



State Bar of Georgia

Intellectual Property Law Section

GRIFF GRIFFIN, CHAIR

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ALISON DANACEAU AND HUNTER YANCEY, EDITORS



Note From the Chair

by Griff Griffin
Sutherland, Asbill & Brennan

It is hard to believe that December is already upon us. The holiday season has arrived, and in the midst of this very busy time of the year, I hope we are all able to give thanks for what we have and to give something back to those less fortunate. Our section recently had such an opportunity by continuing our long-standing support of the Georgia Lawyers for the Arts (GLA). Their annual gala was held Nov. 10, and as we have for many years, the IP Law Section donated \$1,000. This gift merely adds to the many hours of service our members have given of their own time to GLA.

I am thankful to be able to report the completion of another successful IP Institute. Our 12th annual IP Institute, the seventh held in conjunction with the Entertainment and Sports Law Section, was held in (not so) sunny Cancun, Mexico, Nov. 2- 6, at the Fiesta Americana Grand Coral Beach Hotel. While there are many people that contributed to the success of the IP Institute, special recognition should be given to Darryl Cohen and Scott Keniley of the Entertainment Sports Law Section; Donna Robertson of Georgia International Travel; Johanna Merrill of the State Bar; and Dan White of ICLE. Institute attendees owe these individuals a great deal of gratitude for their hard work in pulling off another great IP Institute without a hitch.

I also want to thank our sponsors for their support, including gold level sponsors Greg Aharonian and Computer Packages, Inc. and silver level sponsors IP Investments Group, LLC; Miller Ray Houser & Stewart, LLP; Navigant Capital Advisors, LLC; and PatPro, Inc. Donations totaling \$11,000 more than covered all section expenses associated with the Institute.

While all of the speakers did a great job, I am compelled to specifically thank Yannis Skulikaris of the European Patent Office and Chief Judge Edward J. Damich of the U.S. Court of Federal Claims. Skulikaris traveled all the way from the Netherlands to deliver a very informative presentation on patenting software in Europe, and Chief Judge Damich took several days out of his busy schedule to join us, and with the assistance of Woody Jameson of Duane Morris LLP, provided us with an insightful presentation on how patent cases are viewed by judges. Many thanks also go to Woody for agreeing to fill in for Chief Judge Damich's co-presenter, who had a last minute conflict.



Jodi Griffin, Chief Judge Edward Damich and Griff Griffin at the 2006 IP Institute in Cancun, Mexico.

Other recent events sponsored by the section include the "Patent, Copyright, and Trademark Boot Camp" for new attorneys held on Sept. 29; "A Discussion of Current Happenings at the Trademark Office," with Lynn G. Beresford, commissioner for Trademarks, on Oct. 3; "The Basics for New Patent

Litigators," featuring Chief Judge Camp, held on Oct. 25; and "A Panel Discussion of the Newly-Enacted Trademark Dilution Act of 2006," held on Nov. 14. A summary of each of these presentations can be found on the following pages.

As a final note, I encourage those of you attending the State Bar's Midyear Meeting in Savannah, Ga., to register for the IP Law Section luncheon on Jan. 19. At this luncheon we will have a one-hour CLE presentation titled "IP Law and its Impact on Business Deals," presented by Brad Groff and Shane Nichols. Please sign up for this event if you are planning to attend the State Bar's 2007 Midyear Meeting; the early-bird registration deadline is Dec. 15.

I hope everyone has a happy holiday season! ★

The Trademark Dilution Revision Act of 2006:

A Purported Win for Owners of Famous Trademarks

by Jonathan D. Goins and Dinisa Hardley Folmar*

On Oct. 6, President Bush signed the Trademark Dilution Revision Act (“the Act”), which broadens the scope of protection to owners of famous trademarks seeking injunctive relief by lowering the standard of proof required to establish a cause of action for dilution. Among other revisions, the Act also attempts to provide greater clarity to dilution jurisprudence as it defines several trademark terms of art, including the meaning of a “famous” mark, and the two types of dilution—dilution by “blurring” and dilution by “tarnishment.”

