



# Intellectual Property

2004 SUMMER BULLETIN

## Lessons in Patent Prosecution Quality Control from the Federal Circuit

BY ROBERT R. SACHS

The crafting and prosecuting of a patent requires not merely expertise in the underlying technology, but also a skillful and careful hand in describing the invention in the patent specification and in arguing for its inventiveness before the Patent and Trademark Office. A recent case from the U.S. Court of Appeals for the Federal Circuit (“CAFC”) illustrates how seemingly well-intentioned statements by patent counsel can completely undermine the scope of patent claims and hence the ultimate ability to enforce patents.

*Microsoft Corp. v. Multi-Tech Systems*, 357 F.3d 1340 (Fed. Cir. 2004.) teaches important lessons about carefully drafting the specification and avoiding admissions and generalizations during prosecution. Multi-Tech is the owner of multiple patents directed to simultaneously transmitting voice and data over a telephone line from a personal computer. All the patents (the ’627 patent, the ’649 patent and the ’523 patent) share a common parent application and thus the same specification. Multi-Tech sued Microsoft (and another company, Net2Phone, Inc.) for infringement. A win for Multi-Tech could have positioned its patents dead center in the burgeoning voice-over-IP space. The issues before the CAFC were limited to the scope of the claims as construed by the lower court, as it was conceded by Multi-Tech that Microsoft and Net2Phone did not infringe the claims if the lower court’s claim construction was correct.

One of the key claim construction issues was whether Multi-Tech’s claims were limited to sending and receiving data packets over “telephone lines” in a point-to-point connection (as argued by Microsoft), or whether they read more broadly on the packet switching nature of the Internet. The CAFC held that the claims of all the patents in suit were limited to the telephone environment. To reach this conclusion, the CAFC made a very unusual move: it relied on statements made during the prosecution of one of the later issued patents (the ’627 patent) to limit the claims of the earlier issued patents (the ’649 and ’523 patents). While previous CAFC cases have used statements made during prosecution of a parent patent to limit subsequent child patents, or statements made in one application to limit a sibling application, never before has the CAFC applied prosecution statements retroactively to limit a patent that had issued before the prosecution statements were made.

The CAFC achieved this estoppel time travel by relying on a common mistake Multi-Tech made during the prosecution of the ’627 patent. In response to a rejection of its claims, Multi-Tech’s patent attorney provided a general discussion of what the invention was, before addressing the specifics of the claim rejections. The CAFC’s discussion is worth quoting at length:

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In response to the examiner's first office action, Multi-Tech took the opportunity to provide a "summary of the invention" before addressing the § 103 rejection. It stated:

In their specification, Applicants disclose a communications system which operates over a standard telephone line. Such a telephone line is commonly referred to in the art as a "plain old telephone service" (POTS) line and establishes a point-to-point connection between telephone equipment on each end of the line. Applicants' invention . . . transmits the packets across a POTS line to a remote site . . .

*Microsoft*, 357 F.3d at 1349 (quoting '627 prosecution history). That statement, which expressly related to the specification shared by all three patents and the communications system disclosed in all three patents, makes clear that Multi-Tech viewed the local and remote sites of its inventions as communicating directly over a telephone line.

The CAFC reasoned that Multi-Tech's statements were not limited to just the '627 patent, but instead were "a representation of its own understanding of the inventions disclosed in all three patents." Accordingly, the CAFC held that it "cannot construe the claims to cover subject matter broader than that which the patentee itself regarded as comprising its inventions and represented to the PTO." Thus, the CAFC relied on Multi-Tech's general gloss of the invention "in their specification" to get around the problem of how the later statements in the '627 patent could be imparted to the earlier '532 and '649 patents. The gloss by Multi-Tech applied to all inventions in the specification, and because all the patents in suit derived from the same specification, then by a simple syllogism, the statement must be applied to the claims of all the patents.

As noted, this mistake is also all too common and hazardous. The patent specification is the only place that it is appropriate to generally discuss the invention. In responding to rejections of the claims by the PTO, there is never any reason to provide a generic gloss of the invention. Instead, only precisely tailored statements distinguishing specific elements of specific claims from the prior art should be made. If necessary, general statements concerning the invention can be made during a telephone or personal interview with the patent examiner, because such oral statements are not made part of the official prosecution history.

