

INTELLECTUAL PROPERTY

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by

Richard R. Orsinger
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I. INTRODUCTION This paper addresses the handling of patents, trademarks and copyrights upon divorce. The article does not extend to other intangible rights, such as trade secrets, a celebrities' right to commercial use of his/her image, etc.

II. INTELLECTUAL PROPERTY RIGHTS Intellectual property [IP] rights include patents, trademarks and copyrights. *Identity Research Corporation* [<http://www.idresearch.com/wwwpatents/faq.htm>] describes IP in the following manner:

WHAT IS INTELLECTUAL PROPERTY? Patents, copyrights and trademarks are often referred to collectively as "intellectual property." Intellectual property is the set of legal rights to an expressed name or idea. It is property that results from the fruits of mental labor.

III. PATENTS

A. Overview The following information explaining patents is taken from the WWW site of *Identity Research Corporation*, <http://www.idresearch.com/wwwpatents/faq.htm>. The quoted information set out below (both in quotation marks and in block printing) is copyrighted by *Identity Research Corp.*

1. Description

"A patent is a grant of a property right by the Government to the inventor 'to exclude others from making, using or selling the invention.' Patents are granted for a term of 20 years (14 years for design patents) which may be extended only by a special act of Congress. After expiration of the term, the patentee loses rights to the invention."

Identity Research Corporation [<http://www.idresearch.com/wwwpatents/faq.htm>].

2. Different Kinds of Patents The *Identity Research Corporation* statement continues:

Patent law provides for the granting of patents in three major categories:

Utility Patents are granted to anyone who invents or discovers any new and useful process, machine, manufacture, or compositions of matter, or any new and useful improvement thereof. "Process" means a process or method; new industrial or technical processes may be patented. "Manufacture" refers

to articles that are made. "Composition of matter" relates to chemical compositions and may include mixtures of ingredients as well as new chemical compounds.

Design Patents are granted to any person who has invented a new, original and ornamental design for an article of manufacture. The appearance of the article is protected.

Plant Patents are granted to any person who has invented or discovered and asexually reproduced any distinct and new variety of plant, including cultivated sports, mutants, hybrids, and newly found seedlings, other than a tuber-propagated plant or a plant found in an uncultivated state.

Identity Research Corporation [<http://www.idresearch.com/wwwpatents/faq.htm>].

3. Length of Patents

"Utility patents issued in the United States from an application filed on or after June 8, 1995 have a term of 20 years from the first U.S. filing date for the patent Design patents issued in the United States have term of 14 years Plant patents issued in the United States have a term of 17 years.

Identity Research Corporation [<http://www.idresearch.com/wwwpatents/faq.htm>].

4. Patent Gives Right to Exclude The *Identity Research Corporation* statement continues:

A patent gives its owner the ability "to exclude others from making, using or selling the invention throughout the United States" and its territories and possessions for a term of years, subject to the payment of maintenance fees as provided by law. The exact nature of the right conferred must be carefully distinguished, and the key is in the words "right to exclude" in the phrase just quoted. The patent does not grant the right to make, use, or sell the invention but only grants the exclusive nature of the right. Any person is ordinarily free to make, use, or sell anything he pleases, and a grant from the Government is not necessary. The patent only grants the right to exclude others from making, using, or selling the invention. Since the patent does not grant the right to make, use, or sell the invention, the patentee's own right to do so is dependent upon the rights of others and whatever general laws might be applicable. A patentee, merely because he or she has received a patent for an invention, is not thereby authorized to make, use or sell the invention if doing so would violate any law. An inventor of a new automobile who has obtained a patent thereon would not be entitled to use the patented automobile in violation of the laws of a State requiring a

license, nor may a patentee sell an article the sale of which may be forbidden by a law, merely because a patent has been obtained.

Similarly, a patentee cannot make, use or sell his/her own invention if doing so would infringe the prior rights of others. A patentee may not violate the Federal antitrust laws, such as by resale price agreements or entering into combination in restraints of trade, or the pure food and drug laws, by virtue of having a patent. Ordinarily there is nothing which prohibits a patentee from making, using, or selling his/her own invention, unless he/she thereby infringes another's patent which is still in force.

Since the essence of the right granted by a patent is the right to exclude others from commercial exploitation of the invention, the patentee is the only one who may make, use, or sell the invention. Others may not do so without authorization from the patentee. The patentee may manufacture and sell the invention or may license, that is, give authorization to others to do so.

Identity Research Corporation [<http://www.idresearch.com/wwwpatents/faq.htm>].

5. Prior Art

"The term prior art generally includes all other relevant patents, publications and products in existence just prior to your filing of a patent application. In order for your invention to be patentable, it must differ in some way from the prior art."

Identity Research Corporation [<http://www.idresearch.com/wwwpatents/faq.htm>].

6. Who Can Patent What?

"Patents are granted only to the true inventor. Methods of doing business and printed matter cannot be patented. A patent cannot be obtained on a mere idea or suggestion."

Identity Research Corporation [<http://www.idresearch.com/wwwpatents/faq.htm>].

7. Transfer of Ownership

"The inventor may sell all or part of his interest in the patent application or patent to anyone by a properly worded assignment. The application must be filed in the U.S. Patent and Trademark Office as the invention of the true inventor, however, and not as the invention of the person who has purchased the invention from the inventor."

Identity Research Corporation [<http://www.idresearch.com/wwwpatents/faq.htm>].

8. Prior Use Can Forfeit Right to Patent

"A valid patent may not be obtained if the invention was in public use or on sale in this country for more than one year prior to the filing of your patent application. Your own use and sale of the invention for more than a year before your application is filed will bar your right to a patent just as effectively as though this use and sale had been done by someone else."

Identity Research Corporation [<http://www.idresearch.com/wwwpatents/faq.htm>].

9. Patent Pending

"The terms 'patent pending' and 'patent applied for' are used by a manufacturer or seller of an article to inform the public that an application for a patent on that article is on file. The law imposes a fee on those who use these terms falsely."

Identity Research Corporation [<http://www.idresearch.com/wwwpatents/faq.htm>].

10. Governing Law

The Constitution of the United States gives Congress the power to enact laws relating to patents, in Article I, section 8, which reads "Congress shall have power to promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries." Under this power Congress has from time to time enacted various laws relating to patents. The first patent law was enacted in 1790. The law now in effect is a general revision which was enacted July 19, 1952, and which came into effect January 1, 1953. It is codified in Title 35, United States Code. The patent law specifies the subject matter for which a patent may be obtained and the conditions for patentability. The law establishes the Patent and Trademark Office to administer the law relating to the granting of patents, and contains various other provisions relating to patents.

Identity Research Corporation [<http://www.idresearch.com/wwwpatents/faq.htm>].

B. From the Idea to the Patent *Identity Research Corporation* has the following to say about the process that leads from the idea to the patent. The following block quotation is taken from <http://www.idresearch.com/wwwpatents/steps.htm>.

1. Conception of Your Invention.

2. **Documentation.** Reduce your invention to writing, including all the different ways you anticipate it can be made and used.
3. **Patentability Search.** A patentability search will allow you to familiarize yourself with relevant patents in the field of your invention (the prior art), obtain valuable technical information in the field (don't reinvent the wheel), and help assess whether a patent on the invention will be possible and/or advisable. [see why a search is important]
4. **Evaluating Potential Value of Patent.** Inventors should consider whether their invention, if patented, will have value in the marketplace. Considerations such as what consumers are looking for, whether the invention will meet their needs in an appropriate price range and how large a market the invention will appeal to should be addressed.
5. **Reduction to Practice.** Research and development towards creating a working prototype of the invention.
6. **Patent Application.** A patent application should be prepared and submitted by a registered and qualified patent attorney or agent. The patent office will then rule on your application in what is called an Office Action. Typically, the first Office Action results in the patent examiner challenging some aspect of your patent application that will require follow-up by you and your patent agent or attorney. If you are able to meet the examiner's concerns, the examiner will grant an allowance of your claims.
7. **Seeking Potential Assignees/Licensees of Your Patent.** Once a patent application is filed, it is possible to disclose your invention publicly without forfeiting rights to the invention. Test marketing can be completed as well as approaching prospective companies that may be interested in purchasing your forthcoming patent rights.

Identity Research Corporation, [<http://www.idresearch.com/wwwpatents/steps.htm>].

If a situation arises where part of the work or discovery occurs before marriage, or is completed after marriage, review of the documentation may reflect how much of the work and financial investment occurred during marriage.

C. Research The *Identity Research Corporation* WWW site makes the following observations regarding the desirability of documenting research. The quotation is taken from <http://www.idresearch.com/wwwpatents/disclosure.htm>.

Since patents are granted to the first person to conceive and diligently reduce to practice a particular invention, it may become necessary to prove when your invention

was made. This can be accomplished by creating a record of your invention. At the earliest possible date, an inventor should create a detailed record of his or her invention (including the date of conception and any steps taken to reduce the invention to practice) and document that record. There are at least two ways to effectively document the record of your invention:

1. Have your record witnessed and signed by two disinterested persons capable of understanding the invention.
2. Submit copies of your invention description to the Assistant Commissioner for Patents for archiving under the Disclosure Document Program.

NOTE: It is important to keep this information confidential if you wish to obtain a patent. Inventors have one year from the date they offer an invention for sale or publicly disclose it to file a patent application or they forfeit all rights to a United States patent in the invention.

Identity Research Corporation, [<http://www.idresearch.com/wwwpatents/disclosure.htm>].

D. Additional General Information The following information on patents is taken from the WWW site of Cornell Law School, <http://www.law.cornell.edu/topics/patent.html>.

