

THE Newtonian®

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15+

Years of bringing clarity
and strategy to intellectual
property law



100+

Countries, patents and trademarks
filed in by Leason Ellis

500+

Conflict matters litigated
by Leason Ellis

1000+

Foreign Associates of the
firm around the world

3,400+

Clients of the firm since 2008

12,700+

Issued patents, Leason Ellis
counsel of record

13,500+

Registered trademarks,
Leason Ellis counsel of record

5 billion+

Value of IP due diligence transactions
conducted by Leason Ellis

LETTER FROM THE EDITOR

Dear Friends and Colleagues,

In April, Leason Ellis celebrated its 15th anniversary. The firm launched during the 2008 financial crisis. That forced us to be nimble and quick and would eventually better prepare us for the COVID pandemic and an ever-changing world. Today, we are globally recognized as an IP leader.

This issue leads off with a feature article: “Fifteen Years of Strategizing and Protecting Clients’ Intellectual Property Assets.” It’s a fun read that provides insight into the firm’s four senior partners: why they do what they do, how the firm has evolved, and their thoughts on the future.

Fittingly, the Insight case discussions in this issue include references and topics that span a vast range of time. They look way back (Morse’s telegraph patent), way ahead (the potential of AI in IP law), and at our current popular culture (Andy Warhol, Taco Tuesdays, Ed Sheeren, and more). Our goal is to entertain and enlighten you with thinking that you can apply to your business now. To further help you, we are introducing bylines so that you can easily learn about and follow up with the authors.

PATENT

Leason Ellis’ Next Lateral Employee: The Intellectual Property AI-ssociate?

By Joshua J. Montgomery

Goldilocks and The Unveiling Standards: Amgen Decision Sets ‘Just Right’ Rules for Antibody Patent Enablement

By Susie S. Cheng, Ph.D., and Jarryd R. Werts

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Controversy in Pop Life: The Supreme Court’s Latest Copyright Fair Use Decision

By Emily A. Rice

“Thinking Out Loud” About Copyright in Music

By Sara E. Gruber

TRADEMARK

Taco Bell Battles to ‘Liberate’ the Trademarked Term “Taco Tuesday”

By Vera Glonina, Leason Ellis Trademark Intern

Down Boy! Supreme Court Vacates 9th Circuit Decision and Remands “Bad Spaniels” Case Back to the District Court

By Tommas F. Balducci

LITIGATION

Turning Defense Into Offense: A Leason Ellis Case

By Tatsuya Adachi

Federal Circuit Clarifies the Scope of Prior-Art Subject to America Invents Act’s Estoppel Provisions

By Henry A. Gabathuler

As always, we hope you find value in The Newtonian. Please feel free to share it with others and to send your thoughts to us at inquiries@leasonellis.com.

Warmly,

Henry A. Gabathuler
Partner
Editor, The Newtonian

FIRM NEWS

Leason Ellis Ranks High in Three Global Reviews

It's been an auspicious couple of months for Leason Ellis. As if to help celebrate the firm's 15th year in practice, our firm and attorneys have been recognized by three of the most esteemed IP law publications in their annual and global reviews.

World Trademark Review 1000

WTR described us with the following accolades. "Routinely topping peer lists of recommended trademark practitioners, the team at Leason Ellis is undoubtedly among New York's trademark elite." Individual attorneys recognized are:

- Lauren B. Emerson
- Cameron S. Reuber
- Peter S. Sloane
- Matthew L. Frisbee
- Martin Schwimmer
- Yuval H. Marcus
- Karin Segall

World Intellectual Property Leaders

A remarkable 17 of our attorneys have been featured in the esteemed WIPR Leaders 2023 Directory. This recognition underscores Leason Ellis' commitment to delivering exceptional IP counsel. Individual attorneys recognized are:

- Elizabeth M. Barnhard
- Matthew L. Frisbee
- Yuval H. Marcus
- Susie S. Cheng, Ph.D.
- Henry A. Gabathuler
- Cameron S. Reuber
- Michael A. Davitz, M.D.
- Melvin C. Garner
- Martin Schwimmer
- Edward Ellis
- Robert M. Isackson
- Karin Segall
- Lauren B. Emerson
- David Leason
- Peter S. Sloane
- Joel Felber
- Michelle J. Levin

IAM Patent 1000 2023

IAM Patent 1000 described Leason Ellis as “a go-to firm for patent drafting as well as patent litigation. Its practitioners have the ability to understand the strategic importance of patent portfolios from a business perspective, creating significant added value over law outfits that do not look beyond the technical and legal aspects of patents. They have an excellent work ethic, deliver on time every time and genuinely have their clients’ business interests at heart.” Individual attorneys recognized are:

- Elizabeth M. Barnhard
- Edward Ellis
- David Leason
- Susie S. Cheng, Ph.D.
- Jordan G. Garner
- Yuval H. Marcus
- Ralph Crispino
- Melvin C. Garner
- Michael A. Davitz, M.D.
- Robert M. Isackson

Our Team Is Growing

We’re happy to report that our attorneys are growing in stature and number. Sara has been admitted to the New York State Bar. Josh, Emily, and Audrey each joined our team over the last several months.



Sara E. Gruber, Associate

Sara Gruber was recently admitted as an attorney with the New York State Bar. She was sworn in during a remote ceremony administered before the Third Judicial Department for the State of New York.



Joshua J. Montgomery, M.S. ECE, Associate

Josh’s practice focuses on patent procurement, portfolio management, and client counseling on patent-related matters. Josh also has experience with the various phases of intellectual property litigation.



Emily A. Rice, Associate

Emily Rice is an associate in the Litigation Practice Group, where she focuses on assisting clients through the various phases of intellectual property litigation, including discovery and motion practice.



Audrey E. Trace, Associate

Audrey is an associate in the Trademark and Copyright Practice Group at Leason Ellis, where she focuses on trademark prosecution matters, namely, counseling, protecting, and enforcing trademark, trade dress, copyright, and related intellectual property rights.

