809 What Every GC Needs to Know About Managing IP Assets

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Session 809:
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Overview

- Why and How to Value IP
- What are IP Rights and How to Obtain and Enforce Them
- Information Flow, Tools and Record Keeping

Align IP with Business Strategy…

- Align departments – achieve "buy in" from executives, engineering, marketing and sales, HR;
- Align short and long term corporate goals and strategies with IP portfolio development and protection;
- Align R&D with competitive analysis and perceived market needs.

Seeing is Believing…

- Visualize value.
- Metrics to measure, manage and improve.
- What is measured can be improved.
- As easy as "good, better, best".
- Necessary to Executive buy-in and can result in improved employee performance.

Value Drivers

- Tools by which Executives measure impact
- IP Management must prove alignment with and support of overall business strategy
- Key Value Drivers…
  - … strategic value
  - … financial value
  - … operational value

What measured?

- Increased revenue/income/margins
- Reduced cost
- Enhanced product quality
- Improved customer satisfaction
- Improved competitiveness
- Risk reduction
- Growth
- Higher IR & D Score (Gov't funded inventors)

Demonstrable Evidence…

- New products = increased income
- Optimize R&D = reduced cost
- Produce/market differential = improved competitiveness
- Reduced product cycles = improved competitiveness and increased income
- Asset backed financing = access to capital

Portfolio Classification and Evaluation

- Classify as to current / future business use
- Segregate assets of little or no business use
- Measure importance (high, medium, low)
- Departmental consensus – marketing, engineering, legal
- Alignment at business unit level to executive level

IP Consciousness …

- Who should have a say?
  - … engineering manager/CTO
  - … R&D managers
  - … marketing representative
  - … financial personnel
  - … inside counsel

Predicting the future…

- If you build it, will they come?
- Patent process takes time
- Motivation of stakeholders
- Competitor and core business considerations
- Right to exclude others from using

Influencing patenting factors…

- Design v. utility patents (other: business methods; foreign design registrations etc)
- file early and often in core areas
- tie patent to company strategy and goals (market penetration goals);
- right patent at right time for right thing (targeted invention)
- avoid wasteful investment in R&D/marketing where idea infringes
- act quickly to stop infringement - possible willfulness damages if wait too long
- potential defenses to infringement (non-infringement; invalidity).

What are IP Rights?

- Patent: Right to Exclude Others
  - Not Necessarily a Right to Make, Use or Sell Your Own Invention
- Copyright : Protect Tangible Expression of Idea
- Trademark / Trade Dress: Protect Word or Symbol Identifying Your Goods or Services
- Trade Secret: Secrets Giving Business Advantage

Patent Rights

- Government Grant (Nation or Country Group)
- Four Types: U.S. Provisional, Utility, Plant, Design for Article of Manufacture
- Requirements: New, Useful, Non-Obvious, Patentable Subject Matter (Method, Machine, Composition)
- Rights are Transferable, Licensable and Assignable

Obtaining Patent Rights

- File Patent Application (Before Public Disclosure or Offer for Sale)
  - Precaution: Use Confidentiality Agreements for Discussions Prior to Filing
  - Document the Invention (Lab Notebooks Dated, Signed, Corroborated, Archived)
- Prosecute (1-? Years) Through Patent Office
- Pay Fees (Pending and Maintenance)

Securing Ownership of Employee Inventions

- If No Written Agreement to Assign Inventions, Ownership Depends on Employee Status:
  - If Inventor Hired as Researcher, Employer Owns
  - If Non-R&D Employee, Employee Owns, Unless Invention Made Using Employer Resources or Job-Related
  - U.S. State Statutes May Impose Restrictions (CA, DE, IL, KS, MN, NC, UT & WA)
  - Overseas Employee Rights Vary From U.S.

Perfecting Employer Patent Rights

- Get a Written Agreement to Assign Inventions
  - Made During Employment
  - Post-employment if Relates to Work
  - Get License to Pre-employment Inventions Incorporated Into Work Product
- Be Aware of Overseas Employee Rights to Compensation for Assignment (i.e. Japan, Germany, France, U.K.)