The Act was primarily the result of efforts initiated by the International Trademark Association (“INTA”) in response to the Supreme Court ruling in *Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418 (2003). According to INTA President Paul W. Reidl, Associate General Counsel of E. & J. Gallo Winery, the Act “gives brand owners a powerful tool for protecting the trademarks they have worked so hard to build.”

What is Dilution?

Generally, dilution refers to the lessening of the capacity of a famous mark to identify and distinguish goods or services. 15 U.S.C. § 1127. For example, a person is liable under dilution laws for selling adult sensual paraphernalia over the Internet using the name ADULTS R US, which is a spin-off of the famous mark TOYS “R” US. See *Toys “R” Us, Inc. v. Akkaoui*, 40 U.S.P.Q.2d 1836 (N.D. Cal. 1996). In a denotative sense, the offender’s use “dilutes” the value of, and harms the reputation associated with, the mark TOYS “R” US.

Two Types of Dilution

Dilution by “blurring” and dilution by “tarnishment” are now codified in the Act. The Act defines dilution by blurring as an “association arising from the similarity between a mark or trade name and a famous mark that impairs the distinctiveness of the famous mark.” In other words, a conflicting mark whittles away at, demeans and blurs the value of the famous mark. The Act provides a list of factors in determining dilution by blurring, including without limitation: (i) the degree of similarity between the conflicting mark and the famous mark; (ii) the degree of inherent or acquired distinctiveness of the famous mark; (iii) the extent to which the famous mark’s owner is engaged in substantially exclusive

use; (iv) the degree of recognition of the famous mark; (v) the intent of the conflicting mark’s owner to create an association with the famous mark; and (vi) any actual association between the conflicting mark and the famous mark.

Dilution by tarnishment, on the other hand, is “an association arising from the similarity” between the conflicting mark or trade name and the famous mark “that harms the reputation of the famous mark.” 15 U.S.C. § 1127 (c)(2)(C). Unlike its specificity with regard to dilution by blurring, the Act does not shed light on any determinative factors.

What is a Famous Mark?

A mark is famous “if it is widely recognized by the general consuming public of the United States as a designation of course of the goods or services of the mark’s owner.” 15 U.S.C. § 1127(c)(2)(A). The Act provides a list of factors for determining whether a mark is famous, including without limitation: (i) the duration, extent, and geographic reach of advertising and publicity of the mark, whether advertised or publicized by the owner or third parties; (ii) the amount, volume, and geographic extent of sales of goods or services offered under the mark; (iii) the extent of actual recognition of the mark; and (iv) whether the mark is federally registered.

Additionally, the Act is clear in that a claim may be brought for a famous mark that has acquired distinctiveness or secondary meaning. 15 U.S.C. § 1125(c)(1) (“the owner of a famous mark that is distinctive, inherently or through acquired distinctiveness, shall be entitled to an injunction”).

Likely To Cause Dilution Standard

At least as early as three years ago, a higher standard of proof for persons filing dilution lawsuits was required as the U.S. Supreme Court in *Moseley* held that owners of famous marks must prove that alleged offenders committed “actual dilution.” In *Moseley*, the Court opined that the owner of the VICTORIA’S SECRET mark failed to establish objective proof of actual injury to the economic value of its famous mark as a result of a local Kentucky mom-and-pop adult store’s use of the name Victor’s Little Secret. *Moseley*, 537 U.S. at 433-34. Proving actual dilution required more than consumers’ mere mental association of the conflicting marks; demonstrating actual, objective evidence was critical. *Id.*

In line with the *Moseley* decision, a number of courts applying federal or state anti-dilution statutes found in favor of dilution in limited circumstances, typically only (a) if the challenged mark was essentially the same, sufficiently similar to, or virtually identical to or in some variation to (by adding or subtracting letters of), the famous mark, coupled with the similarity of the marks' design, logo, color, font, size, marketing, or advertising; and/or (b) if evidence of actual dilution via consumer surveys or experts was proved (assuming the conflicting marks were not identical).