Leason Ellis Client Cellular Biomedicine Group Signs Major Worldwide Deal with Johnson & Johnson's Janssen Biotech

Leason Ellis is pleased to share that our client, Cellular Biomedicine Group Inc. (CBMG), recently signed a major worldwide deal for its CAR-T cell technology with Janssen Biotech, Inc. of Johnson & Johnson. The worldwide collaboration and license agreement paves the way for the next generation of b-cell malignancy treatments.

Fifteen Years of Strategizing and Protecting Clients' Intellectual Property Assets

To explain how Leason Ellis started as a suburban alternative to big law in New York City and became one of the leading IP firms in the nation, The Newtonian tapped into David Leason, Ed Ellis, Yuval Marcus, and Peter Sloane—who are now the firm's senior partners. Patent attorneys David Leason and Ed Ellis are the original founders of the firm. Soon after launching, they brought in trademark and copyright attorney Peter Sloane and IP litigator Yuval Marcus as partners to round out the practice. Each has different strengths and talents, but they're equally driven by the firm's guiding ethos: to protect and promote their clients' creativity and innovation.



David Leason



Ed Ellis



Yuval H. Marcus



Peter S. Sloane

Managing Partner David Leason's passion for IP law is tied to his daily work as a leader and mentor. "A big part of what keeps me ticking is the opportunity to train others about the profession. That's really my purpose."

Ed Ellis, Patent Practice Group Co-Chair, harkens back to his roots when describing his interest in IP law. "My father was a chemist and an inventor with over 50 patents. In high school, he took me to his patent attorney's office in Boston to meet with Stan Sacks of Wolf, Greenfield & Sacks. That visit helped me understand that ideas can't be protected; rather, the expression of ideas is what matters so much."

For Yuval Marcus, Litigation Practice Group Co-Chair, his fascination with IP law is rooted in his love for photography. “In 1987, I was the photographer for the *Yale Daily News* assigned to cover Bob Dole, who came to speak at Yale during his campaign for president. I took pictures with my camera using the film provided by the paper. *The New York Times* didn’t have a photographer there that day, so they wanted to buy and publish my pictures. I asked myself: Why is *the New York Times* paying me for these photos when the Yale Daily News provided the film? That was my introduction to intellectual property. The issues captivated me, and I wanted to pursue them as a career.”

Peter Sloane, Trademark & Copyright Practice Group Co-Chair, finds inspiration in the intersection between trademark law and marketing. “As a summer associate, I knew that I had found my calling when I found myself working to enforce trademark rights in brands that I encountered every day in supermarkets and stores as a consumer.” He adds, “I also appreciate the consumer protection aspects of trademark law. It’s rewarding to try to prevent consumers from being confused by similar trademarks and from false and misleading advertising.”

Since its founding in 2008, Leason Ellis has expanded and adapted its practice to address the changes happening worldwide, including the increased volume of intellectual property, the ubiquitous social media platforms that have emerged where consumers and businesses operate, and the many different ways in which individuals and businesses now communicate. The pandemic also brought about its own changes and opportunities with remote working, virtual meetings, and exponential use of technology. These events paved the way for changes in the legal industry and created an opportunity for entrepreneurial firms like Leason Ellis. Yuval Marcus points out that “we went from a little-known name startup to one of the country’s most respected IP law firms. Over time, we’ve embraced technology, become virtual in many respects, and yet stuck to our collegial and personal approach.”

Even though the firm was faced with start-up and economic challenges at its inception, the young but experienced management team had the sense to hold fast to a set of operating principles that coupled personal initiative with opportunities for growth. David Leason points out, “To lead well-educated people who are thought leaders themselves, you must listen to what they say, support their strengths, and let them direct themselves. Everyone needs to be able to

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– Yuval Marcus

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Ideas can't be protected; rather, the expression of ideas is what matters so much.

– Ed Ellis

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pivot and be nimble.” Equally important is attracting and retaining top talent and getting them involved in the leadership and future of the firm. Leason Ellis accomplished this by appointing practice group co-chairs, which infused the firm with new insights and leadership capabilities.

So, who is the “we” at Leason Ellis? The professionals at the firm come from Ivy League law schools and universities, public colleges, and everywhere in between. We collectively brandish an impressive range of advanced degrees, communicate in multiple languages, and are active in impactful IP professional organizations and associations around the country and worldwide. “To succeed here, one must have an enthusiasm for the practice,” said Peter Sloane. Ed Ellis provided further insight. “When we hire, we look for a quick and analytical mind in someone who can see the big picture and dissect something to understand how it works; a creative mind that can contemplate what-if scenarios; someone who is articulate and can write because we ultimately deal in words.”

“All true,” notes Yuval Marcus. “Even more than that, we look for smart and decent people who care about helping clients and being part of a team of professionals and who have a good work ethic.” It also helps that the firm is dedicated to work-life balance. Marcus continued, “We work at a very high level. And we work for sophisticated clients to solve complex legal problems, but we also have lives outside the office. Legal professionals need time for themselves and their families; having that downtime to detach and enjoy is key. That’s part of the fundamental philosophy and culture of the firm and will always be a selling point, regardless of where people are physically located or when they perform the work.”

What would a milestone be without an accompanying view of the future? It’s clear that the trends and changes that have provided the firm with powerful growth opportunities are only accelerating. Peter Sloane predicted that “IP work will be increasingly important as the global

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– David Leason

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economy creates more products and services for a growing class of consumers worldwide. And there will be more work to do in environments we might even have difficulty conceiving of right now.” Indeed, the firm has always relished being at the forefront of new technology cycles.

“Some technologies will pan out, and others will be flashes in the pan,” said Peter Sloane. “NFTs have been a hot issue lately, but you can see them cooling quickly. Whether or not they’ll be around in five or ten years is yet to be determined. Creating the metaverse will probably take longer than some people think, but at some point, it will arrive. And at some point, there’ll be virtual worlds in which to protect and defend intellectual property, and we will be there to help our clients navigate those worlds with our insights.”

