

The background of the slide features a dark blue color with a pattern of large, stylized, overlapping chevrons or zig-zags in a slightly lighter shade of blue. In the upper right corner, the VORYS logo is displayed in a white, bold, sans-serif font. Below the logo, the tagline "New thinking. Since 1909." is written in a smaller font, with "New thinking." in red and "Since 1909." in white.

VORYS

New thinking.
Since 1909.

Mind the Mark: Everyday IP Risks and Ethical Obligations for Corporate Counsel

Attorney Professional Conduct Session

Presenters



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Topics

- Licensing Basics and Common Pitfalls
- Trademark Issues in Brand Refreshes
- Copyrights and Navigating the Public Domain
- Ethical Obligations in IP Practice

What is a License?

Understanding IP Licensing

- A license is permission to use intellectual property under specified terms
- Businesses don't "own" most of the IP they use — they license it
- Licensing applies to software, images, music, videos, written content and more
- Using IP without a license may constitute infringement

Types of IP That Require Licenses

Where Licenses Can Apply

- **Software** – SaaS (Software as a Service) platforms (i.e., cloud-based internet platforms), desktop tools, mobile apps
- **Images** – marketing materials, websites, presentations
- **Music** – background sound in stores, events, webinars
- **Videos** – training modules, client-facing demos

“Royalty-Free” ≠ Free

Common Misconception

- “Royalty-free” means no recurring fees — **not** unrestricted use
- Still requires a license purchase or agreement
- Often includes limitations: print volume, digital use, resale
- Misuse of royalty-free media is a top IP pitfall

License Scope Matters

Know What's Covered

- Licenses limit how, where, and for how long IP can be used
- Violations can be accidental — using an image across more channels than allowed
- License agreements vary: user count, geography, distribution

Document Everything

Can You Prove You Had a License?

- Always keep copies of agreements, receipts, and usage terms
- Years later, your team may not remember where something came from
- If you cannot prove it, you cannot rely on it

Vendor Content: Who Owns It?

Not Yours Unless It's Assigned

- Contractors retain copyright unless the contract says otherwise
- “Work-for-hire” is a legal term with narrow application
- Always include copyright assignment in creative/vendor contracts

Playing Music in Public? License It.

Corporate Music = Public Performance

- Background music at events or in stores requires a performance license
- Personal Spotify accounts don't cover commercial or public use
- PROs (ASCAP, BMI, SESAC) can and do enforce these rights

What Are PROs? (Performing Rights Organizations)

- PROs collect royalties for songwriters and publishers
- **Examples:**
 - **ASCAP** (American Society of Composers, Authors, and Publishers),
 - **BMI** (Broadcast Music, Inc.),
 - **SESAC** (Society of European Stage Authors and Composers)
- A license from a PRO allows **public performance** of music

What Are PROs? (cont'd)

- **Required for:**
 - Playing music at events
 - Background music in stores
 - Using music in presentations or videos

Best Practices for Counsel

- Confirm ownership or permission before use
- Keep written proof of every license
- Don't rely on “work-for-hire” without legal review
- Avoid using personal accounts for business

Best Practices for Counsel (cont'd)

- Obtain proper music licenses for public use
- Train your team on IP awareness
- When in doubt, get legal advice

AI-Generated Content: Who Owns It?

- The U.S. Copyright Office will **not** register works generated entirely by AI
 - **Human authorship** and **creative control** are required for copyright protection
 - Copyright does not protect “autonomous machine output”
- The US Copyright Office evaluates whether the AI or the human determined the expressive elements
 - Registration only if a human provides **creative input** that determines the **expressive elements** of the final work, such as through **editing or curating AI output**

AI-Generated Content: Who Owns It?

- The May 2025 Copyright Office Report warns that AI training data may include copyrighted works, creating uncertainty over infringement
- The report also recommends contractual safeguards and clear disclosure for AI developers and users



Trademarks, Brand Refreshes & Legacy Marks

Trademarks – What is Covered?

Words, symbols, names, slogans or designs used on goods or services



xerox



NATIONWIDE IS ON YOUR SIDE

amazon



What is a Trademark?

- Indicator of single, coordinated source
- Indicator of consistent level of quality
- Only specific goods/services
- Trademarks vs Service Marks
- TM vs SM vs ®

Types of Marks

- **Service marks** identify services
 - H & R Block
- **Certification marks** identify goods or services meeting certain qualifications
 - Certified Organic
- **Collective marks** identify goods, services or members of a collective organization
 - Florida Orange Growers Association; KBA; ABA
- **Trade names** identify a company

Service Marks

- **Service marks –**

- A mark used to distinguish the **services** provided by one person or company from services provided by others.
- A "service mark" is a type of trademark protected and regulated under the Lanham Act.
- Service marks are used to identify and distinguish the services of one individual or organization, even a unique service, from those provided by others. (15 U.S.C. § 1127)
- Service marks serve the same purposes as trademarks, but they are used to identify services rather than goods.

Trade Dress



Trade Dress (cont'd)

- Owned by User
- Use in Commerce
- Registration as Trademark
- Infringement Test: Confusing Similarity

Trade Names

- **Trade names –**

- A name used to identify a company, partnership, or business rather than its goods or services. (e.g., PepsiCo, Inc.)
- Trade names **cannot** be registered under the Lanham Act **unless** they actually function to identify the source of particular goods or services rather than merely identifying the company.
- Trade names are generally registrable in state offices, and common law (property and unfair competition law) may protect against use of confusingly similar company names.
- State law usually prohibits incorporation under a name similar to one previously registered.

