

MUTANT COPYRIGHTS AND BACKDOOR PATENTS: THE PROBLEM OF OVERLAPPING INTELLECTUAL PROPERTY PROTECTION

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TABLE OF CONTENTS

I.	INTRODUCTION	1474
II.	FEDERAL INTELLECTUAL PROPERTY POLICY AND ITS JUSTIFICATIONS	1478
	A. The Patent Bargain	1483
	B. The Copyright Bargain	1485
	C. Trademark Law	1488
III.	THE EXPANSION OF INTELLECTUAL PROPERTY RIGHTS AND THE EMERGENCE OF OVERLAPPING PROTECTION	1489
	A. Expansion of Intellectual Property Rights	1489
	1. Patent Law	1490
	2. Copyright Law	1491
	3. Trademark Law	1494
	B. Reasons For the Expansion of Intellectual Property Rights	1496
	C. Overlapping Intellectual Property Protection	1499
	1. The Patent/Copyright Overlap	1500
	a) The Channeling Rules	1500
	b) Computer Software and Mask Works: A Case Study in Overlapping Patent and Copyright Protection	1501
	2. The Patent/Trademark Overlap	1504
	3. The Copyright/Trademark Overlap	1505
	a) The Channeling Rules	1505
	b) Characters: A Case Study in Overlapping Trademark and Copyright Protection	1506
	c) Overlap by Design or Overlap by Accident?	1510
	4. The Patent/Copyright/Trademark Overlap	1511
IV.	THE PROBLEM OF OVERLAPPING PROTECTION	1512
	A. The Problems with the Patent/Copyright Overlap	1512
	B. The Problems with the Copyright/Trademark Overlap	1515
	C. The Problems with the Design Patent/Copyright/Trademark Overlap	1518
	D. Overlapping Protection Is an Overarching Problem	1520
V.	THE GAPS IN THE DOCTRINE	1520
	A. The Existing Doctrine	1520
	1. The Mutant Copyright	1521

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2.	<i>The Backdoor Patent</i>	1523
B.	The Gaps in the Doctrine.....	1524
1.	<i>The Absence of Doctrine in the Patent/Copyright Context</i>	1525
2.	<i>The Doctrinal Gap in the Copyright/Trademark Context</i>	1525
a)	<i>Wal-Mart Stores, Inc. v. Samara Bros.</i>	1527
b)	The Lower Courts.....	1527
3.	<i>The Doctrinal Gap in the Design Patent/Copyright/Trademark Context</i>	1530
VI.	CONCLUSION	1530

I. INTRODUCTION

Mickey Mouse and Peter Rabbit are both victim and villain in this story. The story involves the expansion of intellectual property rights in the United States over the last half century and the ways in which federal intellectual property rights have, in certain circumstances, begun to overlap and provide simultaneous or sequential protection for some inventive and creative works. For example, both copyright law and trademark law now protect Mickey Mouse and Peter Rabbit.¹

Overlapping copyright and trademark protection for these two characters not only means that their creators receive all the benefits flowing from both the copyright regime and the trademark system, but it also means that many of the benefits that would otherwise flow to the public—to consumers, competitors, later creators, and the public domain—are withheld. In the case of Mickey and Peter, these public benefits include the “right to copy” the work once the copyright has expired,² the right to make fair use of the copyrighted work,³ and the right of independent creation.⁴ While these benefits would otherwise be available under the Copyright Act, trademark law does not provide similar benefits to the public and may deprive the public of these benefits when both forms of protection are avail-

1. *See* *Walt Disney Co. v. Powell*, 698 F. Supp. 10, 11 (D.D.C. 1988) (concerning Disney’s copyright and trade dress claims regarding the graphic depiction of Mickey Mouse against souvenir vendor); *Frederick Warne & Co. v. Book Sales, Inc.*, 481 F. Supp. 1191, 1195 (S.D.N.Y. 1979) (concerning Frederick Warne’s trademark action regarding drawings of Peter Rabbit and other characters). Peter Rabbit was protected by a now expired copyright and is now a trademark of the Frederick Warne Publishing Company.

2. *See* Margreth Barrett, *Trade Dress Protection for Product Configurations and the Federal Right to Copy*, 20 HASTINGS COMM. & ENT. L.J. 471, 472 (1998) (describing the federal right to copy “as a byproduct of the patent and copyright laws”).

3. 17 U.S.C. § 107 (2000).

4. There is no liability under copyright law for independent creation of a work that is identical or substantially similar to a copyrighted work. *See, e.g., Arnstein v. Porter*, 154 F.2d 464 (2d Cir. 1946) (holding that a plaintiff in a copyright action must prove copying).

able. Thus, Mickey and Peter are villains, disrupting the copyright bargain, confusing the incentive structure established by Congress, and remaining out of reach for use by others. They should also be seen as victims, however; they both remain beholden to and restricted by their creators. They must remain the mouthpiece for the Walt Disney Co. and the Frederick Warne & Co., unable to work for others or to comment upon the conditions of their confinement.⁵

The problems posed by overlapping protection are not confined to the protection of cartoon characters or to the copyright/trademark overlap. Overlapping intellectual property protection has emerged in a variety of contexts, mainly by accretion rather than design. Historically, patent, copyright, and trademark law protected very different types of works; the three areas of law occupied three separate realms and there was little or no overlap between them. When questions of overlapping protection did arise, channeling doctrines—doctrines that served to distinguish between patent, copyright, and trademark subject matter—developed to maintain the boundaries. Although the lines between the three areas may not have been perfectly drawn, it was generally understood that for any particular creative or inventive work only one type of protection (at most) was available.

Over time, some of these distinctions have eroded. As the scope of intellectual property protection has expanded, the owners of intellectual property have pressed for, and in most cases received, greater protections. This outward pressure has resulted in the availability of multiple forms of protection for certain works. The Supreme Court has noted some of the problems posed by overlapping intellectual property protection. In *Dastar Corp. v. Twentieth Century Fox Film Corp.*, the Court rejected the plaintiff's claim for overlapping protection.⁶ The plaintiff sought trademark protection for its World War II video series that had been, but was no longer, protected by a copyright.⁷ The Court denied the trademark claim, in part because allowing trademark protection in this case would conflict with copyright law, creating a “species of perpetual . . . copyright, which Congress may not do.”⁸ The Court termed this perpetual protection a “mutant” copyright and held that to permit trademark protection following the

5. See Jesse Walker, *Mickey Mouse Clubbed* (Jan. 17, 2003), Reason Online, at http://reason.com/_links/links011703.shtml (containing a fictional interview with Mickey Mouse in which he expresses a desire to escape Disney's control and speak his mind).

6. 539 U.S. 23 (2003).

7. *Id.*

8. *Id.* at 37.

expiration of a copyright would infringe upon the public's "right to copy" an expired copyright.⁹

Similarly, in *TrafFix Devices, Inc. v. Marketing Displays, Inc.*, the Court rejected a request to use trademark law to, in effect, extend a patent past its expiration.¹⁰ Again, the Court upheld the public's "right to copy"—this time in the patent context. An attempt to gain additional protections for an item that falls within the subject matter of patent law may be termed a "backdoor patent."¹¹

Both mutant copyrights and backdoor patents arise in a variety of situations that the Court has not addressed. Further, the Court's doctrine is both incomplete and flawed when viewed in the larger context of overlapping protection. The Court has failed to address the situation in which well-established trademark rights have developed before the expiration of a copyright or a patent. The doctrine also does not take account of the challenges to the intellectual property system that arise during the period of concurrent protection. In fact, the availability of overlapping intellectual property protection in all of its forms presents a serious threat to the goals and purposes of federal intellectual property policy and must be addressed as a single issue.¹² Neither the Court nor Congress has adequately addressed the problem of overlapping protection.

Federal patent and copyright law is based primarily upon a utilitarian theory. The Constitution contains a patent and copyright clause, granting to Congress the authority "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."¹³ Pursuant to this grant, Congress has passed numerous statutes creating copyright and patent rights, in each case attempting to achieve a balance between the rights

9. *Id.* at 34.