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IP work will be increasingly important as the global economy creates more products and services for a growing class of consumers worldwide. And there will be more work to do in environments we might even have difficulty conceiving of right now.”

– Peter Sloane

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PATENT

Leason Ellis' Next Lateral Employee: The Intellectual Property AI-ssociate?



By [Joshua J. Montgomery](#)

We have previously written about whether artificial intelligence (AI) systems can qualify as inventors on a U.S. patent, with the courts concluding that such systems [do not qualify as inventors under U.S. patent law absent future legislative action](#).

Inventors and content creators, however, are not the only parties to IP procurement, nor are they the only entities at risk of disruption. AI systems—like ChatGPT in particular—may soon be a component of the savvy patent draftsman's toolkit, rendering those behind the technology adoption curve at risk of obsolescence.

Case studies are more readily available than you might think. Consider the following instructional input to ChatGPT: *Draft patent claims related to a system and method for writing interesting articles in an IP newsletter related to patents and artificial intelligence.*

ChatGPT outputs three separate potential independent claims, one of which is displayed below:

A method for generating interesting articles in an IP newsletter related to patents and artificial intelligence, comprising:

- analyzing patent-related data using a natural language processing module to identify trends and insights related to patents and artificial intelligence,
- using an article recommendation module to suggest article topics based on the analyzed patent-related data and user preferences,
- generating natural language content using the natural language processing module based on the suggested article topics, and
- publishing the generated natural language content in the IP newsletter.

While the generated claims have the look and feel of viable patent claims, they could certainly be improved. Some elements are nebulous (e.g., “article recommendation module”), and the claim is susceptible to challenge as an abstract idea that is not patent eligible. Further, patent claim elements require support (i.e., description) in a patent specification where no such specification has been provided.

This latter concern presents at least two limitations inherent to the current state of the art in automated patent drafting. First, ChatGPT proposes claim elements needing support from a nonexistent patent specification. This is unsurprising given ChatGPT’s propensity for citing legal authority that might sound legitimate but is not real.

Second, assuming such a patent specification was provided to ChatGPT to generate the claim, one must ask whether disclosure of such information to a third-party software platform breaches the duty of confidentiality to a client or would qualify as public disclosure of the invention to be patented, which could jeopardize its patentability. Presumably, at a minimum, AI engine developers have access to information submitted within the ChatGPT portal and made available for external use. Who else might have such access?

Ultimately, however, current impediments in AI assistive tools are likely to be short-term limitations. For example, in addressing the first concern above, it is hardly a logical leap to appreciate that if ChatGPT can be “fed” information from all corners of the internet

and turn that information into cognizable work product, then it can also be trained to be provided with—and then synthesize—novel invention disclosures. Regarding the second concern about confidentiality or unwitting public disclosure, a simple solution proposition might include a firm-based encrypted platform with licenses to AI support tools subject to a non-disclosure agreement.

Present limitations notwithstanding, AI systems clearly harbor potential as a viable legal writer. In the example claims above, ChatGPT displays a fundamental grasp of antecedent basis, the logical flow of element descriptions within claims, and the various process nodes that could build out the inventive premise. These conventions and skills take fledgling patent attorneys a considerable amount of time to develop.

Such robust and instantaneous capabilities beget many questions, but for an eager patent-centric audience, some are top-of-mind:

- When will AI tools assume a role as an integral part of patent composition?
- Going one step further, how close might we be to a future where not using AI generation solutions—for IP protection or any other legal services—proves to be a relic of a bygone era?

Only time will tell, but even for a law that protects innovation, innovation leads, and the law will follow.

INSIGHTS



Concerns remain about the use of AI chatbots for patent drafting, including inaccuracy and tendency to “fabricate” some of its output.



In view of the concerns inherent to early adoption of AI, Leason Ellis’ current policy is to prohibit the use of AI chatbots or AI engines to prepare any part of original patent applications or render any legal opinions related to patents.



Looking forward, present limitations are likely curable and generative AI platforms may assume larger roles as assistive tools in patent law services. However, scrutiny of any AI-generated product by experienced (human) counsel will remain a necessity.

“A painting of artificial intelligence in the workplace, in the style of Picasso” by DALLÉ-2

Goldilocks and The Unveiling Standards: Amgen Decision Sets ‘Just Right’ Rules for Antibody Patent Enablement



By [Susie S. Cheng, Ph.D.](#) and [Jarryd R. Werts](#)

The US Supreme Court’s unanimous decision in *Amgen v. Sanofi* upheld the Federal Circuit’s ruling that two of Amgen’s patents were not enabled. 143 S. Ct. 1243 (May 18, 2023). Under 35 U.S.C. § 112(a) a patent specification must enable a person skilled in the relevant field to make and use the invention. The Court highlighted that Amgen’s claims aimed to encompass potentially millions of additional antibodies beyond the 26 specifically described in the patent. The Court, however, found that the description of “conservative substitution” to amino acid sequences of the additional antibodies was not enough to enable them but instead amounted to undue experimentation.

The *Amgen* decision, although not surprising and consistent with precedent, nevertheless is likely to impact companies and patent practitioners in the development of patent portfolios, fund-raising undertakings, and litigation strategies. The decision cited three old enablement cases in unrelated fields, namely the Morse’s telegraph patent, incandescent lamp patent, and starch glue patent cases to affirm the Court’s position that:

If a patent claims an entire class of processes, machines, manufactures, or compositions of matter, the patent’s specification must enable a person skilled in the art to make and use the entire class. In other words, the specification must enable the full scope of the invention as defined by its claims. The more one claims, the more one must enable.

By citing these early patent cases, the Court shows that modern technology in life sciences and chemical arts is not treated specially. Patent practitioners have long faced challenges in drafting claims with the “Goldilocks” principle for breadth—not too narrow, not too broad. This ruling further reinforces the potential enablement pitfall.

