

Intellectual Property

Professor Grimmelmann

Final Exam - Fall 2012

Take-Home and Open Book

This exam consists of three equally weighted questions. There is a page limit of four pages per question. It will be enforced strictly; extra space from one question may not be used on another.

You must upload your answer by **5:00 PM on Friday, December 14.**

Type your answers in 12 point Times or Times New Roman, double-spaced, using 8.5"x11" paper, with one-inch margins and numbered pages. Put your exam number on each page. Do not put your name anywhere on the exam. Templates are provided for your convenience. Upload your answers as a single file.

This is an open-book exam. You may use any materials that you wish to answer the questions, though you need not consult any sources other than those we used for class. You may not discuss this exam or your answers with anyone under any circumstances until after the end of exam period. **Your work must be exclusively your own.**

Please pay attention to the specific questions you are being asked and to the roles the questions place you in. Support your answers with detailed analysis, reference to specific statutes and cases as appropriate, and explanations of how you applied the law to the facts. Simple citations (e.g. "Feist.") are appreciated but not required. Basic headers to organize the different parts of your answer are also a good idea. Spelling, grammar, clarity, organization, and good advice to your client are all parts of the grading.

If anything about a question is ambiguous, say what you think it means, and answer it accordingly. If you need to assume additional facts, say what those facts are and how they affected your answer. No reasonable resolution of an ambiguity will be penalized.

The names in the problems are fictitious. Please disregard any resemblance to actual persons or institutions, living, dead, or nonexistent.

You should assume for purposes of the exam that the America Invents Act has fully entered into effect.

This exam has **FOUR pages total**, including this cover sheet.

GOOD LUCK!

Question 1: Celebrity Skin

You are outside IP counsel for the City Hall Corporation, which has developed a remarkable new technology, the Face-2-Face, for producing highly lifelike masks. The Face-2-Face requires a detailed scan of the wearer's face and a number of "reference images" of the face of another person. It then uses sophisticated computer algorithms to create a mask of precisely the right shape to fit perfectly on the wearer's face while making it resemble the reference person's face.

City Hall's CEO, Thomas Carcetti, had the idea for the Face-2-Face in 2000, while watching the 1997 movie *Face/Off*, whose plot features face transplant surgery that swaps its hero's and villain's faces. The technology was infeasible at the time, but Carcetti was undeterred and spent years thinking about how to make it a reality. The first breakthrough came in 2005, when Carcetti learned of an advanced new plastic named WMD-4, and realized that it would be suitable for printing the masks. WMD-4 has been used since February of 2003 by taxidermists to give stuffed animals more realistic musculature. The Royce Company holds United States Patent No. 6,650,103, which it applied for in June 2005 and which issued in October 2007. Claim 1 of the '103 patent reads, "The plastic WMD-4." Claim 2 reads, "A mannequin for displaying makeup, comprising a head portion formed the plastic WMD-4, a plurality of facial features on the surface of the head portion, and a body portion attached to the head portion."

The second breakthrough came in 2008, when Carcetti met Nerese Campbell, an expert in computer vision. Carcetti discussed the idea of realistic masks with Campbell over dinner, and Campbell was intrigued. She went off on her own for a few weeks, then called up Carcetti and asked if he was still interested in the mask problem. He was, and she visited his office the next day with a USB drive containing the a program to generate the mask shapes, which she demonstrated to a highly impressed Carcetti. He asked Campbell, "Can I hang on to this?" Campbell replied, "Sure, knock yourself out." City Hall's employees used Campbell's program as the basis for the software in the Face-2-Face, retaining the core algorithms but changing many of the details.

The Face-2-Face went on sale last month for \$29,000 and City Hall has successfully sold its entire first production run of 100. People have been using it in all kinds of clever ways. One couple has printed out masks of the faces of Eunetta Perkins and Odell Watkins, stars of the hit sitcom *Eastside*. They act out scenes from the sitcom in their living room, wearing the masks, and then upload the videos to YouTube. Another owner printed out a mask of State Senator R. Clayton Davis, which he has been using to rob banks.

City Hall held a contest for Face-2-Face fans to create masks of famous people throughout history. Fans have eagerly taken up the challenge, creating masks of people including George Washington and Sojourner Truth, and emailing the pictures of themselves wearing the masks to City Hall. The company's marketing department has been thrilled, and has put together a montage of the pictures, which it would like to use as a TV commercial for the Face-2-Face.

Carcetti has asked you to consider City Hall's intellectual property situation. He is interested in hearing your preliminary assessment of what risks it faces. He is also interested in hearing whether you think it would be feasible to pursue patent protection for the Face-2-Face. ***Write a memorandum for Carcetti describing City Hall's risks and the potential patent-eligibility of the Face-2-Face.***

Question 2: Toy Story

You are clerking for Judge Phelan of the District of Maryland, who has been assigned the case *Herc Corp. v. Carver Industries*.

Herc is the maker of the Fuzzy, the hit toy of the 2011 holiday season. The Fuzzy is made out of the same green felt as a tennis ball. It has a conical shape with large eyes and ears and an asymmetrical, smirking mouth. Its big gimmick is that it listens to what you say and speaks back. The ears contain high-quality microphones, the mouth contains a speaker. Both are connected to a small microcomputer in the head. It listens for human voices in the incoming sounds, does some basic voice-recognition, then looks up a response, which the toy speaks aloud. Herc received a federal registration in September 2012 for FUZZY. Each Fuzzy has a small infrared receiver that is designed to work with a line of accessories that Herc is introducing for the 2012 holiday season (e.g. a blue companion toy that answers the Fuzzy's knock-knock jokes).

