



International Trademark Association
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December 15, 2008

Mr. Tom Wheeler
Obama Presidential Transition Team
Washington, D.C.

Dear Mr. Wheeler,

The International Trademark Association is a not-for-profit membership association of more than 5,800 corporations, law firms and other trademark-related businesses. INTA's membership crosses all industry lines, including manufacturers and retailers, and is united in the goal of supporting the essential role trademarks play in promoting effective national and international commerce, protecting the interest of consumers, and encouraging free and fair competition.

As the Obama Administration prepares to assume stewardship of the nation's intellectual property resources, we offer our views on a direction for trademarks. We hope this proves helpful as the Department of Commerce transition team prepares its recommendations on intellectual property. We are grateful for the time that the transition team has provided us, since there are a number of areas critical to the protection of trademarks to which we draw your attention.

Anti-counterfeiting

Counterfeit products pose a health and safety risk to consumers, deprive government of significant tax revenue and cause economic loss and harm to the reputation of brand owners. Counterfeiting has become a profitable, low-risk activity for organized crime, and the revenue from counterfeiting is used to fund terrorism. Legitimate jobs are lost to counterfeiting, and child labor is encouraged. The scope of the problem, worldwide and in the United States, is immense.

In late fall, PRO-IP legislation was signed into law, creating an Intellectual Property Enforcement Coordinator (IPEC) and authorizing improved resources and enforcement tools for the Department of Justice. This bipartisan legislation was supported by the Administration, labor, business and the intellectual property community. In 2009, we expect legislation to be passed to fund the programs authorized in the PRO-IP legislation. Further, we anticipate that the current customs statutes will be amended to facilitate detection and seizure at our ports of counterfeit products from all parts of the globe.

International Agreements

In addition to domestic enforcement efforts, INTA strongly supports continued negotiation of the Anti-Counterfeiting Trade Agreement (ACTA) by the United States government. ACTA provides an opportunity for governments to collaborate on stemming counterfeit products throughout the global economy. It will provide a benchmark for enforcement among those participating nations and set an example for others. Participation by the Department of Commerce and the U.S. Patent and Trademark Office (USPTO) is key to the success of these negotiations.

INTA also supports the continued advocacy by the U.S. government in international and trade agreements for the accession by non-member countries to the Madrid Protocol, which facilitates the international

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International Trademark Association

registration of trademarks, and the Singapore Treaty on the Law of Trademarks, which harmonizes trademark office practice and procedure.

Strengthening the USPTO

The USPTO is critical to the growth and support of the global economy. The Office plays an integral role because the examination, review, and registration of trademarks and patents help protect intellectual capital and creativity. A strong and dedicated examination corps is necessary to maintain the rigors of complete and thorough examination. It is critical that the Director and Deputy Director have the necessary management skills to administer its complex and extensive business processes. At the same time, in the capacity of Undersecretary, INTA recommends that your nominee have an extensive knowledge of policy and law for both patents and trademarks.

It is critical that the Director and Deputy Director have the necessary management skills to administer its complex and extensive business processes and a broad knowledge of trademark and patent policy and law.

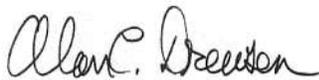
The Internet

The Internet has changed the approach of consumers in identifying and acquiring goods and services and will be an increasing presence in the global marketplace. At the same time, the Internet poses enormous challenges for the preservation of intellectual property rights due to its unique global dimension which hampers regulation, judicial intervention and traditional IP enforcement efforts.

It is crucial that the United States continues to exercise its influence in the governance of the Internet and the behavior of those users employing its capabilities. As the country of the creation of the Internet, the U.S. has gradually conveyed authority to the Internet Corporation for Assigned Names and Numbers (ICANN) through a Memorandum of Understanding (MOU) developed between ICANN and the Department of Commerce. In so doing, the Department of Commerce must resist any weakening of protections for rights owners and ensure that any form of governance provides the means to preserve those rights.

INTA looks forward to working with the transition team and the new administration on increasing enforcement efforts worldwide and promoting the crucial role that intellectual property plays in the growth and stability of the global economy. We would happy to answer any resulting questions you may have on these issues. Should you require further information, please contact Jon Kent or Michelle Sara King at our Washington office (202-223-0989).

