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North Face settles with South Butt

In late 2009 North Face Apparel Corporation, known for its outdoor equipment and apparel, filed a trademark infringement suit against The South Butt, LLC over what South Butt described as a parodic clothing line. South Butt used the tagline "never stop relaxing" and the name itself was meant to describe "the soft undercarriage of the non-mountain climbing anatomy." On April 5, a lawyer for The South

Tiffany & Co. Loses Trademark Infringement Suit Against eBay

Despite information that eBay knew as "a general matter" that its online sellers were selling counterfeit goods, the U.S. Court of Appeals for the Second Circuit recently upheld the lower court's finding that eBay was not liable for infringing Tiffany's trademark. However, the Court of Appeals did send Tiffany's false advertisement claim back to the trial court. The court stated, "[i]t is true that eBay did not itself sell counterfeit Tiffany goods; only the fraudulent vendors did, and that is in part why we conclude that eBay did not infringe, but eBay did affirmatively advertise the goods sold through its site as Tiffany merchandise." See [story](#).

7,000 Fake Rolex Watches Get Steamrolled In Philly

Unveiled on World Intellectual Property Day, officials from US Immigration and Customs Enforcement bulldozed over 7,000 counterfeit Rolex watches in a ceremonial statement against IP piracy.

Binh Cam Tran, initially an honest merchant on Jeweler's Row in Philadelphia, entered the dark side by filling townhouses with parts to produce the knock-offs. Tran became so rich that he bought a factory in Hong Kong to manufacture parts stamped with the Rolex trademark. He is now serving 6 years

Butt stated that the matter had been amicably resolved. Read more about the story [here](#).

Nestle and Weight Watchers Talk Settlement

Weight Watchers and Nestle are in the process of settling a trademark infringement suit filed against Nestle in the U.S. District Court for the Southern District of New York. In its complaint, Weight Watchers alleged that Nestle was using Weight Watchers trademarked point system on certain Nestle products, including Skinny Cow ice cream and Stouffer's Lean Cuisine frozen entrees. Weight Watchers does license its point system trademarks, but Nestle did not have permission to use the trademarks. See story [here](#).

\$240 Million Border Enforcement

U.S. government agencies, through the

in prison for his illegal efforts. See store [here](#). See [video](#).

USPTO Proposes 12-Month Extension to Provisional Application Period

The USPTO is seeking public comment on a proposal that would provide a 12-month extension to the current 12-month provisional application period. At the end of the 12-month provisional period, an applicant would be required to file a non-provisional application, a basic filing fee, and an oath. The applicant would then receive a notice of missing parts and 12 months to respond. According to Under Secretary of Commerce for Intellectual Property and Director of the USPTO David Kappos, "[g]iving applicants a 12-month period to reply to a missing parts notice would effectively give applicants more time to evaluate the value and market potential of their inventions. It not only helps applicants decide whether to incur the additional costs involved in pursuing a patent, but also, makes the patent office more efficient in enabling the delivery of new products and services to market." See USPTO details [here](#).

How Are The Sophisticated Protecting IP In China?

The answer: contract drafting. China has a very poor track record of protecting intellectual property (unfortunately for Chinese companies). This reputation stems from infrequent infringement court rulings in favor of foreign companies. "There's a well-articulated set of intellectual property guidelines and laws, but there hasn't been [a] consistent enforcement of those laws," said Bill Russo, a Beijing-based consultant with Booz & Co.

So when negotiating with the Chinese market, what are the sophisticated American corporations doing? They are reinforcing their IP through specific contract penalties. For example, when Ford Motor Co. sold Volvo, its Swedish carmaker, to Zhejiang

National Intellectual Property Rights Coordination Center, have confiscated over \$240 million in Coach handbags, Nike shoes, pirated DVDs, Rolex watches, and fake pharmaceuticals in April while protecting

U.S. borders from pirated products (last year's total was \$260 million in fake goods). When announcing their largest seizure of counterfeit goods John Morton, assistant secretary for the U.S. ICE at the Department of Homeland Security, said, "[i]ntellectual property theft steals a whole lot. It steals jobs, creativity, it funds organized crime, and it's a serious risk to public safety." See [story](#).

Geely Holding Co., a Chinese company, Ford spent the majority of its time on IP negotiations. Yes, any industrial technology agreement will be complex, but in China, because enforcing your IP rights under contract law may be your only viable remedy, the level of complexity increases. See [story](#).