In response to these challenges, a common approach has been to adopt a funnel-shaped claim drafting strategy. For antibodies, this strategy involves protecting antibodies exemplified in the application with specific sequences and functional language in narrow claims, followed by claims of varying breadth, which gradually broadened to encompass additional antibodies. It is important to avoid using language that broadly encompasses conservative amino acid substitutions. Instead, practitioners should focus on, for example, precise amino acid residue substitutions and utilizing algorithmic data to assert their predicted structures and the desired binding properties to avoid creating an overly broad genus. The goal is to provide a limited number of additional species within a slightly broader scope that is likely enabled.

The *Amgen* decision underscores the need for precision and careful consideration in patent drafting, particularly in the life sciences and chemical art. In view of the decision, patent practitioners must navigate the enablement requirements to produce more specific and enabling disclosures to ensure comprehensive protection of inventions.

INSIGHTS



In its decision, the Court clarified that the specification does not have to describe in detail how to make and use every embodiment, but because antibodies are deemed a relatively unpredictable field, a greater level of detail in the application, including more extensive experimental data, may be required to support a genus claim of antibodies.



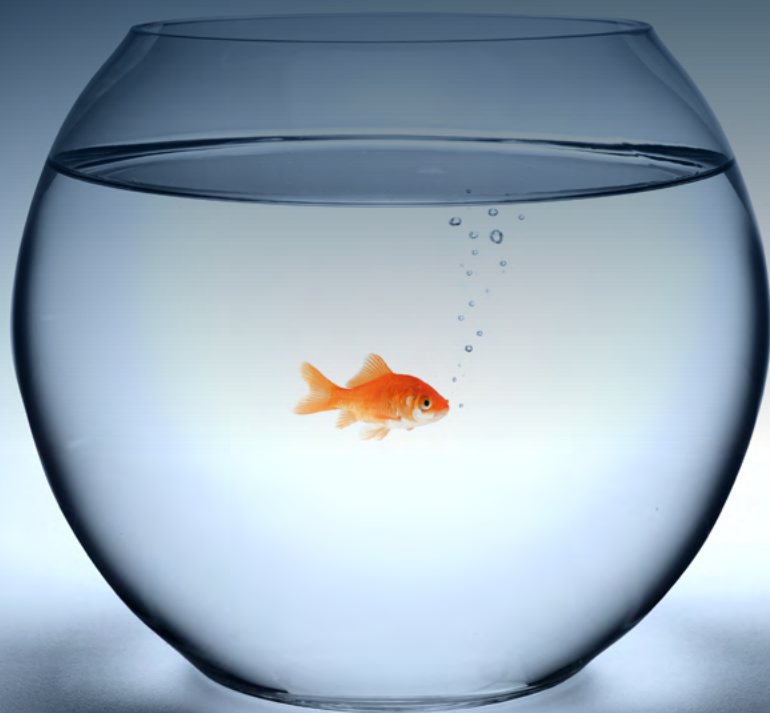
The *Amgen* decision is likely to impact small companies and start-up companies looking for funding from external sources, as it will be more difficult to achieve protection of broad genus claims and, thus more difficult to incentivize external investment.



The decision may also affect the patent landscape and freedom-to-operate assessments in biotech and related fields, as companies should consider a thorough assessment of the validity of third-party patents with broad genus claims in view of the enablement standard put forth in *Amgen*.



Some companies may see the *Amgen* decision as an opportunity to seek out and review third-party patents with broad genus claims and then explore the use of certain species of those claims (e.g., antibodies) that the patent specification may not properly enable.



COPYRIGHT

Controversy in Pop Life: The Supreme Court's Latest Copyright Fair Use Decision



By [Emily A. Rice](#)

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“Art is anything you can get away with.”

– Andy Warhol

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“Art is about building a new foundation, not just layering something on top of what’s already there.”

– Prince

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Without realizing it, the late artists Andy Warhol and Prince foreshadowed the issue in *AWF v. Goldsmith*, et al., which involved a dispute over the Copyright Act’s fair use defense. The principal issue in the case was whether Andy Warhol’s use of Lynn Goldsmith’s photograph of Prince in creating “Orange Prince” was of a sufficiently different “purpose or character” from Goldsmith’s under the first factor of the U.S. Copyright Act’s fair use defense (i.e., “the purpose and character of the use, including whether such use is of a commercial nature”—17 U.S.C.A. § 107). The U.S. Supreme Court recently ruled in favor of Goldsmith.



A comparison of Goldsmith's portrait and Warhol's "Orange Prince" superimposed on Goldsmith's portrait photograph, as included in the Supreme Court's decision.

The Andy Warhol Foundation for Visual Arts, Inc. (AWF) has long argued that "Orange Prince" "can reasonably be perceived to have transformed Prince from a vulnerable, uncomfortable person to an iconic, larger-than-life figure, such that each Prince Series work is immediately recognizable as a 'Warhol' rather than as a photograph of Prince." As argued by AWF, such a transformation constitutes a different purpose or character. The U.S. District Court agreed with AWF, but the Second Circuit Court of Appeals reversed its decision, cautioning against judges performing the role of art critic, and against placing undue weight on the stated or perceived intent of the artist or the meaning of a work in analyzing the first fair use factor.

Affirming the Second Circuit, the U.S. Supreme Court decided that the "purpose and character" of AWF's specific use of Goldsmith's copyrighted photograph did not favor AWF's fair use defense because the use was for the same purpose as Goldsmith's, which was commercial in nature. In particular, the Court framed the first factor inquiry differently from AWF, stating, "[a]s portraits of Prince used to depict Prince in magazine stories about Prince, the original photograph and AWF's copying use of it share substantially the same purpose."

INSIGHTS



The Supreme Court expressly notes that its ruling in *Warhol* applied only to the sole allegedly infringing circumstance in which AWF licensed Orange Prince to Conde Nast, however, it may have a broader impact.



Through *Warhol*, the Supreme Court has clarified for lower courts the analysis of the first factor of the fair use statute, instructing lower courts not to place undue weight on transformativeness or perceived or stated intent when analyzing copyright's first fair use factor. The Supreme Court held, "Although new expression may be relevant to whether a copying use has a sufficiently distinct purpose or character, it is not, without more, dispositive of the first factor."