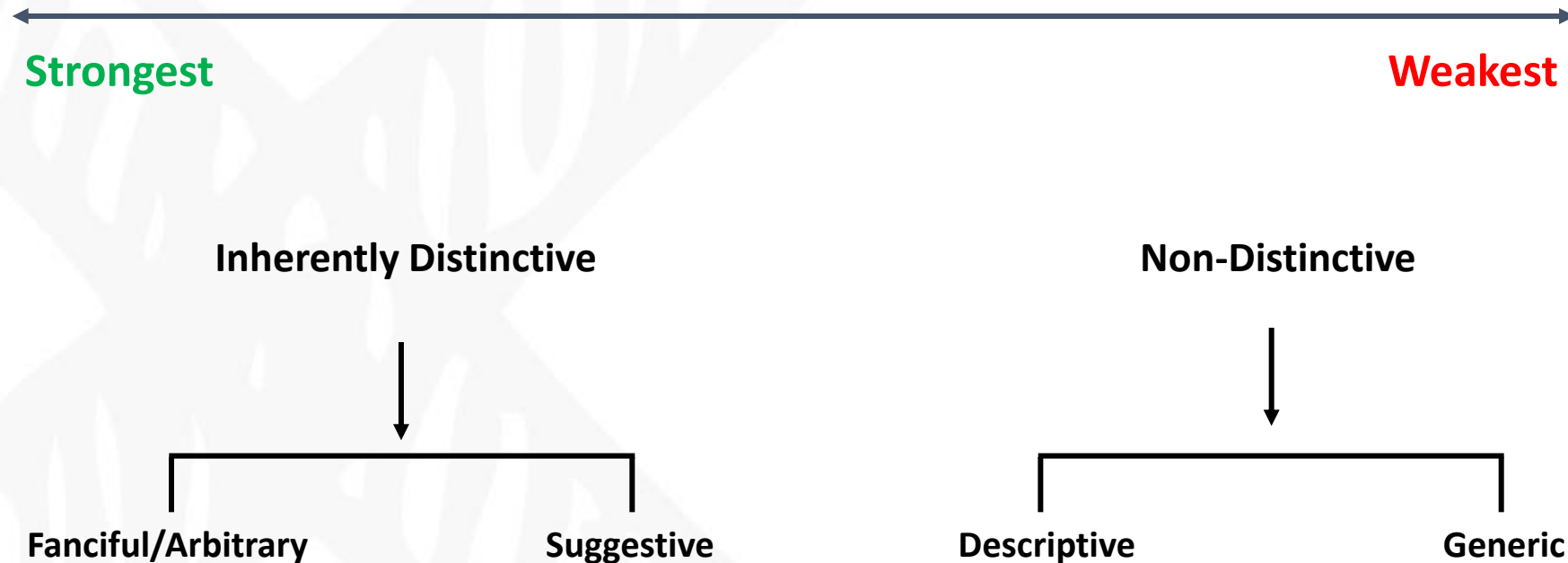
Who Owns Trademarks?

- User owns mark unless agreed otherwise – (e.g. license)
- Lasts forever so long as used in commerce