Patents grant an inventor the right to exclude others from producing or using the inventor's discovery or invention for a limited period of time. The U.S. patent laws have been enacted by Congress, under its Constitutional grant of authority, to protect the discoveries of inventors. See U.S. Constitution, Article I, Section 8. The main body of law concerning patents is found in Title 35 of the United States Code. In order to be patented an invention must be novel, useful, and not of an obvious nature. See § § 101 - 103 of Title 35. Such "utility" patents are issued for four general types of inventions/discoveries: machines, man made products, compositions of matter, and processing methods. See § 101 of Title 35. Changing technology has led to an ever expanding understanding of what constitutes a man made product. Specific additions to the Patent Act provide, in addition, for design and plant patents.

Prior to a recent amendment prompted by the Agreement on Trade-Related Aspects of Intellectual Property (TRIPS) that accompanied the Uruguay Round GATT, patents were normally issued for a non-renewable period of seventeen years, measured from the date of issuance. See § 154 of Title 35. Under the amended provision (which took effect June 8, 1995) the term will be twenty years measured from the date of application.

Patent infringement cases arise under Federal patent law over which the Federal courts have exclusive jurisdiction. See § 1338(a) of Title 28 of The United States Code.

The Federal agency charged with administering the patent laws is The Patent and Trademark Office. See § § 1-26 of Title 35. Its regulations, pertaining to Patents, are found in Parts 2 - 6 of Title 37 of the Code of Federal Regulations. Each patent application for an alleged new invention is reviewed by an examiner to determine if it is entitled to a patent. See § 1.104 of Part 1 of Title 37 (C.F.R.).

While historically a model was required as part of a patent application, today, in most cases, only a detailed specification is necessary. See § 112 - 114 of Title 35. If an application is rejected, the decision may be appealed to the Patents Office's Board of Appeals, with further or alternative review available from the United States Court of Appeals for the Federal Circuit, or in the United States District Court for the District of Columbia. See § § 134, 141, & 145 of Title 35.

In 1975 the Patent Cooperation Treaty was incorporated into Title 35. See § § 351 - 376 of Title 35.

[Quoted from <http://www.law.cornell.edu/topics/patent.html>].

E. LOCATING PATENT INFORMATION There are several ways to try to locate patent information. There are patent search engines on the World Wide Web: *see e.g.* <http://patent.womplex.ibm.com/boolquery.html>. If you want more information on using the WWW to find patent information, see the Web page of Oppedahl & Larson, <http://www.patents.com/patents.sht#searching> ("How may I do my own patent searching?").

The safer course is to hire an IP lawyer to do a search for you. There are different places where different kinds of patent information is stored, and a lawyer/expert in the area would know those resources.

The following description of patent search services is taken from a patent law firm which maintains a World Wide Web site: Oppedahl & Larson, <http://www.patents.com/oandl.sht#contacting>. The quoted material is copyrighted.

Types of searches include:

Traditional search. One kind of search is what we might call the "traditional" search. The client tells us the area of interest, we communicate it to a professional searcher in Virginia, the searcher goes to the Patent Office, and searches the physical shoes at the Public Search Room. We receive the results of the search and study it, and give you our opinions. This kind of search is called "traditional" because at many very well known law firms, it is the only way any searching is done. This kind of search can be very helpful in cases where the figures make it easy to determine which patents are of interest. Such a search depends on the particular searcher doing a good job, and is necessarily limited to issued US patents since the Public Search Room only contains issued US patents. A traditional search often involves paying \$500 or more

to the professional searcher, and then paying our firm on an hourly basis to render our opinions. Depending on the subject matter and its complexity, the total cost to the client can be \$700 or much, much more.

Online search. Another kind of search is the online text search. Somebody (usually one of the lawyers of our firm) will spend some time logged in with one of the online information providers such as Dialog, Orbit, or STN. We will plug in key words and find patents mentioning those key words. Depending on the results of the search, we plug in still other key words, or cross-search by patent class or by the names of particular companies that are likely to be active in the area of interest. Again depending on the results, we may expand the search to other online databases. It is a recursive process that is intended to lead to some level of confidence that the search has found all, or nearly all, of the references of interest in the databases searched. We may then order up copies of the references that were found, and study the copies. This kind of search can find references other than US patents. For example, it can find published patent applications in countries outside of the US. It can find articles in professional journals and in the trade press. Such a search depends on good luck in selection of the key words that are being used as search terms. Depending on the question that is to be answered (find all patents owned by company A, find all patents on subject matter X) the cost to the client of an online search can be \$10 or \$100 or \$1000 or more. A variant of this kind of search arises if the attorney does not know how to do online searching. The attorney then has someone else do the online search, and the results of the search are then studied by the attorney. Such searches can be quite unsatisfactory since it is difficult to efficiently perform follow-up searches, to try other words or databases, etc. The searcher does not, generally, know what counts as "finding the right references", but has to consult with the attorney after each search. The attorney does not, generally, know what the other steps are that might be taken to improve the search or to expand or vary it. It is difficult, for some such searches, to arrive at a high confidence level regarding the results of the search.

In-person attorney search. Still another kind of search involves the attorney going in person to the Public Search Room at the US Patent Office. The idea is that the attorney knows exactly what the client needs and the attorney can be quite sure of knowing the quality of the work that is being done. Such a search also may involve a visit to the private search files of the Examining Group in the area of interest, as well as a number of online search sessions. These searches are very expensive and are done only when the client's needs are very great.

Oppedahl & Larson law firm, <http://www.patents.com/patents.sht#disclosure-documents>.

IV. TRADEMARKS

A. Overview The following information on trademarks is taken from the WWW site of Cornell Law School, [<http://www.law.cornell.edu/topics/trademark.html>].

Trademarks are generally distinctive symbols, pictures, or words that sellers affix to distinguish and identify the origin of their products. Trademark status may also be granted to distinctive and unique packaging, color combinations, building designs, product styles, and overall presentations. It is also possible to receive trademark status for identification that is not on its face distinct or unique but which has developed a secondary meaning over time that identifies it with the product or seller. The owner of a trademark has exclusive right to use it on the product it was intended to identify and often on related products. Service-marks receive the same legal protection as trademarks but are meant to distinguish services rather than products.

In the United States trademarks may be protected by both Federal statute under the Lanham Act, 15 U.S.C. § § 1051 - 1127, and a state's statutory and/or common law. Congress enacted the Lanham Act under its Constitutional grant of authority to regulate interstate and foreign commerce. See U.S. Constitution, Article 1, Section 8, Clause 3. A trademark registered under the Lanham Act has nationwide protection. See § 1115 of the Act.

Under the Lanham Act, a seller applies to the Patent and Trademark Office to register a trademark. The mark can already be in use or be one that will be used in the future. See § 1051 of the act. The Office's regulations pertaining to trademarks are found in Parts 1 - 7 of Title 37 of the Code of Federal Regulations. If the trademark is initially, approved by an examiner, it is published in the Official Gazette of the Trademark Office to notify other parties of the pending approval so that it may be opposed. See § § 1062 - 1063 of the Act. An appeals process is available for rejected applications. See § § 1070 - 1071 of the Act.

Under state common law, trademarks are protected as part of the common law of unfair competition and registration is not required. See Unfair Competition. States' statutory provisions on trademarks differ but most have adopted a version of the Model Trademark Bill (MTB) or the Uniform Deceptive Trade Practices Act (UDTPA). The MTB provides for registration of trademarks while the UDTPA does not.

Further protection of trademarks is provided by the Tariff Act of 1930. See 19 U.S.C. § 1526.

[Quoted from <http://www.law.cornell.edu/topics/trademark.html>].

B. Characterization Trademark protection applies to symbols of a product or service. However, the interest being protected is really the right to exploit the goodwill that exists in the public mind in connection with a particular product or service. Thus, where the trademark is owned by a spouse individually, the value of a trademark may implicate the issues of non-

divisible personal goodwill, etc. Inception of title issues are explored in Paragraph VIII below.

V. COPYRIGHTS

A. Governing Law The following information is taken from the WWW site of Cornell Law School, <http://www.law.cornell.edu/topics/copyright.html>.

The U.S. Copyright Act, 17 U.S.C. §§ 101 - 810, is Federal legislation enacted by Congress under its Constitutional grant of authority to protect the writings of authors. See U.S. Constitution, Article I, Section 8. Changing technology has led to an ever expanding understanding of the word "writings". The Copyright Act now reaches architectural design, software, the graphic arts, motion pictures, and sound recordings. See § 106 of the act. Given the scope of the Federal legislation and its provision precluding inconsistent state law, the field is almost exclusively a Federal one. See § 301 of the act.

A copyright gives the owner the exclusive right to reproduce, distribute, perform, display, or license his work. See § 106 of the act. The owner also receives the exclusive right to produce or license the production of derivatives of his work. See § 201(d) of the act. Limited exceptions to this exclusivity exist for types of "fair use", such as book reviews. See § 107 of the act. To be covered by copyright a work must be original and in a concrete "medium of expression." See § 102 of the act. Under current law, works are covered whether or not a copyright notice is attached and whether or not the work is registered.

The federal agency charged with administering the act is the Copyright Office of the Library of Congress. See § 701 of the act. Its regulations are found in Parts 201 - 204 of title 37 of the Code of Federal Regulations.

In 1989 the U.S. joined the Berne Convention for the Protection of Literary and Artistic Works.

[Quoted from <http://www.law.cornell.edu/topics/copyright.html>].

B. Overview of Copyrights The following information is taken from Circular 1, "Copyright Basics," available from the WWW site of the U.S. Copyright Office, <http://lcweb.loc.gov/copyright/circls/circ01.html>.