The Supreme Court clarified that "the degree of transformation required to make 'transformative' use of an original must go beyond that required to qualify as a derivative," in recognition of the copyright owner's exclusive right to create derivative works under the Copyright Act.



“Thinking Out Loud” About Copyright in Music



By [Sara E. Gruber](#)

The landscape of copyright law in the music industry has evolved again due to a recent jury verdict that British popstar, Ed Sheeran, did not infringe the copyright on Marvin Gaye’s 1973 song, “Let’s Get It On.” The lawsuit, filed by the heirs of Ed Townsend, a co-writer of the 1973 song, alleged that Sheeran’s 2014 song “Thinking Out Loud” was substantially similar to the melodic, harmonic, and rhythmic composition of “Let’s Get It On.” *Griffin et al v. Sheeran et al*, 17 CIV. 05221 (S.D.N.Y.).

During the jury trial, presided over by Judge Stanton of the U.S. District Court for the Southern District of New York, Sheeran admitted that the songs were similar but argued that both songs were created using the same basic chord structures that serve as the building blocks for many different pop songs and that such a basic chord progression was not entitled to copyright protection. Sheeran demonstrated this to the jury by bringing his guitar to the witness stand and seamlessly segueing in and out of pop songs using the same four-chord structure. Before they deliberated, Sheeran urged the jury to use their “common sense” in determining liability. After a mere three hours, the jury returned a verdict in favor of Sheeran.

Days later, in accordance with the outcome of the “Thinking Out Loud” trial, Judge Stanton granted summary judgment for Sheeran and dismissed a parallel lawsuit in which Structured Asset Sales alleged Sheeran’s song copied a combination of the chord progression and harmonic rhythm in “Let’s Get It On.” In that decision, Judge Stanton held that it is “an unassailable reality that the chord progression and harmonic rhythm in ‘Let’s Get It On’ are so commonplace, in isolation and combination, that to protect their combination would give ‘Let’s Get It On’ an impermissible monopoly over a basic musical building block.” *Structured Asset Sales, LLC v. Sheeran*, No. 18 CIV. 5839 (LLS), 2023 WL 3475524, at *5 (S.D.N.Y. May 16, 2023).

The trial verdict comes roughly one year after Sheeran’s victory in another case in which he was accused of copying his hit song, “Shape of You,” and five years after the victory of Marvin Gaye’s estate in the notable “Blurred Lines” case, where Gaye’s estate successfully accused the writers of “Blurred Lines” of copying Gaye’s 1977 classic, “Got to Give it Up.” The outcome of the “Thinking Out Loud” cases is considered a win for today’s recording artists in that it certain basic “building blocks” used to create music could not be monopolized via copyright.

INSIGHTS



In the “Thinking Out Loud” case, the “Blurred Lines” case, and the similarly rooted “Stairway to Heaven” case, in which Led Zeppelin was accused of copying from another band, the juries were never allowed to hear any of the plaintiff’s original sound recordings. This is because the bounds of the plaintiffs’ asserted copyrights were limited to the material deposited with the U.S. Copyright Office, which in all three cases predated the protection of sound recordings and thus consisted only of sheet music. These cases remind all copyright owners that a deposit copy that does not fully capture the original elements of a creative work could weaken a future copyright infringement claim.



Many see the defendants’ wins in “Thinking Out Loud” and “Stairway to Heaven” to be a course correction from the plaintiffs’ earlier win in “Blurred Lines,” which the music industry criticized as opening the door for copyright claims based upon similarities in the overall “feel” or “groove” of two works, rather than the elements of the copyrighted works. However, music copyright cases are fact-specific, and the differing outcomes between “Blurred Lines” and “Thinking Out Loud” can be attributed partly to the unique factual circumstances and the unpredictable nature of jury trials.

TRADEMARK

Taco Bell Battles to ‘Liberate’ the Trademarked Term “Taco Tuesday”

By Vera Glonina, Leason Ellis Trademark Intern

“Taco Tuesday” has become something of a beloved tradition for many people around the world. But what if one restaurant could own trademark rights to the phrase? Taco Bell thinks that’s “not cool.”

On May 16, 2023, Taco Bell filed a petition at the Trademark Trial and Appeal Board (TTAB) to cancel the federal trademark registration of “Taco Tuesday” for restaurant services owned by Taco John since 1995 (see [here](#)). Taco Bell claims that “we’re the cool company that wants everyone to enjoy Taco Tuesday” and emphasizes that “it seeks no damages; it simply seeks reason and common sense.”

Also, Taco Bell, in collaboration with basketball superstar LeBron James, launched a promotional campaign, “Taco Bleep” aimed to liberate the phrase from its registered trademark status for “[a]ll restaurants, all families, all businesses” (see [here](#)). Interestingly, LeBron James attempted to trademark TACO TUESDAY after his videos of family Taco Tuesday gatherings went viral in 2019, but was denied on the grounds that “Taco Tuesday” was too commonplace to qualify as a trademark.

In response, Taco John’s CEO Jim Creel called out Taco Bell, saying, “A big, bad bully threatens to take away the mark our forefathers originated so many decades ago” (see [here](#)).

However, the leading legal question is whether the phrase “Taco Tuesday” has become generic. A generic term is commonly used to refer to a class of goods or services; therefore, it cannot be trademarked. Taco Bell contends “Taco Tuesday” is generic in that it is widely used by businesses and consumers to refer to the tradition of eating tacos on Tuesdays. As Taco Bell states in its cancellation petition: “People like tacos on Tuesdays. They just do... Tacos have the unique ability to bring people together and bring joy to their lives on an otherwise mediocre day of the week.”

The battle was over soon after it begun. Taco John’s has recently announced that it will “abandon” the registration because it doesn’t want to pay the legal fees that come with a fight against Taco Bell. It looks like Taco John’s saw the writing on the wall and its David and Goliath story wouldn’t have been sufficient to carry the day under the trademark laws.