Sincerely,



Alan C. Drewsen
Executive Director
International Trademark Association



PATENT, TRADEMARK & COPYRIGHT



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HIGHLIGHTS

Federal Circuit Declines to Rehear *Comiskey* Remands for § 101 Analysis

The Federal Circuit, in an en banc order, vacates a 2007 panel ruling that claims in a patent application directed to resolving a legal dispute between two parties are unpatentable abstract ideas under 35 U.S.C. § 101. The court declines to rehear the case en banc, instead reassigning it the original panel for revision. On the same day, the original panel issues its slightly revised decision. The refusal to rehear the case en banc is accompanied by several separate opinions. *In re Comiskey*. **Page 266**

Federal Circuit Considers 'Obvious to Try' in Biotechnology Patenting

The Patent and Trademark Office and a prospective biotechnology patentee spar over what is obvious to try in DNA sequencing at a hearing before the Federal Circuit. The panel's questions do not give a clear indication of the expected result, as the court tries to apply the U.S. Supreme Court's modifications to obviousness analysis in *KSR*. *In re Kubin*. **Page 267**

Judicial Pay Raises Concerns as Federal Circuit Turnover Seems Likely

Congress's recent failure to grant a cost-of-living increase to federal judges—while accepting that increase for itself—may have a greater impact on patent law jurisprudence than on the judiciary generally, patent professionals tell BNA. Commentators say that the pay issue may make it difficult to attract high-quality prospective candidates for the Federal Circuit. Hopes are raised, however, as a bill is introduced to authorize a pay raise. **Page 269**

BIO Tells Obama That PTO is an Agency in Crisis, Suggests Reform

The Patent and Trademark Office "is an agency in crisis" and reforms are needed, according to a recent letter from the Biotechnology Industry Organization to President-elect Barack Obama. **Page 270**

Trademark Association Letter Offers Recommendations to Obama Team

Joining other organizations seeking to influence intellectual property policy under the Obama administration, the International Trademark Association releases a letter to the presidential transition team, calling for additional anti-counterfeiting legislation, active treaty negotiations, a stronger Patent and Trademark Office, and continued U.S. influence over Internet governance. **Page 271**

Prisoner Has No Claim Against Government's Use of Copyrighted Calendar

A federal prisoner is in the service of the United States when he or she creates a copyrighted work, and so is statutorily barred from bringing an infringement claim against the government, the Federal Circuit holds. *Walton v. United States*. **Page 271**

ALSO IN THE NEWS

TRADEMARKS: A jury trial is not a right when a trademark infringement plaintiff seeks an accounting of profits, the First Circuit rules. *Visible Systems Corp. v. Unisys Corp.* **Page 272**

COPYRIGHTS: A plaintiff seeking a preliminary injunction for infringement of his copyrighted open source software failed to show the likely irreparable harm needed for such relief, a federal district court in California rules. *Jacobsen v. Katzer*. **Page 273**

SUPREME COURT: The Supreme Court invites the solicitor general to submit a brief in the Cablevision "remote storage" DVR case. *Cable News Network Inc. v. CSC Holdings Inc.* **Page 274**

COPYRIGHTS: Automated functions for user access to Web data are protected by the DMCA safe harbor, a federal district court in California rules. **Page 274**

CONFERENCES

WEBINAR: "Taking Trademarks to the Top Domain: Opportunities and Risks in the New gTLD Space," Thurs., Feb. 5, 2 p.m. EST. Sponsored by Pike & Fischer & the ABA Section of Intellectual Property Law. More information at <http://www.pf.com/eventDetail.asp?id=91&type=1>

"BIO is eager to engage constructively in the continuing debate on improving the timeliness, quality, transparency, and efficiency of the patent system, upon which BIO's members and biotechnology innovation so greatly rely," Greenwood said.

BIO's letter is available at <http://www.bio.org/ip/domestic/BIO.PTOReform.pdf>.

Trademarks/Administration

Trademark Association Letter Offers Recommendations to Obama Team

Joining other organizations seeking to influence intellectual property policy under the Obama administration, the International Trademark Association released a letter to the presidential transition team on Jan. 12 calling for additional anti-counterfeiting legislation, active treaty negotiations, a stronger Patent and Trademark Office, and continued U.S. influence over Internet governance.