1. What is a Copyright? Copyright is a form of protection provided by the laws of the United States (title 17, U.S. Code) to the authors of "original works of authorship" including literary, dramatic, musical, artistic, and certain other intellectual works. This protection is available to both published and unpublished works. Section 106 of the Copyright Act generally gives the owner of copyright the exclusive right to do and to authorize others to do the following:

To reproduce the copyrighted work in copies or phonorecords;

To prepare derivative works based upon the copyrighted work;

To distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending;

To perform the copyrighted work publicly, in the case of literary, musical, dramatic, and choreographic works, pantomimes, and motion pictures and other audiovisual works;

To display the copyrighted work publicly, in the case of literary, musical, dramatic, and choreographic works, pantomimes, and pictorial, graphic, or sculptural works, including the individual images of a motion picture or other audiovisual work; and

In the case of sound recordings, to perform the work publicly by means of a digital audio transmission.

In addition, certain authors of works of visual art have the rights of attribution and integrity as described in section 106A of the 1976 Copyright Act. For further information, request Circular 40.

It is illegal for anyone to violate any of the rights provided by the copyright code to the owner of copyright. These rights, however, are not unlimited in scope. Sections 107 through 120 of the 1976 Copyright Act establish limitations on these rights. In some cases, these limitations are specified exemptions from copyright liability. One major limitation is the doctrine of "fair use," which is given a statutory basis in section 107 of the Act. In other instances, the limitation takes the form of a "compulsory license" under which certain limited uses of copyrighted works are permitted upon payment of specified royalties and compliance with statutory conditions. For further information about the limitations of any of these rights, consult the copyright code or write to the Copyright Office.

[U.S. Copyright Office, <http://lcweb.loc.gov/copyright/circs/circ01.htm#wci>].

2. Who Can Claim Copyright? The U.S. Copyright Office Web site provides the following information regarding who can claim a copyright.

Copyright protection subsists from the time the work is created in fixed form; that is, it is an incident of the process of authorship. The copyright in the work of authorship immediately becomes the property of the author who created it. Only the author or those deriving their rights through the author can rightfully claim copyright.

In the case of works made for hire, the employer and not the employee is considered

to be the author. Section 101 of the copyright statute defines a "work made for hire" as:

- (1) a work prepared by an employee within the scope of his or her employment; or
- (2) a work specially ordered or commissioned for use as a contribution to a collective work, as a part of a motion picture or other audiovisual work, as a translation, as a supplementary work, as a compilation, as an instructional text, as a test, as answer material for a test, or as an atlas, if the parties expressly agree in a written instrument signed by them that the work shall be considered a work made for hire

The authors of a joint work are co-owners of the copyright in the work, unless there is an agreement to the contrary. Copyright in each separate contribution to a periodical or other collective work is distinct from copyright in the collective work as a whole and vests initially with the author of the contribution.

Minors may claim copyright, but state laws may regulate the business dealings involving copyrights owned by minors. For information on relevant state laws, consult an attorney.

[U.S. Copyright Office, <http://lcweb.loc.gov/copyright/circs/circ01.htm#wci>].

3. Distinguish Ownership of Work From Copyright The U.S. Copyright Office Web site provides the following information regarding distinguishing ownership of work from copyright.

Mere ownership of a book, manuscript, painting, or any other copy or phonorecord does not give the possessor the copyright. The law provides that transfer of ownership of any material object that embodies a protected work does not of itself convey any rights in the copyright.

[U.S. Copyright Office, <http://lcweb.loc.gov/copyright/circs/circ01.htm#wci>].

4. What Works are Protected? The U.S. Copyright Office Web site provides the following information regarding what works are protected.

Copyright protects "original works of authorship" that are fixed in a tangible form of expression. The fixation need not be directly perceptible, so long as it may be communicated with the aid of a machine or device. Copyrightable works include the following categories:

- (1) literary works;
- (2) musical works, including any accompanying words;
- (3) dramatic works, including any accompanying music;
- (4) pantomimes and choreographic works;
- (5) pictorial, graphic, and sculptural works;

- (6) motion pictures and other audiovisual works;
- (7) sound recordings; and
- (8) architectural works¹.

These categories should be viewed quite broadly: for example, computer programs and most "compilations" are registrable as "literary works;" maps and architectural plans are registrable as "pictorial, graphic, and sculptural works."

5. What's Not Protected by Copyright? The U.S. Copyright Office Web site provides the following information regarding what types of materials are not subject to federal copyright protection.

Several categories of material are generally not eligible for Federal copyright protection. These include among others:

Works that have not been fixed in a tangible form of expression. For example: choreographic works that have not been notated or recorded, or improvisational speeches or performances that have not been written or recorded.

Titles, names, short phrases, and slogans; familiar symbols or designs; mere variations of typographic ornamentation, lettering, or coloring; mere listings of ingredients or contents.

Ideas, procedures, methods, systems, processes, concepts, principles, discoveries, or devices, as distinguished from a description, explanation, or illustration. [See Circular 31, available at <http://lcweb.loc.gov/copyright/circs.html>]

Works consisting entirely of information that is common property and containing no original authorship. For example: standard calendars, height and weight charts, tape measures and rulers, and lists or tables taken from public documents or other common sources.

[U.S. Copyright Office, <http://lcweb.loc.gov/copyright/circs/circ01.htm#wci>].

¹ "Architectural works became subject to copyright protection on December 1, 1990. The copyright law defines "architectural work" as "the design of a building embodied in any tangible medium of expression, including a building, architectural plans, or drawings." Copyright protection extends to any architectural work created on or after December 1, 1990 and any architectural work that on December 1, 1990 was unconstructed and embodied in unpublished plans or drawings. Architectural works embodied in buildings constructed prior to December 1, 1990 are not eligible for copyright protection." *Questions Frequently Asked in the Copyright Office Public Information Section*, <http://lcweb.loc.gov/copyright/faq.html>.

6. How to Obtain a Copyright? The U.S. Copyright Office Web site provides the following instructions about how to obtain a copyright.

Copyright Secured Automatically Upon Creation

The way in which copyright protection is secured under the present law is frequently misunderstood. No publication or registration or other action in the Copyright Office is required to secure copyright (see following NOTE). There are, however, certain definite advantages to registration.

* * * *

NOTE: Before 1978, statutory copyright was generally secured by the act of publication with notice of copyright, assuming compliance with all other relevant statutory conditions. U.S. works in the public domain on January 1, 1978 (for example, works published without satisfying all conditions for securing statutory copyright under the Copyright Act of 1909) remain in the public domain under the current act.

Certain foreign works originally published without notice had their copyrights re (section 304 sets the term) copyright for all works including those subject to ad interim copyright if ad interim registration has been made on or before June 30, 1978.

* * * *

Copyright is secured automatically when the work is created, and a work is "created" when it is fixed in a copy or phonorecord for the first time.

"Copies" are material objects from which a work can be read or visually perceived either directly or with the aid of a machine or device, such as books, manuscripts, sheet music, film, videotape, or microfilm.

"Phonorecords" are material objects embodying fixations of sounds (excluding, by statutory definition, motion picture soundtracks), such as cassette tapes, CD's, or LP's. Thus, for example, a song (the "work") can be fixed in sheet music ("copies") or in phonograph disks ("phonorecords"), or both.

If a work is prepared over a period of time, the part of the work that is fixed on a particular date constitutes the created work as of that date.

[U.S. Copyright Office, <http://lcweb.loc.gov/copyright/circs/circ01.htm#wci>].

7. Importance of Publication The U.S. Copyright Office Web site provides the following information regarding the importance of publication to the copyright process.

The Publication is no longer the key to obtaining statutory copyright as it was under the Copyright Act of 1909. However, publication remains important to copyright owners.

The Copyright Act defines publication as follows:

"Publication" is the distribution of copies or phonorecords of a work to the public by sale or other transfer of ownership, or by rental, lease, or lending. The offering to distribute copies or phonorecords to a group of persons for purposes of further distribution, public performance, or public display constitutes publication. A public performance or display of a work does not of itself constitute publication.

A further discussion of the definition of "publication" can be found in the legislative history of the Act. The legislative reports define "to the public" as distribution to persons under no explicit or implicit restrictions with respect to disclosure of the contents. The reports state that the definition makes it clear that the sale of phonorecords constitutes publication of the underlying work, for example, the musical, dramatic, or literary work embodied in a phonorecord. The reports also state that it is clear that any form of dissemination in which the material object does not change hands, for example, performances or displays on television, is not a publication no matter how many people are exposed to the work. However, when copies or phonorecords are offered for sale or lease to a group of wholesalers, broadcasters, or motion picture theaters, publication does take place if the purpose is further distribution, public performance, or public display.

Publication is an important concept in the copyright law for several reasons:

When a work is published, it may bear a notice of copyright to identify the year of publication and the name of the copyright owner and to inform the public that the work is protected by copyright. Works published before March 1, 1989, must bear the notice or risk loss of copyright protection. (See discussion "notice of copyright" below.)

Works that are published in the United States are subject to mandatory deposit with the Library of Congress. (See discussion on "mandatory deposit," below.)

Publication of a work can affect the limitations on the exclusive rights of the copyright owner that are set forth in sections 107 through 120 of the law.

The year of publication may determine the duration of copyright protection for anonymous and pseudonymous works (when the author's identity is not revealed in the

records of the Copyright Office) and for works made for hire.

Deposit requirements for registration of published works differ from those for registration of unpublished works. (See discussion on "registration procedures," below.)

[U.S. Copyright Office, <http://lcweb.loc.gov/copyright/circs/circ01.htm#wci>].

8. "Notice of Copyright" The U.S. Copyright Office Web site provides the following information regarding giving notice of copyright.

For works first published on and after March 1, 1989, use of the copyright notice is optional, though highly recommended. Before March 1, 1989, the use of the notice was mandatory on all published works, and any work first published before that date must bear a notice or risk loss of copyright protection.