INSIGHTS



The TTAB previously found that “Taco Tuesday” is a “very commonplace term that refers to having tacos and drinks on that particular day of the week.” (see [here](#), at 21).



Whether a term is generic depends primarily on the public’s perception of that term. As such, evidence to support whether a term is generic can include consumer surveys, third-party use, advertisements, and the like.



A federal registration may be of limited value where the term has already entered the public domain and there is no real possibility of enforcing exclusivity in it as a trademark in the marketplace.



Down Boy! Supreme Court Vacates 9th Circuit Decision and Remands “Bad Spaniels” Case Back to the District Court



By [Tommas F. Balducci](#)

On June 8, 2023, the Supreme Court handed down its unanimous decision in *Jack Daniel's v. VIP Products* (see [here](#)). As Justice Kagan described, the “case is about dog toys and whiskey, two items seldom appearing in the same sentence.”

The most significant holding from the case is that the *Rogers* (or Artistic Relevance) test will not apply when Defendant uses the complained-of mark in a source-identifying capacity, regardless of whether such usage may also have some expressive function.

The case revolves around the questions of (1) whether a humorous chew toy resembling a Jack Daniel's Whiskey bottle (“Bad Spaniels Toy”) infringes on Jack Daniel's trademark rights in its JACK DANIELS and label trade dress; and (2) whether the toy dilutes those marks by tarnishment (more details on the facts and issues can be found [here](#), p. 8-9).

In 2020, the Ninth Circuit held that the Bad Spaniels Toy was an “expressive work” which qualified for special First Amendment protections and the application of the defendant-friendly *Rogers* test. The Ninth Circuit further held that the humorous, expressive nature of the Bad Spaniels Toy made it protected “non-commercial” speech, which cannot be subject to tarnishment claims. Under the Ninth Circuit's holdings, the lower court ruled in favor of VIP Products on both claims.

However, the Supreme Court disagreed with the Ninth Circuit's reasoning on both counts.

About the infringement issue, the Supreme Court held that the *Rogers* test, “which offers an escape from the likelihood-of-confusion inquiry and a shortcut to dismissal,” is not applicable if a defendant's mark is used as a source-identifying “trademark,” even if this mark also “conveys some message on top of the source.” Pointing to facts such as the placement of the BAD SPANIELS mark on products tags to identify its source, as well as VIP Products' explicit claims that it owned trademark rights in its Bad Spaniels Toy, the Supreme Court found that such “use falls within the heartland of trademark law and does not receive special First Amendment protection.”

In relation to dilution by tarnishment, the Court found the Ninth Circuit's application of the Trademark Act's “noncommercial use” exclusion as improper. Applying this exclusion to “every parody or humorous commentary” would render as superfluous the Act's “fair use” exclusion which specifically covers uses “parodying, criticizing, or commenting upon” a famous mark owner, but *only* when the use does *not* serve a source-identifying purpose.

Commenting on the scope of the Court's decision, Justice Kagan emphasized that the Court did not decide “whether the *Rogers* test is ever appropriate, or how far the ‘noncommercial use’ exclusion goes.”

The case has been remanded back to the District Court for further proceedings consistent with the Supreme Court's opinion.

INSIGHTS



There is no special First Amendment protection when a product uses parodical features to identify its source—when a “trademark appears as a trademark.”



The *Rogers* test stands and would still apply to cases where “a trademark is used not to designate a work’s source, but solely to perform some other expressive function” (e.g., the references to the mark BARBIE in Aqua’s song “Barbie Girl”).



While parodical source-identifying trademarks do not get *Rogers*’ treatment, parody remains a factor in the likelihood-of-confusion analysis that could heavily weigh in favor of a defendant.



LITIGATION

Turning Defense Into Offense: A Leason Ellis Case



By [Tatsuya Adachi](#)

Leason Ellis LLP scored a recent victory on behalf of client AeroClean Technologies, Inc. (n.k.a. Molekule Group, Inc.) in its defense of trademark infringement claims brought by Sterilumen, Inc. in the U.S. District Court for the Southern District of New York. Case No. 7:22-cv-06842. Sterilumen's lawsuit sought \$20 million in damages based on a claim that AeroClean's use of the trademarks AEROCLEAN and STERIDUCT in connection with air purification technology solutions infringed upon Sterilumen's alleged rights in its trademarks, including AIROCLEAN and STERILUMEN.

AeroClean responded by filing counterclaims seeking to invalidate Sterilumen's trademark registrations. AeroClean asserted that Sterilumen's trademarks are used solely in connection with products primarily intended or designed for use in producing marijuana, violating the federal Controlled Substances Act. Thus, as Leason Ellis argued, while such uses may potentially be lawful in some states, they are not under federal law, and therefore federal trademark registration is unavailable.

Marking a tipping point in the case, Sterilumen responded to AeroClean's counterclaims by seeking to dismiss its complaint against AeroClean, without prejudice to its right to refile such claims at a later date. While Sterilumen attempted to back away from its lawsuit, AeroClean increased the pressure on Sterilumen through the pursuit of extensive discovery and by taking the position that the case should either be resolved on the merits and, thus, the claims should not be dismissed or that any dismissal of Sterilumen's lawsuit should be with prejudice, i.e., without the opportunity for Sterilumen to re-file its claims.

Following vigorous oral argument by Leason Ellis attorneys at an in-person hearing before Judge Philip M. Halpern and further written briefing by an Order dated March 13, 2023, Judge Halpern agreed with AeroClean's position and dismissed Sterilumen's case with prejudice. This was a decisive victory for Leason Ellis and AeroClean and precluded the possibility of AeroClean having to defend any such claims from Sterilumen again.

INSIGHTS



"Use in Commerce" under federal trademark law is limited to lawful use according to federal, not state, law.



AeroClean's overall litigation strategy was informed by the combined insights of experienced trademark prosecution counsel and experienced trial counsel comprising the Leason Ellis team. A trademark defense strategy that leverages the highly specialized knowledge and skillsets of both will often yield more comprehensive strategies in litigation.