Kids love it: after a few weeks, the Fuzzy is capable of recognizing a child's voice and responds affectionately in its high-pitched voice. If someone else speaks to it, the Fuzzy makes fun of them, playing back their own voice in a distorted and whining version. It also randomly bursts into song: with one of three lullaby-like songs in a nonsense "language" created by Herc.

With over five million sold so far, restaurants and malls have been filled with babble of Fuzzys the past year. Most adults, however, find the Fuzzy utterly intolerable. After a few hours of exposure, many people have a strong desire to destroy the Fuzzy; some have been known to put in earplugs when they see one.

Carver Industries, seeing a market opportunity, has introduced the Fuzzy-B-Gone, a toy whose only purpose is to silence Fuzzys near it. It works by emitting infrared signals that send a "be quiet" command to the Fuzzy, which responds by closing its eyes and shutting up. In order to understand how to make the Fuzzy-B-Gone work with the Fuzzy's infrared interface, Carver purchased dozens of Fuzzys, which it systematically broke apart and tested. (The process required exposing FFF's engineers to the songs several thousand times, which only increased their determination to put a stop to the Fuzzy.) The first prototype only worked about 80% of the time. Unclear on what they were doing wrong, one of Carver's engineers talked to a friend who worked at Hauk and gave the friend a copy of the prototype. A week later, the friend came back and explained that the "be quiet" command needs to be followed within .2 seconds by a short confirmation signal ("12508845", which reads "BE DEAD" in base-16). Carver promptly added the confirmation signal to the Fuzzy-B-Gone, which then worked correctly.

The Fuzzy-B-Gone is a conical piece of plastic, covered with tennis-ball felt, about five inches long. The flat end has text reading "Fuzzy-B-Gone, TM and © 2012 Carver Industries". Carver launched it with a national marketing campaign featuring the voice-over: "Global warming, rush hour traffic, and the Fuzzy. At least there's one of them you can do something about. Introducing the Fuzzy-B-Gone, the only reliable solution to the toy that ruined Christmas and killed JFK." It was introduced in the summer of 2012 and has since sold approximately 100,000 devices.

Herc has sued Carver for copyright, trademark, and trade dress infringement, false advertising, and trade secret misappropriation. Herc has filed a motion for a preliminary injunction prohibiting the sale of further Fuzzy-B-Gones. ***Write a memorandum for Judge Phelan advising her on whether to grant Herc's request and why.***

Question 3: On the Waterfront

You represent Haynes House, a major publishing company with a reputation for editorial excellence. Haynes has just received the final manuscript draft of *Blood in the Patapsco*, a new novel by M. Scott Templeton. *Blood in the Patapsco* is a fictionalized version of a dramatic (and violent) six-week strike at the Baltimore docks in 1985. You are performing a due diligence check of potential legal issues the manuscript might raise. The book's editor, Thomas Klebanow, has flagged the following for your consideration:

- For the book's 8-page insert of photographs, Templeton would like to use a photograph taken during the strike showing a crowd of dockworkers on the Baltimore grain pier blocking access to a ship in the background. Templeton found the photograph in the archives of the dockworkers' union, the International Brotherhood of Stevedores. There is no information on the photograph itself as to who took it; it was tucked into an unrelated set of papers. Klebanow has proposed simply including it in the book, saying "What's the worst that could happen?"
- The leading history of the strike is a 1989 book, *What They Need Is a Union*, by David Parenti, a professor of labor relations at the University of Maryland. Klebanow has noted a number of similarities between *What They Need Is a Union* and *Blood on the Patapsco*. Both center on the role of Chester Sobotka, a charismatic but short-tempered union organizer, who is portrayed as a conflicted family man torn between his different loyalties. Both books start on February 12, 1985, when a dockworker nicknamed New Charles had his leg crushed by a falling crate, an event that sparked a walkout to protest for better working conditions. Both feature numerous scenes in the union hall as the strikers argue over tactics. And *Blood on the Patapsco* treats as true the theory advanced by Parenti that Sobotka was also the figure known only as "The Greek," who placed phone calls with bomb threats on days that strikebreakers were scheduled to work.
- Another publishing company, Whiting Press, is also planning a book on the strike. Whiting's book—a heavily illustrated coffee-table-style work of nonfiction—was announced first, and Whiting has publicly accused Haynes and Templeton of "stealing its idea."
- Klebanow has circled a passage in Templeton's manuscript: "We used to make stuff in this country. Now we just put our hands in the next guy's pocket." An identical passage appears in a 1980 short story by Alma Gutierrez, *The Dickensian Aspect*, about a homeless Vietnam veteran.
- Haynes House has received a letter from Thomas Pakusa, who read that Haynes was planning to publish a novel about the strike and is angry that it isn't *his* novel. He claims that in 2004, he submitted a manuscript to Haynes about the strike. You have checked the Haynes House records, which show that Pakusa's manuscript was received, judged not suitable for publication by the acquisitions editor who read it, and returned to Pakusa.
- *Blood on the Patapsco* features an appearance by Beatrice Russell, a fictional officer with the Baltimore Police Department, who was one of the two leads in *Dope on the Table*, Templeton's previous novel, also published by Haynes House.
- PATAPSCO is the subject of a federal trademark registration by Duquan Weems for waste-hauling services.

Klebanow would like to know whether to proceed with publishing *Blood on the Patapsco* and whether any changes to the book are necessary. **Write a memorandum discussing the intellectual property issues these facts raise, if any.**