It’s a new day at the PTAB

U SPTO Director Andrei Iancu made news at the Annual Meeting yesterday, announcing a new claim amendment procedure at the Patent Trial and Appeal Board.

The USPTO has made some big changes to PTAB practice in recent months. It updated the Trial Practice Guide in August, published two new Standard Operating Procedures (SOPs) in September, and published a final rule on the claim construction standard in October. “And in just a few days, we will formally publish a proposal for an updated claim amendment procedure in AIA trials,” said Iancu.

Claim amendments have been rare. They are filed in less than 10% of AIA trials, and granted or granted in part in only 10% of motions that are ruled on. “I believe that the current amendment process in AIA proceedings is not working as intended,” said Iancu.

He said the amendment process should allow the patent owner a meaningful opportunity to draft narrower claims. The proposed amendment process would involve a motion filed by the patent owner within six weeks of institution, an opposition by the petitioner within another six weeks, a preliminary non-binding decision by the Board one month later, and the opportunity for the patent owner to revise the amended claims in light of this preliminary decision.

“This preliminary decision would provide valuable insight to both parties regarding the merits of the motion to amend,” said Iancu. “Having the Board provide this extra feedback to the parties earlier in the case should lead to more narrowly-tailored and focused claim amendments, and potential earlier resolution of the issues.” In the end, the Board will consider both the original claims and any amended claims at the hearing and in the final written decision.

The USPTO will seek public comments before finalizing the new procedure.

“And so, with the newly updated trial practice guide, the new standard operating procedures, the claim construction standard newly aligned with federal courts, and a robust new amendment process, it is indeed a new day at the PTAB!” declared Iancu. “I firmly believe that this combination brings more balance to the proceedings, and better aligns them with the original intent of the AIA legislation.”

Iancu also discussed the other recent PTAB changes. One of the SOPs in September creates a Precedential Opinion Panel. Members of this panel are by default the USPTO Director, the Commissioner for Patents, and the Chief Judge, although in some circumstances this authority can be delegated.

“Compared, the USPTO has made significant changes to the Precedential Opinion Panel,” said Iancu. “The Precedential Opinion Panel now has a broader range of expertise, and their opinions carry more weight.”

“The Precedential Opinion Panel now has a broader range of expertise, and their opinions carry more weight,” said Iancu.

Iancu noted that few are not pleased with the change because they believe it will make it easier to preserve low-quality patents. “That’s curious, because all we did was to say that we will use the same standard currently used by district courts and the ITC, and that has been used in countless court proceedings for many years to date,” responded Iancu.

He said there is no reason for the USPTO to be using a claim construction standard in IPRs that eliminates patents that would otherwise survive challenge in district courts. “Doing so is an example of what I have referred to as an over-correction that risks throwing out the baby with the bathwater,” said Iancu.

He also revealed that the USPTO is hiring more trademark examining attorneys and has launched a re-designed homepage.

The USMCA’s “loud and clear signal”

T he AIPAs Annual Meeting began in earnest yesterday with a very timely presentation during the Opening Plenary Session. Daniel Lee, Assistant US Trade Representative (Acting) for Innovation and Intellectual Property Office of the US Trade Representative (USTR), provided an overview of the United States-Mexico-Canada Agreement (USMCA), which was agreed in the very last few hours of September.

“I am happy to say that the IP chapter of the USMCA is the most robust IP chapter that USTR has ever negotiated,” said Lee. “It covers protection and enforcement across the IP spectrum, including trademarks, patents, trade secrets and copyright. The USMCA will raise the standard of IP protection and enforcement in Canada and Mexico. It also serves as a loud and clear signal to other countries as to what the United States expects for IP protection and enforcement.”

The USMCA includes many IP changes. “The real winners are US innovators and creators,” said Lee. The IP chapter includes provisions on biologics, trademarks, geographical indications, pharmaceutical patents, copyright and trade secrets.