10. 532 U.S. 23 (2001).

11. See Mathias Strasser, *The Rational Basis of Trademark Protection Revisited: Putting the Dilution Doctrine Into Context*, 10 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 375, 428 (2000). This has also been referred to as "patent smuggling." See Gerard Magliocca, *Ornamental Design and Incremental Innovation*, 86 MARQ. L. REV. 845, 855 (2003) (describing patent smuggling as an effort to "dodge the patent process" by obtaining another form of protection).

12. Federal intellectual property law includes patent law, copyright law, and trademark law. Copyright and patent policy differ markedly from the policies underlying trademark law, however. Trademark law is derived from a different source of Congressional power—the commerce clause rather than the intellectual property clause—and trademark law is based on a different set of principles and policies. See *infra* Part II.C.

13. U.S. CONST. art. I, § 8, cl. 8.

granted to the creators and inventors and the benefits to the public, and in each case attempting to provide a sufficient incentive for the production of new works.¹⁴ Because monopolies historically have been disfavored, the grant of patent and copyright rights has been viewed as a compromise of sorts.¹⁵ Intellectual property rights are not absolute (and, in fact, are not monopolies in the modern sense), but neither is there a perfectly free market in new books and devices. Instead, the American system falls somewhere in between: we grant rights for limited times and with a variety of limitations on exclusive use. Thus, for example, the patent bargain is intended to spur the invention of new and useful machines, processes, and products while still providing some benefits to competitors, consumers, and the public.¹⁶ Congress and the courts have tinkered with this bargain over the years, attempting to achieve the desired balance. Likewise, the copyright bargain has been constantly renegotiated. Copyright law is meant to strike a balance between rights granted to authors and the availability of new, creative material for others.¹⁷

In this Article, I argue that if we wish to take seriously both the Constitution's command and the copyright and patent bargains created by Congress, we must address the possibility that intellectual property owners may obtain overlapping protection for their intellectual property. The availability of overlapping protection disrupts the copyright and patent bargains and makes it difficult, if not impossible, to determine whether the incentive structure created by Congress is appropriate. The Article will proceed in four parts. Part II sets forth the foundations and primary justifications for intellectual property law in the United States. Part III describes the expansion of intellectual property rights in the last half century, the erosion of the channeling doctrines, and the emergence in various circumstances of overlapping protection. Parts IV and V of the Article argue that this development—the increasing availability of overlapping protection—threatens the intellectual property system by undermining the goals of intellectual property law and disrupting the balance struck by Congress in fashioning the system. Finally, the conclusion looks forward and offers suggestions—some practical, others theoretical—for reducing or eliminating the problems presented by overlapping intellectual property protection.

14. *See infra* Parts II.A and II.B.

15. *See infra* Part II.

16. *See infra* Part II.A.

17. *See infra* Part II.B.

II. FEDERAL INTELLECTUAL PROPERTY POLICY AND ITS JUSTIFICATIONS

Justifications for protecting intellectual property abound: regulation of creative and inventive works may be based upon utilitarian,¹⁸ natural rights,¹⁹ or personhood arguments.²⁰ While each of these strains is present to some extent in the intellectual property rules in the United States, American law rests primarily upon a utilitarian or incentive-based theory in providing property rights in intellectual property.²¹

The basic premise of the utilitarian theory is that even if ideas are, or ought to be, as “free as the air,”²² we will not have enough of them—not

18. This is also referred to as the “public welfare” theory of intellectual property protection. See Mark S. Nadel, *How Current Copyright Law Discourages Creative Output: The Overlooked Impact of Marketing*, 19 BERKELEY TECH. L.J. 785, 794 (2004).

19. “Natural rights” and “reward” theory arguments follow similar themes. For a discussion of natural rights theories of intellectual property protection, see Stephen Breyer, *The Uneasy Case for Copyright: A Study of Copyright in Books, Photocopies, and Computer Programs*, 84 HARV. L. REV. 281, 284-91 (1970) (rejecting a natural rights theory and concluding that “none of the noneconomic goals served by copyright law seems an adequate justification for a copyright system”); see also Nadel, *supra* note 18, at 794-95 (describing three justifications for the protection of intellectual property as natural rights, just reward, and public welfare).

20. For a discussion of personhood justifications for the protection of intellectual property, see generally Wendy J. Gordon, *A Property Right in Self-Expression: Equality and Individualism in the Natural Law of Intellectual Property*, 102 YALE L.J. 1533 (1993); Margaret Jane Radin, *Property and Personhood*, 34 STAN. L. REV. 957 (1982).

21. See Nadel, *supra* note 18, at 795 (“Before the U.S. Constitution was adopted, laws granting copyright protection in the United States were justified under multiple theories. However, the Exclusive Rights Clause of the Constitution uses only a public welfare justification and does not mention a natural rights justification for protection.”); see also *Sony Corp. v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984) (“The monopoly privileges that Congress may authorize are neither unlimited nor primarily designed to provide a special private benefit. Rather, the limited grant is a means by which an important public purpose may be achieved.”); *Graham v. John Deere Co.*, 383 U.S. 1, 8-9 (1966) (“[Jefferson] rejected a natural-rights theory in intellectual property rights and clearly recognized the social and economic rationale of the patent system.”).

22. See *Int’l News Serv. v. Associated Press*, 248 U.S. 215, 250 (1918) (Brandeis, J., dissenting) (“[T]he noblest of human productions—knowledge, truths ascertained, conceptions, and ideas—become, after voluntary communication to others, free as the air to common use.”); see also Letter from Thomas Jefferson to Isaac McPherson (Aug. 13, 1813), in 13 THE WRITINGS OF THOMAS JEFFERSON 326, 333-34 (Andrew A. Lipscomb ed., 1903). Thomas Jefferson wrote:

If nature has made any one thing less susceptible than all others of exclusive property, it is the action of the thinking power called an idea, which an individual may exclusively possess as long as he keeps it to himself; but the moment it is divulged, it forces itself into the possession of every one, and the receiver cannot dispossess himself of

enough new books, songs, machines, plays—if they may be copied by all once they have been disclosed to the public.²³ Ideas, inventions, and creative works differ from real property in that they are nonrivalrous: we cannot all occupy the same house, but we may all copy the same MP3 file or use the same formula for a new drug without depleting the original.²⁴ As with real property, however, free access to intellectual property may still result in a tragedy of the commons.²⁵ If an inventor spends two years developing an improvement for the mousetrap, only to have it copied and distributed immediately upon its first sale, she likely will not be inclined to invest her resources in further improvements or in another costly project. A writer, likewise, may not find it worthwhile to spend a year writing a novel if, upon publication, it may immediately be copied and sold without his permission. The utilitarian perspective predicts that without some incentive provided by regulation of intellectual property, production of valuable, remunerative, and socially beneficial new works will not be at an optimal level.²⁶

On the other hand, granting absolute rights—“monopolies” of infinite term with exclusive rights—poses serious problems as well. Although it

it. Its peculiar character, too, is that no one possesses the less, because every other possesses the whole of it. He who receives an idea from me, receives instruction himself without lessening mine; as he who lights his taper at mine, receives light without darkening me.

Letter from Thomas Jefferson to Isaac Mcpherson, *supra*, at 333-34.

23. See Jessica Litman, *The Public Domain*, 39 EMORY L.J. 965, 970 (1990) (“According to a currently popular mode of analysis, property rights in intellectual works are necessary because intellectual creations pose a public goods problem: The cost of creating the works is often high, the cost of reproducing them is low, and once created, the works may be reproduced rapaciously without depleting the original. In a world in which such reproduction is not restrained, an author will be unable to recover the costs of creating a work and will therefore forgo the creative endeavor in favor of something more remunerative.”).

24. See, e.g., James Boyle, *The Second Enclosure Movement and the Construction of the Public Domain*, 66 LAW & CONTEMP. PROBS. 33, 41 (“Unlike the earthy commons, the commons of the mind is generally “non-rival.” Many uses of land are mutually exclusive. If I am using the field for grazing, it may interfere with your plans to use it for growing crops. By contrast, a gene sequence, an MP3 file, or an image may be used by multiple parties; my use does not interfere with yours.”).