Maintaining Patent Rights

- Proper Use of Patent Notices
  - Mark Product or Packaging
  - "Patent Pending" Notice Useful for Deterrence, Not Damages
- Patent Term (After 1995): 20 Years From Date of Filing

Patent Management Mechanisms

- Invention Disclosure Program to Codify Knowledge Base
- Incentive Award Program
- Regular Patent Committee Meetings
- Exit Interviews and Notebook Review

Obtaining Copyright Rights

- Protects Original Work of Authorship Fixed in a Tangible Medium of Expression
- Begins Automatically When Work is "Fixed"
- Protects Expression, Not Idea
  - Minimal Degree of Originality Required
- Notice Not Required (after 1 March 1989)
  - But Stops "Innocent Infringer" Defense
  - Format: "Copyright" or "©", Year First Published, Name of Owner

Copyright Protection

- Registration Typically Required Before Bringing Infringement Action
- Author or Creator Owns Copyright, Unless Work For Hire:
  - By Employee Within Scope of Employment, or
  - Specifically Ordered or Commissioned
  - Paying for the Work Not Automatically Enough
- Term of Protection for Post-1978 Works:
  - Life of Author plus 70 Years
  - Works for Hire Protected for Shorter of 95 Years From Publication, or 120 Years From Creation

Obtaining Trademark Rights

- Available for Identifiers:
  - Words, Symbols, Colors, Shapes, Sounds, Smells
- Registration Not Required for Enforcement
  - But Gives Prima Facie Evidence of Rights
- U.S. Application May Be Based on Use or Intent to Use (Up to 3 Years Delay)

Trademark Requirements

- Registration Requires:
  - Use In Commerce
  - Not Generic or Merely Descriptive
  - Not Confusingly Similar to Another Mark
- Trademark Symbols "TM" "SM" not Required, but Possible Deterrent
- Use of "®" Not Required, But Satisfies Lawsuit Notice Requirements (If Actual Notice Not Shown)

Preserving Trademark Rights

- Protection is Perpetual
  - Registration Must be Renewed After 10 Years
- Goodwill and Customer Loyalty Associated With a Trademark Can Protect Product Value After Patent Expires or Trade Secret Published
- Guard Against Genericizing With Trademark Usage Policy, Proper Marking and Vigilance

Obtaining Trade Secret Rights

- A Trade Secret is Protectable if it is:
  - Information Used in Business That Gives Business Advantage
    - Derives Value From Not Being Generally Known
  - Subject to Efforts to Maintain Secrecy
    - Limit to Need-to-Know Employees, Restrict Visitor Access, Obtain Explicit Disclosure Agreements With Contractors, Mark "Confidential"

Advantages of Trade Secret Protection

- No Filing Fees
- Can Last Forever
- Protects Ideas Otherwise Not Protectable
  - Not Reduced to Tangible Form
  - Customer Lists

Ways to Use IP

- Satisfy Investors
- Marketing Tool (Demonstrate Tech Prowess)
- Defensive - Protect your assets (FTO & deterrence)
- Offensive - Stop infringers (protect market, force others to design around you)
- Cross-Licensing Opportunities (trade bait)
- Incentivize Inventors

Communications

- Internal – management of information
- Internal – with decision-makers
- External – to outside counsel
- External – to sales force, the public, etc.

Communications

- Internal – management of information
  - Paper systems
    - A particular issues for old companies, companies that have been merged, and older marks
    - Archival protection of documents
  - Electronic systems
  - Specialized systems
    - Real Estate
    - Intellectual Property
    - Litigation

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Communications

- Internal – with decision makers
  - Meetings
  - Training programs
    - What levels need to receive them?
    - Online *v.* in-person *v.* paper
  - Regular reports, eg, trademark registrations
  - Consider the needs of international offices

Communications

- Internal – With Other Groups
  - Marketing
  - Press Releases
  - Sales Force
  - Researchers
  - Other Attorneys
- Meetings & Presentations
- Website, Newsletters, Other Targeted

Communications

- External – to outside counsel
  - Secure communications tracks
  - In-person *v*. telephone *v*. video *v*. paper/email
  - Shared technology – Shared database
- External – to the world
  - Protective measures – dingbats, etc.
  - Advertising, Promotional Materials, Press Releases

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The Road to Effective Leadership

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Manchester Grand Hyatt

San Diego, California

Session Number 809:

What Every GC Needs to Know About Managing IP Assets

Wednesday, October 25, 2006

9:00am – 10:30am

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I. Managing for Effective Communication

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Effective communication has two parts: not only how you communicate, but a clear understanding of the material you are trying to communicate. Without both, you will not be able to explain to the other party (or parties) what you are asking of them, and why they need to cooperate or participate. This session is not designed to teach you ***how*** to communicate – there are many others who make a living doing that – but will help you determine ***what*** to communicate.