The Opening Plenary Session began with AIPAs President Myra McCormack announcing the Women in IP Law Committee as the Committee of the Year. “This year we are proud to recognize the outstanding achievement of a committee that worked very hard to support AIPAs mission. It has its hands in nearly every aspect of AIPAs and serves as a model for other committees,” commented McCormack. Committee Chair Bea Swedlow accepted the award.
A primer on franchise law

An overview of franchise law for IP lawyers was provided in The Trademark/Copyright Track yesterday morning. Amy Cheng of Cheng Cohen discussed the Franchise Disclosure Document (FDD), a vital document that a franchisee must provide to prospective franchisees. IP can play a role in FDDs, mostly on the trademark side. “I have done hundreds of FDDs and I can count on one hand the number of patents disclosed in those FDDs,” said Cheng. “On the other hand, every franchisee has a trademark. Who wants to invest in a business where the trademark is not protected?”

Jeffrey Woll of Quarles & Brady gave a presentation on litigating trademark issues in franchise matters. “I am going to talk about doom and gloom, or potential doom and gloom,” he began. “What happens when a client sells or operates an illegal franchise?”

He said there is a “parade of horribles” of potential actions that can be taken – federal enforcement, state enforcement and private actions.

“Violations of the FTC Rule may result in a federal enforcement action, which may include a lawsuit brought in federal district court under Section 5 of the Federal Trade Commission Act,” Woll said.

For violations of the Rule, the FTC can bring a civil action seeking injunctive relief plus civil penalties of $41,284 per violation; obtain other types of equitable relief such as restitution orders and rescission to remedy past violations; and seek and obtain a freeze of assets and the appointment of receivers.

“The FTC, as you can imagine, being an arm of the federal government, has very broad enforcement powers,” said Woll. “So especially in the case of start-ups or early stage companies that are engaged in the sale of illegal franchises, that is something that potentially can get onto the radar of the FTC – and nobody wants that to happen. But it can also happen in the case of more mature franchise systems.”

The FTC Rule itself does not apply in state law, and states that require franchisors to register franchise offerings have varying enforcement powers. Historically, some states such as California have been much more aggressive.

Enforcement options and remedies for state regulators may include: denial, revocation or suspension of the franchise registration; interim and permanent cease and desist orders; prosecution or referral of the matter to the appropriate state or local authorities for prosecution of civil or criminal actions; appointment of receivers; civil, administration penalties; and costs, reasonable attorneys’ fees, investigative expenses, and other remedies.

Mark Kirsch of Gray Plant Mooty commented on the differences between the Lanham Act and franchise laws. “The main distinction between trademark control and franchise control really looks at what is being controlled,” he said. “In many cases the control that is necessary for a Lanham Act enforcement is control over the product. There are expectations of quality from the product. The franchise model has a broader context. A franchise is a business that is licensing in many cases a method of operation. It is not just the production of a product or delivery of a product but an entire process.”

“The grey area is when it is a little bit more than just the product but not as much as the entire business. It is not an easy answer. There are not a lot of cases. It is kind of a gut feel. Does it really look like a franchise? Does it feel like a franchise?”

An audience member asked about the situation with marijuana franchises.

Cheng responded: “I suspect sooner rather than later, now that it is legal in Canada, you will see a lot of franchising activity in Canada, then eventually in the US. In the US, it is a little bit more difficult because it is still illegal under federal law. So how do you franchise something? I suspect a lot of states would not approve it because it is still illegal under federal law. But eventually, my inclination is that somebody is going to figure out a way to get around it, because it is becoming such a large industry.” Cheng added that she had seen proscriptions in contracts that state the franchisee understands this could be illegal.

Woll added: “Like other businesses that require licensure, there is an added complexity to the business model, such as with medical practices. So it is certainly possible to franchise but with the current state of US law you have a problem with the legality of it.”

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Putting the sparkle into subject matter eligibility

The software patent eligibility situation in the US is "a really high fence," said Sarah Knight of Talem IP in a panel yesterday morning, "when it should be just a threshold."

Knight analyzed various federal circuit and PTAB cases from 2015 (post-Alizic) to the present, and found, in short: "There are no rules."