25. See Mark A. Lemley, *The Economics of Improvement in Intellectual Property Law*, 75 TEX. L. REV. 989, 994-95 (1997) (“Information has the characteristics of what economists call a ‘public good’—it may be ‘consumed’ by many people without depletion, and it is difficult to identify those who will not pay and prevent them from using the information.”).

26. See *id.* at 994 (“In a private market economy, individuals will not invest in invention or creation unless the expected return from doing so exceeds the cost of doing so—that is, unless they can reasonably expect to make a profit from the endeavor.”).

may be true that increased rights create greater incentives, resulting in additional production of socially valuable goods, the logical conclusion is not that absolute rights unlimited in scope and duration would be ideal.²⁷ While economic theory predicts that strengthening intellectual property rights provides an incentive for the creation of intellectual property goods, the theory also predicts that there are costs associated with providing these incentives.²⁸ The economic costs include increased cost for the consumers of the goods (who must pay monopolistic prices); increased cost for later producers of goods who wish to build upon work done in the past; transaction costs involved in the registering, licensing, and transferring of rights; and the costs to competition (based on the anticompetitive effects of granting monopolies).²⁹ The grant of a monopoly over intellectual property may also produce noneconomic costs: limited access to new ideas, thoughts, and creations; restricted public discourse; and concentration of wealth. The utilitarian theory seeks a middle ground between absolute ownership of intellectual property and none whatsoever. Following this theory, Congress and the courts must address a variety of questions about how to find that middle ground: How much protection is enough protection, and how much is too much? What kind of rights should be granted and under what circumstances? Should the rights be strong or weak? Should the rights last for a long time, or need they be only brief? In short, the problem is determining how to generate the maximum production of intellectual property goods at the lowest price to the public.³⁰

27. From a personhood or natural rights perspective, this may be the end of the story, or, at least, the most important part of the story. These theories for the protection of intellectual property likely would justify a very different intellectual property system than the one we have, providing even stronger protections for the owners of intellectual property.

28. *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 229-30 (1964) ("Patents are not given as favors, as was the case of monopolies given by the Tudor monarchs . . . but are meant to encourage invention by rewarding the inventor with the right, limited to a term of years fixed by the patent, to exclude others from the use of his invention . . . But in rewarding useful invention, the rights and welfare of the community must be fairly dealt with and effectually guarded.") (internal citations and quotations omitted).

29. *See, e.g.*, Lemley, *supra* note 25, at 1053 ("[T]ransaction costs of intellectual property licenses are significant."); *see also* William M. Landes & Richard A. Posner, *Indefinitely Renewable Copyright*, 70 U. CHI. L. REV. 471, 475-76 (2003) (outlining some of the costs of permitting a copyright monopoly).

30. *See Cary v. Longman*, 1 East 358, 362 n.(b), 102 Eng. Rep. 138, 150 n.(b) (1801) ("[W]e must take care to guard against two extremes equally prejudicial; the one, that men of ability, who have employed their time for the service of the community, may not be deprived of their just merits, and the reward of their ingenuity and labour; the other, that the world may not be deprived of improvements, nor the progress of the arts be retarded.").

The utilitarian, or economic, theory is installed in the Constitution. Article 1, section 8, clause 8 provides that “Congress shall have the 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.”³¹ The Constitutional grant of authority provides little guidance to Congress and very little actual limit on Congressional action,³² but it clearly embodies the utilitarian theory for the protection of intellectual property. Congress is given the power to grant limited rights for the express purpose of promoting the production of writings and discoveries. The benefits to the public—including the enrichment of the public domain—are central to the protection of intellectual property under a utilitarian theory.³³

At the time the Constitution was drafted, as throughout American history, there was great reluctance to condone any sort of monopoly.³⁴ Accordingly, the patent and copyright clause embodies the effort to promote the utilitarian theory but still guard against the dangers presented by the grant of exclusive rights. Thomas Jefferson, who was the “driving force behind early federal patent policy,”³⁵ believed that “federal patent law has

31. U.S. CONST., art. I, § 8, cl. 8.

32. The Supreme Court has indicated that the patent and copyright clause contains some limitations on Congress’s power:

As we have noted in the past, the Clause contains both a grant of power and certain limitations upon the exercise of that power. Congress may not create patent monopolies of unlimited duration, nor may it “authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available.”

Bonito Boats, Inc. v. Thunder Craft Boats, Inc., 489 U.S. 141, 146 (1989) (quoting *Graham v. John Deere Co.*, 383 U.S. 1, 6 (1966)). There is some scholarly dispute about the extent of the limitations placed on Congressional action by the patent and copyright clause. See, e.g., Thomas B. Nachbar, *Intellectual Property and Constitutional Norms*, 104 COLUM. L. REV. 272, 277 (2004) (“The somewhat counterintuitive but inescapable conclusion is that, if it can find another power to support the legislation, Congress may grant exclusive rights without regard to the limits set out in the Intellectual Property Clause.”). This Article is not intended to address the scope of Congress’s power but rather the propriety of Congress’s and the Court’s use of that power.

33. See Boyle, *supra* note 24, at 40 (“It may sound paradoxical, but in a very real sense protection of the commons was one of the fundamental goals of intellectual property law.”).

34. See *Graham*, 383 U.S. at 7 (“Jefferson, like other Americans, had an instinctive aversion to monopolies. It was a monopoly on tea that sparked the Revolution and Jefferson certainly did not favor an equivalent form of monopoly under the new government. His abhorrence of monopoly extended initially to patents as well.”).

35. *Bonito Boats*, 489 U.S. at 147.

been about the difficult business 'of drawing a line between the things which are worth to the public the embarrassment of an exclusive patent, and those which are not.'"³⁶

The Supreme Court has viewed the intellectual property clause through the filter of the utilitarian theory as well: "The Patent Clause itself reflects a balance between the need to encourage innovation and the avoidance of monopolies which stifle competition without any concomitant advance in the 'Progress of Science and useful Arts.'"³⁷ Thus, the Court aptly described the compromises and the balances of the American intellectual property system. Based primarily on the Constitutional directive and economic/utilitarian theory, Congress and the courts have attempted to fashion rules concerning the protection of intellectual property.³⁸ This process involves both an attempt to promote a sufficient level of creation and invention of new works and an effort to minimize the costs of permitting a limited monopoly in certain circumstances, all while ultimately enriching the public domain.³⁹ This has been termed the "delicate

36. *Id.* at 148 (quoting 13 WRITINGS OF THOMAS JEFFERSON 335 (Memorial ed. 1904)).

37. *Id.* at 146.

38. This is, of course, an idealistic view of Congress's actions, and it is well beyond the scope of this Article to delve into the motivations of Congress or any individual representatives or senators. Indeed, a cynical view of much intellectual property legislation is understandable. *See infra* Part III.B; *see also* Jessica Litman, *Copyright Legislation and Technological Change*, 68 OR. L. REV. 275, 278 (1989) ("Congress and the Copyright Office have settled on a scheme for statutory drafting that features meetings and negotiations among representatives of industries with interests in copyright."); Jessica Litman, *The Exclusive Right to Read*, 13 CARDOZO ARTS & ENT. L.J. 29, 37 (1994) ("Most of the [Copyright Act] was drafted by the representatives of copyright-intensive businesses and institutions."). It is nonetheless true that an attempt to achieve the "delicate balance," however elusive, remains an animating goal of federal intellectual property law.

