

In this issue >>>

- Overview of Intellectual Property (IP)
- Establishing an IP Program
- Use of Internet Materials



CALIFORNIA DEPARTMENT OF
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Intellectual Property Quarterly Newsletter

A Quarterly Insight on Intellectual Property in State Government

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CHIP Shots™

Critical Holdings in Intellectual Property

- Nestle loses decades old trademark suit in Europe over the shape of the Kit Kat bar.
- In anticipation of the movie *Coco*, Disney attempted to trademark the Day of the Dead.
- Spotify to pay out \$112 million in royalties to songwriters after settlement of litigation.

Is e-Mail Subject to Copyright Protection?

The only requirements for a work to achieve copyrighted status are that it have originality and that it be fixed in some tangible form.

As soon as the originator of an e-mail message transmits it, the message is "fixed."

The author of an e-mail message is the owner of the copyright, unless it is created by the author as part of her job, in which case it would be owned by

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

How to Establish an Intellectual Property Program

Once your agency or department decides to adopt an intellectual property program, there are several recommended initial steps. First, an IP policy document should be adopted. The general purpose of the policy is to protect state-owned IP by properly documenting and, when appropriate, formally registering intellectual property created or acquired by the state, and taking necessary actions to enforce IP rights. The policy also should provide guidance about avoiding infringing other parties' IP rights. An example of such a policy document may be found on the DGS IP web portal.

Once a formal policy has been adopted, attention should be focused on training agency or departmental employees about the proper role of state IP and about avoiding infringement of the IP owned by others. DGS has developed some initial training, will roll out additional training modules in the future, and plans to assist your agency with adoption of an IP program.

An IP Management Plan that encompasses the full life-cycle of IP, from creation to registration to maintenance, should also be adopted. This plan will provide a convenient repository for departmental IP information and will assist agencies in the maintenance of its IP from inception. An example of an IP Management Plan can be found on the DGS IP web portal.

As a final step in the adoption of an IP program, the agency or department should spread the word. This messaging will convey the importance of the IP program, as well as documenting the agency's commitment to honor the IP rights of others.

I can use that, can't I? Part 2

by Mary Beth Barber

The request was simple: use a classic black and white image of Yosemite by photographer Ansel Adams for the cover of the state arts agency's 2009 annual report. The image is readily available on the Internet. But because of copyright law, the analysis was anything but straightforward.

Initially copyright protection was limited to a few decades, but the laws have changed over time and the length of copyright is now much longer. Adams, who took that famous image of El Capitan in Yosemite, was born in 1902. Most people might think that because Adams launched his photography career almost a century ago his work would be in the *public domain*, meaning that enough time has passed that the work is no longer protected by copyright. But under current U.S. Copyright laws, copyright for individuals doesn't expire until 70 years after an artist's death. Adams died in 1984, and his descendants possess the rights to his photography.

The answer about the arts agency annual report was a definite NO.

I can use that, can't I? Continued

Then an employee found a copy on the web of a similar photo by another photographer, and asked to use it instead. That was also a NO. Publishing on the web does not put a copyrighted work into the public domain. An artwork does not need to be officially registered with the [U.S. Copyright Office](#) (under the Library of Congress) to be protected – it's [protected when it's created](#). Without express permission from the copyright holder, the agency's use would be copyright violation.

If the copyright is registered with the U.S. Copyright Office, the penalties for unauthorized use could be steep. Under the law, penalties could be [between \\$200 to \\$150,000 per use, plus legal fees](#). While there's [controversy in legal circles](#) about whether state governments can be sued like businesses or individuals for copyright infringement, the legal costs alone after an infringement violation the legal costs alone could be significant.

The agency's annual report is a public document, but copyright infringement can come in the most innocent of ways. Decorating a power point presentation with Disney's most famous mouse or using music composed by Prince as background music could step into copyright violation territory, especially if the presentation is recorded and published on the web. [Even a ringtone can be copyright protected](#).

State employees should follow some simple rules concerning copyright: use professional services for artwork and photography that explicitly give commercial-use rights, or [obtain explicit permission](#) from the copyright holder. Your legal counsel can help with these documents, and DGS's Office of Legal Services has various IP model language documents on its [Intellectual Property website](#).

Mary Beth Barber spent over a decade at the state's arts agency in communications and special projects, and is currently at the California State Library as the special projects coordinator. She joined the Intellectual Property Advisory Group in 2016.

IP Advisory Group Roster:

- Samantha Arens, Energy
- Bridget Jones, Public Health
- Carl DeNigris, OEHHA
- Carmen Gibbs, CSD
- Cathy Moua, DGS
- Christopher Gill, DGS
- Ephraim Egan, Caltrans
- Grace Arupo Rodriguez, Asst. Deputy Director, DCA
- Jennifer Yamane, CalSTRS
- John Long, Wildlife
- Jonathan Eisenberg, DOJ
- Katie Belmonte, Public Health
- Kenneth O'Neill, CDCR
- Laura Reimche, Parks
- Maria Sapiandante, Caltrans
- Mark Sumner, DMHC
- Mary Beth Barber, CSL
- Michael Rand, DMV
- Michelle Church-Reeves, OSHPD
- Sahana Ayer, CDT
- Skitch Crosby, DHCS

DGS can help state agencies

The U.S. Bureau of Economic Analysis has recognized that IP is a valuable asset. As guardians of the public trust, we all have an obligation to protect state-owned IP assets while avoiding infringing the IP rights of others. DGS is here to help state entities fulfill those obligations.

As of 2012, DGS was given the authority under statute to help state agencies and departments manage and protect their intellectual property assets. DGS will do so through the initiation of a multi-phase statewide outreach program. Not only is it the law, but appropriately managing intellectual property benefits governmental entities and helps avoid unnecessary legal battles associated with the improper use of IP owned by others.

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To Copyright or Not to Copyright

To register a copyright, agencies should ask the following questions:

- Can the materials be exploited for private commercial gain?
- Can the copyrighted materials be taken out of context and misconstrued?
- Do the materials further the goals, vision, and mission of the state agency or department?
- Will unrestricted use lead to the wider dissemination of governmental materials in beneficial ways?
- Will dissemination of the copyrighted materials further public education on important state matters?
- Does the agency have the resources, and the willingness, to protect its copyrights?