Isolating potentially influential factors, from length of the claim to use of computer terminology, she found there wasn't a significant correlation to patent validity or invalidity. The "Aha moment" came when reading the claims with the subjective "routine and conventional" rule in mind. Knight found that claims that survived review tended to have a certain "sparkle," and emphasis on what makes the product or process unique, or unconventional. She explains: "You have to look at it with this subjective filter, and try to make it sound innovative." Specifically, she recommends emphasizing how the new software accomplishes its task, and explicitly connecting the invention to an improvement on a technical product.

The European test is a bit drier than the "does it sparkle" test in the US. Paul Derry, partner at Venner Shipley, began: "You'd be forgiven for thinking that the authors of the [EPO] guidelines for examination were compensated based on how many times they used the word 'technical.'"

Case law in Europe has been relatively stable, but the changes to watch come from the EPO's guidelines, which were updated in 2017 and again just a couple weeks ago. Derry said there is "substantial gray area and discretion" as to how eligibility standards are applied, but that drafting specifications well is "absolutely key."

Like the US's two-part test from the Supreme Court's 2014 Alice decision, there is a two-part test in Europe. The first is a "very low hurdle," according to Derry, which says there needs to be technical means expressed or implied in a claim. The second hurdle is the inventive step. The crux of the issue, Derry explained, is that "only features that contribute to producing a technical effect, serving a technical purpose, are taken into account in the assessment of inventive step - all other features are ignored."

Great inventions have been denied by the EPO because the description did not properly highlight its technical purpose and effect. Derry offered some tips to overcome this issue at the EPO. Firstly, be as detailed as possible. "More detailed specifications fare better than thin applications," he said. Secondly, emphasize technical aspects of the invention. Lastly, omit non-technical purposes that could draw attention away from the technical arguments. "You'll find patentability in more cases if the patent specification includes further technical implementation detail, and discusses the technical effects and the technical problem solved," he said.

Karen Canady, partner at Canady + Lortz, addressed biotech patentability in the US. "Purified and isolated products may be patented," she said. "Emphasis on m.y.p."

She cautioned against overgeneralizations, but nevertheless shared: "Courts like new, human-made, compositions that are structurally different." The key phrase they look for is "markedly different characteristics."

In the recent Roche Molecular Systems v Cepheid case, the patent on a primer was found to be invalid because it included a naturally-occurring sequence, even though the physical structure was entirely different. Federal Circuit Judge Kathleen O'Malley has called for en banc reconsideration, but in the meantime Canady explained the current status: "As long as the sequence is the same as the larger gene it matches with, it lacks that necessary sparkle."

As for the patent eligibility of peptides, Canady said it is up to applicants to prove how their peptide is different from the parent protein it matches up with. In any case, she says it is "likely to only be eligible if the exact peptide does not exist in nature."

This is certainly an issue to watch, as things are always changing. Canady said: "We do know we need to add something to make natural products unnatural."

AI and copyright

A sizeable portion of artificial intelligence (AI) technology is open source, but developers are looking for ways to protect their IP and their livelihood. Is this best done with copyright, patents, or both?

At the panel yesterday morning, moderator Brian Wassom, partner at Warner Norcross & Judd, explained: "We talk about IP as a spectrum, and software has always been at the intersection of those two areas on the spectrum. So do we classify them as functional works, or expressive works? So far, we’ve got a foot in both camps."

This tenuous balance may not last long. While copyright and patent protection have overlapped in the past, recent developments in both areas of law may force them apart. "The more you prove how this nugget of code is functional [for patent eligibility], you’re working against any argument in copyright law that it’s not functional, but expressive," Wassom said.

The top AI companies in the world come from countries with the most AI-friendly laws. Dave Green, assistant general counsel at IBM, said Europe is missing from this list become of a misunderstanding. "There’s a sense [in Europe] that it’s about big tech, but I want to dispel this rumor. AI is not about big tech in the same way that the computing and internet revolution was about empowering creators and everyone around the world."

Perhaps his prayers have been answered. Just yesterday morning, Green said he "saw a light bulb turn on in Europe," with the news that the European Commission has "reversed course," and is now proposing a mandatory text and data mining exception across Europe for all entities.

