COPYRIGHT & TRADEMARK LAW

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WHAT CAN BE COPYRIGHTED?

- 17 U.S.C. §102(a): *"original works of authorship fixed in any tangible medium of expression…from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device."*
- What is a work of authorship?
  - Literary Works
  - Musical Works
  - Dramatic Works
  - Pantomimes and Choreographic Works
  - Pictorial, Graphic and Sculptural Works
  - Motion Pictures and other Audiovisual Works
  - Sound Recordings
  - Architectural Works

WHAT CAN BE COPYRIGHTED? (CONT.)

- Literary Works include **software**, though there are limitations.
- 17 U.S.C. §102(b) states that "*In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work.*"
- This section limits the scope of copyright protection generally, as copyrights are intended to protect original expression and creativity.
- For software, patents protect **function** while copyright protects **original expression**.

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HOW TO OBTAIN COPYRIGHT PROTECTION?

- Copyright protection is "automatic" the instant a work of expression is fixed in some tangible medium.

- Copyright registration, however, is required to bring a copyright infringement action in federal court.

- A copyright may be registered online through the Electronic Copyright Office (eCO) of the United States Copyright Office.
  - Computer software may also be "preregistered" to obtain some protection on a work that is in development.

How to obtain copyright protection? (Cont.)

- The copyright registration application requires:
  - An application form that includes information such as the title of a work, the author, date of creation, and owner;
  - A filing fee; and
  - A deposit or copy of the work.
- For computer software, the deposit or copy of the work generally includes the source code of the application.
  - Specifically, the first and last 25 pages of source code (or the entire source code if less than 50 pages).
  - Source code that contains trade secret material is subject to special requirements.

WHAT RIGHTS DO COPYRIGHTS GIVE?

- 17 U.S.C. §106 gives the owner of the copyright various exclusive rights, including the right:
  - To reproduce the copyrighted work;
  - To prepare derivative works; and
  - To distribute copies of the copyrighted work.
- How long does copyright protection last?
  - For works created January 1, 1978 or later:
    - Life of the author plus 70 years.
    - If the copyrighted work is a "work made for hire" (e.g., created by an employee within the scope of her employment) the term is 95 years from publication or 120 years from creation, whichever is shorter.

LIMITATIONS ON COPYRIGHTS

- 17 U.S.C. §107 specifies that *"fair use of a copyrighted work…for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research, is not an infringement of copyright."*

- "Fair use" is determined based on multiple factors, including:
  - (1) The Purpose and Character of the Use;
  - (2) The Nature of the Copyrighted Work;
  - (3) The Amount and Substantiality of the Portion Used; and
  - (4) Market Effects.

FAIR USE AND SOFTWARE COPYRIGHTS

Google LLC v. Oracle America, Inc., 593 U.S. ___, 141 S. Ct. 1163 (2021).

- Supreme Court decision from April 5, 2021.

- Oracle has a copyright in the Java SE platform, which includes Java APIs.

- When developing the Android platform, Google originally attempted to license the Java SE platform from Oracle. Due to disputes regarding Oracle's interoperability policies (i.e., "write once, run anywhere"), Oracle and Google were not able to come to an agreement regarding licensing of the Java SE platform.

- Google then built the Android platform largely from scratch (i.e., writing millions of lines of new code to tailor the Android platform to smartphone technology).

- Google, however, did directly copy a portion of the Java APIs from the Java SE platform.

FAIR USE AND SOFTWARE COPYRIGHTS (CONT.)
Google LLC v. Oracle America, Inc., 593 U.S. ___, 141 S. Ct. 1163 (2021).

- In the decision, the Supreme Court made a distinction between **declaring** and **implementing** code.

- The implementing code "tells the computer how to execute the particular task you have asked it to perform."
  - The decision uses the example task of returning the higher of two numbers.

- The declaring code is part of the API, and "provides both the name for each task and the location of each task within the API's overall organizational system." The declaring code provides a "link" or "shortcut" to the implementing code that accomplishes a specific task.

- Google wrote its own implementing code, but copied declaring code from the Java SE platform. Specifically, Google copied the declaring code from the Java SE platform for 37 packages so that programmers using the Android platform could rely on method calls that they were already familiar with to call up particular tasks.