In response to the *Moseley* decision, the Act now provides greater clarity and establishes that an owner of a famous mark is entitled to injunctive relief against an alleged offender who uses a mark in commerce that is "likely to cause dilution . . . regardless of the presence or absence of actual or likely confusion, of competition, or of actual economic injury." 15 U.S.C. § 1125(c)(1) (emphasis added). Thus, proving likelihood to cause dilution—as opposed to actual dilution—has the effect of making it easier for famous trademark owners to seek injunctive relief under the Act. The degree of similarity between the conflicting marks is but one non-exclusive factor in determining dilution by blurring. 15 U.S.C. § 1125(c)(2)(B)(i).

Fair Use Defense

The Act specifically recognizes a defense—adopted by many courts already—to dilution actions if the person accused establishes a "fair use" of the famous mark. The Act states that the following shall not be actionable as dilution: "[a]ny fair use, including a nominative or descriptive fair use, or facilitation of such fair use, of a famous mark by another person other than as a designation of source for the person's own goods or services, including use in connection with—(i) advertising or promotion that permits consumers to compare goods or services; or (ii) identifying and parodying, criticizing, or commenting upon the famous mark owner or the goods or services of the famous mark owner." 15 U.S.C. § 1125(3)(A). In other words, a person may use a famous mark in comparative advertisements. The Act also takes into account First Amendment considerations, explicitly excluding actionable dilution claims for all forms of

news reporting and news commentary, or any noncommercial use of a mark.

Other Highlights

The Act broadens trademark protection to owners of famous marks that are federally registered with the U.S. Patent & Trademark Office. The Act creates an incentive and competitive advantage to owners of federally registered trademarks with its preemptive provision, which provides a complete bar to dilution claims in state courts against persons who are owners of federal registrations for trademarks in dispute. It remains to be seen how courts and practitioners interpret the Act's implicit suggestion that owners of federally registered trademarks may escape dilution claims in federal courts as well. 15 U.S.C. § 1125(c)(6)(B) (ownership of federal registrations for marks in question shall be a "complete bar to an action against that person . . . that seeks to prevent dilution by blurring or dilution by tarnishment" or "asserts any claim of actual or likely damage or harm to the distinctiveness or reputation of a mark, label, or form of advertisement.").

Also worth noting is that the owner of a trade dress not federally registered has the burden of proving its trade dress is famous and not functional. 15 U.S.C. 1125(c)(4). ★

* Jonathan D. Goins is an associate at King & Spalding LLP, and Dinisa Hardley Folmar is trademark counsel at The Coca-Cola Company.

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IP Section Event Podcasts

Missed a section event lately?

One that you would have liked to attend? You're in luck.

Many of the recent section events, including the Patent, Copyright, and Trademark Boot Camp, an ABA Section luncheon, and many more, have been recorded and posted as podcasts on our website: www.georgiaip.org. Seven new podcasts are available and can be listened to at your convenience. Please provide feedback to Patent Committee Chair Philip Burrus at pburrus@burrusiplaw.com.

Law Seminars International will present a one-day workshop on “Managing Patent Prosecution & Litigation,” Dec. 13, in Atlanta, Ga. The program will provide valuable tips and strategies for litigation and prosecuting patents. Co-Chairs Christopher M. Arena, Esq., Woodcock Washburn LLP and Marla R. Butler, Esq., Robins, Kaplan, Miller, & Ciresi LLP are joined by a distinguished faculty of leading private and in-house patent professionals, including:

- Michael J. Kline, Esq., Senior Litigation Counsel, IP, The Coca-Cola Company
- Carol Beckham, VP of IP, BellSouth Intellectual Property Management Corporation
- Kimberly S. Chotkowski, Senior Director, InterDigital Communication Corporation
- Valerie Calloway, Esq., Chief Intellectual Property Counsel, Polymer Group, Inc.
- Vernon Meadows, Director, Patent Program, The Weather Channel
- William Marino, Esq., General Counsel, Partner, Altitude Capital Partners
- Robert J. Gorman, Jr., Esq., CIBA Vision Corporation

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- J. Scott Culpepper, Esq., Robins, Kaplan, Miller & Ciresi LLP
- Virginia L. Carron, Esq., Finnegan Henderson Farabow Garrett & Dunner LLP

For registration information please visit www.lawseminars.com/seminars/06PATPGA.php

As a member of the Intellectual Property Bar Section of the State Bar of Georgia, you are eligible for a \$100 discount off regular tuition of the program. To redeem your discount please mention the “IP Section of the GABA discount” in the comments box of the registration page, or when you call us at 800-854-8009.

