

## **IDEAS ON INTELLECTUAL PROPERTY LAW**



SCOTUS has no reservations about Booking.com trademark

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Court affirms PTAB's common sense obviousness analysis



755 W. BIG BEAVER RD. – SUITE 1850 TROY, MI 48084 PH. (248) 689-3500 Fx. (248) 689-4071 E-MAIL INFO@REISING.COM WWW.REISING.COM

# SCOTUS has no reservations about Booking.com trademark

The U.S. Supreme Court recently sided with digital travel company Booking.com in a muchanticipated trademark ruling. The Court's holding, which makes the combination of a generic word with ".com" eligible for federal trademark registration, reportedly has already led to a wave of registration applications for such terms.

### **TRIP TO THE HIGH COURT**

Booking.com provides hotel reservations and other services through a website that uses the domain name Booking.com. It filed applications to register four marks in connection with travel-related services. Each had different visual features, but they all included the term Booking.com.

Both an examining attorney at the U.S. Patent and Trademark Office (PTO) and the PTO's Trademark Trial and Appeal Board (TTAB) found that the term is generic for the services at issue and therefore ineligible for registration. When Booking.com went to the courts for relief, both the trial court and the U.S. Court of Appeals for the Fourth Circuit reversed the TTAB and found that the term "Booking.com," unlike the term "booking" alone, isn't generic.

The appellate court rejected the PTO's argument that, as a rule, combining a generic term with ".com"

necessarily produces an ineligible generic term. The PTO appealed to the Supreme Court.

#### THE CONFIRMATION

A generic name (that is, the name of a class of products or services) is ineligible for federal trademark registration. The company and the PTO agreed that the word "booking" is generic for hotel reservation services. They parted ways on whether "Booking. com" also was generic.

The Supreme Court, like the Fourth Circuit, rejected the PTO's proposed rule regarding the combination of a generic term with ".com." Rather, it found that whether a "generic.com" term is generic depends on whether the term, taken as a whole, signifies to consumers the class of online hotel reservation services.

If "Booking.com" were generic, the Court said, consumers might be expected to understand "Travelocity," which offers a similar service, to be a Booking.com site. Or, searching for a trusted source of online hotel reservation services, a consumer might ask a frequent traveler to share her favorite Booking.com provider. The Court concluded, though, that consumers don't perceive the phrase "Booking. com" in this way.

http://www.generic.com

### DON'T TAKE REGISTRATION FOR GRANTED

Although the U.S. Supreme Court's decision in the *Booking.com* case (see main article) opens the door to the trademark registration of "generic.com" terms, applicants shouldn't take registration for granted. As the Court stressed, it didn't adopt a rule automatically classifying such terms as nongeneric.

Establishing that consumers perceive a generic.com term as a term capable of distinguishing *among* members of a class — rather than as the name of the class — won't be easy. The Court indicated in a footnote that relevant evidence could include dictionaries, usage by consumers and competitors, and consumer surveys.

But mark owners would be wise not to rely solely on such surveys. The Court noted that surveys require care in their design and interpretation. Notably, justices agreed that consumer survey evidence may be "an unreliable indicator of genericness." Wrote one justice: "Flaws in a specific survey design, or weak-nesses inherent in consumer surveys generally, could limit the value of surveys."

Turning its attention to the PTO's proposed rule, the Court cited the agency's own past practice as inconsistent with it. After all, the PTO had previously issued trademark registrations for "Art.com" (for online retail services offering art prints, original art and art reproductions) and "Dating.com" (for dating services). Those registrations would be at risk of cancellation if the PTO's stance in this case prevailed.

> A generic name (that is, the name of a class of products or services) is ineligible for federal trademark registration.

The Court also dismissed the PTO's contention that the rule follows from an existing rule that a generic corporate designation added to a generic term doesn't confer trademark eligibility. The Supreme Court had applied that rule in an 1888 case involving the Goodyear Rubber Company.

According to the PTO, adding ".com," like adding "Company," conveyed no additional meaning that would distinguish one provider's services from those of another. The Supreme Court found this reasoning faulty.

The Court pointed out that a generic.com term also could convey to consumers a source-identifying characteristic — an association with a particular website. Consumers, it said, could understand a given generic. com term to describe the corresponding website or to identify the website's proprietor.

And the Court rejected the PTO's claim that protecting generic.com terms as trademarks could exclude or hinder competitors from using similar language (for example, hotel-booking.com). It found that doctrines such as likelihood of consumer confusion would ensure that a generic.com trademark holder wouldn't have a monopoly on the corresponding generic term.

### IT PAYS TO LODGE COMPLAINTS

In addition to loosening some of the restrictions on federal trademark registration eligibility, the Supreme Court's ruling makes clear that challenging the PTO can prove worthwhile. The Court has ruled in favor of the would-be registrant against the PTO in several landmark cases in recent years, and lower courts also haven't hesitated to rule against the agency.