The second lesson of Multi-Tech is something that the CAFC has tried to teach many times: it relies quite heavily on the Summary of the Invention portion of the patent specification to determine the scope of the claims. In determining the scope of the telephone limitation, the first place the CAFC looked after reciting the language of the claims was the Summary of the Invention, stating:

Nonetheless, the claims must be interpreted in light of the specification, which is identical for all three patents and which repeatedly and consistently describes the local and remote systems of the claimed inventions as communicating directly over a telephone line. The "Summary of the Invention" portion of the specification states that the claimed personal communications system includes "hardware to enable voice, fax and data communications with a remote site connected through a standard telephone line," as well as circuitry to "transfer [data] over the telephone lines to a remote site."

*Microsoft*, 357 F.3d at 1347-4. Given this approach by the CAFC, the question then is how to draft a summary of invention that the CAFC will not use to unnecessarily limit the claims. One approach is to begin with a functional or behavioral description of the invention, followed then by open-ended structural descriptions. The functional description should concentrate on what the invention does, independently (to the extent possible) of the particular physical elements that perform the functions. The structural description can then be positioned as an exemplary embodiment, for example by saying "In one embodiment, a system includes. . ." In contrast, Multi-Tech's Summary of Invention immediately focused on the hardware elements and specifically recited that "[t]he subject of the present multiple inventions is a personal communications system which includes components of software and hardware . . . [t]he hardware components include telephone communication equipment, digital signal processors, and hardware to enable both fax and data communication with hardware components at a remote site connected through a standard telephone line." It is fair to say that Multi-Tech's mistake was not merely describing structure first. Rather, it limited all the inventions to a personal communications system with specific hardware for use over telephone lines. Had it instead described the functional capabilities, such as would be in the method claims, then the CAFC would not have been able to rely on the Summary to limit the claims as it did.

It is essential to carefully think about the architecture of an invention to identify which elements are significant and which are implementation details. In this case, generalization of Multi-Tech's invention would have been easy, since the key invention was the functional aspects of voice-over-data, not the specific communications network that happened to be used to transmit the data.

The final lesson of Multi-Tech is to avoid any statements that certain features or aspects of the invention are "required," "necessary," "essential," "mandatory" or "must" be used. All of these can be readily used by a court to import the identified features into the claims. In Multi-Tech's case, the CAFC construed a claim limitation of a speaker phone to include the use of echo cancellation, even though this was not expressly recited in the claims. The CAFC relied on statements in the patent specification that the "use of the speaker and microphone *necessitates* the use of an acoustical echo cancellation algorithm to prevent feedback from destroying the voice signals" and that echo cancellation was "*needed* no matter which telephone interface" was used (emphasis in CAFC's opinion). In both cases, Multi-Tech could have instead stated that echo cancellation was "beneficial," "desirable" or "preferred" for this purpose, and had it done so, the CAFC would have not imported this limitation.

In sum, patent drafting and prosecution relies on two core principles. First, to obtain the broadest claim scope, the invention should be generalized from the particular embodiments to a wider class of functional and structural elements. This typically requires developing a complete nomenclature to describe the more general aspects of the invention. Second, statements that tie the invention to specific implementations, requirements or "discoveries" should be avoided, both in the patent application and during prosecution.

## The Complex Legal Implications of Modifying Licensed Software

BY JENNIFER STANLEY

Licensees seeking to claim ownership of modifications that they make to licensed software face a number of stumbling blocks. Modifications to copyrighted works often are referred to as "derivative works." However, significant analysis of a modified work is needed to determine whether it qualifies as a derivative work under U.S. copyright law and who owns the work. For licensees, the main obstacle is the identification of

what constitutes a "derivative work" and, then, an "authorized derivative work."

U.S. law extends copyright protection to derivative works. While a derivative work must incorporate that which is the subject of copyright—the underlying copyrightable work—it also must be a different work. The court in *Alfred Bell & Co. v. Catalda Fine Arts*, 191 F.2d 99 (2d Cir. 1951) most famously has described the variation from the underlying work required to qualify as a derivative work (rather than the same work with legally insignificant changes) as a "distinguishable variation" that is more than "merely trivial."

Judge Richard Posner rejected this liberal "distinguishable-variation standard," however, in *Gracen v. Bradford Exchange*, 968 F.2d 300 (7th Cir. 1983), in favor of a more stringent standard: the work must be "substantially different from the underlying work." However, despite the emphasis on differences between the derivative and underlying work, a new work is not derivative unless someone has copied it substantially from a prior work.