Intellectual Property Event Calendar



STATE BAR OF GEORGIA | DECEMBER 2006

JAN. 19—IP LAW SECTION MIDYEAR MEETING LUNCHEON

12 p.m. - 2 p.m.

“Intellectual Property Law and its Impact on Business Deals”

Shane Nichols, King & Spalding LLP, and Bradley K. Groff, Garder Groff Santos & Greenwald, P.C.

One CLE credit hour

Hyatt Regency Savannah—Savannah, Ga.

JAN. 22—TRADEMARK COMMITTEE LUNCHEON LECTURE

12 p.m. - 1:30 p.m.

“Medinol and its Progeny,” with speaker Jay Myers of Seyfarth Shaw

State Bar of Georgia Conference Center

104 Marietta St., 3rd floor, room ABCD

Litigation Committee Report

by Tina McKeon
Litigation Committee Chair

Claus Melarti offers the following summary regarding a recent lunch-and-learn for new patent litigators: On Oct. 25, the Litigation Committee hosted a lunch seminar titled “The Basics for New Patent Litigators: Patent Rules in the Northern District of Georgia.” Fully sold out, the seminar featured panelists Jack T. Camp, chief judge of the Northern District of Georgia, and Steve Moore of Kilpatrick Stockton, LLP. The moderator was Claus Melarti of Duane Morris LLP.

The discussion was geared toward practitioners who are new to patent litigation, and focused on the major areas covered by the Local Patent Rules, including the disclosure obligations associated with the parties’ infringement and invalidity contentions, the Markman briefing process, and the expert witness phase of patent litigation. Steve Moore shared his experience with how patent litigation has changed following the implementation of the Local Patent Rules and Chief Judge Camp offered his thoughts concern-

ing the similarities and differences between patent litigation and commercial litigation.

The seminar concluded with a discussion involving the audience and the panelists concerning a series of hypothetical scenarios designed to highlight areas of patent litigation practice for which the Local Patent Rules do not provide specific guidance. Summarizing that discussion, Chief Judge Camp closed the seminar by emphasizing the importance of recognizing that the Local Patent Rules are merely intended to provide a general framework for patent litigation in the Northern District and that the rules are designed to encourage active communication and cooperation between adverse parties.

The committee thanks Claus for coordinating the event, Steve Moore and Chief Judge Camp for their participation, and Jason Fowler for his assistance. We expect to offer a lunch event in early 2007. Details will follow. ★

Trademark Committee Happenings

by Brad Groff
Trademark Committee Chair

Thank you to everyone who joined us for the Trademark Committee’s Oct. 3 program with Trademark Commissioner Lynne Beresford of the U.S. Patent and Trademark Office. It was great to see a packed house at the Bar Center for such a distinguished guest. Commissioner Beresford updated us on current happenings and recent developments at the Trademark Office, including electronic filing and TEAS Plus, new examination guidelines, filing statistics, and recent TTAB cases likely to impact trademark practitioners. Special thanks go to Trademark Committee member Jim Johnson of Sutherland Asbill & Brennan for his entertaining introduction of Commissioner Beresford, and to Congressman Tom Price for his help in connecting our committee with the commissioner.

On Nov. 14, the Trademark Committee hosted a very informative panel discussion on the newly enacted Trademark Dilution Revision Act. Ted Davis of Kilpatrick Stockton moderated the program, and the panelists were Scott Creasman of Powell Goldstein, Jerre Swann of Kilpatrick Stockton, and Mike Hobbs of Troutman Sanders. It was quite a privilege to hear the insights of attorneys who were directly involved in drafting the language of the Act and negotiating its enactment before the House Judiciary Committee and other groups. The panel shared their view-

points on how the provisions of the new Trademark Dilution Revision Act will affect future dilution cases and proposed some very useful practice pointers on how to litigate under the new Act. Thanks to Trademark Committee member Charlie Henn of Kilpatrick Stockton for initiating this great program.

