

INTELLECTUAL PROPERTY LAW
FINAL EXAMINATION - Fall 2001

Professor Robert Kreiss

Thursday, Dec. 13, 2001
1:00 p.m. - 4:00 p.m.

This examination consists of three questions; you have three hours in which to write your answers. For each question there is a suggested amount of time. The suggested times leave an extra ten minutes which you may allocate as you wish.

Exam-taking hint: Before you begin writing your answer to a question, I strongly suggest that you spend some time (i) reading the question, (ii) analyzing the issues you are asked to address, and (iii) organizing your answer. Good organization and good analysis almost always go hand-in-hand.

You may use as many examination booklets as you need. Please write on one side only of each sheet in your examination booklet.

Please write as legibly as possible

This examination is open book. You may use your casebook, statutory supplement, notes you have prepared or which were prepared by your study group. You may not use any other materials.

If you have any procedural questions, I will be in my office, which is Room 420.

GOOD LUCK

Exam begins on next page

INTELLECTUAL PROPERTY LAW EXAMINATION
December 13, 2001

QUESTION ONE

Part A
(suggested time: 20 minutes)

Your law firm has just been asked to represent Agrichem, Inc., the nation's largest chemical fertilizer company. Agrichem markets its fertilizers to farmers and gardeners under its AGRICHEM trademark. For the past five years, Agrichem has been under verbal attack from environmentalists who believe that chemical fertilizers harm the environment. Among other things, chemical fertilizers wash out of the soils during heavy rains, flowing into streams and rivers and causing unnatural growths of algae and other plants, thereby disrupting the ecology of those bodies of water. In addition, while Agrichem's fertilizers work effectively to help crops grow, Agrichem knows that its fertilizers do not contain any of the trace elements that are found in many (but not all) soils and which are also essential for growing crops.

In January of this year, Agrichem began to use a new slogan on the chemical fertilizers it sells. The slogan was "All that the EARTH WANTS." All of its bags of fertilizers prominently display this slogan. The words "EARTH WANTS" are in large capital letters.

In June of this year, Agrichem filed an application with the Patent and Trademark Office (PTO) to register the slogan. In October, the PTO rejected their application, stating that the slogan is either descriptive, deceptively misdescriptive, or deceptive, and in any of these cases it is not registrable. Agrichem has another month to decide whether to drop its application or to file a response.

The senior partner of your law firm would like you to analyze Agrichem's trademark application so the firm can advise Agrichem whether to drop the application or pursue the application by filing a response.

Part B
(suggested time: 45 minutes)

The senior partner of your firm tells you that Agrichem has just received a letter from counsel for EW, Inc., claiming that Agrichem's new slogan and use of the words EARTH WANTS damages EW and violate EW's rights under (1) §1114 of the Lanham Act, (2) §1125(a) of the Lanham Act, and (3) the common law of unfair competition. The letter contains the following information in support of their claims.

EW, Inc., is a company which makes and sells greeting cards made from recycled paper and satellite dishes made from recycled cans. They sell their products under the mark EARTHWATCH, and they have federal trademark registrations for this mark for greeting cards and satellite dishes. EW has used their mark on these products since 1995 and the mark has become quite well known among ecologically-minded people. The general public, on the other hand, has little knowledge of the EARTHWATCH trademark or products.

EW is very proud of the fact that their products are ecologically sound and they are thinking of expanding their product line by selling organic fertilizers such as decomposed cow manure. In May of this year, EW filed an intent-to-use application for the mark EARTHWATCH for fertilizers. The Patent and Trademark Office (PTO) reviewed the application and published the mark for opposition. When no one opposed the mark, the PTO issued a "notice of allowance," and notified EW that it would register the mark EARTHWATCH for fertilizers once EW filed a verified statement that the mark was being used in commerce for fertilizers. EW has not yet started to use the mark for fertilizers.

The senior partner would like you to analyze EW's three claims against Agrichem.

QUESTION TWO
(suggested time: 60 minutes)

Viewmaster is an internet search engine that allows users to search for pictures. When a user types a search such as "George W. Bush," Viewmaster displays the result of the search on the user's computer screen. This display includes "links" to sites where pictures of George W. Bush can be found. If a user clicks on the "link," the user's computer downloads the actual digital picture from the site which contained that picture.

Viewmaster uses automated searching technology to search the internet for pictures and the automated technology indexes all pictures that it finds. Viewmaster's computers do not keep any copies of the pictures. The indexes are simply word indexes. Viewmaster has become an extremely popular search engine as people seek to find pictures of famous people. Viewmaster does not charge users who use its search engine to find pictures. Viewmaster makes money from advertisers who place ads which are displayed along with the search results when users conduct searches. A merchant who sells CDs might, for example, pay to display one of its ads for CDs of a singer when a user searches for pictures of that singer. The prices for the ads depend upon the popularity of the person whose pictures are indexed. Ads that are displayed in connection with popular

singers are more expensive than ads displayed for unknown musicians

The Viewmaster technology does not have the ability to differentiate between pictures that the copyright owner does not want copied and pictures that the copyright owner allows to be copied. If a movie studio which owns copyrighted pictures of a movie star posts those pictures on a web site devoted to that star, Viewmaster will index those pictures. Equally, Viewmaster will index pictures of the same star if a fan posts unauthorized pictures of that star on the fan's site.