(The Copyright Office does not take a position on whether works first published with notice before March 1, 1989, and reprinted and distributed on and after March 1, 1989, must bear the copyright notice.)

Use of the notice is recommended because it informs the public that the work is protected by copyright, identifies the copyright owner, and shows the year of first publication. Furthermore, in the event that a work is infringed, if the work carries a proper notice, the court will not allow a defendant to claim "innocent infringement"--that is, that he or she did not realize that the work is protected. (A successful innocent infringement claim may result in a reduction in damages that the copyright owner would otherwise receive.)

The use of the copyright notice is the responsibility of the copyright owner and does not require advance permission from, or registration with, the Copyright Office.

Form of Notice for Visually Perceptible Copies

The notice for visually perceptible copies should contain all of the following three elements:

1. The symbol © (the letter in a circle), or the word "Copyright" or the abbreviation "Copr."; and
2. The year of first publication of the work. In the case of compilations or derivative works incorporating previously published material, the year date of first publication of the compilation or derivative work is sufficient. The year date may be omitted where a pictorial, graphic, or sculptural work, with accompanying textual matter, if any, is reproduced in or on greeting

cards, postcards, stationery, jewelry, dolls, toys, or any useful article; and

3. The name of the owner of copyright in the work, or an abbreviation by which the name can be recognized, or a generally known alternative designation of the owner.

Example: © 1995 John Doe

The "C in a circle" notice is used only on "visually perceptible copies." Certain kinds of works--for example, musical, dramatic, and literary works--may be fixed not in "copies" but by means of sound in an audio recording. Since audio recordings such as audio tapes and phonograph disks are "phonorecords" and not "copies," the "C in a circle" notice is not used to indicate protection of the underlying musical, dramatic, or literary work that is recorded.

Form of Notice for Phonorecords of Sound Recordings

The copyright notice for phonorecords of sound recordings* has somewhat different requirements. The notice appearing on phonorecords should contain the following three elements:

*Sound recordings are defined as "works that result from the fixation of a series of musical, spoken, or other sounds, but not including the sounds accompanying a motion picture or other audiovisual work, regardless of the nature of the material objects, such as disks, tapes, or other phonorecords, in which they are embodied."

1. The symbol (the letter "P" in a circle); and
2. The year of first publication of the sound recording; and
3. The name of the owner of copyright in the sound recording, or an abbreviation by which the name can be recognized, or a generally known alternative designation of the owner. If the producer of the sound recording is named on the phonorecord labels or containers, and if no other name appears in conjunction with the notice, the producer's name shall be considered a part of the notice.

NOTE: Since questions may arise from the use of variant forms of the notice, any form of the notice other than those given here should not be used without first seeking legal advice.

Position of Notice

The notice should be affixed to copies or phonorecords of the work in such a manner

and location as to "give reasonable notice of the claim of copyright." The notice on phonorecords may appear on the surface of the phonorecord or on the phonorecord label or container, provided the manner of placement and location give reasonable notice of the claim. The three elements of the notice should ordinarily appear together on the copies or phonorecords. The Copyright Office has issued regulations concerning the form and position of the copyright notice in the Code of Federal Regulations (37 CFR Part 201). For more information, request Circular 3.

Publications Incorporating United States Government Works

Works by the U.S. Government are not eligible for copyright protection. For works published on and after March 1, 1989, the previous notice requirement for works consisting primarily of one or more U.S. Government works has been eliminated. However, use of the copyright notice for these works is still strongly recommended. Use of a notice on such a work will defeat a claim of innocent infringement as previously described provided the notice also includes a statement that identifies one of the following: those portions of the work in which copyright is claimed or those portions that constitute U.S. Government material.

An example is:

© 1994 Jane Brown. Copyright claimed in Chapters 7-10, exclusive of U.S. Government maps.

Works published before March 1, 1989, that consist primarily of one or more works of the U.S. Government must bear a notice and the identifying statement.

Unpublished Works

To avoid an inadvertent publication without notice, the author or other owner of copyright may wish to place a copyright notice on any copies or phonorecords that leave his or her control. An appropriate notice for an unpublished work is: Unpublished work © 1994 Jane Doe.

Effect of Omission of the Notice or of Error in the Name or Date

The Copyright Act, in sections 405 and 406, provides procedures for correcting errors and omissions of the copyright notice on works published on or after January 1, 1978, and before March 1, 1989.

In general, if a notice was omitted or an error was made on copies distributed on or after January 1, 1978, and before March 1, 1989, the copyright was not automatically lost. Copyright protection may be maintained if registration for the work has been made before or is made within 5 years after the publication without notice, and a

reasonable effort is made to add the notice to all copies or phonorecords that are distributed to the public in the United States after the omission has been discovered. For more information request Circular 3.

[U.S. Copyright Office, <http://lcweb.loc.gov/copyright/circs/circ01.htm#wci>].

9. How Long Does Copyright Protection Last? The U.S. Copyright Office Web site provides the following information regarding the duration of copyright protection.

Works Originally Created On or After January 1, 1978

A work that is created (fixed in tangible form for the first time) on or after January 1, 1978, is automatically protected from the moment of its creation, and is ordinarily given a term enduring for the author's life, plus an additional 50 years after the author's death. In the case of "a joint work prepared by two or more authors who did not work for hire," the term lasts for 50 years after the last surviving author's death. For works made for hire, and for anonymous and pseudonymous works (unless the author's identity is revealed in Copyright Office records), the duration of copyright will be 75 years from publication or 100 years from creation, whichever is shorter.

Works Originally Created Before January 1, 1978, But Not Published or Registered by That Date

Works that were created but not published or registered for copyright before January 1, 1978, have been automatically brought under the statute and are now given Federal copyright protection. The duration of copyright in these works will generally be computed in the same way as for works created on or after January 1, 1978: the life-plus-50 or 75/100-year terms will apply to them as well. The law provides that in no case will the term of copyright for works in this category expire before December 31, 2002, and for works published on or before December 31, 2002, the term of copyright will not expire before December 31, 2027.

Works Originally Created and Published or Registered Before January 1, 1978

Under the law in effect before 1978, copyright was secured either on the date a work was published or on the date of registration if the work was registered in unpublished form. In either case, the copyright endured for a first term of 28 years from the date it was secured. During the last (28th) year of the first term, the copyright was eligible for renewal. The current copyright law has extended the renewal term from 28 to 47 years for copyrights that were subsisting on January 1, 1978, making these works eligible for a total term of protection of 75 years.

Public Law 102-307, enacted on June 26, 1992, amended the Copyright Act of 1976 to extend automatically the term of copyrights secured from January 1, 1964, through December 31, 1977 to the further term of 47 years and increased the filing fee from

\$12 to \$20. This fee increase applies to all renewal applications filed on or after June 29, 1992.

P.L. 102-307 makes renewal registration optional. There is no need to make the renewal filing in order to extend the original 28-year copyright term to the full 75 years. However, some benefits accrue to making a renewal registration during the 28th year of the original term.

For more detailed information on the copyright term, write to the Copyright Office and request Circulars 15, 15a, and 15t. For information on how to search the Copyright Office records concerning the copyright status of a work, request Circular 22.

[U.S. Copyright Office, <http://lcweb.loc.gov/copyright/circs/circ01.htm#wci>].

10. "Transfer of Copyright" The U.S. Copyright Office Web site provides the following information regarding the transfer of copyright rights.

Any or all of the exclusive rights, or any subdivision of those rights, of the copyright owner may be transferred, but the transfer of exclusive rights is not valid unless that transfer is in writing and signed by the owner of the rights conveyed (or such owner's duly authorized agent). Transfer of a right on a nonexclusive basis does not require a written agreement.

A copyright may also be conveyed by operation of law and may be bequeathed by will or pass as personal property by the applicable laws of intestate succession.

Copyright is a personal property right, and it is subject to the various state laws and regulations that govern the ownership, inheritance, or transfer of personal property as well as terms of contracts or conduct of business. For information about relevant state laws, consult an attorney.

Transfers of copyright are normally made by contract. The Copyright Office does not have or supply any forms for such transfers. However, the law does provide for the recordation in the Copyright Office of transfers of copyright ownership. Although recordation is not required to make a valid transfer between the parties, it does provide certain legal advantages and may be required to validate the transfer as against third parties. For information on recordation of transfers and other documents related to copyright, request Circular 12.

Termination of Transfers

Under the previous law, the copyright in a work reverted to the author, if living, or if the author was not living, to other specified beneficiaries, provided a renewal claim

was registered in the 28th year of the original term. [The copyright in works eligible for renewal on or after June 26, 1992, will vest in the name of the renewal claimant on the effective date of any renewal registration made during the 28th year of the original term. Otherwise, the renewal copyright will vest in the party entitled to claim renewal as of December 31st of the 28th year.] The present law drops the renewal feature except for works already in the first term of statutory protection when the present law took effect. Instead, the present law permits termination of a grant of rights after 35 years under certain conditions by serving written notice on the transferee within specified time limits.

For works already under statutory copyright protection before 1978, the present law provides a similar right of termination covering the newly added years that extended the former maximum term of the copyright from 56 to 75 years. For further information, request Circulars 15a and 15t.

[U.S. Copyright Office, <http://lcweb.loc.gov/copyright/circs/circ01.htm#wci>].

11. "International Copyright Protection" The U.S. Copyright Office Web site provides the following information regarding international copyright protection.

There is no such thing as an "international copyright" that will automatically protect an author's writings throughout the entire world. Protection against unauthorized use in a particular country depends, basically, on the national laws of that country. However, most countries do offer protection to foreign works under certain conditions, and these conditions have been greatly simplified by international copyright treaties and conventions. For a list of countries which maintain copyright relations with the United States, request Circular 38a.