In order to do great things, these programs need a lot of data. Green explained: "Basic image recognition takes about 10,000 photos. It takes 10-15 million to get it to the point where you or I would feel comfortable getting into a self-driving car."

If images are used as data, not for their expressive value, should they still be protected by copyright?

"It’s a policy consideration," said Green, "and a critical issue." Japan reformed its copyright system years ago to allow the creation of data repositories to train machine learning and information analysis technologies. Canada’s parliament is currently discussing reforms to the Copyright Act that would create an exception for text and data mining.

To break up the session, Green demonstrated the SeeingAI app, which describes its environment for users with visual impairments. Pointed at the audience, it said: "A crowd of people in a room." Turned on Wassom, the app announced: "A man in a suit and tie." Wassom was not wearing a tie. "We have some work to do," Green laughed.
An active year for AIPLA

A IPLA Executive Director Lisa Jorgenson reports it has been a typically busy year at the Association.

On the advocacy side, AIPLA has been busy submitting amicus briefs and comment letters. Briefs were filed in NatKovent v. Matal, Helseln Healthcare v. Tesa, Booking.com v. Iapicca, and Wetangula v Ion Geophysical.

The Association has submitted a number of comment letters to the USPTO, most recently on its draft strategic plan. It has also commented to the Copyright Office on its proposed rulemaking on fees.

One interesting area AIPLA is providing input on is the Draft Convention on the Recognition and Enforcement of Foreign Judgments Relating to Civil or Commercial Matters Currently Being Negotiated at The Hague Conference on Private International Law. The most recent text of the draft Convention contemplates including judgments related to intellectual property for cross-border enforcement. “We got involved because we think that that is not the right way to go, since IP is very regional or territorial and should not be part of this international convention,” explains Jorgenson.

IP-related activity in Congress has also picked up recently. In the past month, Congress passed the Music Modernization Act, the Marrakesh Treaty Implementation Act, and the Study of Underrepresented Classes Chasing Engineering and Science Success (SUCCESS) Act. “We are really pleased that the Marrakesh Treaty Implementation Act was signed into law. That was to facilitate access to published works for visually impaired persons,” says Jorgenson.

The Association is also pleased that the USPTO fee-setting authority was extended for eight years under the SUCCESS Act. This authority had ended in September this year. “However, while we supported the renewal of that fee-setting authority, we do have some concerns on the proposed increases that the USPTO put forward in its current pending patent fee proposal,” notes Jorgenson.

AIPLA is supporting some other legislation: the Copyright Alternative in Small Claims Enforcement (CASE) Act, which would create a small claims procedure at the Copyright Office, and the Register of Copyrights Selection and Accountability Act, which would require the register of copyrights to be appointed by the President and confirmed by the Senate.

In addition to its external advocacy activities, AIPLA has also been busy making internal changes. It has just hired Michael Collins for the new role of director of development. He joins from George Washington Law School. “We hired him for revenue development through creating some really strong relationships with law firms, corporations and others. It is about creating the partnerships and giving value to the members that come to AIPLA for our meetings, programs and networking.”

AIPLA has been reaching out to members to learn what the value of the Association is to them. “We’ve learned that members of smaller firms really want more access to our educational content,” says Jorgenson. “Our members are wanting more opportunities to network with others and more avenues for educational content. So in response to that, we created a number of new initiatives for them.”

One example is the creation of the All Access Pass, which provides a subscription to AIPLA’s CLE webinars. A new product called Innovate was also launched in August. This is a compendium of articles written by and for AIPLA members. Unlike the longer Quarterly Journal articles, Innovate offers the chance to write shorter articles of about 500-1,500 words. “We are hoping it will allow newer attorneys especially to find a way to get their name out there,” comments Jorgenson. The AIPLA podcast network was also recently launched.

In addition, the Association has a new website. “It will make it a lot easier and faster for members to find all the content that that they’re looking for,” says Jorgenson.