39. The Court has explicitly recognized both the exchange nature of patent and copyright law and the ultimate goal of benefiting the public. *See, e.g.*, *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975). The Court in *Aiken* stated:

The limited scope of the copyright holder's statutory monopoly, like the limited copyright duration required by the Constitution, reflects a balance of competing claims upon the public interest: Creative work is to be encouraged and rewarded, but private motivation must ultimately serve the cause of promoting broad public availability of literature, music, and the other arts. The immediate effect of our copyright law is to secure a fair return to an "author's" creative labor. But the ultimate aim is, by this incentive, to stimulate artistic creativity for the general public good. "The sole interest of the United States and the primary object in conferring the monopoly," this Court has said, "lie in the general benefits derived by the public from the labors of authors."

balance” of intellectual property protection, and the balancing act continues.⁴⁰

A. The Patent Bargain

The patent laws reflect the effort to balance the rights granted to inventors against the costs of granting those rights.⁴¹ The patent rights granted by Congress can be seen as part of a bargain: inventors whose works qualify for patent protection receive a limited monopoly—to spur creation and disclosure of new works—and society, the public, gets something in return.⁴² In addition to increased production of novel inventions, the public also gets full disclosure of the invention by the inventor,⁴³ the right to invent and patent improvements to the invention,⁴⁴ and the right to copy the invention at the expiration of the twenty-year term.⁴⁵ These trade-offs benefit competitive industries, consumers, and the public at large.⁴⁶ The Supreme Court has explicitly recognized the quid pro quo nature of the patent system: “It is self-evident that on the expiration of a patent the mo-

Id. (internal citations omitted).

40. *See, e.g.*, *Stewart v. Abend*, 495 U.S. 207, 230 (1990) (describing the “delicate balance” Congress has attempted to create with the patent and copyright laws).

41. *See, e.g.*, *Graham v. John Deere Co.*, 383 U.S. 1, 10-11 (1966) (“The difficulty of formulating conditions for patentability was heightened by the generality of the constitutional grant and the statutes implementing it, together with the underlying policy of the patent system that ‘the things which are worth to the public the embarrassment of an exclusive patent,’ as Jefferson put it, must outweigh the restrictive effect of the limited patent monopoly.”).

42. *But see* Julie E. Cohen & Mark A. Lemley, *Patent Scope and Innovation in the Software Industry*, 89 CALIF. L. REV. 1, 5 n.5 (2001) (“The extent to which the patent system is actually necessary to induce innovation that would not otherwise occur is an unanswered, and perhaps unanswerable, empirical question.”).

43. 35 U.S.C. § 112 (2000).

44. Lemley, *supra* note 25, at 991-92 (“Patent doctrines such as the rule of blocking patents and the reverse doctrine of equivalents offer some protection to the developers of significant or radical improvements. Improvers are therefore in a position to bargain with original patent owners to allocate the gains from the respective invention, and in some circumstances may even be free to use that invention without payment.”).

45. *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 230 (1964) (“[W]hen the patent expires the monopoly created by it expires, too, and the right to make the article—including the right to make it in precisely the shape it carried when patented—passes to the public.”).

46. *Sony Corp. of America v. Universal City Studios, Inc.*, 464 U.S. 417, 429 n.10 (1984) (“The enactment of copyright legislation by Congress under the terms of the Constitution is not based upon any natural right that the author has in his writings, . . . but upon the ground that the welfare of the public will be served and progress of science and useful arts will be promoted by securing to authors for limited periods the exclusive rights to their writings.”) (quoting H.R. REP. No. 60-2222, at 7 (1909)).

nopoly granted by it ceases to exist, and the right to make the thing formerly covered by the patent becomes public property. It is upon this condition that the patent is granted.”⁴⁷ The patent system is ostensibly calibrated to take account of the nature of the works protected by patent law and, at least in theory, to provide an appropriate bundle of rights.⁴⁸ Patent law allows a relatively short period of protection but provides relatively strong rights: a competitor may be held liable for reverse engineering a patented article,⁴⁹ as well as for independently creating an item protected by a patent.⁵⁰ This sort of protection is appropriate for inventive works like machines, processes, and new products because such works often require a great deal of up-front investment and a fair amount of risk, but given that efficient improvements are possible once an invention has been disclosed to the public, their useful life span may be relatively short. Thus, patent law provides a very strong incentive: if an invention is patentable, the inventor will be given the tools to reap the rewards of that invention.

Another aspect to the patent bargain involves what is referred to as the “right to copy.”⁵¹ Once a patent expires, the public is free to copy the formerly-protected item; that is, the item is in the public domain. A corollary to this right to copy expired patents is the right to copy items that fall within the subject matter of patent law but that are not—for one reason or

47. *Singer Mfg. Co. v. June Mfg. Co.*, 163 U.S. 169, 185 (1896); *see also* *Eldred v. Ashcroft*, 537 U.S. 186, 225 (2003) (Stevens, J., dissenting) (“The issuance of a patent is appropriately regarded as a *quid pro quo*—the grant of a limited right for the inventor’s disclosure and subsequent contribution to the public domain.”); *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 152 (1989) (“Where the public has paid the congressionally mandated price for disclosure, the States may not render the exchange fruitless by offering patent-like protection to the subject matter of the expired patent.”).

48. Magliocca, *supra* note 11, at 863 (“[I]ntellectual property law always seeks to balance private incentives with the need to keep the public domain stocked with raw materials. In operational terms, this equilibrium is usually maintained by some combination of: (1) a time limit on intellectual property rights; and (2) broad exceptions to their exclusivity.”).

49. Reverse engineering involves taking a product apart and figuring out how it works and how to recreate it. *See* ROBERT P. MERGES ET AL., *INTELLECTUAL PROPERTY IN THE NEW TECHNOLOGICAL AGE* 57 (2d ed. 2000) (“Customers who buy a product on the open market are entitled to break it apart to see how it works. This process is called ‘reverse engineering’ the product.”).

50. 35 U.S.C. § 271 (2000); *Kewanee Oil Co. v. Bicron Corp.*, 416 U.S. 470, 490 (1974) (“While trade secret law does not forbid the discovery of the trade secret by fair and honest means, e.g., independent creation or reverse engineering, patent law operates ‘against the world,’ forbidding any use of the invention for whatever purpose for a significant length of time.”).

51. Barrett, *supra* note 2, at 472.

another—patentable.⁵² For example, an invention that fails the novelty requirement of patent law is deemed to be in the public domain, free to all for copying and improvement.⁵³ This exchange between the inventor and society operates in some ways as an independent justification for the patent laws. The enrichment of the public domain is one of the central aims of the patent system, and the right to copy both expired patents and unpatentable items advances that goal by placing many items in the public domain. Indeed, according to the Court, the “ultimate goal of public disclosure and use . . . is the centerpiece of federal patent policy.”⁵⁴ Thus, the cornerstone of the Supreme Court’s patent jurisprudence “is the conclusion that the efficient operation of the federal patent system depends upon substantially free trade in publicly known, unpatented design and utilitarian conceptions.”⁵⁵

B. The Copyright Bargain

The copyright bargain rests on the same justifications as the patent bargain, but the balance is struck somewhat differently.⁵⁶ In exchange for a relatively long period of protection,⁵⁷ society receives benefits. Again, the benefits flowing to the public are fundamental to copyright law.⁵⁸

[T]he limited [copyright] grant is a means by which an important public purpose may be achieved. It is intended to motivate the

52. *See* *Diamond v. Chakrabarty*, 447 U.S. 303, 309 (1980) (“Einstein could not patent his celebrated law that $E=mc^2$; nor could Newton have patented the law of gravity. Such discoveries are manifestations of . . . nature, free to all men and reserved exclusively to none.”) (internal quotation marks omitted).

53. 35 U.S.C. § 102.

54. *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 157 (1989).

55. *Id.* at 156.

56. *Compare* *Eldred v. Ashcroft*, 537 U.S. 186, 227 (2003) (Stevens, J., dissenting) (“We have recognized that these twin purposes of encouraging new works and adding to the public domain apply to copyrights as well as patents.”), *with id.* at 216 (Ginsburg, J.) (“We note, furthermore, that patents and copyrights do not entail the same exchange [I]mmediate disclosure is not the objective of, but is *exacted from*, the patentee. It is the price paid for the exclusivity secured. For the author seeking copyright protection, in contrast, disclosure is the desired objective, not something exacted from the author in exchange for the copyright.”) (internal citations omitted).