The United States belongs to both global, multilateral copyright treaties--the Universal Copyright Convention (UCC) and the Berne Convention for the Protection of Literary and Artistic Works. The United States was a founding member of the UCC, which came into force on September 16, 1955. Generally, a work by a national or domiciliary of a country that is a member of the UCC or a work first published in a UCC country may claim protection under the UCC. If the work bears the notice of copyright in the form and position specified by the UCC, this notice will satisfy and substitute for any other formalities a UCC member country would otherwise impose as a condition of copyright. A UCC notice should consist of the symbol accompanied by the name of the copyright proprietor and the year of first publication of the work.

By joining the Berne Convention on March 1, 1989, the United States gained protection for its authors in all member nations of the Berne Union with which the United States formerly had either no copyright relations or had bilateral treaty arrangements. Members of the Berne Union agree to a certain minimum level of copyright protection and agree to treat nationals of other member countries like their

own nationals for purposes of copyright. A work first published in the United States or another Berne Union country (or first published in a non-Berne country, followed by publication within 30 days in a Berne Union country) is eligible for protection in all Berne member countries. There are no special requirements. For information on the legislation implementing the Berne Convention, request Circular 93 from the Copyright Office.

An author who wishes protection for his or her work in a particular country should first find out the extent of protection of foreign works in that country. If possible, this should be done before the work is published anywhere, since protection may often depend on the facts existing at the time of first publication.

If the country in which protection is sought is a party to one of the international copyright conventions, the work may generally be protected by complying with the conditions of the convention. Even if the work cannot be brought under an international convention, protection under the specific provisions of the country's national laws may still be possible. Some countries, however, offer little or no copyright protection for foreign works.

[U.S. Copyright Office, <http://lcweb.loc.gov/copyright/circs/circ01.htm#wci>].

12. Copyright Registration The U.S. Copyright Office Web site provides the following information regarding registering a copyright.

a. Registration Generally.

In general, copyright registration is a legal formality intended to make a public record of the basic facts of a particular copyright. However, except in one specific situation,* registration is not a condition of copyright protection. [*Under sections 405 and 406 of the Copyright Act, copyright registration may be required to preserve a copyright on a work first published before March 1, 1989, that would otherwise be invalidated because the copyright notice was omitted from the published copies or phonorecords, or the name or year was omitted, or certain errors were made in the year date.] Even though registration is not generally a requirement for protection, the copyright law provides several inducements or advantages to encourage copyright owners to make registration. Among these advantages are the following:

Registration establishes a public record of the copyright claim;

Before an infringement suit may be filed in court, registration is necessary for works of U.S. origin and for foreign works not originating in a Berne Union country. (For more information on when a work is of U.S. origin, request Circular 93.);

If made before or within 5 years of publication, registration will establish prima facie evidence in court of the validity of the copyright and of the facts stated in the certificate; and

If registration is made within 3 months after publication of the work or prior to an infringement of the work, statutory damages and attorney's fees will be available to the copyright owner in court actions. Otherwise, only an award of actual damages and profits is available to the copyright owner.

Copyright registration allows the owner of the copyright to record the registration with the U.S. Customs Service for protection against the importation of infringing copies. For additional information, request Publication No. 563 from:

Commissioner of Customs
ATTN: IPR Branch,
Room 2104
U.S. Customs Service
1301 Constitution Avenue, N.W.
Washington, D.C. 20229.

Registration may be made at any time within the life of the copyright. Unlike the law before 1978, when a work has been registered in unpublished form, it is not necessary to make another registration when the work becomes published (although the copyright owner may register the published edition, if desired).

b. Registration Procedures.

In General

A. To register a work, send the following three elements in the same envelope or package to the Register of Copyrights, Copyright Office, Library of Congress, Washington, D.C. 20559: (see "Incomplete Submissions," below, for what happens if the elements are sent separately).

- 1. A properly completed application form;**
- 2. A nonrefundable filing fee of \$20* for each application [*For the fee structure for application Form SE/GROUP and Form G/DN, see the instructions for these forms];**
- 3. A nonreturnable deposit of the work being registered. The deposit requirements vary in particular situations. The general requirements follow. Also note the information under "Special Deposit Requirements" immediately following this section.**

If the work is unpublished, one complete copy or phonorecord.

If the work was first published in the United States on or after January 1, 1978, two complete copies or phonorecords of the best edition.

If the work was first published in the United States before January 1, 1978, two complete copies or phonorecords of the work as first published.

If the work was first published outside the United States, one complete copy or phonorecord of the work as first published.

B. To register a renewal, send:

1. A properly completed RE application form; and
2. A nonrefundable filing fee of \$20 for each work.

NOTE: COMPLETE THE APPLICATION FORM USING BLACK INK PEN OR TYPEWRITER. You may photocopy blank application forms: however, photocopied forms submitted to the Copyright Office must be clear, legible, on a good grade of 8-1/2 inch by 11 inch white paper suitable for automatic feeding through a photocopier. The forms should be printed preferably in black ink, head-to-head (so that when you turn the sheet over, the top of page 2 is directly behind the top of page 1). Forms not meeting these requirements will be returned.

Special Deposit Requirements

Special deposit requirements exist for many types of work. In some instances, only one copy is required for published works, in other instances only identifying material is required, and in still other instances, the deposit requirement may be unique. The following are prominent examples of exceptions to the general deposit requirements:

If the work is a motion picture, the deposit requirement is one complete copy of the unpublished or published motion picture and a separate written description of its contents, such as a continuity, press book, or synopsis.

If the work is a literary, dramatic or musical work published only on phonorecord, the deposit requirement is one complete copy of the phonorecord.

If the work is an unpublished or published computer program, the deposit requirement is one visually perceptible copy in source code of the first and last 25 pages of the program. For a program of fewer than 50 pages, the deposit is a copy of the entire program. (For more information on computer program registration, including deposits for revised programs and provisions for trade secrets, request Circular 61.)

If the work is in a CD-ROM format, the deposit requirement is one complete

copy of the material, that is, the CD-ROM, the operating software, and any manual(s) accompanying it. If the identical work is also available in print or hard copy form, send one complete copy of the print version and one complete copy of the CD-ROM version.

For information about group registration of serials, request Circular 62.

In the case of works reproduced in three-dimensional copies, identifying material such as photographs or drawings is ordinarily required. Other examples of special deposit requirements (but by no means an exhaustive list) include many works of the visual arts, such as greeting cards, toys, fabric, oversized material (request Circular 40a); video games and other machine-readable audiovisual works (request Circular 61 and ML-387); automated databases (request Circular 65); and contributions to collective works.

If you are unsure of the deposit requirement for your work, write or call the Copyright Office and describe the work you wish to register.

Unpublished Collections

A work may be registered in unpublished form as a "collection," with one application and one fee, under the following conditions:

The elements of the collection are assembled in an orderly form;
The combined elements bear a single title identifying the collection as a whole;

The copyright claimant in all the elements and in the collection as a whole is the same; and

All of the elements are by the same author, or, if they are by different authors, at least one of the authors has contributed copyrightable authorship to each element.

An unpublished collection is indexed in the Catalog of Copyright Entries only under the collection title.

[U.S. Copyright Office, <http://lcweb.loc.gov/copyright/circs/circ01.htm#wci>].

C. "Corrections and Amplifications of Existing Registrations"

To correct an error in a copyright registration or to amplify the information given in a registration, file a supplementary registration form--Form CA--with the Copyright Office. The information in a supplementary registration augments but does not

supersede that contained in the earlier registration. Note also that a supplementary registration is not a substitute for an original registration, for a renewal registration, or for recording a transfer of ownership. For further information about supplementary registration, request Circular 8.

[U.S. Copyright Office, <http://lcweb.loc.gov/copyright/circs/circ01.htm#wci>].

D. "Mandatory Deposit for Works Published in the United States"

Although a copyright registration is not required, the Copyright Act establishes a mandatory deposit requirement for works published in the United States (see definition of "publication," above). In general, the owner of copyright or the owner of the exclusive right of publication in the work has a legal obligation to deposit in the Copyright Office, within 3 months of publication in the United States, 2 copies (or in the case of sound recordings, 2 phonorecords) for the use of the Library of Congress. Failure to make the deposit can result in fines and other penalties but does not affect copyright protection.

Certain categories of works are exempt entirely from the mandatory deposit requirements, and the obligation is reduced for certain other categories. For further information about mandatory deposit, request Circular 7d.

[U.S. Copyright Office, <http://lcweb.loc.gov/copyright/circs/circ01.htm#wci>].

E. "Use of Mandatory Deposit to Satisfy Registration Requirements"

For works published in the United States the Copyright Act contains a provision under which a single deposit can be made to satisfy both the deposit requirements for the Library and the registration requirements. In order to have this dual effect, the copies or phonorecords must be accompanied by the prescribed application and filing fee.

[U.S. Copyright Office, <http://lcweb.loc.gov/copyright/circs/circ01.htm#wci>].

F. "Who May File an Application Form"

The following persons are legally entitled to submit an application form:

The author. This is either the person who actually created the work, or, if the work was made for hire, the employer or other person for whom the work was prepared.

The copyright claimant. The copyright claimant is defined in Copyright Office regulations as either the author of the work or a person or organization that has obtained ownership of all the rights under the copyright initially belonging to the author. This category includes a person or organization who has obtained by contract

the right to claim legal title to the copyright in an application for copyright registration.

The owner of exclusive right(s). Under the law, any of the exclusive rights that go to make up a copyright and any subdivision of them can be transferred and owned separately, even though the transfer may be limited in time or place of effect. The term "copyright owner" with respect to any one of the exclusive rights contained in a copyright refers to the owner of that particular right. Any owner of an exclusive right may apply for registration of a claim in the work.

