

Protecting Trade "Secrets" Creates Economic Growth



Transforming creativity into profitability is fuel for the economy. Monetizing intellectual property makes this possible.

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DRIVING THE COMPANIES THAT create new products and technology is the ability to profit from their work, which requires the protection of their intellectual property (IP). As innovation has expanded beyond the retail item, firms also need to protect processes, data, work produced online and other forms of IP yet to be created. It's complicated, so *COMMERCE* asked some of New Jersey's top law firms to address today's challenges for protecting IP.



Brach Eichler
By Jonathan D. Bick, Esq., Chair, Patent, Intellectual Property and Information Technology Practice

A Brach Eichler client whose business is hiring, training and managing personnel who work at retail establishments for store owners and brand owners introduced a new on-site tele-employee service. This service allowed some personnel to work at establishments virtually by appearing on a screen at said establishments while working from home. To implement this service, the client contracts with the personnel, the establishments, technology vendors and customer. All were changed to address the capture (patent), ownership transfer (copyright), and service source (trademark) rights associated with moving to a digital platform. Results included

a patent application for an Internet technology, copyrights to transfer personnel's rights to image and voice reproduction rights, trademarks to protect the new source of the service and contracts to ensure user's rights.



Cole Schotz P.C.
By William W. Stroever, Esq., Co-Chair, Intellectual Property Department

With the proliferation of e-filing systems and technology, trademark prosecution at the USPTO can sometimes feel like a purely administrative task. The IP group at Cole Schotz recently resolved a situation for a client that was a keen reminder that there are people behind every Trademark Office decision. A client was facing a refusal on the basis that its trademark was deceptive—i.e., that consumers would think the product contained an ingredient that it did not. Traditional arguments were unsuccessful and two later applications for different variations of the mark for different goods received the same refusal by the same examiner, including one just two weeks after filing. We began to suspect that the examiner was starting his analysis with his mind made up. Rather than an expensive appeal or petition, we reached out to the examiner's managing attorney. A conversation with the managing attorney enabled us to get a fresh set of eyes on the applica-

tion, and she then convinced the examining attorney to withdraw the refusal entirely. With just a phone call (and the supporting facts), we were able to get a quick, positive result for a budget-conscious client.



Fox Rothschild LLP
By Gerard P. Norton, Esq., Ph.D., IP Litigation Chair

I led a Fox Rothschild team that represented Rutgers University in securing a major breakthrough in the law on the patentability of biopharmaceuticals. In Rutgers, *The State University of New Jersey v. Qiagen N.V. et al.*, a federal district court recognized the patent eligibility of claims to diagnostic kits and methods for a revolutionary blood test for tuberculosis, rejecting arguments that it did nothing more than combine things that occur in nature. Our team overcame obstacles posed by two U.S. Supreme Court decisions—*Myriad Genetics* (2013), which held that a naturally occurring DNA segment is a product of nature and is not patent eligible merely because it has been isolated, and *Prometheus Laboratories* (2012), which held that claims directed to a method of giving a drug to a patient and then measuring metabolites produced in the body were natural processes and not patent eligible. The *Rutgers* decision recognized the patent eligibility of the uni-

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versity's patents for a TB blood test invented by Professor Maria Gennaro, M.D. This groundbreaking ruling paved the way for Rutgers to secure licensing deals with major manufacturers and improved public health by greatly simplifying the TB test.



Gibbons P.C.

By David E. De Lorenzi, Esq., Chair Intellectual Property Department

Gibbons defended a major pharmaceutical company in a three-year-long patent litigation brought by a competing pharmaceutical company asserting a United States "reissue" patent. A reissue patent is a patent issued by the USPTO to correct at least one alleged error in an already issued patent. By their nature, reissue patents are fraught with complex and nuanced legal, scientific, and fact issues. Emblematic of Gibbons' deep bench of experienced IP attorneys with advanced scientific and engineering degrees across many technologies, members of the Gibbons defense team included two senior patent litigators with advanced degrees in life sciences and healthcare and aptly, who are also recognized lecturers regarding U.S. reissue patents. Other members of the team included two attorneys holding Ph.D.'s, one in pharmacology and the other in molecu-

lar and integrative physiology/biomedical engineering, and another attorney with a degree in biochemistry. Gibbons' proven successful approach of coupling scientists with trial lawyers led to winning nearly all pre-trial motions. And, after later teeing up multiple summary judgment motions positioning the case for a dismissal, Gibbons was successful in negotiating a settlement of the case on terms very favorable to its client.