Choosing Trademarks; Types of Marks

STRENGTH SPECTRUM



Strength Spectrum

Strongest



Inherently Distinctive



Fanciful/Arbitrary



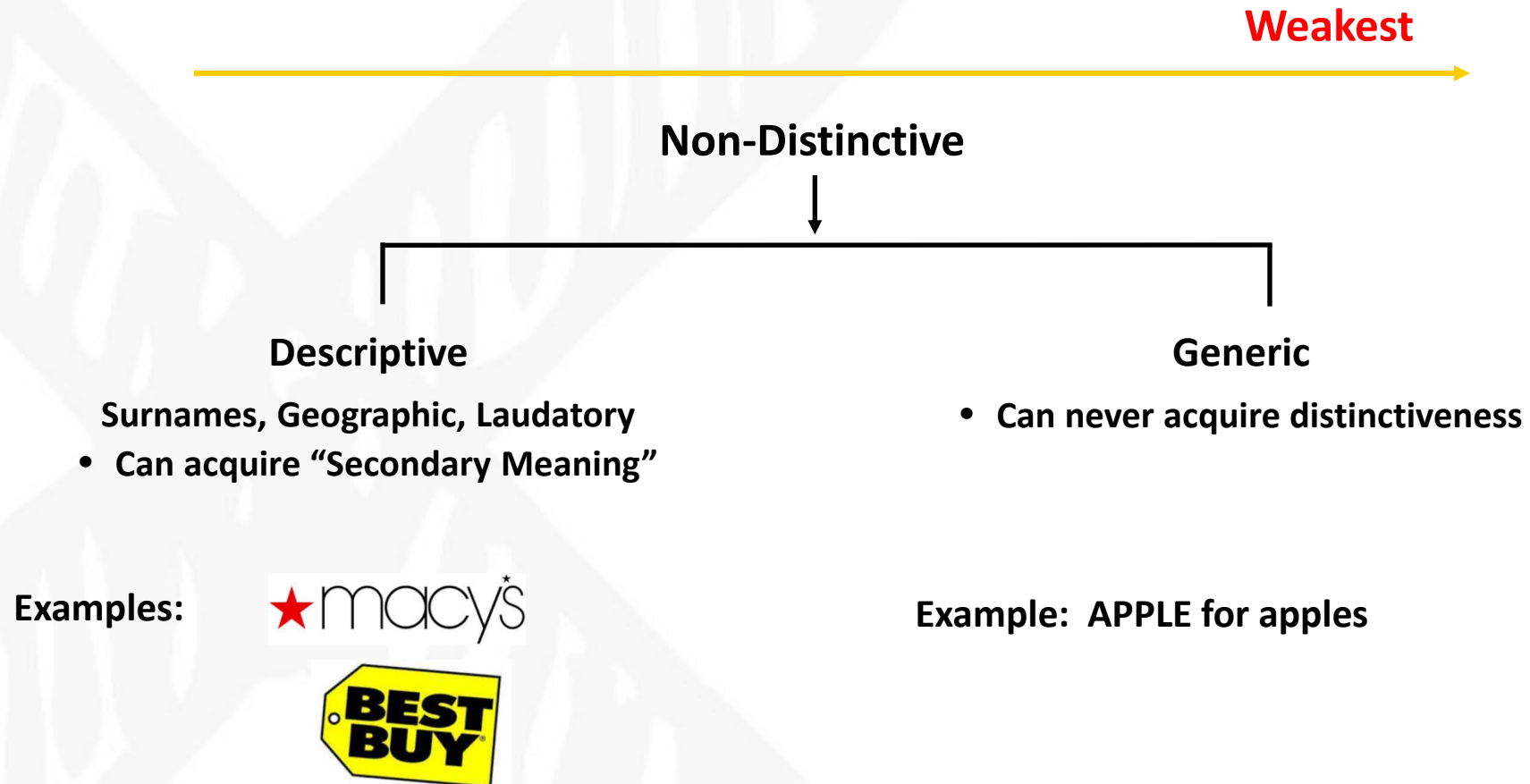
CONVERGYS

Suggestive

VISA

SUGAR & SPICE
(Bakery Products)

Secondary Meaning



Marks – immediately protectable

1. **Fanciful Marks:** Made-up marks; coined terms
 - Exxon, Kodak, Haagen-Dazs, Xerox
2. **Arbitrary Marks:** real words, with independent meaning, but unrelated to the goods' qualities
 - Apple (for computers); Lotus (for software); Sun (for computers)
3. **Suggestive Marks:** suggest a quality, attribute or feature of the goods, but don't go so far as to literally describe them
 - Coppertone (suntan oil); London Fog (raincoats); The Home Depot ("home improvement centers"); Microsoft (suggestive of software for microcomputers); Wheel of Fortune (suggestive of chance for prizes)

Marks – not immediately protectable

- 4. Descriptive Marks:** convey knowledge of the ingredients, qualities, or characteristics of the goods or services with which they are used
- Not protectable absent proof of acquired distinctiveness (or “secondary meaning,” where public associates mark with company)
 - Best Buy (retail electronics); E-Fashion (online fashion info. services)
 - Cannot be protected initially on the Principal Register, but can achieve a less potent registration on the Supplemental Register.
 - Can take 5 years or more of substantially exclusive use to acquire distinctiveness and be eligible for Principal Register.
 - TM law forbids the use of a generic term to function exclusively as one party’s trademark, because this would prevent others from being able to accurately describe their own goods or services.

Marks – not immediately protectable

5. **Personal Names / Trade Names:** often considered a subset of descriptive marks; **not protectable until acquires secondary meaning**

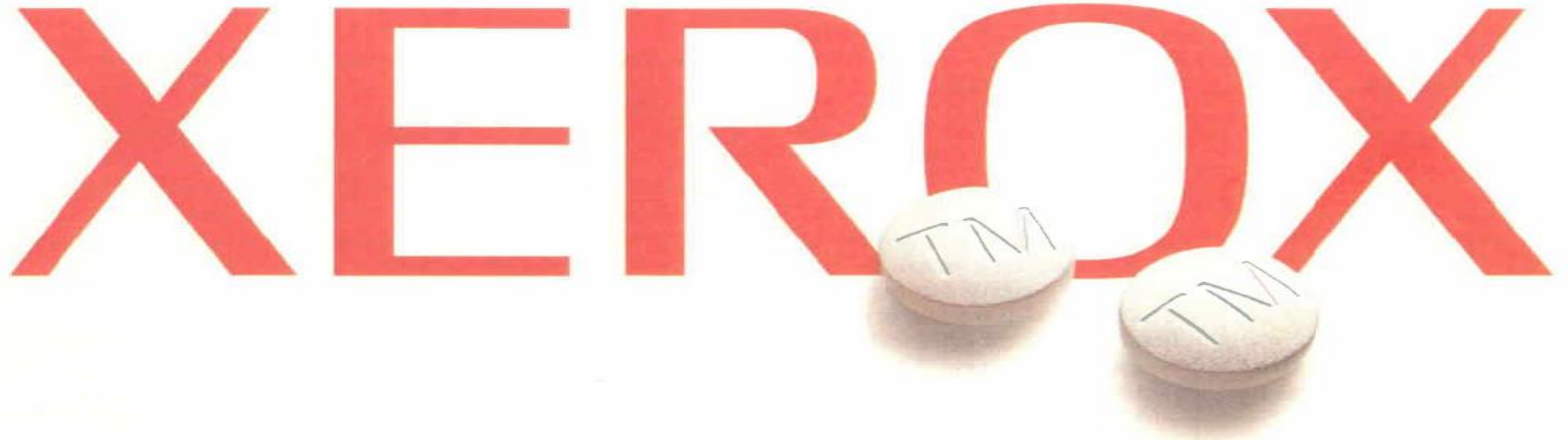
- Warner Brothers; the Walt Disney Company; Macy's
- Three reasons for reluctance to allow surnames as trademarks:
 - Reluctance to forbid person's using own name in business.
 - Some names are so common that consumers will not assume that two products have the same source and be confused.
 - Preventing person from using own name may deprive consumers of useful information regarding owner's identity.