This generally has two parts:

A. Collecting and Maintaining Material

B. Organizing and Presenting Material

While not a "best practices" primer, this handout will offer suggestions as to how to do both of these. In particular, it will focus on how to communicate with the non-legal members of your company who may be on the front lines of intellectual property use – and sometimes, abuse.

NOTE: Unless otherwise specified herein, the law referred to is USA.

II. Terminology

Not everybody understands the differences among different types of intellectual property.[1] The four major areas are:

A. Patent: The United States Constitution (Article II Section 8) gives "Congress … Power To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." This is the basis for both patents and copyrights (see below). Most patents last for 17-20 years, and patents are not renewable.

There are three main types of patents: **utility patents**, for any new and useful process, machine, article of manufacture, composition of matter, or any new and useful improvement of any of these (colloquially known as the "better mousetrap" patent); **design patents**, covering new, original, and ornamental designs for an article of manufacture, such as a bottle; and **plant patents**.

An excellent summary of general information about patents, including internationally, appears at http://www.iusmentis.com/patents/faq/general/

The U.S. Patent & Trademark Office offers a more legalistic summary that includes descriptions of trademarks, service marks, and copyrights at http://www.uspto.gov/web/offices/pac/doc/general/index.html#ptsc

Note that while patents last for an automatic term, you may need to provide information and/or a fee annually to maintain the patent.

[1] Cross-plug that you should also take Session 909, "Nuts and Bolts of Copyrights, Trademarks, and Patents" at 11:00am today.

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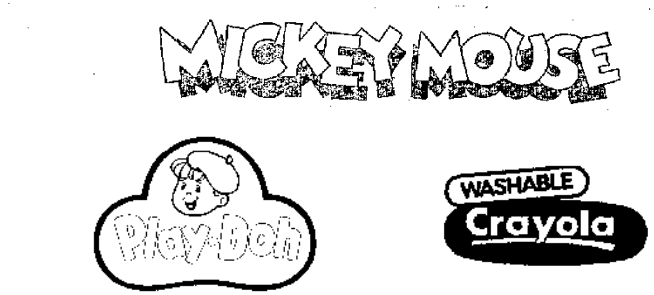
B. Trademark: This is a mark denoting the origin of goods, which has come to be recognized for the quality and other elements of the goods. A ***trademark*** is used for goods; a ***service mark*** is used for services. The goods (or services) denoted must be "used in commerce" which in most cases requires advertising or another showing that the general public knows about the goods or services.

Trademarks and **service marks** can be many things: a word or phrase; a word in stylized format; a design or picture; a sound; a color; a smell. The key is that when the average consumer for the goods or services sees, hears, or smells the trademark, s/he recognizes it as indicating the origin of the goods.

Some examples of well-known trademarks include:



Trademark No. 1,439,132 = *pink* for "FIBROUS GLASS RESIDENTIAL INSULATION" by Owens-Corning Fiberglas Technology Inc.

Trademark No. 916,522 = "THE MARK COMPRISES A SEQUENCE OF CHIME-LIKE MUSICAL NOTES WHICH ARE IN THE KEY OF C AND SOUND THE NOTES G, E, C, THE "G" BEING THE ONE JUST BELOW MIDDLE C, THE "E" THE ONE JUST ABOVE MIDDLE C, AND THE "C" BEING MIDDLE C, THEREBY TO IDENTIFY APPLICANT'S BROADCASTING SERVICE" by the National Broadcasting Company, Inc. (NBC).

Trademark No. 1,057,884 = "Bottles, jars or flasks with bulging, protruding or rounded sides" and "with ribbing or other surface relief" by the Coca-Cola company. The company has other registrations for just the silhouette of this bottle design. The drawing at the right was taken from the trademark registration and the quality thereof should not reflect upon the author of this handout.

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NOTE: One advantage of registering a simple typed word mark over a stylized mark is that you can change the look of the mark. For example, you can change from script to block letters, or the other way, or change the coloring. However, if you have a stylized format and do not use it continuously in commerce, it can become vulnerable to cancellation for nonuse *of that particular design*. Using an outline of a design mark, as opposed to a colored version, allows the use of different colors within the outline.