FAIR USE AND SOFTWARE COPYRIGHTS (CONT.)
Google LLC v. Oracle America, Inc., 593 U.S. ___, 141 S. Ct. 1163 (2021).

- Fair Use Factor (1): The Purpose and Character of the Use
  - A copying use that is "transformative" adds something new and important.
  - In this case, the Court held that Google used the Java APIs to create new products and expand the use and usefulness of Android-based smartphones.
  - Google limited its copying of the Java API to those tasks that would be useful in smartphone programs, and only copied what was necessary to allow programmers to call these tasks without having to learn a new programming language.
  - The Court also considered that the reimplementation of APIs furthers the development of computer programs (e.g., for interoperability, for allowing programmers to use their acquired skills, etc.).

FAIR USE AND SOFTWARE COPYRIGHTS (CONT.)
Google LLC v. Oracle America, Inc., 593 U.S. ___, 141 S. Ct. 1163 (2021).

- Fair Use Factor (2): The Nature of the Copyrighted Work
  - The Court held in this case that the declaring code is "inextricably bound together with a general system, the division of computing tasks" which is organizational in nature.
  - Thus, the declaring code has a different kind of "creativity" than the implementing code.
    - The implementing code requires balancing considerations (e.g., as it relates to power management), which was the creativity needed to develop the Android software for use not in laptops or desktops but in the very different context of smartphones.
    - The declaring code required finding names "that would prove intuitively easy to remember" to attract programmers.
  - The Court held that the declaring code of the Java APIs was: functional; inherently bound together with uncopyrightable ideas (i.e., general task division and organization); and derived its value from the fact that programmers already knew the system.

FAIR USE AND SOFTWARE COPYRIGHTS (CONT.)
Google LLC v. Oracle America, Inc., 593 U.S. ___, 141 S. Ct. 1163 (2021).

- Fair Use Factor (3): The Amount and Substantiality of the Portion Used
  - Amount: Google copied approximately 11,500 lines of code, which represented just 0.4% of the total set of the API code (including the implementing code).
  - Substantiality: Google copied these lines of code "not because of their creativity, their beauty, or even (in a sense) because of their purpose." Google copied these lines of code to attract programmers to the Android platform, which was held to be a valid and transformative purpose.

FAIR USE AND SOFTWARE COPYRIGHTS (CONT.)
Google LLC v. Oracle America, Inc., 593 U.S. ___, 141 S. Ct. 1163 (2021).

- Fair Use Factor (4): Market Effects
  - With regard to likely loss, the Court considered that Android did not harm the actual or potential markets for the Java SE platform.
    - The Java SE platform's primary market was laptops and desktops.
    - Oracle/Sun was poorly positioned to succeed in the mobile phone market.
  - Oracle/Sun "foresaw a benefit from the broader use of the Java programming language in a new platform like Android, as it would further expand the network of Java-trained programmers."
  - The value of the Java APIs was largely a result of the fact that programmers were "just used to it" and allowing enforcement of the copyright here would provide creativity-related harm to the public in contravention of copyright's basic creativity objectives.

FAIR USE AND SOFTWARE COPYRIGHTS (CONT.)

Google LLC v. Oracle America, Inc., 593 U.S. ___, 141 S. Ct. 1163 (2021).

- The Court held that "in this case, where Google reimplemented a user interface, taking only what was needed to allow users to put their accrued talents to work in a new and transformative program, Google's copying of the Sun Java API was a fair use of that material as a matter of law."

- The Court skipped over the question of whether the Java API was copyrightable at all.

FAIR USE AND OTHER LITERARY WORKS

Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith, __ F.3d __, 2021 U.S. App. LEXIS 8806 (2d Cir. 2021).

- Second Circuit Court of Appeals decision from March 26, 2021.

- Lynn Goldsmith holds a copyright for an image of Prince, which was licensed to Vanity Fair magazine for use as an artist reference (meaning that an artist would create a work of art based on that image).

- That artist was Andy Warhol, who in addition to creating a work for a Vanity Fair article pursuant to the license, also created a series of works, the Prince Series, based on Goldsmith's copyrighted image.

FAIR USE AND OTHER LITERARY WORKS (CONT.)

Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith, __ F.3d __, 2021 U.S. App. LEXIS 8806 (2d Cir. 2021).

- Fair Use Factor (1): The Purpose and Character of the Use
  - Were Warhol's images transformative or derivative?
    - Derivative works are secondary works that present the same material but in a new form without adding something new.
    - Transformative works will typically alter an original work with new expression, such as the use of new aesthetics by placing the work in a different context.
  - Here, Warhol's images were held <u>not</u> to be transformative because they retained the essential elements of Goldsmith's photograph without significantly adding to or altering those elements.
  - It is irrelevant that the Prince series are immediately recognizable as "Warhol" works, as such logic would create a celebrity-plagiarist privilege.

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FAIR USE AND OTHER LITERARY WORKS (CONT.)

Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith, __ F.3d __, 2021 U.S. App. LEXIS 8806 (2d Cir. 2021).

- Fair Use Factor (2): The Nature of the Copyrighted Work
  - Should consider whether the work is expressive/creative or factual/informational, as well as whether the work is published or unpublished.
  - Here, the work was both expressive/creative and unpublished, and thus this factor weighs in favor of Goldsmith.
  - The Goldsmith photograph was made available for a single use on limited terms, and thus was still considered as an unpublished work.

FAIR USE AND OTHER LITERARY WORKS (CONT.)

Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith, __ F.3d __, 2021 U.S. App. LEXIS 8806 (2d Cir. 2021).

- Fair Use Factor (3): The Amount and Substantiality of the Portion Used
  - The Court held that the Prince Series screenprints were not only readily recognizable as photos of Prince, they were readily recognizable as a <u>specific</u> photograph of Prince.
  - It was not enough that Warhol cropped and flattened Goldsmith's photograph.
  - The "essence" of Goldsmith's photograph was copied by Warhol, such as the way Prince's hair fell in Goldsmith's photograph.

FAIR USE AND OTHER LITERARY WORKS (CONT.)

Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith, __ F.3d __, 2021 U.S. App. LEXIS 8806 (2d Cir. 2021).

- Fair Use Factor (4): Market Effects
  - The Court held that the primary markets for Warhol's Prince Series and Goldsmith's photograph do <u>not</u> overlap.
  - However, this is not the end of the analysis, as what should be considered is whether the actions of the Andy Warhol Foundation (AWF) would harm the potential market for Goldsmith's photograph.
  - Here, the Court found that AWF's actions did harm the potential market for Goldsmith's photograph (e.g., the market for licensing photographs of musicians to serve as the basis of a stylized derivative images).

FAIR USE AND OTHER LITERARY WORKS (CONT.)

Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith, __ F.3d __, 2021 U.S. App. LEXIS 8806 (2d Cir. 2021).

- The Court held that AWF's actions were not fair use.

- Why is the result here so different than in *Google LLC v. Oracle America, Inc.*?
  - Software is treated differently than other types of works – computer programs are primarily functional, making it difficult to apply traditional copyright concepts ("applying copyright law to computer programs is like assembling a jigsaw puzzle whose pieces do not quite fit").
  - Public policy considerations, such as promoting interoperability, future creativity of new programs, etc.

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WHAT CAN BE TRADEMARKED?

- A trademark is a word, phrase, symbol or design, or combination thereof, that identifies the source of goods or services of one person from those of others.
  - Can be words, logos, slogans, colors, smells, sounds
- Note that a "trademark" identifies and distinguishes <u>goods</u> of one person from those manufactured or sold by others, and also indicates the source of goods, while a "service mark" identifies and distinguishes <u>services</u> of one person from the services of others, and also indicates the source of services. Often, the term trademark is used to refer to both.
- The symbol ™ is used for unregistered trademarks, while the symbol ℠ is used for unregistered service marks. The symbol ® is used for registered trademarks and registered service marks.

CATEGORIES OF TRADEMARKS

- The strength of a trademark is based in part on its distinctiveness.
- The following are levels of distinctiveness, ordered from most to least distinctive:
  - (1) Fanciful or coined marks, which are inherently distinctive (e.g., made-up words, such as Kodak®);
  - (2) Arbitrary marks, which are words that have an ordinary meaning that is not related to the goods or services for which they are used (e.g., Apple®);
  - (3) Suggestive marks, which are words the connote rather than describe the goods or services for which they are used (e.g., Microsoft®);
  - (4) Descriptive marks, which are words that describe the goods or services for which they are used and need to show "secondary meaning" or a mental connection between the words and a single business (e.g., American Airlines®, Western Digital®); and
  - (5) Generic marks, which are actual names of goods or services and cannot be distinctive (e.g., Convenience Store, Auto Repair Shop).