### **There's no "I" in team** *Court adds co-inventors to patents*

Some types of inventions are the result of extensive collaboration, but not every collaborator qualifies as an inventor for patent purposes. The exclusion or inclusion of individuals as inventors can have significant implications, financially and otherwise. A recent case involving a cancer treatment sheds light on the concept of joint inventorship.

### **DUELING DOCTORS**

The six patents at issue each cover a method of treating cancer by administering antibodies. Dr. Honjo, a Nobel

Prize winner, is listed as the inventor on each. In 2015, the Dana-Farber Cancer Institute filed a lawsuit to have two of its researchers, Drs. Freeman and Wood, added as inventors to the patents.

To qualify as a joint inventor, one must:

- Contribute in some significant manner to the conception or "reduction to practice" (that is, the actual development) of the invention,
- 2. Make a contribution to the invention that isn't insignificant in quality when measured against the full invention, and
- 3. Do more than merely explain well-known concepts and/or the current state of the art to the real inventors.

Ono Pharmaceutical, the patent holder, appealed after the trial court found the doctors' various contributions were sufficiently significant to the conception of the patents so as to make them joint inventors.

### COLLABORATION AND CO-INVENTORS

According to the U.S. Court of Appeals for the Federal Circuit, individuals may be joint inventors



even though they don't physically work on the invention together or at the same time, and even though each doesn't make the same type or amount of contribution. Ono, however, argued that Freeman and Wood couldn't be joint inventors because they didn't participate in certain mice experiments that led directly to the conception of the treatments.

The court found that the relevant law makes it clear that joint inventors don't need to contribute to all aspects of a conception. The researchers' lack of participation in all of the experiments that led to the conception didn't negate their overall contributions throughout their collaboration with Honjo.

Individuals may be joint inventors even though they don't physically work on the invention together, at the same time or with the same type or amount of contribution.

The Federal Circuit also dismissed Ono's claim that work from Honjo, Freeman and Wood's collaboration was too speculative until the mice experiments were conducted. Conception is the touchstone of the joint inventorship question, the court explained, and conception is complete when an idea is sufficiently definite and permanent that someone skilled in the relevant field could understand the invention. Verification isn't required.

In addition, Ono urged the court to adopt a new rule that research made public before the date of conception of a total invention can't qualify as a significant contribution to conception of the total invention. The two researchers' work with Dr. Honjo was published in a medical journal before conception of the patented inventions.

The court described the requested rule as "an unnecessarily heightened inventorship standard." The rule, it said, would ignore the realities of collaboration, which generally spans a period of time and may involve multiple contributions.

The court found "no principled reason" to discount genuine contributions because parts of that work were published before conception for the benefit of the public. Earlier publication of an invention can jeopardize patentability, but publication of part of a complex invention doesn't necessarily defeat joint inventorship of the invention — and, the court concluded, it didn't here.

### JOINT EFFORT

When multiple collaborators have been involved in an invention, working out the appropriate joint inventorship may prove challenging. The Federal Circuit's opinion can provide some guidance into how to potentially avoid litigation regarding this issue.

### **Cosmetic differences**

Copyright Act preempts state law claims over makeup artistry

o qualify for copyright protection, works must be "fixed in a tangible medium of expression." Does human skin count as a tangible medium of expression? The U.S. Court of Appeals for the Second Circuit considered that question in a recent case — but in the end held off on a decision. Instead, it found a different basis for ruling against a makeup artist.

### ARTISTS FACE OFF IN COURT

The plaintiff, Sammy Mourabit, is a makeup artist who worked on a 2013 fashion photo shoot with actress Juliette Lewis. Steven Klein was the photographer for the shoot.

In 2015, Klein teamed up with a cosmetics company to create a holiday makeup collection and used a photo from the shoot to promote and advertise the line. The photo showed Lewis wearing makeup Mourabit had applied.

In June 2018, Mourabit obtained copyright registration for a drawing of the makeup artistry Lewis had showcased. Two months later, he sued Klein and the cosmetics company for copyright infringement of the drawing, and filed state law claims for unjust enrichment and unfair competition/misappropriation. The case was moved from state court to federal court.

Before trial, Mourabit conceded that his copyright claim should be dismissed. The court subsequently dismissed the state law claims, too.

It determined that the state law claims arose from his makeup artistry, rather than the copyrighted drawing, and were preempted by the Copyright Act.



The court concluded that, for preemption purposes only, the makeup artistry easily fell within the category of "pictorial, graphic and sculptural works." The category includes pictures, paintings or drawings depicted in either two- or three-dimensional space.

The Second Circuit found that the makeup artistry fit in the category because it was essentially a painting displayed on a person's face. It stopped short, though, of declaring that the makeup artistry qualified as a copyrightable work.

In other words, Mourabit could enforce his rights in the artistry only under federal copyright law, not under state law. Mourabit appealed.