This year’s Annual Meeting will be the last one at the Marriott Wardman Park Hotel, after many years of it being held there. Next year’s meeting will be at the Gaylord National Resort & Convention Center. “That’s a very exciting change,” says Jorgenson. “Not to say that we haven’t enjoyed the Marriott Wardman Park for all these years, but we really need to grow and the Gaylord is a place that is still very close by and where we will be able to enhance our services and products to the membership for that meeting.”

The first big event next year, however, will be the AIPLA Mid-Winter Institute. It will be held at the Marriott Tampa Waterside Hotel & Marina. “We try to pick tranquil, casual settings that encourage a lot of networking,” explains Jorgenson.

A comprehensive four-day program is being lined up, AIPLA will be covering different topics, things like persuasion and negotiation tactics, protecting yourself from cyber attacks, risk management solutions, effective strategies for in-house and outside counsel working together, and diversity and inclusion issues. It’s going to be a very unique program so that’s one thing that we’re really looking forward to.”

Following that, the AIPLA Spring Meeting will be held in Philadelphia in May.

Best practices in patent licensing

N ever fill in the blanks of a licensing agreement. This is the advice that US Patent and Trademark Office counsellor has been giving over the years. Templates can be a good starting point, but the agreement should be so customized by the end of the process as to be unrecognizable from the model. Licensee-licensee relationships are unique and the terms to define them should reflect this.

Panelist Heather Brady, senior patent counsel at Johnson & Johnson, said “the first thing to consider is who manages the partnership.” For companies with large patent portfolios, administration by a joint steering or advisory committee is key. “Complex [licensee-licensor] relationships require a more detailed clause,” Brady said, which might include defining the committee’s priorities and processes.

Dispute resolution should also be agreed upon upfront. Brady recommends using the American Arbitration Association’s templates for writing up the dispute resolution clause, but as always, the parties’ relationships should determine provisions such as venue and damages.

Enforcement is another major consideration. Who will be responsible for enforcement, and bear the costs associated with it? Non-practising patent owners may have difficulties recovering lost profits or getting injunctive relief without their licensees as a co-plaintiff, so perhaps a commitment to join lawsuits could be written into the agreement.

Remedies for licensees in the event that the patent claims are invalid should also be pre-determined, and could include a reduction in the licensing fee or royalties they otherwise agreed to pay.

Brady also mentioned the Bay-Hole Doctrine as something that patent practitioners should be aware of “because it is a powerful tool for innovation.” The Act lays out requirements for patent owners that use federal funding in their research and development, which include giving preference to small business licensees, and agreeing that products will be made substantially in the US. Brady explained: “There is not much case law to say what ‘substantially’ means, so it’s something to consider if your business partner has manufacturing outside the US.”

Royalties are a crucial part of effective licensing agreements, and should include a tailored and detailed scheme that defines the licensed product and lays out an appropriate accounting method. There are fixed, running, and hybrid royalty schemes, and the latter is the most common. The hybrid scheme includes a fixed rate upfront, with a running rate that kicks in later and depends on the number of licensed products sold and the revenue associated with it.

Jeffrey Mote, shareholder at Greenberg Traurig, called apportionment the most “troubling” and “difficult” aspect of calculating appropriate royalties, but at least “you can generally tell by the [multicomponent] nature of the product that it’s going to be subject to apportionment,” he said. The agreement should lay out how the product’s value would be calculated when sold in combination with another product.

Mote also advocated for the practice of conducting royalty audits. “It often reveals underreporting, and serves as a great deterrent,” he said.

Finally, Bryan James Mechell, principal at Robins Kaplan, shared some best practices on licensing agreements relating to artificial intelligence and the Internet of Things (IoT). Essentially, it’s all about understanding and managing the risk inherent in those systems. Humanity crossed an interesting threshold in mid-2016: there are more connected devices than there are people on Earth. AI and the IoT affect all industries, and are now ubiquitous because of the increased communication, overlap, and interoperability that they enable.