Marks – not immediately protectable

6. Generic – refer to a “genus”

- E.g., “Apple” for a store that sells apples; “Computers” for a store that sells computers
- **Genericide** – trademarks become generic terms through use not associated with particular product or source:
 - Escalator Kleenex Bubble wrap
 - Band Aid Velcro ChapStick
 - Safari hats Cola Frisbee
 - Aspirin Murphy Beds Hula-Hoop
 - Thermos bottle Cellophane Jet Ski

Marks – Genericide



When you use “Xerox” the way you use “aspirin,” we get a headache.
There’s a new way to look at it.

Boy, what a headache! And all because some of you may be using our name in a generic manner. Which could cause it to lose its trademark status the way the name “aspirin” did years ago. So when you do use our name, please use it as an

adjective to identify our products and services, e.g., Xerox copiers. Never as a verb: “to Xerox” in place of “to copy,” or as a noun: “Xeroxes” in place of “copies.” Thank you. Now, could you excuse us, we’ve got to lie down for a few minutes.

© 2003 XEROX CORPORATION. All rights reserved. XEROX, The Document Company, and There's a new way to look at it are trademarks of XEROX CORPORATION.

THE DOCUMENT COMPANY
XEROX

Limitations on Marks – Cannot Register

(15 U.S. Code § 1052)

- **National or international symbols or slogans** -- flags, seals, bald eagle, coats of arms
- **Suggest associations with unaffiliated organizations** -- institutions, religions, etc. other than the owner's own business or enterprise
- **Some other person's name or persona** – “Tiger Woods” Golf Balls, “Elvis” Brand Jumpsuits
- **Cannot falsely suggest a connection** with persons, living or dead, institutions, beliefs, or national symbols

How to Protect Trademarks

- Search early before choosing new marks
- Beware of using infringing marks (Olympics, Super Bowl)
- Use marks consistently
- Register – benefits of registration
 - Nationwide constructive notice
 - Deters others from using/registering similar marks
 - Incontestability after 5 years
 - Use of ®

How to Protect Trademarks, cont'd.

- Don't change words, design or other elements.
 - Plan for changes in use.
- Possible consequences of change
 - Loss of registration
 - Loss of value/goodwill
- Watch/Enforce – be alert as to possible infringements

Trademark Registration

- **Registration:** Not required; you can establish rights to a trademark through use of the mark, BUT registration provides--
 - **constructive notice** of registrant's claim of ownership of mark;
 - **legal presumption** of registrant's ownership and exclusive right to use mark nationwide with goods / services in registration;
 - ability to bring suit on mark in **federal court**;
 - basis to obtain **registration in foreign countries**;
 - US Customs Service **prevents importation** of infringing foreign goods

Trademark Registration (cont'd)

- **Trademark Notice:**

- **State:** TM, SM for unregistered common law trademarks

- **Federal:**

- “®”

- “Registered U.S. Patent & Trademark Office”

- “Reg. U.S. Pat. & TM. Off.”

Trademark Registration (cont'd)

- You must do these things to maintain your registration:
 - Continue to use your trademark in interstate commerce.
 - File your registration maintenance documents, and pay the required fees, at the required times.
 - Keep your correspondence information updated.

Trademark Registration (cont'd)

- If you do not continue using your trademark in interstate commerce, you will not be able to file the required documents to keep your registration alive, except in rare circumstances.
- If you do not submit your maintenance documents and fees by the deadline, your registration will expire or be canceled.

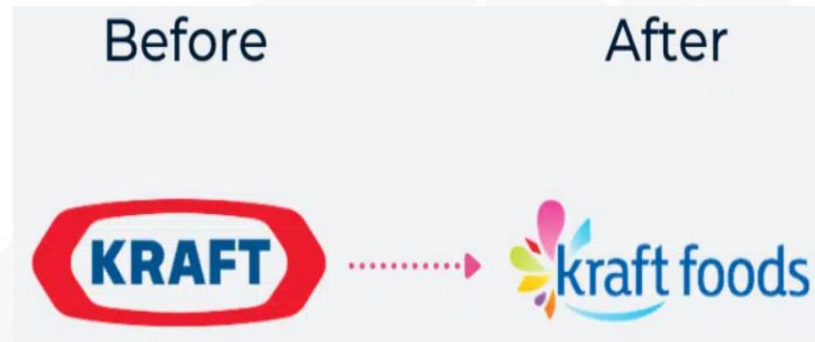
Brand Refresh Triggers Trademark Risk

Why Rebranding Is Not Risk-Free

- Refreshing a name, logo or slogan can trigger conflicts with existing marks
 - Even if a state filing succeeds, a federal prior-rights holder may challenge you
 - A “fresh look” does not necessarily equal a fresh legal start
 - Clearance searches (screening + comprehensive) are critical before launch

Brand Refresh Triggers Trademark Risk

Why Rebranding Is Not Risk-Free: Loss of goodwill and mark priority



Clearance Before Rebranding

- Best Practices for Launching New Marks
 - **Search** US and international trademark databases
 - **Assess** strength, availability, potential conflicts
 - **File** intent-to-use applications if planning ahead
 - **Document** launch plans to support first-use dates

Inconsistent Use = Weak Protection

What Can Undermine Your Mark

- Inconsistent logo or design variants weaken your mark
- Swapping taglines without tracking registrations risks dilution
- Internal-only updates may confuse consumers' source perception
- Neglecting to monitor third-party use of licensed marks erodes control

Legacy Marks: Dormant ≠ Dead

Old Marks Still Carry Risk and Value

- “Legacy” marks = previously used brand names, logos, or slogans
- Nonuse without renewal or maintenance can lead to abandonment
- A mark may be revived if the owner shows intent to resume use
- Once rights lapse, others may adopt or register the mark

Abandonment and Nonuse

What Counts as Abandonment?