#### SECOND CIRCUIT BRUSHES OFF THE CLAIMS

The Copyright Act preempts a state law claim when:

- The claim applies to a work of authorship that's fixed in a tangible medium of expression and falls within one of the categories of copyrightable works (the subject matter requirement), and
- 2. The claim seeks to vindicate rights that are the equivalent of the exclusive rights protected under copyright law (the general scope requirement).

Mourabit's appeal focused on the first prong of the test. He argued that the makeup artistry he'd developed for the photo shoot didn't satisfy the subject matter requirement because it wasn't a copyrightable work. He further argued that the work wasn't fixed in a tangible medium of expression.

The Second Circuit explained that the scope of copyright preemption is broader than the scope of copyrightable materials. As a result, a work can meet the subject matter requirement even if it doesn't consist entirely of copyrightable material. It "need only fit into one of the copyrightable categories in a broad sense." Mourabit alternatively argued that the makeup artistry wasn't fixed because human skin isn't a tangible medium of expression. And even it was, he contended, the makeup he'd designed and applied wasn't sufficiently permanent.

The scope of copyright preemption is broader than the scope of copyrightable materials.

The court noted that a federal appellate court hasn't addressed the question of whether a human body part could be a tangible medium of expression. But it found that it needn't venture into that "uncharted territory" because the makeup artistry was fixed in Klein's photo, which Mourabit had authorized.

### **SKIN IN THE GAME?**

Unlike the plaintiff in this case, many body art creators would prefer human body parts to qualify as tangible media of expression. But they'll have to wait to get a definitive answer on whether they can obtain copyright protection for their works on the basis of being fixed on human skin.

### **Court affirms PTAB's common sense obviousness analysis**

ommon sense can go a long way. And patent litigants shouldn't be surprised at just how far it can go when a court determines whether a patent is invalid for being obvious.

### **DISPUTE TAKES OFF**

The patents in a recent case related to space-saving technologies for aircraft enclosures, such as lavatory enclosures, closets and galleys. The patents cover a "first recess" (an upper recess to receive the inclined seat back) and a "second recess" (a lower recess for the back seat legs).

After a competitor challenged the patents, the Patent Trial and Appeal Board (PTAB) found they were invalid because "prior art" made them obvious. The patent owner turned to the U.S. Court of Appeals for the Federal Circuit, which hears all patent-related appeals, for relief.

### **COURT BUCKLES IN**

The appeal focused only on the second recess. The Federal Circuit agreed with the PTAB that the second recess was nothing more than the predictable application of known technology. A person skilled in the

relevant art would have applied a variation of the first recess and seen the benefit of doing so, it said. Expert testimony that described the second recess as "the obvious solution to [a] known problem" backed up this finding.

More notably, the court affirmed the PTAB's conclusion that it would have been a "matter of common sense" to incorporate a second recess. The patent owner objected to the PTAB's reliance on common sense, arguing that the board had failed to provide a reasoned explanation and evidence to support its position — but the appeals court sided with the PTAB.

As the Federal Circuit pointed out, a U.S. Supreme Court case found that common sense serves a critical role in determining obviousness. The high court rejected rules that deny factfinders recourse to common sense.

As the Supreme Court explained, common sense teaches that familiar items may have obvious uses beyond their primary purposes. In many cases, a person of ordinary skill in the art can fit the teachings of multiple patents together like pieces of a puzzle, leading to an obvious invention.

### **FINAL DESTINATION**

The Federal Circuit cautioned that common sense shouldn't be used as a wholesale substitute for reasoned analysis and evidentiary support. In this case, the PTAB dedicated more than eight pages of analysis to the second recess and relied on detailed expert testimony. The court therefore concluded that the board's use of common sense was accompanied by the necessary analysis and support.



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### **Did You Know?**

**Corey Beaubien** authored an article in the International Comparative Legal Guides, Patents 2021, published by Global Legal Group and released in September. The article is entitled **"A New Fault Line in the Modern Era of U.S. Patent Eligibility"** and looks at eligibility under section 101 of inventions in the mechanical field after the decision in *American Axle & Manufacturing, Inc. v. Neapco Holdings LLC*.

**Scott Hogan** and **James Stevens Jr.** collaborated to write a chapter for publication in the *IAM Innovation & Invention Yearbook 2021*. Their chapter, entitled "Functional claiming in the aftermath of *Williamson*," examines the latest developments in meansplus-function claim interpretation at the U.S. Court of Appeals for the Federal Circuit.

**Shannon Smith** is entering her second year of coaching the **USPTO patent drafting competition**, a national moot court for law students interested in patent prosecution and oral argument practice before the Patent Trial and Appeal Board. In addition, Reising Ethington intern **Austin Miller** is a participant in the USPTO competition representing the University of Detroit Mercy Law School team.

**Corey Beaubien, Colin Cicotte, Austin Miller**, and **Shannon Smith** virtually attended this year's inaugural meeting of the Michigan Intellectual Property Inn of Court. The Michigan Inn of Court is a professional society of judges, lawyers, legal educators, law students, and others who promote excellence in legal advocacy as well as interaction and collegiality among peers.