One of the exclusive rights of copyright owners is the right to prepare derivative works. The U.S. Copyright Act provides that "the copyright in a . . . derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material. The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the preexisting material."

Therefore, the copyright owner's rights in the original work remain unaffected by preparation of a derivative work. The unauthorized reproduction or distribution of a derivative work, in its entirety, also implicates the original owner's rights. Distribution of the derivative work without permission can result in unlawful distribution of at least part of the underlying work.

What constitutes a derivative work of computer software? If a licensee makes some changes to a licensed software program, then the resulting work falls into one of three categories: The changes are *de minimis*, so the "new" program does not qualify as a derivative work; the changes are substantial enough to create a "distinguishable variation" between the two programs, so that the new program is a derivative work; or the changes are so substantial that the two programs are not

substantially similar, so that the new program qualifies for copyright protection independent of the original program.

Insignificant alterations to licensed code, or changes dictated by technical requirements, generally do not yield a derivative work. Such altered code, while different in some respects to the underlying code, is identical under the law to the code owned by the copyright holder and thus is owned by the copyright holder. In these circumstances, a licensee enjoys no rights in a “new” program other than those granted under the license terms.

If a licensee makes substantial modifications — a contribution of original material to a preexisting work that results in recasting, transformation or adaptation of the work — then there most likely will be a “distinguishable variation” (or a “substantial difference”) between the two programs. If enough of the creative elements of the underlying work remain, such that the two versions are substantially similar and the later version is ineligible for protection as an original work, then a derivative work is created.

That a derivative work is created is not particularly remarkable. The more difficult issue relates to ownership of the derivative work and the right to exploit it. Often, the license agreement addresses the ownership issue by authorizing the creation of derivative works.

However, authority to prepare a derivative work does not necessarily extend ownership of that derivative work to the licensee — the owner often assigns ownership to the licensor. Some disagreement exists as to whether a licensee can claim ownership over an authorized derivative work when the terms of the agreement are silent on the issue. For example, in *Gracen*, the court held that the licensee could not copyright an authorized derivative work because the (oral, implied) license agreement contained no express right to copyright. To hold otherwise would “impede [the licensor] in making his own derivative works or in licensing others to do so.”

In contrast, in *In re C Tek Software Inc.*, 127 B.R. 501 (Bank. D. N.H. 1991), the court concluded that the agreement need not expressly grant the right to copyright derivative works, at least where the licensor shows “no interest in making its own derivative software and would look to no other party” to do so during the term of the license agreement.

The courts recognize a valid concern: by imputing ownership to the licensee, the licensor may be prevented

from further developing the underlying work because of the threat of infringing the licensee’s copyright in the derivative work.

Even if the licensee can claim ownership of the derivative work under the agreement, it does not necessarily have the power to freely exploit the work. “[T]he general principle of copyright law [is] that a license to prepare a derivative work does not authorize the preparer to sell copies of it. Making and selling are distinct rights, and you can assign one without the other.” *Itofca Inc. v. Mega Trans Logistics Inc.*, 322 F.3d 928 (7th Cir. 2003). To the extent that the derivative work incorporates the copyrightable expression of the original work, the licensee still must have the licensor’s authorization to reproduce and distribute this expression.

However, software license agreements often do not grant licensees the right to prepare derivative works. Instead, they grant the right to “modify” for limited purposes, or simply the right to “use” the software without any right to make changes. In such circumstances, any new versions of the software that otherwise would qualify for derivative-work status would be “unauthorized.”

Thus, software licensees operating without authorization to prepare a derivative work, in most circumstances, would be unable to claim ownership over any new source code that they contribute to licensed software, at least so far as the licensees’ work cannot be extracted from the original code.

What are the repercussions for a licensee who creates an unauthorized derivative work? Who is the new work’s owner, and who may exploit the work if the licensee cannot? If the license agreement does not allow for modifications, then the licensor can sue for infringement or breach of contract, or both.