- Nonuse for 3+ years creates a presumption that the mark is abandoned
- The owner must show intent to resume use to overcome that presumption
- Failure to renew or maintain filings leads to cancellation of registration
- Brand consolidations or M&A can trigger unintentional lapses in use

Maintaining Legacy Marks

Why it Matters

- Even unused or “retired” marks can retain commercial and legal value
- Neglecting renewal or use may result in abandonment and loss of rights
- Rebranding (like Twitter → X) highlights the need to protect legacy assets
- Maintain old marks to preserve goodwill, history, and future flexibility

Maintaining Legacy Marks, cont'd.

Practical Steps

- File timely renewals and declarations to keep registrations active
- Document periodic use, even limited or commemorative campaigns count
- Monitor third-party use to prevent dilution or infringement
- Centralize responsibility within legal or brand management teams

Maintaining Legacy Marks, cont'd.

When to Let a Legacy Mark Go

- Not every legacy mark is worth maintaining
- Evaluate the cost vs. strategic value of continued protection
- If a mark no longer aligns with the business or causes confusion, consider release
- Formally abandon unwanted marks to avoid lingering liability

“Zombie” Marks and Litigation Risk

Can You Stop Others from Using Your Old Mark?

- If mark was abandoned, others may register it
- If you’ve used it recently, you may retain common law rights
- Disputes arise when legacy brand use was ambiguous or undocumented

Summary: Brand Risk in Transitions

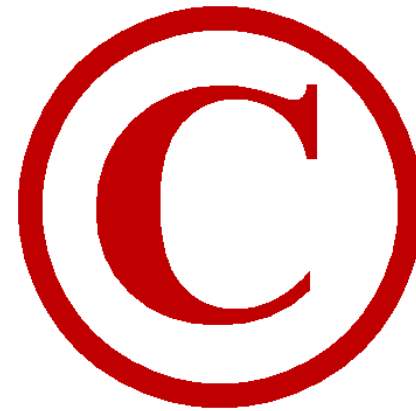
Avoiding Brand Trouble During a Refresh

- Always clear new names and logos
- Don't assume old marks are dead. Verify status
- Be consistent in how trademarks are used
- Monitor “forgotten” IP assets proactively

Copyrights

Original works of authorship “fixed in a tangible medium”

- Text
- Photographs
- Logos
- Art Work, 2D and 3D
- Music
- Software & Databases
- Advertising



Ownership of Copyrights

- Vests automatically in the author
- “Work-for-hire” concept
 - Employer is considered the author
 - Must be employees within scope of employment, requires actual employee/employer relationship, **OR**
 - Must fit into specific categories and there is an agreement in writing

Rights of Copyright

Copyright owners have the exclusive right to:

- Reproduce or copy the work
- Prepare derivative works based on the work
- Distribute copies of the work to the public
- Perform the work publicly
- Display the work publicly

Copyright Protection

- Exists from the moment the work is created.
- Published and unpublished works.
- Even if the work is not registered with the U.S. Copyright Office.
- For works created after Jan. 1, 1978, even if the work does not display a copyright notice.

Copyright Infringement

- 1) Ownership of a valid copyright
- 2) Copying of protected elements of work, often proven by:

Access to Plaintiff's Work, ***and***

Substantial Similarity of protected elements

Permissible Use of Others

- Public domain (e.g., US government material) or expired copyrights
- Permission or license
- Fair Use

Fair Use of Copyrighted Works

- Four factors are weighed by a court on a case-by-case basis:
 1. Purpose and Character of Use
 2. Nature of the Copyrighted Work
 3. Portion of the Work Used
 4. Market Effect
- **None are dispositive**

Fair Use?

1. Purpose and Character of Use

Yes



No

- Educational (i.e., a school)
- Personal
- Criticism
- Research
- Teaching
- Reporting

- Commercial
- For-Profit Company
- Non-Profit Company – materials used to promote mission

Fair Use? (cont'd)

2. Nature of Copyrighted Work

Yes

- Facts
- Lists

No

- Creative
- Unpublished

Fair Use? (cont'd)

3. Portion of Work Used

Yes



No

- Snippets
- Quotes

- Entire work
- Large amounts
- Important portions
- Paraphrased

Fair Use? (cont'd)