Tom Hunks ("Tom") and Julia Robertsdotter ("Julia") are movie stars who have won many awards for their acting. They have also worked together in numerous humanitarian activities such as efforts to provide food and medicine to people in less developed countries. In 2000, Timeweek Magazine, the most widely read news magazine in the country, featured them as "People of the Year" and had a photograph of them kissing each other on the cover of its final issue of that year.

The cover photograph had been taken by Fred Fisher ("FF"), a freelance photographer, who had granted Timeweek Magazine a license to put the photograph on the cover of the magazine. The license did not allow any other uses. Since the photograph appeared on the cover of Timeweek, FF has made a lot of money licensing reproductions of the photograph on posters, T-shirts, coffee mugs, and other products.

Not all people approve of Tom and Julie. Tom's and Julia's views of abortion, gun control, and religion have drawn numerous critics. One critic, Kris Krinkle, has created a web site, www.tomhunkssucks.com, which contains commentary which is highly critical of Tom and Julia. The web site also prominently displays what is instantly recognizable as the famous FF photograph of Tom kissing Julia, but the photograph has been digitally altered by changing Tom's face into the face of an opossum and changing Julia's face into the face of a frog (while keeping the rest of each of their bodies the same). Thus, the altered photograph shows an opossum with Tom's body kissing a frog with Julia's body. The background is unchanged. The caption for the digitally altered photograph reads: "Beauty is Only Skin Deep: Tom Hunks and Julia Robertsdotter." Krinkle does not have permission from FF to use or alter his picture.

Viewmaster's search engine has indexed this altered photograph under Tom Hunk's name so that if a user types in "Tom Hunks," the link to the Krinkle web site will be one of the results that will be displayed to the user.

FF and Tom have come to you for advice. Each of them would like to sue Krinkle and Viewmaster for infringing their rights. Please analyze Fred Fisher's intellectual property claims

against Krinkle and Viewmaster and advise him as to whether he should pursue claims against either or both of them. Please analyze Tom Hunk's intellectual property claims against Krinkle and Viewmaster and advise him as to whether he should pursue claims against either or both of them.

QUESTION THREE
(suggested time: 45 minutes)

Andes Car Company ("ACC") is the world-famous designer and manufacturer of racing cars and upscale sports cars. In October 2000, ACC introduced the S1, its newest sports car. The S1 sells for \$250,000-500,000 depending on the options taken. In order to create the image of exclusivity, ACC has announced that only 1000 of the S1 will be produced.

The S1 has a shape which is quite different from any other car ever built. In its advertising, ACC describes the S1 as "the most beautiful and technologically sophisticated car ever produced." Technologically, its engine, fuel system, and brakes have been newly engineered to make them far superior to other cars. And the prestigious International Academy of Designers awarded the S1 its "Design of the Year" Award in 2000 for the shape of the car. In giving the award, the Academy wrote, "To be sure, the shell of a car prevents rust by keeping rain off of the engine and prevents the occupants from being soaked by rain or snow, but the shell of the S1 does this in an especially elegant, beautiful, and creative way."

The S1 has a hood ornament which is the symbol which ACC has always used on all of its sports cars. The ornament is the outline shape of three mountains ("^^^"). No other car company uses an ornament of this shape.

Bono Car Kits, Inc. ("Bono") manufactures and sells kits to replicate the exterior features of various cars. Each kit includes a one-piece fiberglass body shell which exactly replicates the exterior shape of the car being copied. The shell is designed so that it can be bolted onto the undercarriage of another automobile such as a Chevrolet Corvette.

In addition to the body shell, each kit contains other components (such as windows, door handles, and hood ornaments) needed to replicate the exterior features of the car involved.

Bono has created and sells kits to replicate the exterior features of the S1. Its kits for the S1 cost \$12,000. They exactly replicate the exterior of the S1, including the hood ornament. Bono markets its kits through advertising in car magazines. The advertisements clearly indicate that the kits

are made by Bono and state that Bono "is not affiliated with, endorsed by, or related in any way to Andes Car Company."

Bono has come to you for advice. It has just received a letter dated December 5, 2001, from Lima, Peru, where ACC has its world headquarters. The letter is from ACC's corporate attorney. The pertinent part of the letter reads as follows:

Dear Sir/Madam:

I am the corporate attorney for Andes Car Company. We are advised that you are selling the same car shape as our world-famous S1. Please notice that you cannot be permitted to sell this shape. We own the shape under §1125(a) of your Lanham Act. Also, two months ago, we have filed to register the shape as a design patent in your country, and on the same date we have filed to register to get a copyright for the shape in your country. We must sue you if you keep selling the shape of our car. We request the favor of a reply that you will stop.

Our three mountain ("^^^") design, which is a registered trademark, is also forbidden for you. We request the favor of a reply that you will stop selling this design.

Your servant, etc

Donna Florida de Cervantes

Please analyze the legal issues involved and advise your client, Bono, as to whether Bono needs to stop making and selling the kits of the S1.