The issue of personal data and privacy is the first risk that parties negotiating a license on AI or IoT should discuss. These technologies are becoming so ubiquitous, who is responsible for a breach? There have been several cases around this issue – FTC v D-Link Systems, Rosa v St. Jude Medical, and Cullen v Toyota – but they were dismissed because the breaches were theoretical.

Another risk is patent invalidity under 101, since the Supreme Court’s 2014 Alice decision. How are licensees compensated if the patent is invalidated? Product liability is a potential issue as well. Who is responsible for autonomous vehicles’ errors in the future? “We aren’t there yet,” said Mechell, “but I project that as we get further down the road with autonomous vehicles, we’re going to see more liability attached to manufacturers.”

Mechell added: “Licensees should not overstate the technology’s capabilities, and they should have a rock-solid user licensing agreement that defines the scope of protection.”
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Trademark portfolios: one size doesn’t fit all

This morning’s panel on managing international trademark portfolios will focus on best practices in filing strategies and writing descriptions.

Keith Medansky, moderator and partner at DLA Piper, says: “You have to be very careful to make sure you have a description that matches the jurisdiction, but is also sufficiently international.”

The biggest consideration is where to start. In order to file an international mark with the Madrid System, trademark owners must first submit an application to a national office, before the office forwards it along to WIPO.

“If you start in a country that’s restrictive,” explains Medansky, “you may be locked into that narrow description.”

Starting in a country that accepts broader terms may cause problems when the USPTO reviews it, for example, because it tends to be “pessimistic,” he says. This can be seen in the USPTO’s recent proposal that would require foreign trademark applicants to be represented by US counsel.

On the one hand, the Madrid System is a great way to streamline international filings, avoid local prosecution and reduce costs. On the other, “there are some dangers with Madrid,” Medansky says. If a basic application is attacked in its first five years, designations in other countries are “shattered,” he says. Also, if you file an application that isn’t accepted by WIPO, the designations are gone and the procedure to save the mark can be more expensive than filing individually.

International filers should also be aware that “classification issues bleed from country to country,” says Medansky. For example, the office of origin may accept class headings, but a designated country may not. Thankfully, most countries use the Nice Classification system, which simplifies this process.

According to Medansky, the considerations for writing a balanced description are: “Do you have use? Do you have good faith intent to use where that’s required? Are you going to be able to establish use? Put all that into a blender and use that to build a decision to choose which countries to file in.”

However, that list is often bigger than clients’ budgets. Cost is often the greatest limiting factor. “It’s easy when clients have the resources to register everywhere, but most have decisions to make,” Medansky says. Those decisions are made by prioritising either classes or countries.

Filing in fewer countries allows clients to afford more classes, and vice versa.

Medansky recommends using local counsel to “fine tune this decision.” He adds: “If you file broadly in many subclasses, the better you are defensively. But you’re increasing the possibility you’ll have an objection.”

Recent global events that will impact international trademark filing strategies include Brexit and Canada’s accession to the Madrid Protocol. Previously, international applicants couldn’t assign a registration to Canada via Madrid, and now they will.

The state of trademark registrations in the UK post-Brexit is unknown, so it’s best to err on the side of caution and take steps to establish use and registrations in both the UK and Continental Europe, if possible.

“The main thing,” Medansky says, “is to have a good sense of where a client is operating today, in the short, medium, and long term, and customize a strategy for them. One size doesn’t fit all.”

The “Successfully Managing International Trademark Portfolios” session is taking place in the International Track between 8:45-10:00am this morning.

Be proactive fighting counterfeits

“The worst thing you can do is be reactive,” says Keith Medansky, moderator of this morning’s panel on best practices to fight counterfeit ing. The panel will share region-specific tips for handling the issue in the US, Latin America, and south-east Asia.

While there haven’t been many recent legal developments to report, continued awareness of the issue is vital to success. The first step is to obtain the proper trademark registrations, and applicable copyrights for good measure. Second, record these rights with Customs and law enforcement agents, and update them as needed.

Lastly, continue to educate the relevant parties – Customs, law enforcement, employees throughout the supply chain, retailers, and even customers – on how to spot fakes. Medansky notes that law enforcement is especially helpful, particularly if the counterfeits could create a public health issue, such as flammable goods, or contaminated food items.