An aggressive, offensive strategy can often be a good defense in litigation. Experienced trial counsel familiar with the Federal Rules of Civil Procedure will be well-equipped to advise clients on such a strategy.



Motions can sometimes be won in the courtroom through effective oral advocacy. Not all lawyers are the same; experienced trial counsel will help.



Federal Circuit Clarifies the Scope of Prior-Art Subject to America Invents Act's Estoppel Provisions



By Henry A. Gabathuler

Popular avenues for challenging the validity of a patent can include litigation in a district court, *inter partes* review (IPR) proceedings at the U.S. Patent and Trademark Office, and sometimes a combination of the foregoing. One strategic consideration when seeking to challenge a patent's validity is the America Invents Act's ("AIA") estoppel provision, which prevents the petitioner in an IPR (i.e., the party challenging a patent claim's validity) from later asserting in court that the patent is invalid on grounds it raised or "reasonably could have raised" in the IPR. 35 U.S.C. § 315(e)(2). The Court of Appeals for the Federal Circuit, in its 2022 decision in *California Institute of Technology v. Broadcom Limited*, 25 F.4th 976 (Fed. Cir. 2022) ("*Caltech*"), clarified that grounds that "reasonably could have been raised" would include: (a) the prior-art raised in an IPR petition; and (b) "all grounds not stated in the [petitioner's] petition but which reasonably could have been asserted against the claims included in the petition." *Id.* at 991.

The *Caltech* decision reinforced that a petitioner is prevented from strategically

asserting some prior-art grounds in its IPR petition while holding other known prior-art in reserve for subsequent litigation. However, it failed to resolve whether prior-art that the IPR petitioner did not know of at the time of its petition constitutes new "grounds ... which reasonably could have been asserted against the claims included in the petition;" and which party bears the burden of proving that the petitioner's new invalidity grounds could reasonably have been raised in an IPR.

The Federal Circuit's May 2023 decision in *Ironburg Inventions Ltd. v. Valve Corp.*, 64 F.4th 1274 (Fed. Cir. 2023), addressed these two lingering questions. Specifically, the Federal Circuit defined the standard for judging whether a reference reasonably could have been raised in an IPR as any grounds that "a skilled searcher conducting a diligent search reasonably could have been expected to discover." The Federal Circuit also placed the burden on the patent holder to prove "that a skilled searcher exercising reasonable diligence would have identified an invalidity ground rests on the patent holder." *Id.* at 1298.

INSIGHTS



Petitioners should take care to conduct a thorough prior-art search when preparing an IPR petition to avoid overlooking references that reasonably could have been raised and compile evidence to support the position that their searching efforts were reasonably diligent, e.g., documenting prior-art search strategies and results.



How patent owners can carry their burden of proving that newly raised prior art would have been revealed by a diligent search remains to be seen from cases post-*Ironburg*.



Patent owners seeking to disqualify newly raised prior-art benefit from hindsight when assembling evidence to show that a diligent search would have discovered the prior art. Supporting evidence might include, for example, whether the prior-art was found in connection with other related patent proceedings, the details of prior-art searches conducted by parties and results, and opinions from prior-art search firms on what a reasonable search strategy would entail and reveal.



Ironburg specifically addressed estoppel in district court proceedings following an IPR under AIA Section 315(e)(2). As the same “reasonably could have raised” language appears in counterpart AIA Section 315(e)(1), concerning estoppel in USPTO proceedings following an IPR. The Patent Trial and Appeals Board will likely follow standards set forth in *Ironburg* in connection with AIA Section 315(e)(1).

IN CASE YOU MISSED IT

Leason Ellis Comments on the USPTO's Proposed New Trademark Fees

On April 27, 2023, the U.S. Patent and Trademark Office published notice of its trademark fee setting and adjusting proposal (88 FR 25623). The notice invited the public to testify at a hearing that will be held by the Trademark Public Advisory Committee and to submit written comments. Leason Ellis was pleased to have had the opportunity to submit our remarks. In short, while we support the USPTO's objectives as outlined in its proposal and we see the rationale behind most of its particular fee adjustments, we believe that some fee adjustments should be reconsidered for greater predictability and consistency, and to better align with the goal of maintaining an accurate Trademark Register while keeping the trademark registration process accessible to small and medium size enterprises.

Read [our comments](#) on the Trademark Fee Setting and Adjustment Proposal.

Marty Schwimmer Quoted on SCOTUS Case in Bloomberg Law Article

An article by Bloomberg Law on the "Trump Too Small" trademark case quotes Marty Schwimmer. In *Vidal v. Elster*, U.S., No. 22-704, the US Supreme Court has agreed to hear an appeal by the US Patent and Trademark Office of a decision by the US Court of Appeals for the Federal Circuit reversing a refusal to register a trademark on the ground that it unconstitutionally barred free speech containing criticism of a government official or public figure in violation of the First Amendment. Two recent Supreme Court decisions had each toppled similar restrictions—the "FUCT" and "Slants" cases. According to Schwimmer, "[b]ecause the trademark does convey a political message, it's understandable why the applicant would categorize this as a First Amendment issue and might think that after *Brunetti* and *Tam* that the wind is at their back."

Leason Ellis Attorneys Travel to Southeast Asia While Promoting and Expanding International Outreach



Leason Ellis Japan Practice Group standing in front of 1,000-year-old Daibutsu giant Buddha figure

Leason Ellis Attorneys Mel Garner and Jordan Garner, and Mitsu Haraguchi of the firm's Japan Practice Group recently visited Japan, Hong Kong, and Shenzhen while meeting with over fifteen regional clients. This previously annual Leason Ellis tradition was tabled during the pandemic, but has mounted a triumphant return. The firm enthusiastically thanks the clients and friends who made the trip successful.

