

HOT PROPERTY: PROTECTING YOUR GREAT IDEA

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You've thought of something unique and ingenious. Now it's time to safeguard your valuable intellectual property. The first step is understanding which type of protection is the most appropriate for that great idea.

Whether you've designed a better mouse trap, a catchy slogan, or a new computer game, there are a variety of ways to protect your new idea. Specifically, these include patent, trademark, copyright, design and trade secret protection. You can also obtain protection under the *Plant Breeders' Rights Act* and the *Integrated Circuit Topography Act*. Each of these types of protection is generally referred to as intellectual property protection, and each type has different criteria for obtaining protection, a different length of time for which the protection is afforded, and different international standards. This article will explore the most common types of intellectual property protection.

However, before considering which type of intellectual property protection is the most appropriate for your great idea, you should consider what your objective is for obtaining protection. Specifically, how does it fit in with your overall business strategy? For example, intellectual property protection is often very useful, and sometimes critical, when commercializing a product. It may also be important when valuing your company, or to venture capitalists when it comes to

raising money for your company. As well, intel-

lectual property may be used as security against a loan.

Generally, intellectual property provides the owner with rights on which to sue. These rights are specific to a country and must be protected in each country. Accordingly, it is up to the intellectual property owner to protect his or her rights. If such rights are not enforced within a timely manner, the remedies available may be limited.

Patents

Patents grant an owner the exclusive right to make, use and sell an invention for 20 years from the date of application for applications filed after 1989, or 17 years from the date of issue for applications filed prior to 1989. Patents are granted to any new and useful art, process, machine, manufacture or composition of matter, or any new and useful improvement thereof. Clearly, a broad range of subject matter is patentable. For example, computer programs, chemical processes, and robotic devices are all patentable, to name but a few. Over the lifetime of a patent and the application, fees must be paid to maintain the patent.

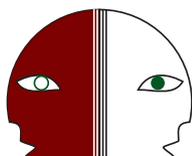
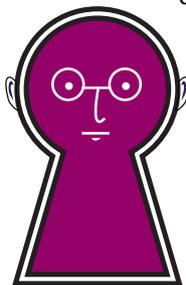
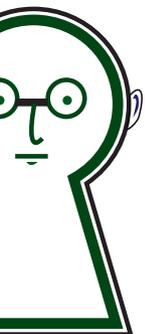
In Canada, there is a one-year grace period within which to file a patent application, which begins when an invention is first disclosed to the public. This grace period is also available in the U.S., but is not available in most other jurisdictions. These other jurisdictions are considered absolute novelty jurisdictions, wherein the first application from which priority is claimed must be filed before the invention is disclosed to obtain valid patent protection. Since 1989, Canada has had a first-to-file system. That is, if there is more than one patent application for the same subject matter, the person who filed the applica-

tion first will be the one afforded patent protection. Most countries follow the first-to-file regime, with the exception of the U.S., which has a first-to-invent system.

A common strategy for obtaining patent protection in multiple jurisdictions is to file in one jurisdiction, such as Canada or the U.S., while the invention is still secret. Within one year from the original filing date, patent applications can be filed in other jurisdictions. Alternatively, many file a subsequent application under the *Patent Cooperation Treaty (PCT)*, wherein they may designate over 100 countries. The PCT essentially buys you time to decide in which countries you want patent protection. This also defers the cost of filing in those individual countries or regions for two and a half years from the original application date.

Trademarks

Trademarks are typically a word, a logo, or a combination of both, but are distinct from trade names, and corporate, business and domain names. Trademarks may also be phrases such as JUST DO IT®, or a distinguishing guise, which is a distinctive shape of a product—the Heinz® ketchup bottle, for example. Colour is often registered as a trademark, particularly by pharmaceutical companies for use in association with a particular type of pill. Trademarks are used in association with wares and services and are intended to



denote the source of the wares and services. A person may apply for a trademark registration based on a proposed use, but the registration will not issue until there is actual use of the trademark in association with the listed wares and services.