If preventative measures fail and counterfeits are being produced, it requires a lot of time, patience, and investigative work in partnership with law enforcement to shut down the operation. Medansky likens counterfeiter producers to drug cartels: “Going after one node will not stem the flow. You really want to get at the source.”

New technologies – such as RFID chips or blockchain – have enabled brands to better track their products and ensure their legitimacy. “But for every innovation on that,” Medansky laments, there are technologies that let people sell anonymously through auctions or social media. “To say anonymous networks with anonymous payment systems are problematic would be an understatement.

Recent policy changes that anonymize individuals’ personal information, such as Europe’s General Data Protection Regulation, make it even harder to track counterfeit operators.

Still, Medansky has hope. “I like to think that the good guys will win. Companies have gotten a lot smarter and are more willing to put more resources by in hiring people with a law enforcement background, for example,” he says.

Some companies may be on board, but one of the toughest challenges trademark professionals still face is convincing executives that this issue merits implementing preventative measures. “These programs don’t pay off in the short term,” Medansky says. “It’s a long-term investment.” Getting that investment requires communicating potential risks to the executives, and enlisting the support of other departments (such as finance, legal, sales and corporate security).

Medansky will also challenge the panelists to explain how they balance strategies with costs. “Sometimes the budget is such that people spend money on flashy counterfeiting programs, or work with law enforcement because it’s exciting,” he says. But most companies have limited resources or other priorities, and can’t or won’t spend the money to use every possible strategy to fight counterfeits. In practice, how can trademark professionals find the ideal balance of strategy and costs? Attend the session to find out.

The “Fighting Trademark Counterfeiting Along and Within the US and Foreign Borders” session is taking place in the International Track between 10:30-11:45am this morning.
“T hese days if you’re a litigator or if you’re in a company that is involved in a lawsuit, you can’t escape e-discovery,” says Aliza Carrano of Finnegan Henderson Farabow Garrett & Dunner. She is moderating a session this afternoon that will bring attendees up to speed with this important topic.

The panel will include a primer on e-discovery, a discussion of the burden and ethics under Rule 26(b)(1), an update on social media discovery, and tips for outside counsel from the in-house perspective.

One of the biggest issues in e-discovery was the update to Federal Rule of Civil Procedure 26(b)(1) in 2015. This stipulated that discovery needs to be conducted in a manner that’s proportionate to the needs of the case. “There are several factors that parties are to consider, such as access to relevant information and whether the burden or expense of the proposed discovery outweighs the likely benefit,” explains Carrano.

The discovery demands for electronically stored information (ESI) during litigation are immense – and increasing. “I’ve even seen documents that are in paper form scanned into an electronic form because that’s just now the common way of collecting and reviewing and producing documents,” says Carrano. “So in the context of the discovery where there are tons of documents, this rule of proportionality can help make the discovery portion of the case more manageable and more cost effective.”

Social media is increasingly becoming a factor in e-discovery. However, not everyone is aware of how good a source of information this can be.

“You should not overlook discovery from social media sources, such as LinkedIn or Facebook,” says Carrano. “It seems like everyone now has a LinkedIn page or blogs or are on Facebook. So one point is to look into relevant social media information. For example, looking at an inventor in the context of a patent case, maybe he’s made a claim about his invention on social media. That is another avenue of information that should be looked into. Or it can be used to look at the track-record of an expert.”

However, there are some caveats that lawyers should keep in mind about social media. “There are certain things that lawyers just can’t do,” says Carrano. “This is something we will learn on the panel. You can’t just ‘friend’ someone who could be a potential witness to get information, for example. There are certain things you have to follow depending on the jurisdiction. Maybe in some jurisdictions you can’t send a request to someone who’s a potential witness, while in others it might be OK if you are up-front about who you are and what you’re trying to achieve. So you have to be careful.”