57. 17 U.S.C. § 302 (2000).

58. *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 429 n.10 (1984) (“In enacting the copyright law Congress must consider . . . two questions: First, how much will the legislation stimulate the producer and so benefit the public, and, second, how much will the monopoly granted be detrimental to the public? The granting of such exclusive rights, under the proper terms and conditions, confers a benefit upon the public that outweighs the evils of the temporary monopoly.”) (quoting H.R. REP. NO. 60-2222, at 7 (1909)).

creative activity of authors and inventors by the provision of a special reward, and to allow the public access to the products of their genius after the limited period of exclusive control has expired.⁵⁹

By granting a copyright, additional creative output is injected into the public discourse and is available (at a price, of course) during the period of monopoly. The public is also allowed to make fair use of copyrighted works,⁶⁰ and independent creation does not give rise to liability for copyright infringement.⁶¹ Like patent law, copyright law is structured so that certain creative and expressive works are not copyrightable: only original expression, fixed in a tangible medium, is protected by copyright law.⁶² Some works thus become part of the public domain without ever receiving the protections of copyright law.⁶³ Again like patent law, once a copyrighted work falls into the public domain, it may be copied and used by anyone. The “right to copy” is central to the copyright balance just as it is in the patent system.⁶⁴

The term of copyright protection is much longer than the patent term, but the bundle of exclusive rights is different. This different emphasis is the result of a calibration of rights with the type of work protected. Incremental innovation of copyrighted works is deemed less important for copyrightable items than for patentable items and, therefore, improve-

59. *Id.* at 429.

60. The fair use exception is, essentially, required by the First Amendment. *See Eldred*, 537 U.S. at 219. However, it is also part of the copyright bargain and certainly part of Congress’s consideration in passing the Copyright Act as the fair use exception was codified at 17 U.S.C. § 107. *Id.* (“In addition to spurring the creation and publication of new expression, copyright law contains built-in First Amendment accommodations.”).

61. *See infra* Part III.A.2.

62. *See* 17 U.S.C. § 102 (“Copyright protection subsists . . . in original works of authorship fixed in any tangible medium of expression, now known or later developed . . .”); *see also id.* § 101 (Supp. II 2002) (“A work is ‘fixed’ in a tangible medium of expression when its embodiment in a copy or phonorecord . . . is sufficiently permanent or stable to permit it to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration.”).

63. *See, e.g., Feist Publ’ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 348 (1991) (“[Facts] ‘may not be copyrighted and are part of the public domain available to every person.’”) (quoting *Miller v. Universal City Studios, Inc.*, 650 F.2d 1365, 1369 (5th Cir. 1981)).

64. The right to copy ensures the maintenance of the public domain and the continued injection of new works into the public domain. *See, e.g., Theodore H. Davis, Jr., Copying in the Shadow of the Constitution: The Rational Limits of Trade Dress Protection*, 80 MINN. L. REV. 595, 596 (1996) (arguing that the Supreme Court has “recognized in the copyright context an apparent constitutional right to copy separate and independent of any such right that may be found in the statute”).

ments are treated differently under copyright law.⁶⁵ That is, as a society, we are more interested in encouraging improvements to blood pressure medication, for example, than improvements to a novel. And, in fact, a copyright owner has a monopoly on making improvements to the copyrighted work (“derivative work”).⁶⁶ Thus, under copyright law, a substantially similar work is deemed an infringement and the copyright owner has the right to control the creation and dissemination of derivative works. Unlike a patentee, however, a copyright owner cannot prevent independent creation or fair use.

Like patent law, copyright law is meant to provide an incentive for the creation of new work (ultimately for the public’s benefit), and increased rights are justified on the basis that they will provide an added incentive.⁶⁷ In evaluating the most recent extension of the copyright term, for example, Congress determined that lengthening the term would create an additional incentive for copyright owners “to restore older works and further disseminate them to the public.”⁶⁸ Indeed, Congress believed that “in light of demographic, economic, and technological changes,” copyright holders would “invest in the restoration and public distribution of their works”⁶⁹ The Supreme Court also justified the copyright term exten-

65. See Dennis S. Karjala, *The Relative Roles of Patent and Copyright in the Protection of Computer Programs*, 17 J. MARSHALL J. COMPUTER & INFO. L. 41, 48 (1998) (“The policy basis for these differences between the two protection schemes is the social desirability, indeed necessity, of allowing later technological creators to make incremental improvements on the works of others.”). *But see* Lemley, *supra* note 25, at 992 (arguing that improvements should be treated similarly under both patent and copyright law).

66. A derivative work is a work that uses and builds upon the original. For example, a movie made from a book is a derivative work. The copyright holder’s bundle of rights includes the right to make (or license) all derivative works. 17 U.S.C. § 106(2) (2000 & Supp. II 2002).

67. Spurring scientific and creative research is the heart of the federal intellectual property system. “[C]opyright law *celebrates* the profit motive, recognizing that the incentive to profit from the exploitation of copyrights will redound to the public benefit by resulting in the proliferation of knowledge” *Am. Geophysical Union v. Texaco, Inc.*, 802 F. Supp. 1, 27 (S.D.N.Y. 1992). However, there are virtually no empirical studies concerning the adequacy of the incentives provided in either the patent or the copyright context. *See also* George L. Priest, *What Economists Can Tell Lawyers About Intellectual Property*, 8 RES. L. & ECON. 19 (1986). *But see* Landes & Posner, *supra* note 29, at 475-76. Thus, the incentive theory may be more of a rhetorical or theoretical aspect of intellectual property law, but it persists as an animating principle of the regulation of intellectual property.

68. H.R. REP. NO. 105-452, at 4 (1998).

69. *Eldred v. Ashcroft*, 537 U.S. 186, 206-07 (2003). There is much debate about Congress’s motives in passing the Sonny Bono Copyright Term Extension Act, and,

sion on the grounds that it might “also provide greater incentive for American and other authors to create and disseminate their work in the United States.”⁷⁰

Both the patent and copyright bargains contain an additional important element. Not only is the preservation and enhancement of the public domain of paramount importance, but the effort to maintain a competitive marketplace is also a crucial factor in the regulation of both forms of intellectual property. Both patent law and copyright law are meant to strike a balance that encourages or promotes competition notwithstanding the grant of exclusive rights. The finite terms (of varying length) and the exceptions to exclusive use are part of a policy to further competition.⁷¹

C. Trademark Law

This Section is not titled “The Trademark Bargain” because there is no such thing. Trademark law is part of the federal intellectual property system, but Congress’s power to create trademark rights derives not from the Constitution’s intellectual property clause but from the commerce clause.⁷² Trademark law is, moreover, animated by very different policy goals than are patent and copyright law. Although the conception of trademarks and the reasons for protecting them have evolved dramatically over time, the purpose of trademark law is not, in general, to provide an incentive for the creation of new and better trademarks.⁷³ Rather, federal

indeed, there is probably much reason to believe that little thought has been put into exactly how much incentive is needed to create the optimal level of production of inventive and creative works. I do not intend to engage that debate in this Article. The purpose of this section is only to demonstrate that the Constitution at least recommends that Congress provide an incentive for the creation of new works and that Congress and the courts justify their actions with regard to copyright law and patent law with reference to the incentive theory. That is, I will take at face value the proposition that one of the primary goals of patent and copyright protection in the United States is to achieve the proper level of creative and inventive output.

70. *Id.* at 206.

71. *See* *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 146 (1989) (“From their inception, the federal patent laws have embodied a careful balance between the need to promote innovation and the recognition that imitation and refinement through imitation are both necessary to invention itself and the very lifeblood of a competitive economy.”); *see also* *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 230-31 (1964) (“Thus the patent system is one in which uniform federal standards are carefully used to promote invention while at the same time preserving free competition.”).

72. *See* *United States v. Moghadam*, 175 F.3d 1269, 1278-79 (1999) (stating that federal trademark legislation is based upon Congress’s commerce clause power).