The letter was signed by Alan C. Drewsen, executive director of the not-for-profit membership association of over 5,800 corporations, law firms, and other trademark-related businesses. It was addressed to Thomas E. Wheeler, the transition team member responsible for the science, technology, space, and arts agencies.

Counterfeiting. "Counterfeiting products pose a health and safety risk to consumers, deprive government of significant tax revenues and cause economic loss and harm to the reputation of brand owners," Drewsen wrote.

Further, Drewsen said that counterfeiting has not only become profitable for organized crime but encourages child labor, creates job loss, and funds terrorism. One solution to this problem, according to Drewsen, was the PRO-IP Act, signed into law in 2008, which created an Intellectual Property Enforcement Coordinator aimed at fighting counterfeiting.

One of the first priorities in 2009, he said, should be legislation to fund the programs authorized by that legislation. Further, according to Drewsen, the association "anticipate[s] that the current customs statutes will be amended to facilitate detection and seizure at our ports of counterfeit products from all parts of the globe."

New PTO Leaders. To strengthen the PTO, Drewsen continued, the agency's new director and deputy director should have "the necessary management skills to administer its complex and extensive business processes." Those officials should also have extensive knowledge of policy and law for both patents and trademarks, according to Drewsen.

Noting the "integral role" that the PTO plays in examining, reviewing, and registering patents and trademarks, Drewsen also stressed that a "strong and dedicated examining corps is necessary to maintain the rigors of complete and thorough examination."

International Agreements and Internet. On an international level, Drewsen said, INTA views the participation by the Department of Commerce and PTO as key to the success of the continued negotiation of the Anti-Counterfeiting Trade Agreement. "ACTA provides an

opportunity for governments to collaborate on stemming counterfeit products throughout the global economy," he said, adding that the treaty "will provide a benchmark for enforcement among those participating nations and set an example for others."

The United States must also continue to "exercise its influence in the governance of the Internet and the behavior of those users employing its capabilities," the association's letter said. In that regard, Drewsen urged the Department of Commerce to preserve the protections for rights owners that it has achieved under its memorandum of agreement with the Internet Corporation for Assigned Names and Numbers, or ICANN.

BY NATHAN POLLARD

Full text of the INTA letter is at <http://pub.bna.com/ptcj/INTAletter.pdf>

Copyrights/Government Infringement

Prisoner Has No Infringement Claim Against Government's Use of Copyrighted Calendar

A federal prisoner is in the service of the United States when he or she creates a copyrighted work, and so is statutorily barred from bringing an infringement claim against the government, the U.S. Court of Appeals for the Federal Circuit held Jan. 8 (*Walton v. United States*, Fed. Cir., No. 2008-5057, 1/8/09).

The court accordingly affirmed the dismissal for lack of jurisdiction of a prisoner's claim under 28 U.S.C. § 1498(b) that the prison infringed his copyright by distributing calendars that he produced when he was an inmate.

Statutory Exception to Government Infringement. Robert James Walton was an inmate at the U.S. prison in Leavenworth, Kan., assigned to work for Federal Prison Industries Inc., a government-owned corporation that produces various products for the federal government.

Walton developed and produced desk-blotter calendars for the years 2001 and 2001-2002, which Federal Prison Industries distributed to government warehouses and also made available for private sale.

Walton eventually registered his copyright and filed a lawsuit against the United States for copyright infringement.

Judge Margaret M. Sweeney of the U.S. Court of Federal Claims dismissed Walton's complaint for lack of jurisdiction, saying that the provisions of 28 U.S.C. § 1498(b) do not permit prisoner suits for copyright infringement against the government.

Walton appealed.

'Employment' and 'Service' Have Different Meanings. Senior Judge Daniel M. Friedman acknowledged that Section 1498(b) provides an exclusive action for copyright infringement against the government. However, there is no right of action under that provision if the copyrighted work was prepared while in the "employment or service" of the United States and as part of the official functions of the employee, or if it was prepared using government "time, material[s], or facilities," he said, quoting the statute.