ALSO NOTE: There have been cases arguing that a design that has been the subject of a patent acquired such consumer recognition that it should be granted trademark status after the patent expires, as a way to continue protection of the design. The results have been inconclusive, but the Federal Circuit recently looked at the totality of the situation and clearly relied upon the source denotation of trademarks over the existence of a design patent. ***In re Joanne Slokevage***, (March 21, 2006, No. 05-1389). *See also* ***In re Pacer Technology,*** (August 4, 2003, No. 02-1602), in which the Federal Circuit held that design patents could be used to find that "probative of the fact that consumers are not likely to find applicant's claimed feature (wings arrayed evenly around a pointed crown) to be at all unique, original or peculiar in appearance" (quoting from the Trademark Trial and Appeal Board decision).

Trademarks have an initial period for protection and, unlike patents and copyrights[2]) can be renewed indefinitely, as long as the mark continues to be actively used in commerce on the goods stated in the registration. Periodic filings must be made to maintain both the initial registration and the renewals; missing a deadline is not forgiven by the Trademark Office and will result in loss of the registration and the need to re-register the mark.

C. Copyrights: These cover artistic developments, the way patents cover inventions. One way to think of it is that for the "Inventors" and "Inventions" in the constitutional language above, you have patents. For the "Authors" and "Writings" you have copyrights. However, copyright has expanded beyond just the written word on a piece of paper, and encompasses art (two- and three-dimensional), music, theatre, dance, architecture, and many other endeavors.

Under the current law in the USA, copyright attaches as soon as an item is "fixed in any tangible medium of expression, now known or later developed, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device." (Copyright Act, § 102)

[2] Under the 1909 Copyright Act in the United States, when copyright was granted the holder received an initial term of protection that could be renewed once. Because active renewal was required, some protected material fell into the public domain because the copyright holder overlooked this requirement. When the 1976 Copyright Act took effect, only one long period of protection was granted, with no renewal.

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You do not need to register to hold a copyright, but registration does offer some advantages such as the ability to bring a lawsuit against an infringer, and the ability (if registered before the infringement occurred) to receive attorneys fees and treble damages. Forms for registration and the fee schedule can be found online at the Copyright Office website: www.copyright.gov

Ownership of a copyright does not prevent someone else from developing the same thing independently; it only protects the copyright holder's particular representation of the idea in a fixed medium of expression. In other words, anybody can take a photograph of the Water Tower in Chicago or the Empire State Building:

While the holder of the copyright on these pictures can protect their rights against others, it does not prevent *you* or anybody else from taking a similar photograph, as long as you can document that you took your version.

Copyright protection, like patents and unlike trademarks, does expire. There are some arcane calculations that need to occur to determine if something has fallen into the public domain and is no longer protected by copyright, thanks to changes in the law over time. A rule of thumb is that items created prior to 1923 are in the public domain, and research needs to occur for items after that date.

There is also a concept called "copyleft" which is used by many people to place items into the public domain, primarily photographs and computer software. For more information about this concept and its application, please see http://www.gnu.org/copyleft/

D. Trade Secrets: Just as the name suggests, trade secrets are secrets that give someone an advantage in their trade. Examples include a customer list, calculations used to determine certain courses of business, and the "eleven secret herbs and spices" touted by Kentucky Fried Chicken. Trade secrets are often protected not just by confidentiality agreements and internal reminders, but by safes, multiple persons with different keys or parts of combinations, and similar subterfuge. The more valuable the information to a business, the greater the protections and layers of secrecy involved in protecting it.

While the subject matter of a trade secret could also be protected by patent or copyright, these would require exposure of the protected material as the subject of patents and copyrights are available to the public to review. This is why many pharmaceuticals appear in generic form as soon as the patent expires; competitors had the formula available to cook for over a decade.

III. Collecting and Maintaining Material

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While everybody talks about moving to a paperless office, it simply is not happening because of the time required to scan older documents (more information about this, below). Also, people have concerns about compatibility of this year's system with one used ten years in the future, as well as issues that arise when fire, flood, power surge, motherboard failure, or other disaster wipe out electronic records.[3] Therefore, most offices maintain a conglomeration of electronic and paper records.