After the holidays, we plan to kick off our 2007 trademark programs with another hot topic, the *Medinol* case and its progeny. Commissioner Beresford touched on this topic in discussing the Hualapai Tribe and Standard Knitting decisions at our October program. Trademark Committee member Jay Myers of Seyfarth Shaw will be leading a program on Jan. 22 to discuss this line of cases that has many trademark practitioners looking over their shoulders. Be sure to mark your calendars and plan to attend.

Happy holidays to all, and don’t forget to keep e-mailing your ideas for future trademark programs to Brad Groff at bgroff@gardnergroff.com. ★

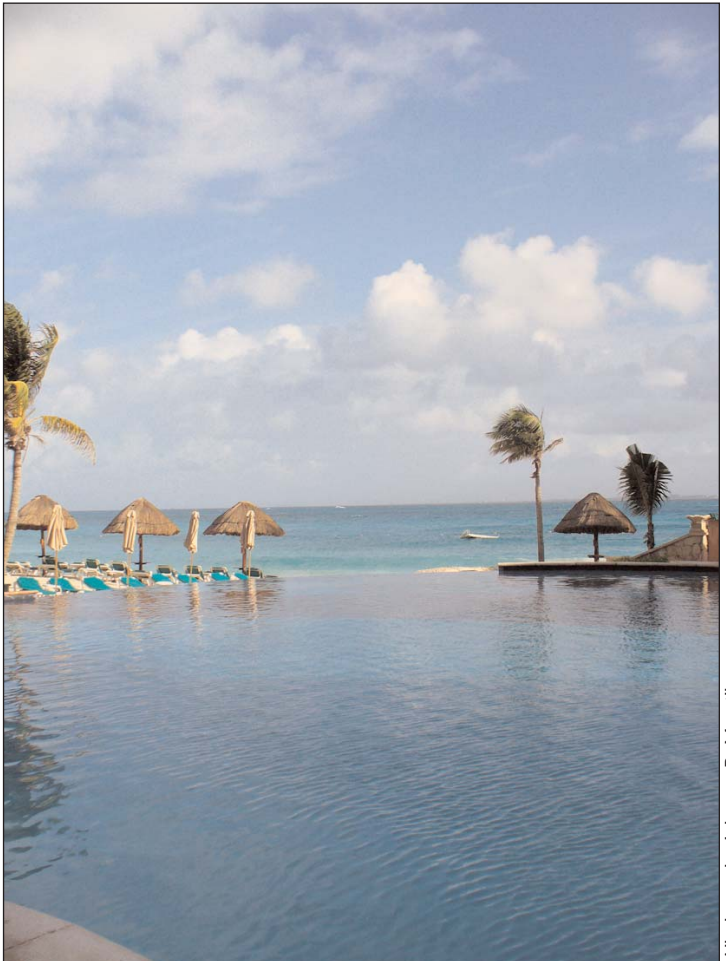
2006 IP Institute!

Fiesta Americana Grand Coral Beach Hotel
Cancun, Mexico



Above: Nora Tocups and Dan White

Below: Michael Landau, Mike Hobbs and Pamela Tremayne



All photos by Johanna B. Merrill



Brad Groff



Andrew Fritts, Laura Fahey Fritts, Philip Burrus, Mike McLaughlin and Ryan Strong, both of silver-level sponsor, IP Investments.



Seated, L-R: Philip Burrus, Griff Griffin, Todd McClelland and Todd Mitchem.

Standing, L-R: Tina McKeon, Shane Nichols, Brad Groff, Steve Wigmore, Alison Danaceau, Wab Kadaba and Michelle Tyde

Not pictured: Andrew Crain, Melissa Howard, Doug Isenberg and Hunter Yancey

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