The duly authorized agent of such author, other copyright claimant, or owner of exclusive right(s). Any person authorized to act on behalf of the author, other copyright claimant, or owner of exclusive rights may apply for registration.

There is no requirement that applications be prepared or filed by an attorney.

[U.S. Copyright Office, <http://lcweb.loc.gov/copyright/circs/circ01.htm#wci>].

G. "Effective Date of Registration"

A copyright registration is effective on the date the Copyright Office receives all of the required elements in acceptable form, regardless of how long it then takes to process the application and mail the certificate of registration. The time the Copyright Office requires to process an application varies, depending on the amount of material the Office is receiving and the personnel available. Keep in mind that it may take a number of days for mailed material to reach the Copyright Office and for the certificate of registration to reach the recipient after being mailed by the Copyright Office.

If you are filing an application for copyright registration in the Copyright Office, you will not receive an acknowledgment that your application has been received, but you can expect:

A letter or telephone call from a Copyright Office staff member if further information is needed; A certificate of registration to indicate the work has been registered; or If registration cannot be made, a letter explaining why it has been refused.

Please allow 120 days to receive a letter or certificate of registration.

If you want to know when the Copyright Office receives your material, you should send it by registered or certified mail and request a return receipt from the post office. Allow at least 3 weeks for the return of your receipt.

[U.S. Copyright Office, <http://lcweb.loc.gov/copyright/circs/circ01.htm#wci>].

H. "Search of Copyright Office Records"

The records of the Copyright Office are open for inspection and searching by the public. Moreover, on request, the Copyright Office will search its records at the statutory rate of \$20 for each hour or fraction of an hour. For information on searching the Office records concerning the copyright status or ownership of a work, request Circulars 22 and 23. Records from 1978 may be searched via the Internet. For access, see below.

Copyright Office * Library of Congress * Washington, D.C. 20559-6000

3/28/96

[U.S. Copyright Office, <http://lcweb.loc.gov/copyright/circs/circ01.htm#wci>].

VI. CONDUCTING COPYRIGHT SEARCHES The U.S. Copyright Office has published Circular 22, "How to Investigate the Copyright Status of a Work." That publication is available on the World Wide Web at <<ftp://ftp.loc.gov/pub/copyright/circs/circ22>>. The U.S. Copyright Office also says that "[w]e will conduct a search of our records by the title of a work, an author's name, or a claimant's name. The search fee is \$20 per hour. You may also search the records in person without paying a fee." *Questions Frequently Asked in the Copyright Office Public Information Section*, <http://lcweb.loc.gov/copyright/faq.html>.

VII. DO FEDERAL PATENT AND COPYRIGHT LAW PREEMPT? A pertinent question to ask would be whether the federal law governing intellectual property rights preempts state marital property law or divorce law, so that intellectual property rights are not subject to divestiture on divorce.

Professor Nimmer says that federal copyright law does preempt community property law. *Nimmer on Copyright*, § 6.13[A]. The author of an old article argued to the contrary. Patry, *Copyright and Community Property: The Question of Preemption*, 8 COM. PROP.J. 205 (1981). Various factors contribute to making the issue a hard one. To begin with, the U.S. Constitution affords Congress the power to grant exclusive rights to authors and inventors (no mention made of spouses). U.S. CONST. art. 1, § 8. Secondly, federal law vests title of the copyright in the author, 17 U.S.C. § 201(a); prohibits involuntary transfers of copyrights, 17 U.S.C. 201(e); and grants exclusive rights to the owner of the copyright, 17 U.S.C. § 106. The issue of preemption is thoughtfully analyzed in 2 VALUATION & DISTRIBUTION OF MARITAL PROPERTY § 23.07[3] (Matthew Bender 1997).

In *Allen v. Riley*, 203 U.S. 347, 27 S.Ct. 95, 51 L.Ed. 216 (1906), held that state law regulating the sale of patent rights did not violate the right of Congress to issue patents. In *In re Marriage of Monslow*, 900 P.2d 249 (Kan. App. 1995), the court held that patents acquired by the husband

during marriage were marital assets subject to division. The court noted that federal law treats patents as personal property. *Accord, Worth v. Worth*, 195 Cal. App.3d 768, 241 Cal. Rptr. 135 (1987) (artistic work created during marriage was community property); *Kinchen v. Howes*, 436 So.2d 689 (La. App. 1983). A claim of federal preemption was expressly rejected in *Worth v. Worth*, 195 Cal. App.3d 768, 241 Cal. Rptr. 135 (1987) (rejecting husband's argument that copyright law vests the copyright initially in the author, to the exclusion of the author's spouse). Remember, however, that the U.S. Supreme Court has the last word on the subject, and that court shocked many family lawyers by preempting state community property laws in connection with railroad retirement benefits and military retirement benefits. *See Hisquierdo v. Hisquierdo*, 439 U.S. 572 (1979) (railroad retirement); *McCarty v. McCarty*, 453 U.S. 210 (1981) (military retirement). And the U.S. Supreme Court has not spoken on the issue.

VIII. INCEPTION OF TITLE RULE Marital property in Texas operates under the "inception of title" rule.

A. General Rule In Texas, the characterization of property as either "community" or "separate" is determined by the inception of title to the property. *Smith v. Buss*, 135 Tex. 566, 144 S.W.2d 529, 532 (1940); *Carter v. Carter*, 736 S.W.2d 775, 779 (Tex. App.--Houston [14th Dist.] 1987, no writ). The major consideration in determining the characterization of property as community or separate is the intention of spouses as shown by the circumstances surrounding the inception of title. *Welder v. Welder*, 794 S.W.2d 420, 427 (Tex. App.--Corpus Christi 1990, no writ). Inception of title occurs when a party first has right of claim to the property by virtue of which title is finally vested. *Saldana v. Saldana*, 791 S.W.2d 316, 319 (Tex. App.--Corpus Christi 1990, no writ) (citing *Strong v. Garrett*, 148 Tex. 265, 224 S.W.2d 471 (1949)).

B. Pattern Jury Charge PJC 202-1 implements the inception of title rule, when it says:

A spouse's separate property consists of . . . the property owned or claimed by the spouse before marriage

C. Inception of Title For Patents There is an excellent discussion of inception of title of IP rights in 2 VALUATION & DISTRIBUTION OF MARITAL PROPERTY § 23.07[2] (Matthew Bender 1997), and the following discussion in this article tracks that. Determining when inception of title occurs for a patented process or invention is a challenge.

There are loosely-speaking at least four stages in the life of an invention and its protection. The first stage is that of invention itself -- reaching the point where the inventor has, at least in his mind, embellished the basic "idea" or "concept" for an machine, apparatus, process, etc. with sufficient detail to enable him to make and use an embodiment of the invention (i.e. carry out the invention by building the machine, carrying out the process, etc.). Envisioning a "black box" which performs a specific function (even a never before known function), without the knowledge to make and use the box does not amount to invention. The second stage typically involves research into the likely patentability of the invention. Regardless of the innocence or

independence with which an inventor conceives an invention, certain circumstances (investigated in the patent search) may bar patent protection. These circumstances include prior patenting by a third party, public use of a product, process, etc. which incorporates the invention, description of the invention in any written publication, and many other forms of "barring events"). The third and fourth stages involve, respectively, the patent application process and the patent grant.

Another stage, which may or may not precede issuance of a patent is that of reduction to practice. Reducing an invention to practice is the process of actually building the invented machine or apparatus or carrying out the invented process. It is no longer necessary to actually reduce an invention to practice in order to be entitled to a patent. Rather, a valid patent may issue with the inventor having never carried out his invention, but merely provided sufficient information in his patent application to enable a person reasonably skilled in the relevant field of technology to make and use an embodiment of the invention without undue experimentation.

The effective date of a patent, and, therefore, the inception of the right to exclude others from practicing the covered invention, is the date the patent is issued. *Woodbridge v. U.S.*, 263 U.S. 50 (1923). Thus, if a patent is issued to an inventor during marriage, the patent is property acquired during marriage, and thus is arguably community property. However, once the patent is applied for, the process of invention or discovery has ended. Therefore, a marriage between the date the patent is applied for and the date it is granted arguably would not cause the eventual patent to be received as community property. Should the argument be carried further back in the life cycle of an invention? Would the completed act of invention prior to marriage insulate any resulting patent from community property claims?

Section 101 of The Patent Act (35 U.S.C. §101) provides:

Whoever invents or discovers any new and useful process, machine ... may obtain a patent therefor, subject to the conditions and requirements of this title.

Section 102 of The Patent Act (35 U.S.C. §102) begins with the language "A person shall be entitled to a patent unless --", and follows with requirements relating to lack of prior public disclosure or use, prior patenting, etc.

Taking these two sections together, it is clear that a person's entitlement to patent protection, if it exists, is the result of a qualifying act of invention, not of initiating or even completing the application process. Applying for patent protection, then, may be viewed as merely the process by which the inventor perfects the right he already has by virtue of invention to receive patent protection. Thus, does the inventor have a property right immediately at the time of invention which is sufficient to constitute inception of title? Or, is the act of invention to be relegated only to bearing on who, between competing inventors, invented first, and is, therefore, entitled to the patent protection for a twice-invented invention?

In sorting this out, it helps to remember the distinctions between an invention, the patent which covers the invention, and any physical embodiment of the invention (often mistakenly referred to as "the invention"). The invention is the detailed concept the practice of which is to assemble a conceived machine or composition, or to practice the conceived process. A patent is the intangible right to prohibit other persons from practicing the underlying invention (making, selling or using any embodiment of any invention which teaches a new, useful, and unobvious machine, composition, or process for a period of years.)