HOW TO OBTAIN TRADEMARK PROTECTION?

- Similar to copyright, registration for a trademark is not required. You "own" a trademark as soon as it is used with goods and services.

- Registration with the United States Patent and Trademark Office (USPTO), however, provides numerous benefits, including protection across the entire U.S. and its territories.

- How to register a trademark?
  - A trademark application is based on either use in commerce or an intent to use.
  - The trademark application requires, among other things, a drawing and/or description of the mark, a list of goods and services covered by the application, dates of first use and proof of use (if application is based on use in commerce), and a fee.
    - The fee is based on the number of "classes" in the application.
    - A mark must be registered for each class of goods or services for which it is used.
    - Examples of classes: pharmaceuticals, appliances, paper goods, leather goods, furniture, etc.
  - To maintain a registered trademark, periodic declarations of continued use and renewal applications (along with various fees) are required.

TRADEMARKS FOR SOFTWARE

- Software may require registration of both a trademark and a service mark, which are in two different classes.
  - The trademark would cover the goods, such as a downloadable form of the software (e.g., Class 9).
  - The service mark would protect services provided by the software (e.g., Class 42).
- In cloud computing, software may not be provided as a "good" to a consumer at all, and is instead provided only in the form of a service (e.g., Iaas, Paas, SaaS).

WHAT RIGHTS DO TRADEMARKS GIVE?

- Protection against **infringement**, which is the unauthorized reproduction, counterfeit, copy or colorable imitation of a mark in the sale, offering for sale, distribution, or advertising of a good or service that is likely to cause confusion, to cause mistake, or to deceive. See 15 U.S.C. §1114.

- Protection against **unfair competition**, which is the use of a mark, or of any false designation of origin, false or misleading description of fact, or false or misleading representation of fact that is likely to cause confusion, mistake or deception as to affiliation, or which misrepresents the nature, characteristic, quality, or geographic origin of the product or service. See 15 U.S.C. §1125(a).

- Protection against **dilution**, which is the use of a famous mark in a way that causes dilution of the mark. See 15 U.S.C. §1125(c).

- Protection against **cybersquatting**, which is the registration, trafficking or use of a domain name that contains a federally protected trademark with a bad faith intent to profit off the mark. See 15 U.S.C. §1125(d).

TRADEMARK INFRINGEMENT

- A case of trademark infringement typically turns on whether there is a **likelihood of confusion** between a registered trademark (e.g., a senior mark associated with a senior user) and an allegedly infringing trademark (e.g., a junior mark associated with a junior user).

- The test for likelihood of confusion is based on multiple factors, including:
  - (1) The strength of the senior mark (e.g., how "distinctive" it is);
  - (2) Degree of similarity between the senior and junior marks;
  - (3) Similarity of products or services of the senior and junior users;
  - (4) Likelihood that the senior user will expand into the product area of the junior user;
  - (5) Junior user's intent in adopting the junior mark (e.g., good faith or bad faith);
  - (6) Evidence of actual confusion by consumers;
  - (7) Sophistication of consumers; and
  - (8) Quality of junior users' products or services.

GENERIC MARKS AND DOMAIN NAMES

USPTO v. Booking.com, 591 U.S. ___, 140 S. Ct. 2298 (2020)

- Supreme Court Decision from June 30, 2020.

- Booking.com sought to register the mark "Booking.com" but the USPTO refused to register it, arguing that "booking" is a generic term (which cannot confer distinctiveness) and that the combination of a generic word and ".com" is also generic.

- The Court held that "Booking.com" is not a generic name to consumers, and thus is not a generic term. In other words, because consumers do not perceive the term "Booking.com" to signify online hotel-reservation services as a class, it is not generic (e.g., you wouldn't ask a consumer to name their favorite "Booking.com" provider, a consumer wouldn't understand "Travelocity" to be a "Booking.com").