Leason Ellis Trademark Group representatives Yuval Marcus, Lauren Emerson, and Matt Frisbee met Mel, Jordan, and Mitsu in Japan before traveling to Singapore to attend the International Trademark Association's [145th Annual Meeting](#). Indeed, international trademark recognition and enforcement have changed dramatically since the first INTA meeting nearly 150 years ago!

Leason Ellis is Well Represented in NYIPLA Leadership Ranks and Through AIPLA Educational Contributions

Lauren Emerson was recently elected to the New York Intellectual Property Law Association (NYIPLA) [Board of Directors](#). NYIPLA is one of the country's largest and most storied intellectual property law associations. Lauren's term will run through 2026. Lauren also recently spoke on an American Intellectual Property Associate (AIPLA) panel covering the recent key SCOTUS copyright ruling in *Warhol Foundation v. Goldsmith*. The presentation was titled [Fair Use and the Celebrity Plagiarist: Takeaways on transformative use from the SCOTUS ruling in Andy Warhol Foundation v. Goldsmith](#).

Elizabeth Barnhard was Featured in the Westchester Women's Bar Association May 2023 Interview of the Month and Sworn in as WWBA Elected Director for the 2023-2024 Term

Elizabeth Barnhard was featured for the Westchester Women's Bar Association's (WWBA's) [May 2023 Interview of the Month](#) (p. 5). She has been a member of the organization for over a decade and has contributed substantially to its direction since joining. In her interview, Elizabeth detailed some of her positive efforts directed toward mentoring aspiring WWBA attorneys.



Dr. Susie Cheng and Jarryd Werts attend BIO International Convention.

Dr. Susie Cheng and Jarryd Werts Represent Leason Ellis at BIO International Convention in Boston

Leason Ellis partner Dr. Susie Cheng and associate Jarryd Werts recently attended the BIO International Convention at the Boston Convention & Exhibition Center. [Biotechnology Innovation Organization](#) is the world's largest biotechnology advocacy association representing member companies, state biotechnology groups, academic and research institutions, and related organizations across the United States and more than 30 countries.

Tatsuya Adachi Spotlighted for Work with Volunteer Lawyers for the Arts

Volunteer Lawyers for the Arts (VLA) recently spotlighted Tatsuya's pro bono work with VLA and his performing arts musical background [in a promotional video published supporting VLA's 2023 Awards and Gala](#). Tatsuya is an Associate Board Member of VLA, the leading legal aid and education organization dedicated to New York artists and its arts and cultural organizations.

Leason Ellis Promotes the Next Generation of Innovators Through Regeneron Westchester Science and Engineering Fair

Leason Ellis partner Ralph Crispino participated in judging and presenting the Leason Ellis Team Project Award at the 2023 Regeneron Westchester Science and Engineering Fair. Awards went to high school student teams in behavioral and social sciences, computational bioinformatics, and microbiology. From intricate experiments to thought-provoking research, each project showcased a profound understanding of these crucial fields. It was clear to all in attendance that the young scientists participating are contributing to advancing their collective technical endeavors and shaping a better future for our planet.

Leason Ellis Hosted CLE Presentation Understanding and Utilizing Trademarks, Copyrights, and Patents to Create an IP Strategy to Achieve Business Objectives

On June 21, Leason Ellis sponsored a CLE program at Mastercard's headquarters for the Westchester/Southern Connecticut chapter of the Association of Corporate Counsel. Leason Ellis partners Lauren Emerson, Jordan Garner, and Yuval Marcus spoke on a panel with in-house attorneys from Mastercard, PepsiCo, and BIC.

Westchester County Economic Development Guide Features Leason Ellis

It's no coincidence that Leason Ellis resides in Westchester County, which is one of the nation's leading life sciences hubs. Over the last 15 years, that industry's growth and our firm's growth have gone hand-in-hand. A hearty thanks to the Westchester County Economic Development Guide for helping to tell that story. We invite you to contact us to learn more about how Leason Ellis helps life sciences and other companies navigate complex IP issues, create valuable IP assets, and defend and enforce IP rights in the U.S. and worldwide. [Read the article.](#)

Lauren Emerson Speaks on Dartmouth Lawyer's Association Panel Titled *Generative AI and Its Legal Implications in IP Law*

Generative AI is quickly establishing itself as one of the most profound innovations of the 21st century. On July 18, Leason Ellis partner Lauren Emerson spoke on a Dartmouth Lawyer's Association panel titled *Generative AI and Its Legal Implications in IP Law*.

Marty Schwimmer Speaks on "Hot Topics" for NYIPLA

The New York Intellectual Property Associations' annual "Hot Topics" program featured Marty Schwimmer, who spoke on the "Notable Trademark & Copyright Cases" panel. The half-day program featured other excellent speakers including Vinnie Brown of Naughty by Nature on a celebrity branding panel, and Judge Kuhlke from the Trademark Trial and Appeal Board with an update from the Board.

WHAT'S NEXT?

September 7

Rob Isackson to Speak at 39th Annual Joint Patent Practice Seminar in September 2023

JPPCLE is dedicated to providing continuing legal education and facilitating the diffusion of knowledge and understanding of patent law and practice. The Annual Seminar will be hosted on September 7 at the offices of Willkie Farr & Gallagher LLP, located at 787 Seventh Avenue, New York, NY. The knowledgeable speakers, including our own Rob Isackson, who will discuss recent IP cases, legislation, and legal regulations, are not to be missed.

For more information, please visit www.jppcle.org.



Drop Us A Line

We're always thinking and know you are too, so we welcome your comments, questions, and suggestions. As a firm dedicated to the application of keen insight in intellectual property law and business, our goal is to make The Newtonian a useful periodical that you read and share. Reach us at inquiries@leasonellis.com.

About Leason Ellis

Clients engage Leason Ellis to obtain outstanding legal counsel to protect and enforce their intellectual property rights. Our specialized practice area excellence comes from a keen appreciation for inventiveness, creativity, branding, a profound understanding of the law, and a powerful commitment to using IP to help our clients achieve their business objectives. Learn more about Leason Ellis at leasonellis.com.

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