Ownership of an invention and ownership of the related patent, if any, are logically inseparable. Without a patent, one has little, if any, control over others' exploitation of an invention -- the general rule of free enterprise applies, and allows all to use any lawfully obtained information to make products in competition with others. Conversely, without an invention, there can be no patent. Thus, it appears quite reasonable to argue that the act of invention constitutes an inception of title to the invention and the inseparably linked patent protection which may arise from the invention.

There is no such inseparable link between ownership of inventions and related patents and property rights in the tangible machines, apparatuses, or chemical compositions which result from practicing the inventions. For example, most consumers own outright numerous "patented products" which were built by, or under license from third party patentees, but have no claim whatsoever to the underlying invention or patent. It logically follows that a married inventor who practices his invention by building one or more machines has unquestionably created community property assets -- the machine(s). This is true regardless of when the invention occurred, the patent application was filed, or when the patent issues/issued. It does not necessarily follow that ownership of a patent which protects the invention embodied in the machine(s) is community property, if the invention occurred prior to marriage.

If an inventor marries after an act of invention but before the patent is issued, can it be argued that there was, prior to the marriage, an inception of title in whatever property right can be owned with respect to an invention (a patent directed to that invention)? Similar questions can be asked as to work occurring during marriage that leads to a patent after divorce. And when a discovery occurs during marriage based on years of investigation prior to marriage, is some time apportionment approach or value-contributed apportionment approach fitting?

Is the controlling event the issuance of the patent, or applying for the patent, or the time of the discovery or reduction to practice? Note that the patent is awarded to the first person to conceive and diligently reduce to practice a particular invention. So arguably the right to the patent arises at that time, and not when the patent application is filed or is granted. Is that "inception of title"?

Read the following description of the importance of lab notes, and the rights that sometime attach to the event of discovery, which predates the filing for a patent. The description is taken from the WWW site of *Oppedahl & Larson* law firm, <http://www.patents.com/patents.sht#note> books.

Laboratory notebooks are important for several reasons. In the U.S., if two applicants are seeking a patent on the same invention, the patent is not necessarily awarded to the one who filed first, but is sometimes instead awarded to the one who was the first to invent. Establishing priority of invention often depends on such documentation as laboratory notebooks. An inventor who fails to keep a laboratory notebook runs the risk of having difficulty establishing the date on which the invention was made, and thus may lose out in a priority contest with another inventor.

Id. at <http://www.patents.com/patents.sht#notebooks>.

In *Dunn v. Dunn*, 802 P.2d 1314 (Utah App. 1990), the inventor-spouse argued that the development of instruments invented and patented during marriage "came as a result of twenty-six years of education and training, most of which predated the marriage. He implie[d] that since all of the necessary knowledge, skill and experience was not acquired during the marriage, Mrs. Dunn should not share in the resulting profits." *Id.* at 1318-19. Dr. Dunn's contention was rejected by the appellate court as being "without basis in law or in equity." *Id.* at 1319. The Utah court applied the principle that the right to future income is a marital asset "where that right is derived from efforts or products produced during the marriage." *Id.* at 1318.

A similar decision occurred in *Kinchen v. Howes*, 436 So.2d 689 (La. App. 1983), where the husband supposedly "sold" a patent during marriage and "bought" it back after the divorce, and then licensed the patent in exchange for royalties. Because husband worked on the invention for four years during marriage, and the patent was issued during marriage, the IP was community property, and wife was awarded a one-half interest in the device and patent. Further, the licensee was enjoined from paying husband royalties unless it also paid the same amount to wife. *Id.* at 692.

D. Inception of Title For Copyrights

1. What Kinds of Property Are Protected? The U.S. Copyright Office says that "[c]opyright, a form of intellectual property law, protects original works of authorship including literary, dramatic, musical, and artistic works such as poetry, novels, movies, songs, computer software and architecture." *Questions Frequently Asked in the Copyright Office Public Information Section*, <http://lcweb.loc.gov/copyright/faq.html>. If you have such a work, at what point does the copyright arise?

2. The Author Owns the Copyright "Under the copyright law, the creator of the original expression in a work is its author. The author is also the owner of copyright unless there is a written agreement by which the author assigns the copyright to another person or entity such as a publisher. In cases of works made for hire (see Circular 9), the employer or commissioning party is considered to be the author." *Questions Frequently Asked in the Copyright Office Public Information Section*, <http://lcweb.loc.gov/copyright/faq.html>. Thus, when the spouse is the author of a work, the spouse is the owner of the copyright unless the copyright has been assigned to someone else.

3. When Does the Copyright Arise? The U.S. Copyright Office says that "[y]our work is under copyright protection the moment it is created and fixed in a tangible form so that it is perceptible either directly or with the aid of a machine or device." *Questions Frequently Asked in the Copyright Office Public Information Section*, <http://lcweb.loc.gov/copyright/faq.html>.

This suggests that inception of title to the copyright arises at the time the work becomes tangible. The mere idea in the head is not protected by copyright. And the mere idea spoken but not written or recorded is not protected by copyright.

What happens when a work is in process and on paper prior to marriage, but is completed during marriage? Federal law recognizes a copyright in partial work prepared over a period of time. 17 U.S.C. § 101. Can a work be partially separate property and partially community property, with the court having to allocate value between the preliminary drafts versus the final version? Who is capable of making that distinction? Is the idea for the characters and plot more or less important than the words used? What if the manuscript is written before marriage but edited and finalized during marriage? What if the book is written and copyrighted prior to marriage, but during marriage the spouse sells the rights to turn the book into a movie? In such an instance, the copyright that is assigned to the moviemaker existed prior to marriage. Are the royalties received from the movie deal separate property like oil and gas income, or are they community income earned on a separate property asset? Or is there some kind of tracing of separate property wealth through changes in form (book to movie)? See the discussion in 2 VALUATION & DISTRIBUTION OF MARITAL PROPERTY § 23.07[2] (Matthew Bender 1997).

4. Distinguish the Work From the Copyright Remember that "[m]ere ownership of a book, manuscript, painting, or any other copy or phonorecord does not give the possessor the copyright. The law provides that transfer of ownership of any material object that embodies a protected work does not of itself convey any rights in the copyright." *Circular 1*, "Copyright Basics," <http://lcweb.loc.gov/copyright/circs/circ01.html#wcc>.

Question: If the idea is fashioned mentally during marriage, but is not made tangible until after divorce, is the copyright the author's separate property or community property? *See DeMarco v. Stewart*, 691 P.2d 801 (Idaho App. 1984) (tinkering and drawing at home during marriage not sufficient to make post-divorce patent community property).

It is possible for a work to have value, separate and apart from the copyright. That would be the case with the original manuscript of a famous author. The manuscript has value, completely apart from the value of the copyright. The same is true of a famous painting. Thus, the physical object and the right to sell copies of the object are different. The case of *Worth v. Worth*, 195 Cal. App.3d 768, 241 Cal. Rptr. 135 (1987), noted the distinction between the work and the copyright, and held that "a copyright on a literary work produced during the marriage is as much a divisible asset as the underlying artistic creation itself."

E. Inception of Title for Trademarks The issue with trademarks is clouded by the evanescence of the concept of trademarks. Not all marks are created equally, and ownership rights arise at differing times with respect to marks of differing categories. It should be noted that the mere conception of a trademark, without use, affords no ownership rights in a mark, regardless of its classification.

Immediately protectable marks are those which are categorized as "coined", "fanciful" or "arbitrary." The mere use of such marks, if not previously used by others, immediately creates trademark rights in the user (at least in the geographic area of actual use). Exxon®, Ivory® (when used for soap), and Apple® (for computers) are examples of such marks. These marks either lack any known definition, or lack any objective, logical link to the goods or services whose sources they presumptively connote in the minds of consumers. The date of first use for a coined, fanciful, or arbitrary marks can usually be ascertained, and correlated to the date of marriage or date of divorce. The characterization of rights in a coined, fanciful or arbitrary mark might, therefore, appear simple -- such a mark which is first used prior to marriage would appear to be separate property, whereas if used during marriage would be community property. However, trademark ownership is not an all or nothing proposition. One may own a mark for differing products or services at different times, may own rights in changing geographic regions, and may hold, at different times, mere common law rights or rights enhanced through registration with one of the state registration systems, or with the U.S. Patent & Trademark Office.

Common law rights in a coined, fanciful or arbitrary mark do arise immediately upon use (provided no one else has previously established rights in that mark, or a mark which is confusingly similar). However, common law rights only extend throughout the geographic areas of actual use, and only beyond those areas so far as is reasonably necessary to prevent a likelihood of confusion in the minds of consumers as to source, sponsorship, approval, or affiliation of the subject goods or services. Registration of a mark typically expands the presumptive rights of exclusivity to the borders of the issuing political entity (for a state registration -- to the borders of the state, and for a federal registration -- to the borders of the United States). If a coined, fanciful, or arbitrary mark is first used before marriage, but federally registered after marriage, are the common law rights in the limited geographic area of actual use separate property, and the expanded rights under the federal registration community property? The issue becomes even more complicated when one considers that a trademark or service mark registration enhances even existing common law rights with favorable legal presumptions and enhanced remedies for infringement. Do these added rights, if arising from a during-marriage registration of a mark developed prior to marriage convert all rights in the mark to community property?

These issues become even more complicated when dealing with other than coined, fanciful or arbitrary marks. Descriptive trademarks, such as "Joe's Bar" (the example used in the Matthew Bender book mentioned above) are protectable only when a secondary meaning has arisen in the public mind so that the trademark clearly suggests an exclusive source of the goods or services, rather than merely identifying the goods or services themselves. It would be difficult to prove,

later in time, just when a secondary meaning arose and, therefore, when rights in the mark first arose. Thus, a community presumption might cause the trademark to become a community asset, even though some use of the mark occurred prior to marriage. As with coined, fanciful or arbitrary marks, rights in descriptive marks with associated secondary meaning are enhanced through registration, a fact that further complicates the analysis.