However, the licensee often has permission to “modify” the licensed software but not to prepare a derivative work. Despite this fact, most modifications to source code result in a derivative work, and as long as the modifications are of the sort contemplated by the agreement, no cause of action will exist. Should a licensee exceed the scope of the right to modify, then the licensee may be liable for breach of contract or infringement or both. *SAS Institute Inc. v. S&H Computer Systems Inc.*, 605 F. Supp. 816 (M.D. Tenn. 1985).

Generally, derivative-work ownership vests in the author, unless the parties to the license agreement decide that ownership resides with the underlying copyright

owner—the licensor. However, in cases involving the unauthorized production of a derivative work, the author may not claim ownership. As a result, nobody owns the unauthorized derivative work—it lies in the public domain. In most circumstances, however, only the original licensor will be able to use and exploit the unauthorized derivative work, because only the original licensor could avoid infringing the underlying work.

It is possible that a radical “modification” of a licensed software program could qualify for copyright protection as an entirely new original work. In that situation, the author is entitled to full ownership of the copyright and unencumbered exercise of its exclusive rights.

This might arise in one of two ways: The licensee might study the ideas expressed in the licensed software and use only its unprotected elements without otherwise violating the license terms to produce a somewhat-similar but noninfringing work. Or the licensee’s modification or enhancement, consistent with the license terms, might not incorporate protected expression.

Whether a licensee could transform the original work so dramatically that the resulting work is truly new and not derivative depends, however, on whether the new work can withstand traditional infringement analysis. Any court is likely to carefully scrutinize the actions of the licensee in developing the “new” work.

Absent express authorization in a license agreement to prepare and enjoy full ownership of a derivative work, the creative efforts of licensees to modify and improve licensed works will go largely unrewarded by copyright law.

## Quick Updates

### Advertising Statements Satisfy Rule 11

The United States Court of Appeals for the Federal Circuit has held that a plaintiff’s prelawsuit investigation for patent infringement that relies on the accused infringer’s advertising statements about the accused product may satisfy Rule 11’s requirement for an adequate prefiling investigation, even if the accused infringer’s advertising statement proves to be untrue.

In *Q-Pharma, Inc. v. Andrew Jergens Co.*, 360 F.3d 1295 (Fed. Cir. 2004) Q-Pharma sued Jergens for infringement of Q-Pharma’s patent covering a method for therapeutically treating damaged tissue by topically administering a composition containing Coenzyme Q10 (“CoQ10”). The patent’s only claim required that

the composition’s “principal active ingredient” must be a “therapeutically effective amount” of CoQ10. The advertising for Jergens’s “Curél® Age Defying Therapeutic Moisturizing Lotion with Coenzyme Q10” made repeated references to the benefits of CoQ10. Q-Pharma bought a sample of Jergens’s lotion, but performed no chemical tests on it. Rather, in apparent reliance on Jergens’s advertising, Q-Pharma filed suit.

During the litigation, Jergens filed a motion for summary judgment of noninfringement in which it revealed that the accused product contained no more than 0.00005% CoQ10 by weight—a minuscule amount that apparently met no one’s definition of a “therapeutically effective amount.” Q-Pharma dropped the suit.

Jergens sought sanctions against Q-Pharma for failing to conduct an adequate infringement inquiry before filing suit. The district court denied Jergens’s motion for sanctions, noting that although Q-Pharma did not conduct a chemical analysis of Jergens’s Curél® CoQ10 lotion before filing suit, its attorneys performed a claim construction analysis and then relied on Jergens’s advertising statements, which suggested that the Curél® CoQ10 lotion contained a “therapeutically effective amount” of CoQ10. Jergens’s appealed this issue to the Federal Circuit.

The Federal Circuit affirmed the district court’s ruling. Under Rule 11, an attorney is required to conduct a reasonable inquiry into the law and facts before filing a pleading in a court and to certify that the claims contained therein are not frivolous, legally unreasonable, without factual foundation or asserted for an improper purpose. The Federal Circuit held that the district court acted within its discretion when it determined that Q-Pharma’s attorneys had satisfied this standard.

The Federal Circuit focused on the fact that Q-Pharma submitted evidence that its attorneys had interpreted and analyzed the terms of the asserted patent claim before filing suit, then compared the interpreted claim to the accused product (even though the attorneys apparently had not created a claim chart). This procedure was determined to be sufficient, even though the comparison done by Q-Pharma’s lawyers was between the claims and the product as Jergens’s labeling claimed it to be, rather than the product as chemical analysis would have shown it actually to be.

