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Intellectual Property Quarterly Newsletter

A Quarterly Insight on Intellectual Property in State Government

December 2018, Issue 4

CHIP Shots™

Critical Holdings in Intellectual Property

- [Disney loses battle with Redbox](#) over the resale of digital movie codes via Redbox kiosks.
- For purposes of the patent venue statute, [the U.S. Supreme Court ruled that a corporation in a multi-district state typically "resides" in the district in which it is incorporated or has a regular and established place of business.](#)

Is a Database Subject to IP Protection?

Specific data contained in a database generally is not subject to copyright protection because such data represent facts. However, databases themselves are considered compilations and are generally protected as such by copyright law. This is because the selection and arrangement of a database involves enough original, creative expression that the format and structure of a database warrants copyright protection.

For more information about these topics, please visit our website at: www.dgs.ca.gov/OLS/Programs/IP.aspx

Trademark and Service Mark Fundamentals

A trademark is a word, phrase, symbol, sound (i.e., a jingle or slogan), and/or design that identifies and distinguishes the source of goods of one party from those of another. Examples include brand names like Coca-Cola or Pepsi.

A service mark is a word, phrase, symbol, and/or design that identifies and distinguishes the source of a service rather than goods. A common example of a service mark is United Airlines' slogan *Fly the Friendly Skies*. This is because United Airlines provides the service of airline flights around the world. The term "trademark" is often used to refer to both trademarks and service marks.

Many companies will use both a trademark and a service mark because they provide goods and services. For example, the name of online retailer Amazon can be considered a service mark because it provides online shopping services. On the other hand, the name can also be considered a trademark because Amazon sells branded products such as the Kindle e-reader and similar products.

Trademarks receive substantial legal protections once registered with the appropriate governmental entity. A trademark can be registered with either the United States Patent and Trademark Office (USPTO) or the California Secretary of State, or both. The major difference between state and federal registration is that a state registration will only protect a mark within the state of registration while a federally-registered mark receives national protection.

Trademark protection is premised on the law of unfair competition. A trademark promotes quality assurance by permitting the public to identify the source of a good or service. A trademark can help preserve the goodwill of a company, which is often its most valuable asset. In short, trademark protections help prevent the dilution of company assets, profits, and overall worth.

A trademark does not have to be registered to be enforceable. A common law trademark may be acquired from regular use so long as the mark is clearly identified with the trademark owner's goods or services. In the next article, we discuss why it nevertheless is important for state agencies and department to register their marks.

Why Should a State Agency Register its Logo? Part I

Registering a trademark at the federal level has several legal advantages. Registration with the USPTO puts others on notice that your agency or department is the owner of the mark. This type of notice can be very valuable because if someone uses your mark or a confusingly similar mark, you do not have to prove that the infringer had actual notice of the mark; notice instead is presumed. Registration also provides a legal presumption of nationwide ownership of the mark, which can be particularly important when your mark is used throughout the United States.

Trademark registration allows a mark owner to collect triple damages in certain cases and authorizes an award of attorney fees if the owner prevails in a legal action.

At the end of the day, filing an infringement lawsuit can be an expensive proposition. Even so, federal registration of a mark has some important practical advantages that should be considered. The first reason to register a mark is that it often serves as a disincentive for infringement. A registered mark will be discoverable in a search at the USPTO, which most would-be registrants undertake before using a mark. Most people are good actors who do not want to infringe another's mark so registration alone can serve an important protective function.

Another important reason to register at the federal level is that there are enforcement actions that can be undertaken short of filing a lawsuit. Many Internet companies, including Google, Facebook, Instagram, and Twitter, have processes in place to remove an infringing post, advertisement or name if proof of federal registration is provided. This mechanism for enforcing trademark rights is efficient and very inexpensive.

In short, a registered trademark helps identify the services of a state agency or department while excluding others from using your logo. This helps prevent public confusion about the provider of important state services.

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2019 DGS Trademark Inventory

Beginning in January 2019, DGS will embark on an inventory of state-owned logos for possible trademarking. The current issue of the IP Quarterly Newsletter presents some basic information about the importance of trademarks and service marks.

Future issues during the 2019 calendar year will expand upon the significance of state-owned marks. The goal of providing this information is to help state agencies and departments make informed decisions about whether to take the step of formally registering their logos.

The successful conclusion of this effort should greatly expand the number of registered California governmental marks. As always, the IP Team at DGS stands ready to assist state agencies and departments in this critical undertaking.

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Using Internet Documents

The Internet offers a variety of resources that may be freely used by the public. However, the Internet also contains a wealth of materials that are protected by intellectual property laws, which can create a multitude of problems for potential users. One such problem involves the use and modification of documents found on the web.

Using a document from the Internet can be fraught with risk. Using or modifying a document, even in insubstantial ways, can lead to a violation of the author's copyright, which can expose a state agency or department to the prospect of significant legal damages.

As a result, use of documents found on the Internet should be approached with great caution and in consultation with your agency's counsel. Remember, merely taking a document from the Internet and simply changing the names of the parties could well be a violation of relevant intellectual property laws.