73. *See* Vincent Chiappetta, *Trademarks: More Than Meets the Eye*, 2003 U. ILL. J.L. TECH. & POL’Y 35, 42 (“Traditional analysis ascribes two market economic objectives to trademark law: the primary goal of avoiding consumer confusion . . . [and a]

trademark law seeks to protect consumers by allowing product- and producer-differentiation that reduces the risk of consumer confusion and lowers search costs.⁷⁴ That is, trademark law will prevent others from using a mark in any way that is likely to cause confusion.⁷⁵ For example, trademark law seeks to ensure that consumers will know when they buy a can of soda emblazoned with the words “Coca-Cola” that the Coca-Cola Co. has exercised some sort of control over the quality of the product, and that consumers will know what to expect when they buy the product. Thus, trademark law rests on very different grounds than patent and copyright law, which are intended to provide an incentive for increased production of new works.

This Article focuses on patent and copyright policy because of the explicit Constitutional basis for the patent and copyright laws and because patent and copyright policy are most threatened by overlapping protection. Trademark law is not based on the same set of justifications that underlie patent and copyright law. However, the availability of trademark protection inevitably affects patent and copyright law and policy because works subject to patent or copyright law may also receive trademark protection. In fact, patent law, copyright law, and trademark law each have changed dramatically in ways that have profound implications for the federal intellectual property system and for patent and copyright policy.

III. THE EXPANSION OF INTELLECTUAL PROPERTY RIGHTS AND THE EMERGENCE OF OVERLAPPING PROTECTION

A. Expansion of Intellectual Property Rights

Because neither the Constitution nor the utilitarian theory demands a particular set of intellectual property laws or defines the appropriate balance, Congress is, for the most part, free to fashion the intellectual property system as it sees fit. Congress has tinkered with the intellectual prop-

secondary goal of fostering desirable investment in quality products.”); *see also* Mark A. Lemley, *The Modern Lanham Act and the Death of Common Sense*, 108 YALE L.J. 1687, 1695 (1999) (“Even if one accepts [the incentive] rationale for other intellectual property rights, however, it does not carry over to trademarks. The justifications for trademark law are different from those for other forms of intellectual property.”).

74. *See, e.g.*, Lemley, *supra* note 73, at 1695 (“We give protection to trademarks for one basic reason: to enable the public to identify easily a particular product from a particular source.”).

75. Likelihood of confusion is the *sine qua non* of trademark infringement. *Berlitz Schs. of Languages of Am., Inc. v. Everest House*, 619 F.2d 211, 215 (2d Cir. 1980).

erty balance mostly to expand the rights of intellectual property owners, and the federal courts have, if anything, only assisted in enlarging the scope of those rights. Indeed, both the scope and duration of federal intellectual property rights in the United States have greatly expanded over the years.⁷⁶ Although well-documented,⁷⁷ this phenomenon is described below to demonstrate the scope of the problem posed by overlapping protection and to indicate that the expansion (and the overlap) of intellectual property rights is likely to continue in the future.

1. Patent Law

Although patent law has not seen great expansion in the term of protection, the scope of its subject matter has grown considerably. The first United States patent statute was passed in 1790,⁷⁸ along with the first copyright statute, but the patent process was a relatively informal system in comparison with the rigorous examination process currently in place. In 1836, Congress implemented the first registration process for patents, requiring an examination for determining that the invention was new, or “novel.”⁷⁹ This was a limitation on the scope of patent rights, as were the rules, still in effect today, that the invention had to be “nonobvious”⁸⁰ and had to be described with particularity.⁸¹ Many other statutory and judicial pronouncements over the years expanded the coverage of the patent system, however. Congress enacted legislation in 1930 and 1954 to provide for plant patents,⁸² and, more recently, lengthened the term of utility patents.⁸³ Designs are eligible for patent protection,⁸⁴ as are computer code,⁸⁵

76. This Article addresses only the expansion and overlapping protection of *federal* intellectual property regimes. The expansion of state intellectual property rights and the overlapping protection between federal and state rights is a fascinating subject, but one for another article.

77. See, e.g., Boyle, *supra* note 24, at 38 (“The expansion of intellectual property rights has been remarkable . . .”); Magliocca, *supra* note 11, at 863 (noting the “relentless expansion of intellectual property rights in recent decades” and stating that “Congress has not once withdrawn significant protection for artistic or innovative works in favor of the public domain over the last century”).

78. Act of April 10, 1790, ch. 7, 1 Stat. 109.

79. Act of July 4, 1836, ch. 357, 5 Stat. 117.

80. See 35 U.S.C. § 103 (2000).

81. See *id.* § 112.

82. Pub. L. No. 71-245, 46 Stat. 376 (1930); Pub. L. No. 83-775, 68 Stat. 1190 (1954). In 1970, Congress enacted the Plant Variety Protection Act, 7 U.S.C. §§ 2321-2582, extending protection to plant varieties that are sexually reproduced by seed. Such plants are not protected by a patent but do receive a “Certificate of Plant Variety Protection” which allows for some patent-like protection.

83. The current patent term is 20 years from the date of filing. 35 U.S.C. § 154(a)(2).

certain forms of human genetic information,⁸⁶ and “business methods.”⁸⁷ In addition, patent law makes actionable both reverse engineering and independent creation,⁸⁸ both of which are very strong rights to assert against infringers. Thus, although perhaps not to the same extent as with trademark and copyright law, patent protection has expanded rather than contracted, particularly in the last fifty years.

2. Copyright Law

Over the years, copyright law has been a growth industry. Federal copyright law now protects all original, expressive works that are fixed in any tangible medium of expression.⁸⁹ Protection commences without application or registration; as soon as an author writes the words on the page, she owns a copyright, and that copyright protection persists well beyond her life.⁹⁰ Copyright law covers not just the obvious works that make the headlines—books, music, and movies—but a wide variety of creative (and even not-so-creative) items: pantomimes, choreographic works, computer programs, architectural works, sculptures, and graphic works, such as cartoon characters, designs, and corporate logos.⁹¹

Copyright protection has not always been as expansive as it is today. Congress passed the first copyright statute, pursuant to its Constitutional

84. 35 U.S.C. § 171. The original design patent act was passed in 1842, and the current standards for design patents were codified in 1902. Protection for designs has proven to be one of the few areas in which the rights have not expanded in any significant way, however. Magliocca, *supra* note 11, at 846 (“Despite intense lobbying efforts that predate the first World War, Congress has rejected every proposal to grant designs broad property rights.”).

85. Initially, the Patent Office and the Supreme Court rejected the argument that computer software should be patentable. *See, e.g.*, *Gottschalk v. Benson*, 409 U.S. 63 (1972) (holding that algorithms are not patentable). The Federal Circuit in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.*, made clear that software may receive patent protection. 149 F.3d 1368, 1374-75 (Fed. Cir. 1998).

86. *See* Shanshan Zhang, *Proposing Resolutions to the Insufficient Gene Patent System*, 20 SANTA CLARA COMPUTER & HIGH TECH. L.J. 1139, 1141 (2004) (“Under current U.S. patent law, a deoxyribonucleic acid (‘DNA’) sequence is a patentable subject matter as a composition of matter or an article of manufacture. However, naturally occurring genes are not eligible for a patent; therefore, to be patentable, a DNA molecule must be “isolated and purified” from its natural state.”).

87. *See State Street*, 149 F.3d at 1375-77.

88. *See supra* Part II.A.

89. 17 U.S.C. § 102 (2000).

90. *Id.* § 302.