The court conceded that “Q-Pharma could have conducted a more thorough investigation before filing suit,” but relied on “Q-Pharma’s nonfrivolous

interpretation of claim 1 as requiring no specified minimum amount of CoQ10 and Jergens's forthright assertions regarding the therapeutic effects of CoQ10 in the accused product" in concluding that "it was reasonable for Q-Pharma to believe that the accused product contained a 'therapeutically effective amount' of CoQ10 as the 'principal active ingredient.'"

Significantly, the Federal Circuit distinguished an earlier opinion, *View Eng'g, Inc. v. Robotic Vision Sys.* 208 F.3d 981 (Fed. Cir. 2000), in which reliance on an accused product's advertising, *by itself*, was not enough to constitute an adequate prefiling investigation. In the Federal Circuit's view, after *Q-Pharma*, the fundamental requirements for an adequate investigation are (1) interpreting the asserted claim or claims of the patent, and (2) comparing the interpreted claim or claims to the accused product or method. Under some circumstances, as in the *Q-Pharma* case, it may be reasonable to rely on the accused infringer's advertising statements in performing step (2), as long as step (1) has also been performed.

#### **DMCA Liability for Internet Service Providers — No Safe Harbor?**

In *Ellison v. Robertson*, 357 F.3d 1072 (9th Cir. 2004), the United States Court of Appeals for the Ninth Circuit held that AOL had not taken sufficient steps to meet the threshold eligibility requirements under the DMCA's safe harbor provisions to avoid liability for contributory infringement as a matter of law.

Harlan Ellison is the author of copyrighted science fiction novels and short stories. In 2000, Stephen Robertson scanned and copied a number of Ellison's works and uploaded the files to a USENET newsgroup that was used primarily to exchange unauthorized digital copies of works by famous authors. These infringing copies were transmitted to many USENET servers, including those belonging to AOL. Thus, AOL's subscribers had access to these infringing copies of Ellison's works.

In accordance with procedures prescribed by the DMCA, Ellison's attorney sent a "take-down" notice by email message to the copyright agent for AOL. The take-down notice is the opening salvo in copyright infringement cases involving Internet services providers (ISPs). Upon receipt of such a notice, ISPs are afforded the opportunity to investigate the presence of allegedly infringing materials and take appropriate action, such as blocking access to the materials. In doing so, ISPs may avoid liability for vicarious or contributory copyright infringement under the DMCA's safe harbor provisions.

However, the crux of the issue is whether the ISP has "reasonably implemented" a policy against repeat infringers. The record in *Ellison* showed that AOL had changed its email address for DMCA notice purposes in the fall of 1999 but failed to register the change with the U.S. Copyright Office until April 2000. AOL also failed to configure the old email address so that messages would be forwarded to the new address or inform the sender that the email address was inactive. To wit, Ellison's attorney did not receive a response from AOL when he sent the take-down notice.

These failures were enough to prevent the court from concluding that AOL had met the threshold requirements to invoke the DMCA's safe harbor provisions as a matter of law. The court acknowledged that AOL had notified the Copyright Office of its correct email address before Ellison's attorney attempted to contact AOL and had posted the correct email address on the AOL website. Nonetheless, the fact that "AOL allowed notices of potential copyright infringement to fall into a vacuum and to go unheeded" was sufficient for a reasonable jury to conclude that AOL had not reasonably implemented its policy against repeat infringers. Consequently, the issue of AOL's eligibility under the DMCA's safe harbor provisions was remanded for trial.

#### **District Court Issues Narrowing Ruling on "Circumvention" under the DMCA**

The Southern District Court of New York district has ruled that unauthorized use of an otherwise legitimate owner-issued password to access content does not constitute a "circumvention" of a technological measure under the DMCA. *IMS Inquiry v. Berkshire Info. Sys.*, 307 F. Supp. 2d 521; (S.D.N.Y. 2004).

The case arose out of a dispute between two competing companies that provide advertising tracking information to users. IMS alleged that Berkshire accessed and copied web pages containing its content using a user ID and password. This access and copying violated the IMS user agreement. IMS asserted two copyright-related causes of action against Berkshire: copyright infringement and a violation of the DMCA's anticircumvention provisions. (17 U.S.C. § 1201(a)(1)). It claimed that Berkshire had copied several copyrightable elements of IMS's website including the selection of information categories on its websites. IMS also alleged several violations of the Computer Fraud and Abuse Act ("CFAA") (18 U.S.C. § 1030 et seq.) and a tort claim. The defendant moved to dismiss all counts of IMS's complaint. The court dismissed IMS's copyright and DMCA claims while allowing the CFAA and tort claim to go forward.

