in connection with the sale or advertisement of goods or services. Absent trademark use, there can be no trademark infringement. The only use of the trademark, Google argues, is purely internal, in connection with the operation of its search engine. Trademark owners, by contrast, argue that Google uses the trademarks in connection with the sale of its AdWords services themselves.

**In the limited number of reported decisions on this issue, the courts have been split. Some courts, including courts in New York, have sided with Google. Other courts, including courts in California, Virginia, and New Jersey, have sided with trademark owners and found that the sale of trademarks as keywords is trademark use.**

In light of these inconsistent decisions, can trademark owners do anything to protect themselves? Yes, they can. First, if you find that someone else has purchased your trademark as a keyword, you can take action directly against the purchaser. Google makes millions of dollars through its AdWords program and thus, has great incentive to fight challenges to the program. Individual advertisers have much less incentive and should be more willing to give up the keyword when faced with the possibility of costly litigation. Second, you can make use of Google's own trademark complaint procedure. And third, you can purchase your own trademarks as keywords. While this may seem distasteful at first, the investment can both prevent all of the harms resulting by purchase of your trademark by a competitor (e.g., confusion, lost sales, and costly litigation) and perhaps be an effective marketing tool.

*For more information about Internet matters, please contact:  
Robert Golden, RGolden@Lackebach.com*

## Attorney Profile Continued from Page 1: René L. Duff

After her undergraduate education, a degree from Providence College, Ms. Duff worked in licensing, creative, and operations positions in the sports and entertainment industries for organizations such as NBA Entertainment, Inc., Scoreboard/Classic Trading Cards, Major League Baseball Properties, Island Records and NBC Sports, among others. A graduate of St. Thomas University School of Law, she was a member of the Law Review, a Dean's Fellow in Contracts and President of the Entertainment and Sports Law Society. These high profile accomplishments provided a springboard for her subsequent legal career working for such companies as World Wrestling Entertainment, Inc., as well as with numerous other household name and start-up companies in a wide variety of industries. In private practice she continued her intellectual property career in the licensing and publishing area with the firm of Colucci & Umans, and as a Partner in the firm of Selig, Duff & Associates.

With Lackebach Siegel, Ms. Duff primarily focuses on US trademark prosecution, title and security interest issues, US Customs matters and domain name registration conflicts and strategies, and manages numer-

ous trademark, copyright and domain name portfolios. She also advises clients in connection with publishing contracts, as well as securing publishers or other commercially viable outlets for client's intellectual property rights.

In addition to the practice of law, Ms. Duff has created and taught online courses for paralegal education in intellectual property and for the past eight years has been an instructor for students preparing for the New York State Bar Examination. She is also a skilled photographer, which was the spark that initially fueled her interest in pursuing the practice of law within the field of intellectual property.

Ms. Duff has lectured widely on the benefits of and strategies for intellectual property within small businesses. Her large client base of companies requiring broad experience and expertise in the many facets of intellectual property law, publishing and portfolio management, speaks loudly of her success and renown.

*Email: RDuff@Lackebach.com*

# More Patents & Trademarks News

The New Math - 140% "Reasonable Royalty"... Continued from Page 2

## WHAT IS "REASONABLE ROYALTY" - 5%, 20% ...READ-ON!

The court understood that damages, instead of being based on the amount usually paid by farmers who cannot save and replant seeds, should legitimately include the additional significant benefits garnered by the infringer, such as increased product yield.

Based on those advantages alone, it was reasonable for the jury to suppose that, in a hypothetical negotiation, a purchaser would pay a royalty of \$40 per bag for the Roundup Ready seed, because the Court could not bind an infringer to abide by a Technology Agreement preventing re-planting.