91. *Id.* § 102(a).

power.⁹² The 1790 statute provided for a copyright term of fourteen years, with the possibility of renewal for an additional fourteen years.⁹³ The Copyright Act was amended in both 1831 and 1870, but it was not until 1909 that Congress enacted a significant overhaul of the Copyright Act, extending the copyright term to 28 years, with another 28-year renewal term.⁹⁴ The term was once again extended in 1976, providing copyright protection for the life of the author plus 50 years, or for 75 years for anonymous or corporate authors.⁹⁵ Perhaps most controversially, the term was extended again in 1998 with the Copyright Term Extension Act (CTEA).⁹⁶ A copyright now exists for the life of the author plus 70 years, or for 95 years from publication by institutional or anonymous authors.⁹⁷ Thus, for example, Disney's copyright for Mickey Mouse, which was created in 1928, will last until 2023.⁹⁸

An expansion in the protectable subject matter of copyright has accompanied the expansion in the term of copyright protection. The 1790 Act provided copyright protection for books, charts, and maps.⁹⁹ The scope of protection gradually expanded through Congressional enactments and court decisions to include prints, musical compositions, plays, photographs, artwork, and sculpture.¹⁰⁰ This expansion in the scope of copyright

92. Copyright Act of 1790, Ch. 15, 1 Stat. 124 (“An Act for the encouragement of learning, by securing the copies of maps, charts and books, to the authors and proprietors of such copies during the times therein mentioned.”).

93. *Id.*

94. 17 U.S.C. § 24 (1909 Act).

95. 17 U.S.C. § 302(a), (c) (1976).

96. Pub. L. 105-298, § 102(b), (d), 112 Stat. 2827, 2827-28 (codified at 17 U.S.C. § 302 (2000)). The constitutionality of this extension was vigorously challenged, but the Supreme Court rejected the challenge and upheld the extension of the copyright term. *See Eldred v. Ashcroft*, 537 U.S. 186, 194 (2003).

97. 17 U.S.C. § 302 (a), (c). With the Sonny Bono Copyright Term Extension Act (CTEA), Congress added twenty years to the copyright term, including a retroactive extension for all existing copyrights.

98. Unless, of course, Congress extends the copyright term again. Some have argued that the CTEA was passed at the behest of Disney, for the purpose of extending the copyright on Mickey Mouse. *See, e.g., Symposium: Panel II: Mickey Mice? Potential Ramifications of Eldred v. Ashcroft*, 13 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 771, 781 (2003) [hereinafter *Symposium: Panel II*] (statement of Eben Moglen, Professor, Columbia University Law School) (arguing that the reason for the copyright term extension was Mickey Mouse: “And so we knew that there would be special-interest legislation purchased from a hired Congress to extend indefinitely the corporate control of American culture . . .”).

99. Copyright Act of 1790, Ch. 15, 1 Stat. 124. (1790).

100. *See, e.g.,* 17 U.S.C. § 5 (1909 Act) (setting forth the types of works protected by copyright); *Bleistein v. Donaldson Lithographing Co.*, 188 U.S. 239 (1903) (extending

protection continued through the twentieth century, perhaps most notably in the extension of copyright protection to computer programs.¹⁰¹ The 1976 Act enlarged the scope of copyright protection by protecting works upon fixation “in a tangible medium of expression”¹⁰² rather than upon publication, as had been the case prior to 1976. The 1976 Act also loosened, although it did not discard, the formal notice and registration requirements. Those requirements were abandoned entirely in the 1988 amendments and various other statutory amendments provided additional protections for the owners of copyrights.¹⁰³ The Digital Millennium Copyright Act (DMCA) is a notable—and much noted—instance of the strengthening of the rights afforded to the owners of intellectual property.¹⁰⁴ The DMCA contains “anti-circumvention” provisions that may punish even fair use of a work if accomplished in contravention of the act.¹⁰⁵ While the march toward ever-greater protection has not been entirely unimpeded, the exceptions are few: the 1976 Act weakened some state intellectual property protection with its preemption clause¹⁰⁶ and it codified the fair use defense.¹⁰⁷ As a general proposition, however, copyright protection has only expanded over time and that trend is likely to continue or even accelerate.¹⁰⁸

copyright protection to chromolithographs); *Burrow-Giles Lithographic Co. v. Sarony*, 111 U.S. 53 (1884) (photographs copyrightable).

101. *See infra* Part III.C.1.b.

102. 17 U.S.C. § 102(a) (2000).

103. *See, e.g.*, The Semiconductor Chip Protection Act of 1984, 17 U.S.C. §§ 901-914; Audio Home Recording Act of 1992, 17 U.S.C. §§ 1001-1010; Digital Millennium Copyright Act of 1998, 17 U.S.C. §§ 1201-1205; Vessel Hull Design Protection Act of 1998, 17 U.S.C. § 1301-1332.

104. 17 U.S.C. §§ 1201-1205.

105. *Id.* § 1201; Glynn S. Lunney, Jr., *The Death of Copyright: Digital Technology, Private Copying, and the Digital Millennium Copyright Act*, 87 VA. L. REV. 813, 819-20 (2001) (“Congress has incorporated language into the DMCA that might be read to permit fair or otherwise noninfringing uses of decryption technology. Courts, however, have so far shown little inclination to incorporate the fair use doctrine or other limitations on copyright protection into the seemingly absolute prohibitions of the DMCA.”).

106. 17 U.S.C. § 301.

107. *Id.* § 107. This codification is not a reduction in copyright rights, but neither should it be considered an expansion of rights.

108. Saul Levmore, *Property's Uneasy Path and Expanding Future*, 70 U. CHI. L. REV. 181, 190 (2003) (“[W]e should expect increased protection for the creators of ideas, abstract or not. This expansion comes not only because of technological changes, but also, and more interestingly perhaps, because of an asymmetry in interest group activity and likely success. As we will see, the argument applies with much greater force to intellectual than to real property.”); *see Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 432 n.13 (1984) (“While the law has never recognized an author’s

3. *Trademark Law*

While the term of trademark protection has always been indefinite, with protection lasting so long as the mark is used (unless the mark becomes generic),¹⁰⁹ the subject matter of trademarks has expanded markedly. In addition, the ways in which trademarks are used by companies and understood by the public have changed significantly. In the United States, trademarks initially were protected by the common law rather than statute. Congress passed a trademark statute in 1870, but it was struck down by the Supreme Court on the grounds that it was beyond Congress's power to enact.¹¹⁰ Congress passed another trademark statute in 1881, this one based on its commerce clause power.¹¹¹ This limited act was superseded by a new congressional enactment in 1905 that withdrew some of the limitations on trademark rights contained in the earlier act, and Congress "further liberalized trademark law"¹¹² in 1946 when it passed the Lanham Act.¹¹³ Perhaps most significantly, the Lanham Act provides protection even for unregistered marks, dramatically increasing the number and types of marks eligible for federal protection.¹¹⁴

The Lanham Act has been amended numerous times; various acts of Congress and decisions by the federal courts have greatly expanded the scope of federal trademark protection in the last sixty years.¹¹⁵ For example, a company may protect a source-identifying color,¹¹⁶ a product configuration such as a restaurant-decoration theme,¹¹⁷ or the shape of a building.¹¹⁸ Congress also passed the Federal Trademark Dilution Act in 1995,

right to absolute control of his work, the natural tendency of legal rights to express themselves in absolute terms to the exclusion of all else is particularly pronounced in the history of the constitutionally sanctioned monopolies of the copyright and the patent.").

109. *See* *Murphy Door Bed Co. v. Interior Sleep Sys., Inc.*, 874 F.2d 95, 101-02 (2d Cir. 1989) (denying trademark protection to generic marks).

110. *Trademark Cases*, 100 U.S. 82, 94 (1879).

111. Act of March 3, 1881, ch. 138, 21 Stat. 502.

112. ROBERT P. MERGES ET AL., *INTELLECTUAL PROPERTY LAW IN THE NEW TECHNOLOGICAL AGE* 531 (3d ed. 2003).

113. Law of July 5, 1946, c. 540, Pub. L. 489, 60 Stat. 427 (codified at 15 U.S.C. §§ 1051-1126).

114. 15 U.S.C. § 1125(a) (2000).

115. This is a development that has received much attention from scholars. *See, e.g.*, Lemley, *supra* note 73, at 1688 ("Courts protect trademark owners against uses that would not have been infringements even a few years ago and protect as trademarks things that would not have received such protection in the past.").

116. *Qualitex Co. v. Jacobsen Prod. Co.*, 514 U.S. 159 (1995).

117. *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763 (1992).