Get Sirius About Indemnification

Sirius XM Radio Inc. wants indemnification from Intervoice Inc. for costs associated with a third-party patent infringement suit. The suit, which settled last March, alleged that Sirius XM's automated customer service operations infringed several of the third-party patents. Intervoice developed, controlled, and operated the hardware and software behind Sirius XM's telephone-based customer service technology.

The issue before the court is whether Intervoice should indemnify Sirius XM because of an implied independent duty. Sirius XM argues that Intervoice has an implied duty to provide non-infringement services, yet Sirius XM does so without identifying factual support. Despite this deficiency, Intervoice has failed to dismiss the indemnification claim. See [story here](#).

Supreme Court Grants Certiorari in First Sale Doctrine Copyright Case

On April 19, 2010, the Supreme Court agreed to review a Ninth Circuit decision that the Copyright Act's first sale doctrine is not a defense available to an infringement defendant sued over the importation of gray market copies made in a foreign country. 17 U.S.C. §109(a). The Ninth Circuit concluded that applying §109(a) to foreign-made copies would violate the presumption against the extraterritorial application of U.S. law. The first sale defense does not apply to foreign-made, non-piratical copies of a U.S.-copyrighted work, unless those same copies have already been sold in the United States with the copyright owner's consent. Costco has asked the U.S. Supreme Court to review this decision. [Costco Wholesale Corp. v. Omega S.A., U.S., No. 08-1423, 4/19/10](#). See details [here](#).

Don't Let Genericide Happen to YOU

Do you know that the terms "aspirin," "escalator," "thermos," and "zipper" were once protectable trademarks? By allowing others to use a mark as the generic term for a product or service, a mark may become the name for a category ("species") of goods or services, the "generic" term for the product or service. It thereby ceases to function as a mark and the owner no longer has the exclusive right to use the "mark."

The International Trademark Association ("INTA") provides some basic rules for proper usage of trademarks:

- Make sure that the mark is distinguished from the rest of the text by using all uppercase letters (e.g., "ROLLS-ROYCE") or by capitalizing the first letter (e.g., Exxon)
- Remember that trademarks are adjectives and should always be followed by a generic term (e.g., "APPLE computers");
- Never pluralize the mark or use it in a possessive form (e.g., "OREOs" or "TIC TACs" are incorrect usages of the marks);
- Never use the mark as a noun (e.g., "use a Kleenex" instead of "use a KLEENEX tissue");
- Never use the mark as a verb; trademarks are products or services, not actions (e.g., "xerox the book" instead of "copy the book using a Xerox copier").
- If a mark is improperly used by a third party, promptly ask the author to correct the improper use.

Click [here](#) for tips

RFG Firm News

Rader, Fishman and Grauer is pleased to announce the opening of a new office in Orange County, California. Please contact us at: info@raderfishman.com

Senior Trademark Attorney, William G. (Greg) Lane, has joined the Orange County, California office of Rader, Fishman & Grauer. Mr. Lane brings over 40 years of intellectual property law expertise to the firm. Please contact William G. (Greg) Lane at wgl@raderfishman.com or 949-585-0348.

RFG Bloomfield Hills office will host a free ABA Roundtable titled: "Beware The New Patent Trolls - *Strategies For Handling and Avoiding False Patent Marking Claims after Forest Group v. Bon Tool*" on Friday, May 14, 2010, 12:00 PM to 1:30 PM with lunch. RFG Partners, Tom Bejin and Doug LaLone will serve as Moderators for the event. See roundtable [outline](#). To register, contact nau@raderfishman.com

World Intellectual Property Day was April 24, 2010-

RFG Partner, Michael Stewart, attended World IP Day in Washington D.C. as a sub-committee chairperson of the Public Education Committee of the American Intellectual Property Law Association. The Public Education Committee was one of the three co-sponsors of an event at the House of Representatives involving representatives of Congress (Congressman Conyers was one of the speakers), the Administration (e.g., the US trade representative and intellectual property coordinator, Director Kappos and Commissioner Stoll) and the Courts (Judge Newman) as well as various international participants such as the World Intellectual Property Organization (e.g., the deputy general). A resolution was passed by the House of Representatives concerning world Intellectual Property day, which reflects the ever-increasing importance of intellectual property both at a national and international level. To read the discussion click [here](#).

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