What is the best way to manage this material? Even the best-organized filing system can contain surprises, and if the system has been redesigned, ignored, merged, divided, or otherwise faced challenges over time, you have an additional problem. In some companies, patent records are kept in one area and other intellectual property records are kept elsewhere, often because the patent process occurs through the research and development organization. Add to this that any sale or other transfer of intellectual property assets must be recorded not only in your files, but in the proper office to have effect, and records can get even more complicated.

A. Physical Copies: If possible, take time to review the organization of records. Figure out who has kept them and where. Learn whether you have a way to access records in a hurry, if necessary. Learn whether any records have been lost or destroyed over time. And don't necessarily take the word of others; when I went to one company, I was told that a key agreement with a competitor concerning use of marks had been lost. Poking around in some files labeled "miscellaneous" one dusty afternoon, I found the original agreement – on thin paper, clearly a carbon copy from the days when that was how copies were made, slightly brittle, but legible and properly signed. It became key in developing marketing strategies because nobody at the company when I found the document had been there forty years before, and so nobody knew the exact terms of the agreement – which were enough to torpedo a proposed marketing push because it was contrary to the terms agreed to four decades earlier.

Not only did I very carefully make copies of the document for the files, but I recommended that the original be stored in an archival, acid-free envelope in a safe with other key corporate documents, as surety for its survival.

B. Electronic Copies: As more and more companies are moving to computer use, many are also moving towards electronic management of documents. ***Do Not*** simply buy a system because someone else uses it; while the time to do an Request For Proposal and related analysis appears daunting, you may have to use the system or years or possibly decades to come. It's easier to spend a few hours or days before you use the system, than hours or days or longer trying to get it to do what you want it to do.

Things to consider are:

1) The size of your law department.

2) The need (if any) to communicate with other offices

   a. In the law department (does your law department have multiple offices? Are they all in one country? will different groups – such as regulatory, real estate, litigation, employment, and intellectual property – be using the same system?);

   b. In the company (should the R&D people be able to review patent status or respond directly to questions? Does the VP of Marketing want realtime access to clearance and registration information?);

   c. Internationally (such as marketing personnel in other countries, or international subsidiary presidents).

3) Whether others in the company are already using some type of system and yours should be compatible. This can include a generic document-management system or a type-specific one such as real estate or trademarks. There is an analogous question whether to require everybody to use the same system, but this may not be practical if deadlines and reminders need to be tracked, which many document management systems cannot do.

4) Whether your outside counsel are already using some type of system and yours should be compatible.

5) Your budget for this endeavor.

6) Your personnel. True story, in one position I held we were required to use an antiquated word-processing system. Why? Because the venerable secretaries (lovely ladies all) had learned it when word-processing first was installed, and they saw no need to learn anything else. You have to be sure that your personnel will not only agree to use the system, but are the type who will actually put it to use once it is installed.

7) Whether you want a system that scans a document and makes it text-searchable, or if you are satisfied with requiring people to create their own description for each document.

8) Whether you want to archive documents, or be able to create documents within the system so that revisions remain "live" for future review and reference. This means that you can call up a

[3] Many years ago I wrote an article titled "Surviving a disaster and other office shutdowns" that appeared in *Law Practice Management*, v20 n7, (Oct 1994): p.22-28, which talks about protecting both paper and electronic records. Many people have written articles since then, and a long list of articles, books, and other reference material is available free from the ABA online at http://www.abanet.org/barserv/disaster/disasterbiblio.html#articles

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form, develop the document, and save it back to the system as a new document (or a version of the old document), instead of creating documents separately and adding them to the system later.

There are many articles that talk about document management systems. If you have a smaller law department you might want to look at system for small law firms and solo practitioners, such as are reviewed in the American Bar Association's ***GPSolo Magazine*** (for the General Practice, Solo, and Small Firm Section). Their ***Law Practice Management Magazine*** generally reviews larger systems.

Here are links to some available articles on the topic:

http://www.abanet.org/genpractice/magazine/dec2003/docmngmnt.html

http://www.abanet.org/genpractice/magazine/mar2000/brasch.html

ALSO CONSIDER: Do you need a specialized database, such as WorldMark, to track information specifically concerning your trademarks, copyrights, and patents? Some systems are topic-specific, such as handling only trademarks, but may be adaptable if you have a few items in the other areas. Others are broader and can manage all of your intellectual property information.