Typically, an "established royalty" is the best measure of evaluating a reasonable royalty when "the patentee has consistently licensed others to engage in conduct comparable to the defendant's." The rule of established royalty rate did not apply, however, because Monsanto never allowed for replanting. Thus, there were no "comparable" licenses. The Court noted:

*[The infringer's] conduct consisted of planting patent-protected seeds in 1999 and 2000 without purchasing them from a seed company licensed or owned by Monsanto. Because [defendant] neither paid Monsanto the Technology Fee nor purchased the Roundup Ready seed from an authorized distributor, the value to Monsanto of both performances provides one measure of the "reasonable royalty for the use made of the invention by the infringer." Because that fee does not take into account the added obligation imposed on all authorized licensees under the Technology Agreement—to purchase seed from an authorized seed store—the trial court was correct to refuse to treat the \$6.50 Technology Fee as the established royalty for a license . . . .*

Monsanto's experts testified that the no-saving-seed requirement ensured Monsanto's knowledge of the quality of seed planted each year, and provided a bargaining chip for signing up new seed companies. It is difficult to assign

a dollar value to those benefits, but the benefits nonetheless justify the jury's finding that a reasonable royalty for a license considering this industry and the facts would exceed the amount of the payments made by farmers who participated in the licensing program.

The use of the patented seeds increased the crop yield and reduced the costs of weed control as compared to conventional seeds. An expert based his estimate on three studies that showed cost savings for the patented system ranging from a low of \$17 to a high of \$36 per acre of planting. Even using the lowest dollar amount disclosed in any of the studies, and disregarding the expert's testimony about other possible savings associated with the use of the patented system, those two items alone result in an estimated savings of \$31 to \$61 per acre as compared to conventional seeds. Given that one 50-pound bag of seed is sufficient to plant about one acre, the savings of \$31 to \$61 per acre were equivalent to a savings of \$31 to \$61 per bag of seed. Based on those advantages alone, it was reasonable for the jury to suppose that, in a hypothetical negotiation, a purchaser would pay a royalty of \$40 per bag for the patented seed.

While the facts in the Monsanto case may be unique, an "established royalty" may not, in many instances, accurately reflect the "reasonable royalty" that a court may award. When a court fully considers the benefits and monetary gains of illegally copying a patented product, it can award to plaintiff significant damages recognizing such ill-begotten gains. In Monsanto, the court indeed fully recognized the large financial benefit that the defendant enjoyed, which precipitated a payment well above the "usual" 5% royalty rate. In this case, the dollar amount awarded turned out to be a eye catching 140% reasonable royalty – the proper new math for these facts.

*To learn more about Patent Infringement and Reasonable Royalty, contact: Myron Greenspan  
MGreenspan@Lackebach.com*

## INVENTIONS OF THE YEAR

*Time Magazine named [YouTube.com](http://www.YouTube.com) the best invention in its listing of top innovations in 2006. While not a technical achievement such as the bike riding robot that was a contender, it exhibited a successful melding of existing technologies and an insightful understanding of the strong popular demand for shared content and non professional production. Meanwhile, NASA chose the MacroFiber Composite Actuator and Sensor system as its selection for 2006. More recently, the European Inventors of the Year 2007 awarded its top praise to a Bosch GmbH research team for its sensor technology, Prof. M. Feldmann, for his insights related to the role of Cytokines in the treatment of autoimmune disorders, and to Dr. J. P. Vacca, of Merk, USA for his protease inhibitor effective in HIV treatment.*

## Acknowledgement Zone

### Lackebach Siegel Ranked Again Top 10 In Trademark Filing

Howard N. Aronson of Lackebach Siegel was ranked in the **Top 10** of all trademark attorneys nationwide by the *Trademark Insider, Annual Report 2006* based upon applications submitted to the USPTO.

This accomplishment qualified Aronson to receive an Attorney Award from **NameProtect** recognizing his **eighth (8th)** place standing in the nation!

Lackebach Siegel has continued, during 2006, a tradition of being positioned in the top 10 nationwide for trademark filings.

# Foreign Trademark Department

## RO'S OBSERVATIONS

By Rosemarie B. Tofano

### **Puerto Rico – Federal Registration Defeats National Registration –**

A U.S. federal registration by statute grants rights throughout the United States including Puerto Rico. But as use within Puerto Rico alone is not "interstate" usage (and in view of a few court decisions in Puerto Rico favoring a local registration over interstate usage), it is common practice to secure separate national registration in that territory. While trademark rights pursuant to Puerto Rico law are secured by registration, the highest court in Puerto Rico recently ruled that a U.S. federal registration based upon use grants rights, as of registration, throughout the U.S. including Puerto Rico. If those rights pre-date a national registration, they are superior. While interstate sales to support a federal registration may not include activities within Puerto Rico, the federal registration rights extend to Puerto Rico by the statutory presumption of constructive use. But to actually assert such rights in Puerto Rico to cancel a local registration or seek an injunction, actual use in Puerto Rico would have to occur, in line with U.S. decisional law often requiring actual use in the geographic area of the infringement.