A concern which is common to all trademark rights relates to the allowance, if any, which should be made for a trademark rights that existed prior to marriage but which increased in value during marriage, other than as clearly affected through registration (perhaps due to the investment of community funds in advertising, geographic expansion of use without associated registration, frown of product or service categories offered under the mark, etc.)? Is there a reimbursement claim in favor of the community estate? And what if the area in which the trademark operates is expanded during marriage, such as by the business expanding into new markets? Does the value of the trademark in respect of those new markets belong to the owner of the trademark in the old markets, or is the value something created during marriage that belongs to the community estate? See the discussion in 2 VALUATION & DISTRIBUTION OF MARITAL PROPERTY § 23.07[2] (Matthew Bender 1997), for more unanswered questions on the subject.

The issues raised here are questions which remain unanswered in the caselaw. Perhaps, however, merely being aware of the issues will be helpful to practitioners faced with dividing community from separate property assets which include trademark rights.

IX. ACQUISITION DURING MARRIAGE OF IP RIGHTS BY NON-AUTHOR The earlier discussions are from the point-of-view of the author or creator who originally owns the IP rights to work or invention. What about spouses who acquire IP rights by purchase during marriage?

The case of *Frankenheimer v. Frankenheimer*, 231 Cal. App. 2d 101, 41 Cal. Rptr. 636 (1964), involved the question of whether the husband acquired rights in a movie deal as community property. The evidence showed that negotiations for the husband to get into the movie version of "Seven Days in May" occurred during marriage, but the deal actually closed after the community estate ended. Wife later sued, claiming a one-half interest in motion picture rights. The trial court ruled against the wife. The appellate court found the evidence to adequately support the trial court's decision. For example, an attorney involved testified that he had handled over 1,000 movie deals and that there was no legally enforceable agreement between the husband and the authors and publishers until after the community estate ended. *Id.* at 107. Additionally, the original draft agreement which had been unsigned during marriage went through numerous changes before it was finalized and signed. The court found that the parties intended that no contract would exist between them until the terms of the agreement were reduced to writing and signed. *Id.* at 108. Wife's contention that husband breached his fiduciary obligation by failing to disclose his negotiations at the time of the property division was refuted by evidence that he fully disclosed those matters to her. *Id.* at 110-111.

Another cases on a similar subject is *Zaentz v. Zaentz*, 218 Cal. App. 3d 154, 267 Cal. Rptr. 31 (Cal. App. 1990). There the husband was the producer of the Academy Award-winning movie "Amadeus." The trial court allocated \$ 600,000 to the community as compensation for husband's production and financial contributions to the movie. *Id.* at 157. The contractual rights to the movie were owned by husband's separate property corporation. The appellate court noted:

It is no hyperbole to describe the relevant financial history as a circuitous journey through a labyrinth of interlocking and interrelated corporate entities, family trusts and closely owned holding companies.

Id. at 160. Wife's movie business expert testified that "*mere ownership rights in a project (held by [husband's corporation]) did not determine entitlement to the income stream.*" The expert suggested that husband was undercompensated for his contributions to the movie, which was perhaps attributable to "an elaborate interlocking arrangement of offshore trusts [which] could be used to hide profits in order to avoid taxes." *Id.* at 161. The appellate court commented:

Whether or not the movie was completed and receiving income at the time of separation, the time and artistic energies expended occurred in some appreciable degree during the marriage. Husband devoted the better part of two years during the marriage working only on the production of "Amadeus." Thus, the community would be entitled to at least an equitable portion of the income generated as a result thereof.

Id. at 164.

X. VALUATION OF IP RIGHTS Basically the value of an intellectual property right relates to the income that can be generated from that right. This will involve projections of future income, discount rates, etc. Complications arise if a spouse is required to invest post-divorce labor or money into keeping the asset productive (such as by doing booksignings, giving lectures, appearing on the *Tonight Show*, etc.) A brief and not too helpful consideration of the topic exists in Goldberg, VALUATION OF DIVORCE ASSETS § 12.6 (West 1984).

XI. DIVISION OF IP RIGHTS IP rights can be divided as any other intangible rights are divided upon divorce. If the value of the IP rights can be determined, the trial court can award the IP rights to one spouse and offsetting property to the other spouse. However, in some instances it might be very difficult to ascribe a value to IP rights, so that the award of such rights to a particular spouse runs the risk of later creating an injustice. In that situation, the trial court could divide the IP rights, or income from those rights, in kind, so that each spouse will participate in whatever fruits arise from the asset.

In some instances, it will require the investment of post-divorce time or money to develop the value of a patent or copyright. That post-divorce contribution should be taken into account in making the property division. See *Hazard v. Hazard*, 833 S.W.2d 911 (Tenn. App. 1991) (medical tool kit created by husband during marriage had value, even though it required further

refinement to be marketable; not error to award wife 20% in post-divorce proceeds from sale of the property); *see also Allen v. Allen*, 601 P.2d 760 (Okla. App. 1979) (trial court reversed for awarding the wife a one-half interest in patents obtained by the husband during marriage, without also requiring the wife to help pay for debts created in an effort to exploit the patents). In Texas, you might be dealing with a right of reimbursement to the separate estate for the value added by post-divorce labors and money.

It should be noted that any owner of a patent or copyright is free to license the patent or copyright. Consequently, when both spouses own an interest in a patent or copyright, either can license it. Since the value of the patent or copyright results from the licensee having an exclusive right to exploit the work, invention or discovery, having both spouses free to license the work, invention or discovery will deprive each spouse's interest in the IP of much of the value. *See generally Sullivan v. Rule*, No. 81-1217-MA (U.S. Dist. Ct. Mass. 1981) [available on Lexis] (agreed divorce divided interest in patent, but made former husband exclusive agent for licensing the invention; former husband's suit in federal court, to stop former wife from using the patented process to manufacture and sell competing products, was dismissed as being a state law issue, not a federal law issue).

XII. IP REVENUES: SEPARATE OR COMMUNITY? An issue can arise as to whether income received during marriage from the pre-marital licensing of a separate property intellectual property right is separate or community property. An analogous question arises for post-divorce income derived from an intellectual property right arising during marriage. And an issue can arise about payments that are not royalty payments, but still are related to work done during marriage.

If royalty income arises from separate property mineral interests, the royalty income is separate property. *Norris v. Vaughan*, 152 Tex. 491, 260 S.W.2d 676, 679 (1953) (this is so because a royalty payment is for the extraction or waste of the separate estate, as opposed to income from the separate estate); *Welder v. Welder*, 794 S.W.2d 420, 425 (Tex. App.--Corpus Christi 1990, no writ). Does the same rule apply to royalty income derived from IP rights? What if the royalty-owning spouse is required to perform services in connection with the royalty agreement. *See Dunn v. Dunn*, 802 P.2d 1314 (Utah App. 1990) (post-divorce royalty income from one licensing agreement relating to an invention patented during marriage was community property; royalty income from other licensing agreement was partially non-marital since license agreement required husband to perform personal services after the divorce).

In *In re Marriage of Heinze*, 631 N.E.2d 728 (Ill. App. 1994), at issue were post-divorce book royalties. Wife wrote the books and signed the royalty contracts during marriage. Wife argued that future sales would be enhanced by her post-divorce participation in workshops and giving speeches. The appellate court analogized the royalty payments to future pension payments, as opposed to future fees for work done after divorce. The court said:

In this case, the contract right to the future book royalties for the four books was acquired during the marriage. Consequently, similar to pension rights, the future book

royalties are the fruit of the shared enterprise of marriage and should be divided as marital property.

Id. at 731. However, wife's post-divorce speeches, seminars and workshops were seen as contributing to the books sales and royalties, as was wife's continuing to write more books, so that it was appropriate to award wife 75% of the post-divorce royalty income. *Id.* at 731. Question: in Texas, would this be a reimbursement claim against the community estate?

In *Morey v. Morey*, No. 01-A-01-9506-CV-00243 (Tenn. App. Dec. 15, 1995) [1995 Tenn. App. Lexis 813], the husband wrote a book, as work for hire. The husband assigned all copyright and ownership rights to his employer, in exchange for "royalty" payments. Husband argued that since he did not own the copyright, post-divorce payments would be his separate property. The court said:

In the present case, the ownership of the copyright to the book produced by defendant is immaterial. The material fact is that, by his labors during the marriage, defendant acquired a contract right to a percentage of the profits on all future sales of the book. This right was vested during the marriage, and is therefore just as much a part of the marital estate as a salary collected and accumulated in a bank account or other investment during marriage. The only difference is that the amount depends upon the volume of sales of the book.

Id. The court acknowledged the husband's continuing post-divorce duties to maintain acceptance and currency of the book. The court said that "[a]ny part of future royalty payments attributable to such future efforts of defendant should not be included in the marital estate" *Id.*

The case of *Bell v. Moores*, 832 S.W.2d 749, 753 (Tex. App.--Houston [14th Dist.] 1992, writ denied), suggests that royalties earned during marriage for work done during marriage are community property. The case does not resolve what happens once the parties divorced.

XIII. LAW IS STILL DEVELOPING Intellectual property rights cases do not find their way to appellate courts very often. There is, therefore, only a smattering of caselaw on the subject. Texas courts have yet to decide whether an IP right that straddles the start or end of the marriage will be characterized on a time-allocated basis, comparative-contribution-of-money basis, or under the inception of title rule with a reimbursement right for value contributed by the non-owing marital estate. If the inception of title rule applies, when does title to an IP right incept? Also unresolved is whether the royalty payments and other income from a separate property IP right is received as community property during the marriage. Perhaps in time we will have clearer answers to these questions.