A trademark distinguishes the wares or services of one person from those of another. To be registrable, a trademark cannot be the following: primarily merely a name or surname; primarily merely descriptive or misdescriptive of wares or services; the name

of wares or services in any language; confusing with an already registered trademark; confusing with an official mark, name of a registered plant, or the name of a protected wine region or spirit. However, there are some exceptions to these prohibitions if the mark has been used in Canada and has taken on a secondary meaning. A notable example of this is McDonald's®.

Unlike patents, there is no specific requirement with regard to when you apply for a trademark registration. For example, sometimes people apply for trademark registration more than 10 years after the first use of the trademark. A trademark registration lasts for 15 years and is renewable indefinitely on

payment of a renewal fee. However, to maintain the trademark, the owner must be using the trademark, and anyone may request the registrar to give notice to the owner to prove that the mark is still in use. Use of a trademark without registration will afford a user certain common law trademark rights. However, these rights will be limited to the extent that the mark is actually known.

It is interesting to note that as professional engineers, we all take advantage of rights under the *Trade-marks Act*. Both "professional engineer" and "P.Eng." are official marks under section 9(1)(n)(iii) of that act. Under section 9, a university or public authority may request that notice be given of their adoption and use of an official mark. Pursuant to section 9, no person

shall adopt a mark that is an official mark or a mark that so nearly resembles as to likely be mistaken for an official mark.

Copyright

Pursuant to section 5(1)(c), copyright subsists in every original literary, dramatic, musical and artistic work. The copyright arises automatically, but it may also be registered. Copyright covers such things as computer programs, photographs, engineering drawings, and details. Copyright is the sole right to produce, reproduce, perform, or publish any translation of the work or a substantial portion thereof.

The term of a copyright varies depending on the type of work. Generally, copyright lasts for the life of the author plus 50 years. However, for certain types of works the duration is for 50 years from the date of fixation.

Industrial designs

Industrial designs protect features of shape, configuration, pattern or ornament, and any combination thereof, of a finished article that appeals to and is judged solely by the eye. Accordingly, something that is purely functional cannot be protected by way of industrial design. An industrial design could cover the new look of a computer mouse, for example, where the function and the electronics of the mouse are old.

Like patents, you must apply for an industrial design within one year of first publication. An industrial design registration is granted for five years and is renewable for another five years.

Trade secrets

Trade secrets are not covered by specific legislation. Rather, this type of protection has developed through the common law. Trade secrets may last indefinitely as long as an owner takes appropriate measures to ensure that the idea is kept secret. For example, the formula for COKE® and the recipe for KFC® are classic trade secrets. It should be noted that trade secrets are not an effective form of protection when an item may be reverse engineered. Generally, customer and client lists are considered trade secrets.

In order to effectively keep information as a trade secret, appropriate steps must be taken, such as marking material as confidential, limiting and monitoring the people to whom the information is made available, and informing all employees that information is proprietary and must be kept secret.

Integrated circuit topography

Integrated circuit topography is defined in the *Integrated Circuit Topography Act* as a product in a final or intermediate form that is intended to perform an electronic function, and in which the elements, at least one of which is an active element, and some or all of the interconnections, are integrally formed in or on, or both in and on, a piece of material. Under the act, registration gives an owner the exclusive right to reproduce or manufacture an integrated circuit incorporating the topography, and import or commercially exploit the topography. Rights last for 10 years. However, there have been few registrations under the act in Canada.

Plant breeders' rights

Rights may be secured for plant varieties where it is demonstrable that a plant variety is new. This means that by reason of one or more identifiable characteristics it is distinguishable from all varieties, is stable, and is sufficiently homogeneous. The protection is for 18 years from the date of grant.

In summary, there is a wide variety of rights that may be available for your great idea. Each type of right has a different set of criteria for obtaining protection and these criteria must be strictly followed to obtain and maintain those rights. ❖

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