One thing you may want to do is to cross-reference the material so that a patent (or patent application) notes in which company products it is used, or a trademark registration lists the relevant patents. This can avoid situations where the Vice President of R&D tells you that a patent can lapse, which would leave a popular product unprotected and vulnerable to copycats. By preparing reports (more on which, below) that include both patent and trademark information, you also underscore the relationships between them and the value of both items to the company. A popular compound with a difficult name - acetylsalicylic acid – may be more popular with consumers if you give it an easily-remembered name like "aspirin."[4] Likewise, the marketability of a product might increase if you can tell people that it is patented, and thus unique to your company.

IV. Organizing and Presenting Material

Cross-referencing is one way to organize material. You may also have to decide whether to do it by practice area, geographic location, or other divisors.

Organization can make it easier to present the material when you need to have it handy. This is something else to check when looking at a document management or other system. Will it produce the kinds of reports you need to distribute? Will it allow you to develop your own reports?

Convenient ways to organize a report include:

a. All trademarks and patents relating to a particular product.

b. By country.

c. Patents by type or by inventor.

Different ways to present the information include via email, on paper (either as an attachment or delivered physically), through a website, and in person. In-person presentations may be informal, such as a brief meeting to discuss the current status of clearance or registration proceedings worldwide for a certain mark, or more formal, such as a class on proper use of trademark and other indicators[5] and information.

V. Communicating with Internal Decision Makers and Others

You need to be sure that your company's personnel recognize the value of your company's intellectual property and will assist you in protecting it.

Copyrights, patents, trademarks, and other intellectual property are assets of the company just as are buildings, office furniture, computers, and other physical items. Because they are usually not seen, felt, or otherwise physically in front of people, they do not have an understanding of the value of these items. Part of your job is to instruct them on this value and obtain their support in protecting and policing the marks.

Obtaining the support of decision makers and others high on the org chart is key, because they will impress upon others in their department the need to protect the marks. If one of them is giving the "I have to tolerate Legal about this but I don't consider it important" message, your would will be undermined.

For this, you may have to pull together a presentation showing the value of the intellectual property. Point out how a patented compound has become the company's biggest-selling product. Point out the name recognition enjoyed by trademarks. Use case studies from other companies on a sale or merger to illustrate how the intellectual property can be valued. Remind the decision makers of the value of secret formulae such as the Coke® syrup or those eleven herbs and spices mentioned earlier.

[4] Of course, you then have to educate your marketing and other groups that the short name is still a trademark, and needs to be treated as such, so that you do not lose the trademark as people come to refer to the product generically by that name. That is why you hear about "Xerox® photocopying", "Thermos® brand vacuum bottles", "Kleenex® tissues", and most recently, "Google® brand internet searching."

[5] These indicators are technically called "dingbats," which is a printing term meaning "an ornament or symbol." Dingbats include &, *, %, $, ®, ©,™, and are often hated by marketing personnel who consider them ugly. The most common ones for intellectual property use are the last three, meaning Registered Trademark, Copyright, and Trademark Application In Progress. Note that in other languages, different dingbats may have to be used.

Valuation presentations can be especially important when asking for the budget to engage in a worldwide patent and trademark exercise to protect a new product. So if the R&D people claim the new compound will be your next best-seller, gather some sales data and compare that with the cost to register:

Income From Existing Hot Product	**=**	**$17,000,000/year worldwide**
Cost to register patent worldwide	**=**	**$ 25,000 (appx.)**
Cost to register patent worldwide	**=**	**$ 18,000 (appx.)**

(These numbers were made up and are an exemplar for this handout only. Factors to consider are the number of countries involved in both sales and registration, and whether there might be issues such as oppositions or existing trademarks owned by others in any of the countries.)

A. General Communication. It can help to provide regular reports on the status of applications and registrations, either by mark/product or by country. In my experience, when you begin to do this it not only cuts down on simple questions such as "has this mark registered yet?" but opens the way to communication from the recipients, who may feel more comfortable about asking questions and reporting possible infringements.

B. Specific Communications. Patent review committees, regular in-house educational programs, newsletter articles, and online FAQ[6]s are all good ways to communicate with specific groups or on specific topics. Ask to provide a short article every month, or quarter, on intellectual property. Offer annual (or more frequent) presentations to specific groups. If the group has a regular team meeting, you can usually coordinate with this already-scheduled time for greatest attendance.