As to the copyright claim, the court found that it lacked jurisdiction because the copyright registration that purported to give IMS jurisdiction did not actually cover the contested material. A valid copyright registration covering the asserted work is a prerequisite of a federal copyright suit. In this case, IMS offered a registration dated March 2003 to fulfill this requirement. The court held that the registration did not cover the contested material because the plaintiff had identified the registered material as having been first published in January 2003, whereas the asserted material, the court found, had been published in 2002. Nor did the plaintiff identify the registered materials as being derivative of the asserted 2002 materials on the registration.

The court then turned to the DMCA claim. The DMCA prohibits circumvention of a technological measure that effectively controls access to a digital work. The statute states that “to ‘circumvent a technological measure’ means to descramble a scrambled work, to decrypt an encrypted work, or otherwise to avoid, bypass, remove, deactivate, or impair a technological measure.” The question before the court was whether defendant Berkshire’s unauthorized use of an owner-issued password qualified as “circumvention” under the DMCA.

The court concluded that there was no circumvention. Although Berkshire had accessed IMS’s website without authority, the court held that as it did not “puncture or evade” a technological measure to do so, there was no circumvention as prohibited by the statute. The defendant’s unauthorized use of an otherwise legitimate password, the court reasoned, was like borrowing a DVD player without plaintiff’s permission. What was circumvented or bypassed was plaintiff’s *permission* to use the password as it did, the court reasoned, not the technological measure of the username/password itself. On this basis, there could be no violation of the DMCA.

#### **“REALTOR” wins the Day**

In *Zimmerman v. National Ass’n of Realtors*, Cancellation Nos. 92032360 and 92040141 (Trademark Trial Appeal Board March 31, 2004), the TTAB was asked to determine whether the collective service marks REALTOR and REALTORS were generic for real estate brokerage services and for the people providing those services, namely real estate agents. The petitioner, Jacob Zimmerman, asserted that the terms “realtor” and “realtors” referred in general to real estate agents, and that REALTOR and REALTORS therefore had to be generic. The respondent, the National Association of Realtors (NAR), on the other hand, felt that REALTOR and REALTORS were distinctive, because the terms were not used to refer generally to all

real estate agents, but only to those specific real estate agents who had met the collective standards of the NAR. The TTAB ultimately sided with the NAR, and ruled that REALTOR and REALTORS were not generic.

In reaching this conclusion, the TTAB considered a host of evidence introduced by both Mr. Zimmerman and the NAR, including use of REALTOR and REALTORS by the NAR, its competitors, the media, dictionary definitions and trade testimony. When it reviewed the use of REALTOR and REALTORS by the NAR, its competitors, the media and the dictionary definitions of REALTOR and REALTORS, the TTAB found that while there were some generic references to REALTOR and REALTORS, the majority of the references were proper trademark references to REALTOR and REALTORS and that use of most of those references followed the trademark guidelines set out by the NAR. Given this evidence, the TTAB was persuaded that the NAR had done enough enforcement and education to preserve the viability of REALTOR and REALTORS as service marks. In addition, it noted that Mr. Zimmerman had not produced any trade testimony showing that persons in the trade considered REALTOR and REALTORS to be other than valid collective service marks.

The TTAB also considered consumer survey evidence submitted by both parties. Mr. Zimmerman had submitted the results of a survey of the general public showing that only 10 percent of the general public viewed REALTOR and REALTORS as brand names, while the NAR produced survey results focused on real estate professionals, showing that the majority of real estate professionals recognized REALTOR and REALTORS as collective service marks of the NAR. Because the majority of real estate professionals recognized REALTOR and REALTORS as collective service marks, and because the TTAB found that real estate professionals were a valid subset of the relevant consumer market, the TTAB in the end determined that REALTOR and REALTORS were not generic, especially since there were other terms, such as “real estate agents,” that could be used to refer to professionals in the real estate industry. Accordingly, the TTAB refused Mr. Zimmerman’s request to cancel the trademark registrations for REALTOR and REALTORS.



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