Norris McLaughlin, P.A.

By Danielle M. DeFilippis, Esq., Co-Chair, Intellectual Property Group

Members of Norris McLaughlin's IP property team regularly assist New Jersey clients with trademark, copyright and patent protection when appropriate for their businesses. But there is other IP that may not fall neatly into one of those categories. Another type of protection, which at times can be overlooked, is proprietary information and trade secrets. For example, you may have a recipe, formula, method or process which is valuable to your company, but may not qualify for trademark, copyright or patent protection. We recently assisted a New Jersey food business in protecting this type of valuable information through its contractual agreement with its producer. Protection can be accomplished with clear contrac-

tual language requiring the party to keep certain information confidential, controlling the dissemination and uses of the information, and providing that such information (such as the recipe, formula, process) remains, at all times, your property. The important protections of the New Jersey Trade Secrets Act are also incorporated into our agreements. These types of provisions can be negotiated into a variety of contracts such as agreements with suppliers, distributors, marketing professionals, consultants and designers. Having strong contractual language with remedies for violations of the agreement can give you peace of mind as you develop your brand.



NPZ Law Group, P.C.

By David H. Nachman, Esq. U.S. Managing Attorney

Our immigration and nationality law firm assisted a head of IP and senior director of an internationally recognized pharmaceutical company with his application for an L-1A intracompany transfer visa. Once approved, the L-1A visa allowed this individual to work in the United States for seven years as an Executive/Manager. A Ph.D. in Chemistry and an LLM in IP & Information Law, in addition to prior work experience at the foreign parent company, uniquely qualified this individual with the ability to control the IP and proprietary products developed by the pharmaceutical company's R&D department located in the United States. Protecting proprietary information and the potential market value of new formulations, new chemical entities, and active pharmaceutical ingredients in the pharmaceutical industry is a constant concern since counterfeiting, adulteration and contamination is common despite standards set by the FDA and European Medicines Agency. As a "dual intent" nonimmigrant L-1A visa holder, this Executive/Manager was eventually able to obtain a Green Card and become a U.S. Lawful Permanent Resident and to continue his employment status with the U.S. subsidiary of the foreign parent company.



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Riker Danzig

By Robert J. Schoenberg,
Esq., Lead Partner,
Intellectual Property Group

Businesses often fail to identify the hidden IP rights that they own and create in the normal course of conducting their business. We educate our clients as to how copyright and trademark rights are created, who owns those rights and how registration of the creative works and brands affords greater protection against misuse of those rights by third parties. For example, copyright rights in original works created by an outside vendor for a hiring party are owned by the vendor unless a specific assignment of copyright rights to the hiring party are executed. We provide simplified forms to our clients to use in such circumstances so that they can routinely protect their copyrights at the outset of contract negotiations. In coordination with our clients, we monitor their online presence

and publications to detect trademark usage and provide registration and display recommendations to ensure that the public associates the words and logos with the products and services of our client. This personal process is more important than the technology used because it involves the client at a more direct level to identify their IP assets and maintain protection for them.



**Wilentz, Goldman
& Spitzer, P.A.**

By Brett R. Harris, Esq.,
Shareholder, Business,
Nonprofit and Technology
Attorney

Innovation is no longer the sole domain of R&D divisions and IT departments. Rather, IP assets are frequently being developed through collaborative efforts in the workplace. In light of the change in New Jersey law in 2018—the enactment of legislation protecting employee rights to ownership of

employee inventions—workplace developments are no longer automatically the exclusive assets of the employer. Further, the prevalence of outsourcing and the change in character of workforce dynamics driven by the explosion of the gig economy, have raised increased attention to the work-made-for-hire doctrine under the federal copyright law. Our firm supports our clients in developing policies, procedures and documentation for employees and independent contractors to help ensure that the business will enjoy the full benefits of ownership of the innovative technologies being created. ■



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