### **European Union – Contrasted with U.S. Trademark Rights –**

Whereas the U.S. is basically a use country for acquiring trademark rights, in the EU registration is the basis of acquiring rights. In the U.S., the intent-to-use system of filing allows a U.S. applicant to file an application prior to use, but actual use must commence to eventually secure registration. A foreign applicant, however, may avoid proving actual use and still secure a U.S. registration, but the registration is subject to the same abandonment and post-registration rules as applied to U.S. companies. As contrasted with the U.S., there would be little or no recognition of rights until after application in the EU, an issued EU registration would not be susceptible to attack for non-use for five years, and proof of use is only required if attacked by a third party. In the U.S., proof of use is required at renewal and after the fifth year of registration, and prima facie abandonment occurs after three years of non-use.

### **Korea – Exception to First to File Rule –**

While Korea is a first to file country to secure rights in a mark, it does recognize rights in famous marks that are notable in, as well as, solely outside Korea as a basis to deny a third-party application. It is possible to file an Information Brief prior to publication of a third-party application and advise the examiner

of the fame of your mark. It is considered during examination and if found credible and sufficient, it will prevent publication and the third-party application will be rejected. Proof of fame often includes registrations, advertising and promotion in major countries of the world, as well as, in Korea.

### **Korea, China & Japan – Local Language Mark Transliterations –**

The ability, generally, of the Japanese and Korean population to recognize and pronounce Latin words suggests that registering an English (Latin letters) mark is sufficient for local protection. It appears that in both jurisdictions an English word registration is sufficient to prevent the subsequent registration by a third party of an equivalent or confusing transliteration. And in both countries English is part of the educational system and is prevalent in commerce. In China, while English is now taught in some schools, the population is generally non-English speaking (and cannot readily recognize or pronounce Latin letters) and English is not presently common in commerce. Thus, registering the transliteration of an English mark is recommended, and it will additionally provide broad coverage against similar transliterations. If the English mark is actually used on goods sold in China, a second registration of the English mark is prudent.

## NOTABLE DEVELOPMENTS

By Rosemarie B. Tofano

**China** – In keeping with China's recent economic success, trademark filings during 2006 exceeded 700,000 applications. Application pendency duration, however, has extended to two and a half (2½) years or longer, and an examination refusal appeal takes almost four years. Opposition and Cancellation proceedings presently last five to eight years.

**Singapore** – July 2007, multi-class applications became acceptable. Such applications will result in a single registration and may be renewed as a single registration. Like the US, however, each class upon application and renewal requires a fee and there is, accordingly, no resultant savings in governmental costs. And like the US, a multi-class application may be divided during examination. Licenses, likewise as of July 2007, may be recorded against pending applications.

**Iraq** – Until now, applications in Iraq required a Boycott Declaration involving the reprehensible assertion of not trading with Israel. That obligation has now ceased and applications pending since 2003 will not be required to submit such assertions.

**Montenegro** – With the split of Serbia & Montenegro (YU) during June 2006, international registrations designating such jurisdictions will continue in Serbia alone. Registrations effective prior to June 2006 will only cover Montenegro if steps are taken to respond to a Notice issued by WIPO. There is a six month term to respond to such notices, which WIPO started to process earlier this calendar year.

**Syria** – A new broad IP law became effective April 2007 providing for service marks, certification and collective membership marks. But it will not allow for multi-class applications. The application process will now have opposition proceedings and will recognize globally famous marks. A new court system is being introduced for IP cases and Customs protection is being enhanced.

**Norway, Columbia, Japan and Thailand** – Among many countries currently improving Customs protection – The global pressure to improve IP protection and fight piracy has prompted many jurisdictions to improve their customs procedures. Thailand

and Japan have recently taken steps related to their Customs laws that reduce the costs and procedural obligations for trademark owners. In Columbia, Customs has instituted a trademark owner registry and database, and suspected infringing goods leaving or entering Columbia may now be legally detained.

For more information about Foreign Trademarks, please contact: Rosemarie B. Tofano, [RTofano@Lackebach.com](mailto:RTofano@Lackebach.com)

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