Be sure that you write for your audience. One test is to have a nonlawyer, or a lawyer in a different field, read your article and let you know if s/he understands it. If the legal department trades off months for an article, then you can offer to read someone else's in exchange for him or her reading yours. Analogize the concept you want to convey to something a nonlawyer would understand, such as "putting the ® or ™ dingbat next to the mark tells people that someone owns it, like putting a collar tag on your pet or engraving your name on a bicycle."

If you are limited in format, a Q&A style can be very effective. Another good format is "Top Five Reasons" and similar short lists.

Be sure to present policies in the affirmative: "We always do this" as opposed to "we prefer to do this" or "we usually do this."

If you are going to a meeting, be sure the handout reflects the nature of the meeting, and conveys any additional information you want to bring. For example, if attending a patent committee meeting, don't just bring a list of patents; include on the list the products in which the compounds appear or for which the methods are used and any associated trademarks. Also include any review dates for registrations, application status, and even whether there has been a suit filed. If you have to decide whether to file a lawsuit to protect or defend a patent or trademark, it can help to show the outcome of similar lawsuits.

These can be handy if people then ask "why isn't this trademark registered in <country> if we sell the product there?" and "we think someone is knocking off a key product in <other country>, what can we do to stop them?" You have to answer not just on general legal terms, but also knowing what are your rights in those countries for that product.

NOTE: It is possible that you will not be able to register a trademark in a country because it is deemed "merely descriptive" there even though it can be registered elsewhere. Educating your audience about the inconsistency of international laws is just part of the job.

VI. Other Things To Remember About Communication

A. Outside Counsel. If you are going to communicate electronically, make sure that their system is compatible with your system in key ways. Lotus Notes does not speak well to Microsoft Word.

If you have outside counsel maintain all your intellectual property records, be sure you have an internal backup system; redundancy can help avoid missed deadlines and lost registrations.

If you decide to change counsel, be polite about it. You never know when you will need secondary counsel because your primary counsel has a conflict – or when your former counsel will be opposing you in a deal or litigation.

Try to meet your outside counsel in person when possible. I found that this added greatly to our flow of communication because we had "a face and voice to go with a name" as the saying goes. Some outside counsel, especially from other countries, do "roadtrips" and will meet with you at no charge as they pass through your town. Local counsel may have a CLE or informal meeting for local clients. Try to have time before or after to chat for a few minutes. If you have a problem, you can send a message that says "I will be coming to the CLE, can we talk about such-and-so for a few minutes while I am at your office?"

Another good place to meet your outside counsel is association meetings (obviously, *not* ACC!). For intellectual property issues, try AIPLA (American Intellectual Property Law Association) or INTA (International Trademarks Association). The American Bar Association or state bar annual meetings also can offer the opportunity to meet in a less formal atmosphere. My foreign

[6] Frequently Asked Question lists. Also can be called "Basic Facts" or "Top Ten" or whatever you choose.

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counsel used to schedule meetings during the INTA annual meeting to review pending matters or just touch base to be sure they were performing to my expectations. If an issue arose I could tell the decision makers at my company that I would be meeting with the attorney to discuss the issue and would report back after I returned.

When possible (and appropriate) I would give gifts to my outside counsel, marketing collateral, and other information that I found my predecessors often had not provided. This also helped the outside counsel understand our business and products, which leads to better representation.

Most outside counsel speak fluent English. In some Asian countries they may have an English-speaking associate designated to communicate with American lawyers. However, if you are fluent in the local language and believe it would assist in communicating with your local office or others, be sure to let the counsel know in advance so they are not surprised.

A NOTE: Be sure you have clear rules on whether local offices can contact and maintain relationships with outside counsel. If your budget covers all outside counsel, you may wish to have greater control over these contacts, as people who do not pay the legal bills often do not understand the impact of a few phone calls and some research.

B. Pictures! When explaining some concepts, such as the process to obtain a registration, it can help to have a flow chart, timeline, or other graphic outlining the steps. Offer a chart of dingbats and their proper use.

Make sure if there is a new mark or marketing campaign proposed that you look at not only the images that are going to be used, but ask from where came the inspiration for those images. Sometimes marketing people have an imperfect understanding of how "different" the image or slogan needs to be to avoid infringement.

C. Be Proactive. Often the people in your company do not want to talk to Legal; they see you as a negative force. They might be afraid that you will tell them "no" or will speak to them in arcane, incomprehensible language. So you need to go to them. Offer to make presentations at their meetings. Offer to attend marketing or planning meetings. Point out that involving you early and often can derail a problem before too much time and effort is committed.