4. Market Effect

Yes



No

- No effect
- Out of print
- Author unknown
- No permission fees

- Competes with or substitutes for original
- Permission fees charged

No Safe Harbor

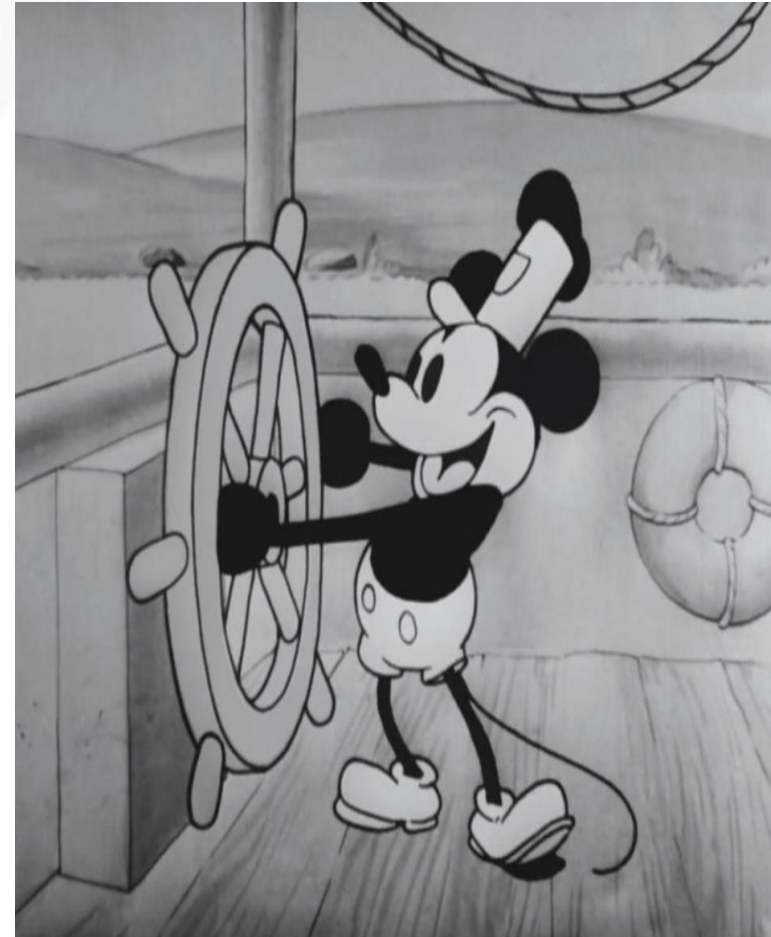
- There is no “safe harbor” for fair use.
- The distinction between fair use and copyright infringement is often unclear.



Overlap of Copyright and Trademark



Overlap of Copyright and Trademark



Domain Names

- Website Addresses: *cocacola.com*
- May embody trademarks but does not confer intellectual property rights: *cocacolasucks.com*
- May be registered as a trademark if using as trademark: *priceline.com*
- Cheap! Do early in product development/branding process
- Register in corporate name, with permanent email contacts
- Infringements - UDRP

Copyright Duration

- For works after Jan. 1, 1978:
 - Author's life + 70 years
- For corporate “works for hire”:
 - 95 years from publication or 120 years from creation
- As of 2025:
 - Anything published in 1929 or earlier is in public domain

What Is the Public Domain?

- Public domain = no copyright restrictions
- Anyone can use public domain material without permission
- Common examples:
 - Works published before 1929 (in U.S.)
 - U.S. government publications
 - Expired or forfeited copyrights

Public Domain vs. Licensed Content

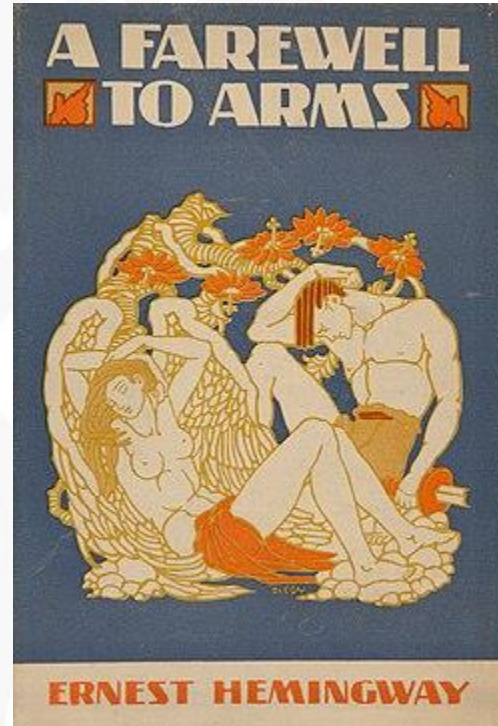
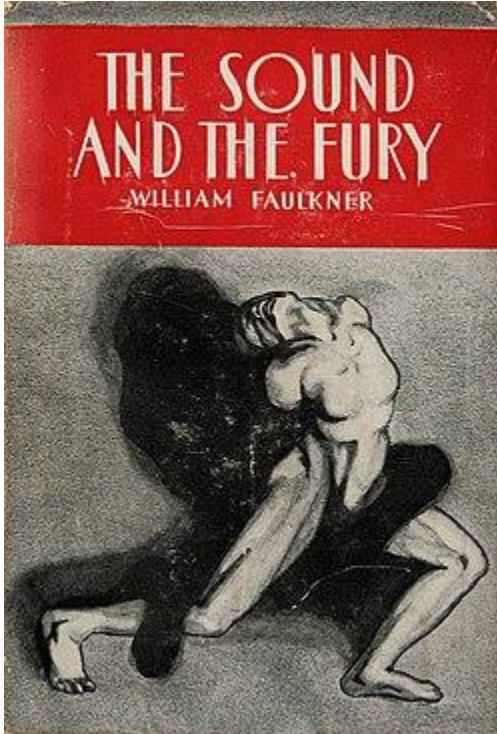
- They're Not the Same
- “Free to use” ≠ public domain
- Stock images, Creative Commons, and royalty-free music often still have restrictions
- True public domain = no rights holder and no terms