The session will also highlight recent cases involving spoliation. One came in March this year when a Middle District of Tennessee ruling in EPAC Technologies v HarperCollins Christian Publishing highlighted that lawyers, especially outside counsel, have a duty to monitor and ensure compliance with effective litigation holds. The defendant was sued in May 2015 but continued to delete emails to free up storage space. The judge was forgiving of the defendants but admonished outside counsel for not overseeing the discovery process properly.

“That’s something that as outside counsel we need to keep in mind,” says Carrano. “It’s one thing helping draft the litigation hold notice, but you also have to continue to make sure to monitor and ensure that that hold is actually being complied with.”

Carrano concludes that the scope of discovery is vast. And new sources are emerging all the time. “ESI is everywhere,” she says. “It’s not just documents or email. It’s also things like texting, social media, and even some things that aren’t considered yet, such as information contained from smartwatches, vehicle technology and smart speakers. So there’s a lot of sources of ESI.”

The session “Electronic Discovery—Learn It, Love It, Live It!” takes place as part of Track 1: Litigation this afternoon from 2.00–3.30pm.
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TODAY’S SCHEDULE: FRIDAY, OCTOBER 26 2018

9:15am-12:30pm  Spouse/Guest Tour: Artehouse

Committee Meetings
6.45am-8.45am  Women in IP Law Committee Breakfast
7:45-8:45am  Amicus (Committee Members Only)
7:45-8:45am  US Bar/EPPO Liaison Council (Council Members Only)

Concurrent Morning Tracks
8.45-10:45am  Track 1: Patent/Trademark/Copyright
8.45-11:45am  Track 2: Trade Secret/International
8.45-11:45am  Track 3: International

Luncheon Events
11:45am-12:15pm  Lunch Reception
12:15-1:45pm  Luncheon - Speaker: The Honorable Kara Farnandez Stoll, Federal Circuit
1:45-2:00pm  Annual Association Business Meeting

Concurrent Afternoon Tracks
2:00-3:30pm  Track 1: Litigation
2:00-3:30pm  Track 2: Appellate Practice
2:00-3:30pm  Track 3: Copyright/International

Committee Educational Sessions
3:30-5:30pm  Biotechnology/Food And Drug/Trade Secret Law (Joint Session)
3:30-5:30pm  Chemical Practice/Emerging Technologies (Joint Session)
3:30-5:30pm  Harmonization/Patent Agents (Joint Session)

Committee Meetings
3:30-4:30pm  AIPPI Fellows (Committee Members Only)
3:30-4:30pm  Copyright Law
3:30-4:30pm  Diversity in IP Law
3:30-4:30pm  Electronic and Computer Law
3:30-4:30pm  IP Law Associations (Committee Members Only)
3:30-4:30pm  Online Programs
3:30-4:30pm  Patentable Subject Matter Task Force (Committee Members Only)
3:30-5:30pm  AIPPI-US Meeting & Reception
3:30-5:30pm  Anti-Counterfeiting and Anti-Piracy/International Trade Commission (Joint Meeting)
3:30-5:30pm  International and Foreign Law/Mentoring (also the IP Practice in the Arab Region Sub-Committee) (Joint Meeting)
3:30-5:30pm  Trademark Internet/Trademark Law/Trademark Litigation/Trademark Treaties and International Law/Trademark-Relations with the USPTO also to include Madrid Protocol Subcommittee (Joint Meeting and Reception)

4:30-5:30pm  Alternative Dispute Resolution (Committee Members Only)
4:30-5:30pm  Education
4:30-5:30pm  Membership
4:30-5:30pm  PTAB Trial
4:30-5:30pm  Public Education
4:30-5:30pm  Special Committee on Publications

Friday evening events
6:00-7:00pm  BNA Authors and AIPPI Leadership Reception (Invitation only)
8:00-10:00pm  Dinner, Entertainment and Dancing (Black Tie Optional)
10pm-12am  Diversity Dessert Reception

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INTELLECTUAL PROPERTY, CORPORATE & COMMERCIAL LAW

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TODAY'S SCHEDULE: FRIDAY, OCTOBER 26 2018

Meet near entrance to Harry’s Pub by 9:00am for a 9:15am departure.