Solicit questions. Tell people that they can ask off-topic questions, as long as you have the right to refer the question to another attorney in the Legal Department if it is not something you can answer. Make sure that your colleague does answer; their failure can reflect poorly on you.

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Let people know that they can come to you anonymously, or outside the room, if they are uncomfortable asking a question. Sometimes they don't want to "ask a dumb question" in front of others on their team; other times they have a concern about something another team member has proposed. Mention that if something "comes up later" they should feel free to call or send an email.

Tell people that if they think there is an infringement, you need as much information as they can obtain: Marketing materials and collateral, samples (with dated store receipts if possible), photographs, business cards and flyers, names, anything that can be used later.

Make sure that any such information is placed in files, scanned, or otherwise include in your database. If you start an action, be sure to cross-reference the litigation or administrative activity with any applications or registrations that it may affect.

About the Author:

Margo Lynn Hablutzel points to two sources when asked about her career in intellectual property law: a case involving "Rum and Coca-Cola" reported in Louis Nizer's ***My Life In Court,*** and a class in Business Torts during her second year in law school. Learning that her lifelong love of music, art, and literature had a place in the practice of law led to multiple publications in both legal and non-lawyer publications; presentations before groups including the American Bar Association, Illinois State Bar Association, Chicago Bar Association, Crochet Guild of America, the Case 5 Conference and IIT Chicago-Kent's Conference for Not-For-Profit Organizations, the Society for Decorative Painters. Margo Lynn has been a board member for several non-profit organizations in Illinois and Texas, and served as advisor to and on committees of an international historical education organization.

At one point offended when someone said she had "an unconventional career path," Margo Lynn has learned the value of variety. Having paid her law school fees by developing technology applications for the law firm of Schiff, Hardin and Waite and using her editorial skills at Harcourt Brace Jovanovich/Legal, Margo Lynn followed law school by teaching at the University of Oregon School of Law; worked as legal and technological expert on the American Bar Association's ABA/net project for two years, and completed an appellate court clerkship. She then practiced corporate, technology, and intellectual property law for several years in Chicago before being called to Texas by Nortel Networks as the USA attorney for its Enterprise Products division. While in the firm, her bar association activities included founding the Committee on Legal Technology at the Illinois State Bar Association; serving on the Council for the Intellectual Property Section for the ISBA; Director of the Young Lawyers Section of the Chicago Bar Association; and spending over five years as New Products Editor for the American Bar Association's ***Law Practice Management Magazine.*** Margo Lynn has edited several newsletters for the Illinois State Bar Association and contributed numerous articles to its publications, as well as the ***Chicago Daily Law Bulletin***, ***Law Practice Management Magazine*** (about rainmaking and about disaster recovery), and others, including the book ***Americans with Disabilities Act: Rights and Responsibilities*** from Paul M. Deutsch Press.

After Nortel, Margo Lynn spent several years at Mary Kay Inc. as Intellectual Property and contracts attorney. During that time she expanded her bar association activities to the International Trademarks Association, where she joined the Publications Board and served as Mark of the Month editor, in addition to having several other articles published. Margo Lynn was also on the Dallas Bar Association's ***Headnotes*** Editorial Board, where her numerous published articles include "Analyzing the Plant Patent Act" in April 2002, which is available online at: http://dallasbar.org/members/headnotes.asp?item=487

Most recently in the Software Licensing Group at Affiliated Computer Systems in Dallas, Margo Lynn was offered an opportunity to return to law firm practice late in the summer of 2006, and accepted the challenge. This has entailed a move to Connecticut with associated lessons in Driving On Hills and Winter Is Coming. She does, however, remain a Cubs, Rams, and Bears fan despite strong opposition from the Red Sox, Yankees, and Mets fans.

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Margo Lynn holds a BA from the University of Chicago, a JD from IIT Chicago-Kent College of Law, and an LLM in Intellectual Property Law from the John Marshall Law School. Her awards and recognitions educationally include the Howell-Murray Award for Contributions to Extra-Curricular Life at the University of Chicago, and the Bar and Gavel and Scarlet Key Societies at IIT Chicago-Kent College of Law. Margo Lynn was and editor of ***The Maroon*** at the University of Chicago and on the Bar Review at IIT Chicago-Kent College of Law; one of her articles was selected for publication in the Illinois State Bar Journal.