How Works Enter the Public Domain

- 3 Common Paths
 - **Expiration:** Copyright expired after statutory term
 - **Waiver:** Author intentionally dedicated it
 - **Ineligibility:** Work wasn't protectable (e.g., facts, U.S. government works)

Notable Works Entering the Public Domain in 2025

- Effective Date: January 1, 2025
- Applies works first published in 1929



Watch Out for Common Pitfalls

- Using an “orphan” work with unknown rights
- Assuming global public domain status
- Copying recent elements of an old work (e.g. modern illustrations)
- Ignoring moral or reputational backlash from misuse
- Relying solely on Google or blog-based sources

AI-Generated Content and Copyright

- **Legal Uncertainty in 2025**

- Fully AI-generated content is not copyrightable
- Human-edited AI outputs may be protectable
- But: AI training often uses copyrighted material
- Risk of hidden infringement in datasets or outputs

Best Practices for Corporate Teams

- **Navigating Public Domain Risks**
 - Verify status before using older works
 - Keep notes on source and use
 - Educate marketing and creative staff
 - Use reliable archives (Library of Congress, NYPL, etc.)
 - When in doubt — license it or leave it out

From Risk Management to Ethical Obligations

- You've seen the risks. Now let's look at our duties
- IP misuse isn't just a business risk. It's a professional responsibility issue

Legal Ethics and IP/Brand Protection

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Ethics and IP/Brand Protection

- Intellectual property practice and brand protection implicates a number of ethical duties and obligations imposed by the Rules of Professional Conduct, including:
 - Competence (Rule 1.1)
 - Diligence (Rule 1.3)
 - Communication (Rule 1.4)
 - Candor to the Tribunal (Rule 3.3)
 - Confidentiality (Rule 1.6)

Ethics Rules: Competence

- Rule 1.1 - Competence
 - A lawyer shall provide competent representation to a client. Competent representation requires the legal knowledge, skill, thoroughness and preparation reasonably necessary for the representation.
 - Relevant Commentary:
 - **Thoroughness and Preparation** (5) Competent handling of a particular matter includes inquiry into and analysis of the factual and legal elements of the problem, and use of methods and procedures meeting the standards of competent practitioners.
 - **Maintaining Competence** (6) To maintain the requisite knowledge and skill, a lawyer should keep abreast of changes in the law and its practice, including the benefits and risks associated with relevant technology, engage in continuing study and education and comply with all continuing legal education requirements to which the lawyer is subject.

Ethics Rules: Competence

- Competence and Brand Protection
 - Brand protection involves aspects of IP law that require specific knowledge of processes and procedures ranging from comprehensive trademark searches to registration and renewal requirements.
 - A lawyer should have the knowledge necessary to service a client's brand protections needs and a working knowledge of IP law that will allow for competent advice to the client in the event of infringement.

Ethics Rules: Diligence

- Rule 1.3 – Diligence
 - A lawyer shall act with reasonable diligence and promptness in representing a client.
 - Relevant Commentary:
 - (3) Perhaps no professional shortcoming is more widely resented than procrastination. A client's interests often can be adversely affected by the passage of time or the change of conditions ... Even when the client's interests are not affected in substance, however, unreasonable delay can cause a client needless anxiety and undermine confidence in the lawyer's trustworthiness.

Ethics Rules: Diligence

- Diligence
 - A lawyer must be diligent with respect to registrations and renewals.
 - Filings and registrations with the USPTO require a reasonable inquiry. (37 C.F.R. § 11.18(b))
 - Presenter's knowledge, information and belief are to be "...formed after an inquiry reasonable under the circumstances"
 - What is "reasonable under the circumstances" depends on the particular facts of each case.
 - Delays in renewals can result in cancellation of the registration and loss of rights.

Ethics Rules: Communication

- Rule 1.4 - Communication
 - (a)(3) A lawyer shall keep the client reasonably informed about the status of the matter.
 - (a)(4) A lawyer shall promptly comply with reasonable requests for information.
 - (b) A lawyer shall explain a matter to the extent reasonably necessary to permit the client to make informed decisions regarding the representation.
 - Relevant Commentary:
 - (3) [P]aragraph (a)(3) requires that the lawyer keep the client reasonably informed about the status of the matter, such as significant developments affecting the timing or the substance of the representation.
 - (5) The client should have sufficient information to participate intelligently in decisions concerning the objectives of the representation and the means by which they are to be pursued, to the extent the client is willing and able to do so.

Ethics Rules: Communication

- Communication
 - A lawyer's ability must adequately communicate with the client to receive complete information for IP registration and renewal purposes
 - Key data points such as dates of first use in commerce must be accurate.
 - Communication with the client early in an IP engagement is also key to properly setting client expectations with respect to issues such as extent of rights and coverage from registration.
 - Prompt communication is also key for the renewal process.

Ethics Rules: Candor

- Rule 3.3 – Candor toward the Tribunal

- (a) A lawyer shall not *knowingly* do any of the following:

- (1) make a false statement of fact or law to a *tribunal* or fail to correct a false statement of material fact or law previously made to the *tribunal* by the lawyer;

- (2) fail to disclose to the *tribunal* legal authority in the controlling jurisdiction *known* to the lawyer to be directly adverse to the position of the client and not disclosed by opposing counsel;

- (3) offer evidence that the lawyer *knows* to be false. If a lawyer, the lawyer's client, or a witness called by the lawyer has offered material evidence and the lawyer comes to *know* of its falsity, the lawyer shall take *reasonable* measures to remedy the situation, including, if necessary, disclosure to the *tribunal*. A lawyer may refuse to offer evidence, other than the testimony of a defendant in a criminal matter, that the lawyer *reasonably believes* is false.

Ethics Rules: Candor

- Rule 3.3 – Candor toward the Tribunal (Relevant Commentary)
 - **[6]** If a lawyer knows that the client intends to testify falsely or wants the lawyer to introduce false evidence, the lawyer should seek to persuade the client that the evidence should not be offered. If the persuasion is ineffective and the lawyer continues to represent the client, the lawyer must refuse to offer the false evidence. If only a portion of a witness's testimony will be false, the lawyer may call the witness to testify but may not elicit or otherwise permit the witness to present the testimony that the lawyer knows is false.
 - **[8]** The prohibition against offering false evidence only applies if the lawyer knows that the evidence is false. A lawyer's reasonable belief that evidence is false does not preclude its presentation to the trier of fact. A lawyer's knowledge that evidence is false, however, can be inferred from the circumstances. See Rule 1.0(g). Thus, although a lawyer should resolve doubts about the veracity of testimony or other evidence in favor of the client, the lawyer cannot ignore an obvious falsehood.

Ethics Rules: Candor

- Each individual associated with filings and submissions to the USPTO has a duty of candor and good faith in dealing with the Office.
- This duty includes the duty accurately provide all information known to be material to the application
- This duty extends to applicants and their attorneys

Ethics Rules: Candor

- 37 C.F.R. § 11.18(b)
 - A presenter certifies that all statements of the presenter's own knowledge are true.
 - A presenter certifies that all statements made upon "information and belief" are believed to be true.
 - A presenter acknowledges that 18 U.S.C. § 1001 applies.

Ethics Rules: Candor

- **18 U.S.C. § 1001**

(a) Except as otherwise provided in this section, whoever, in any matter within the jurisdiction of the executive, legislative, or judicial branch of the Government of the United States, knowingly and willfully

- (1)** falsifies, conceals, or covers up by any trick, scheme, or device a material fact;
- (2)** makes any materially false, fictitious, or fraudulent statement or representation; or
- (3)** makes or uses any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry;

shall be fined under this title, imprisoned not more than 5 years or, if the offense involves international or domestic terrorism (as defined in section 2331), imprisoned not more than 8 years, or both. If the matter relates to an offense under chapter 109A, 109B, 110, or 117, or section 1591, then the term of imprisonment imposed under this section shall be not more than 8 years.

Ethics Rules: Candor

- 37 C.F.R. § 11.18(b)
- A presenter certifies that, to the best of his or her knowledge, information and belief, formed after an inquiry reasonable under the circumstances:
 - Factual contentions have evidentiary support or, if specifically so identified, are likely to have evidentiary support after a reasonable opportunity for further investigation or discovery
 - Factual denials have evidentiary support, or if specifically so identified, are reasonably based on a lack of information or belief
 - Legal arguments are supported by existing law or a nonfrivolous argument for the extension, modification, or reversal of existing law or the establishment of new law

Ethics Rules: Candor

- Consequences for violations of 37 C.F.R. § 11.18 include:
 - Less probative value being given to offending paper
 - Striking of the offending paper
 - Precluding a party from presenting or contesting an issue – Terminating proceedings
 - Referring a presenter-practitioner's conduct to the Office of Enrollment and Discipline (OED) for action (e.g. investigation and institution of formal disciplinary action for alleged violation(s) of the USPTO Rules of Professional Conduct)

(See 37 C.F.R. § 11.18(c) and (d))

Ethics Rules: Confidentiality

- Rule 1.6 – Confidentiality of Information
 - (a) A lawyer shall not reveal information relating to the representation of a client unless the client gives informed consent, the disclosure is impliedly authorized in order to carry out the representation or the disclosure is permitted by paragraph (b).
 - Relevant Commentary:
 - (14) A lawyer must act competently to safeguard information relating to the representation of a client against inadvertent or unauthorized disclosure by the lawyer or other persons who are participating in the representation of the client or who are subject to the lawyer's supervision.

Ethics Rules: Confidentiality

- Rule 1.6 – Confidentiality of Information (Relevant Commentary, cont'd)
 - (15) When transmitting a communication that includes information relating to the representation of a client, the lawyer must take reasonable precautions to prevent the information from coming into the hands of unintended recipients. This duty, however, does not require that the lawyer use special security measures if the method of communication affords a reasonable expectation of privacy. ***Special circumstances, however, may warrant special precautions.*** Factors to be considered in determining the reasonableness of the lawyer's expectation of confidentiality include the sensitivity of the information and the extent to which the privacy of the communication is protected by law or by a confidentiality agreement. A client may require the lawyer to implement special security measures not required by this Rule or may give informed consent to the use of a means of communication that would otherwise be prohibited by this Rule.

Ethics Rules: Confidentiality

- An IP lawyer's duty of confidentiality is paramount when it comes to trade secrets.
 - Disclosure, even inadvertent, of information related to a client's trade secret material can result in the destruction of trade secret status and protection.
 - Lawyers must take steps to protect highly confidential IP information received from clients, including:
 - Develop a secure protocol for the transmission of highly confidential information;
 - Only share the information, even within the legal department/law firm, on a strict need-to-know basis; and
 - Communicate and diligently observe instructions regarding the access to, review, and return of highly confidential information.

Questions?



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