118. *Rock & Roll Hall of Fame & Museum v. Gentile Prods.*, 134 F.3d 749, 753 (6th Cir. 1998).

providing a cause of action for dilution even in circumstances where there is no likelihood of confusion, the traditional benchmark of trademark law,¹¹⁹ and even in circumstances involving noncompeting and nonidentical marks.¹²⁰ Trademark owners consistently pressed for greater rights, and the courts have, for the most part, acquiesced, allowing rapid expansion in the scope of trademark rights.¹²¹

Perhaps even more significant than the doctrinal changes in trademark law are the changes in the way trademarks are used and understood. Trademark law now protects much more than just names, words, and logos. Instead, a wide variety of designs, product configurations, and even the overall “look and feel” of a product (or even a restaurant) function as indicators of source and are, therefore, protectable under the Lanham Act.¹²² In addition, trademarks have, in some instances, become the product itself. Consumers buy a t-shirt with the Nike “swoosh” on it or a cap inscribed with the Colorado Rockies logo not because (or not necessarily because) the swoosh or the logo indicate anything about the source or quality of the t-shirt or the cap—to the contrary, it is unlikely that most people would believe that the Colorado Rockies produced that baseball cap—but merely because the shirt has the swoosh and the cap has the logo.¹²³ This phenomenon has been referred to as the “proPERTIZATION” of trademarks: the marks themselves have become the product.¹²⁴

119. 15 U.S.C. § 1125(c).

120. Lemley, *supra* note 73, at 1699 (“Dilution doctrine has also been expanded to encompass not only noncompeting but also nonidentical marks, to protect famous trade dress and product configurations, to attack longstanding uses of descriptive marks to describe products, to aid trademark owners in ordinary cases against competitive marks by dispensing with the need to demonstrate consumer confusion, and even to create a cause of action against consumers (or the press) who do not use marks properly.”).

121. *See* Wal-Mart Stores, Inc. v. Samara Bros., 529 U.S. 205, 209 (2000) (“The breadth of the definition of marks registrable under § 2, and of the confusion-producing elements recited as actionable by § 43(a), has been held to embrace not just word marks, such as ‘Nike,’ and symbol marks, such as Nike’s ‘swoosh’ symbol, but also ‘trade dress’—a category that originally included only the packaging, or ‘dressing,’ of a product, but in recent years has been expanded by many Courts of Appeals to encompass the design of the product.”).

122. *See* Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763, 770 (1992) (holding that trade dress protection may exist for the décor of a restaurant); *see also* Lemley, *supra* note 73, at 1700 (“In the last fifteen years, product configuration cases have exploded onto the trademark scene.”).

123. *See, e.g.,* Alex Kozinski, *Trademarks Unplugged*, 68 N.Y.U. L. REV. 960, 962-63 (1993) (discussing new uses of trademarks). Ninth Circuit Judge Alex Kozinski wrote:
[w]here trademarks once served only to tell the consumer who made the product, they now often enhance it or become the functional part of it. This trend raises questions about whether—and to what extent—the

A related development involves the reverse: the product becomes the trademark, or identifier of source. Mickey Mouse, for example, started out as a character in a cartoon—he was a product sold by the Walt Disney Co. Now Mickey has become the trademark: many associate his likeness with the company and assume that his presence on a product means that Disney has produced, or at least sponsored or approved, the product. Thus, trademark law now protects a wide variety of “product identifiers” in circumstances hardly imaginable a hundred years ago.

B. Reasons For the Expansion of Intellectual Property Rights

This Article posits that overlapping protection has arisen mostly by accretion, as a result of the expansion of intellectual property rights, rather than by design. An examination of the reasons for the expansion of intellectual property rights supports the notion that the overlapping protection that has arisen has been less intentional and more likely a byproduct of a general expansionist, pro-property rights trend. Interest group politics, resource disparities, and, to some extent, rent-seeking account for the growth of intellectual property rights in almost all directions. Some expansion certainly can be attributed to the demands of changing technology, but the overwhelming influence of powerful interest groups cannot be discounted in examining the nature of the expansion that has occurred.

Interest group pressure has tilted the rules toward the interests of intellectual property owners and away from the public domain. Public choice theory would predict that small, concentrated groups will have an inordinate influence on legislation (and probably in the litigation process as well).¹²⁵ Indeed, the “history of copyright legislation certainly supports

law should protect trademarks when they are pressed into service as separate products.

Id.

124. See Chiappetta, *supra* note 73, at 35 & n.1. (“By all accounts, the ‘proportization’ of trademark law is out of control.”).

125. Joseph P. Liu, *Copyright and Time: A Proposal*, 101 MICH. L. REV. 409, 448 (2002):

It is widely accepted that copyright legislation responds quite directly to the lobbying efforts of the copyright industries. It is not hard to see why. A narrow group of interests—namely the movie, music, publishing, and software industries—stands to benefit from expansion of intellectual property protection. They have the resources and incentives to lobby for such expansion in Congress. By contrast, consumers individually are largely indifferent to such expansions. Although they bear much of the cost of expansions, and such costs may be significant in the aggregate, each consumer bears only a miniscule share, spread out over time. Thus, as public choice theorists predict,

[this] thesis.”¹²⁶ That is, the owners of intellectual property are a concentrated minority with the resources and the motivation to pursue litigation and lobbying efforts, while those who do not benefit from (or are harmed by) the expansion of intellectual property rights comprise a diffuse and resource-poor group.¹²⁷ The music and movie industries are examples of this interest group asymmetry: they are highly motivated to seek greater protections for their products and are able to do so because of their financial and political clout.¹²⁸ On the other hand, the public, or the public domain, is less able to organize against industry interest group pressure.¹²⁹ The CTEA is a prime example, “a classic instance of almost pure rent-seeking legislation.”¹³⁰ Thus, the intellectual property rights in music and movies have expanded and have been enforced vigorously.¹³¹

consumers do not band together in sufficient numbers to oppose efforts by the copyright industries to expand protection.

126. Stewart E. Sterk, *Rhetoric and Reality in Copyright Law*, 94 MICH. L. REV. 1197, 1244 (1996); see also *id.* at 1246 (“It is hardly shocking to discover that interest-group power has shaped copyright legislation What is surprising is the paucity of criticism—from Congress, public interest groups, and the academic community—that has accompanied each new expansion of copyright protections.”). Certain recent expansions have, in fact, occasioned a great deal of criticism—the Copyright Term Extension Act is the most notable example—but the criticism has not so far succeeded in halting the expansionist tendencies of the courts or Congress. See, e.g., *Eldred v. Ashcroft*, 537 U.S. 186 (2003) (upholding the constitutionality of the Copyright Term Extension Act).

127. See, e.g., Magliocca, *supra* note 11, at 846 (“This steadfast resistance [to expanding intellectual property rights for designs] is puzzling. Proponents of design protection have a simple explanation for this disparate treatment. They claim that powerful interest groups such as insurers and retailers block reform simply because it would raise their costs. Meanwhile, only poorly organized consumers and researchers fight against the expansion of other intellectual property rights.”).

128. The music, software, and movie industries lobbied vigorously for the passage of the Digital Millennium Copyright Act, which provides very strong protections for intellectual property owners at the expense of the public and the public domain. See Robert P. Merges, *One Hundred Years of Solicitude: Intellectual Property Law, 1900-2000*, 88 CALIF. L. REV. 2187, 2201 (2000) (noting that many commentators have argued “that the rushed, industry-backed DMCA is very deeply flawed” and concluding that “[g]iven the potential economic stakes and Congress’s desire to please the new media industries, the end result surprised no one: strong legal recognition of technical protection schemes”).

129. See Levmore, *supra* note 108, at 186 (“[T]he regular ‘losers,’ if they are that, are likely to be the end users of these creations, who are widely dispersed, not in communication with one another, and thus disadvantaged in the political process except to the extent that their potential voting power matters.”).

130. Merges, *supra* note 128, at 2236-37:

From an incentive point of view, the Act is virtually worthless; viewed from a present-value perspective, the additional incentive to create a copyrightable work is negligible for an extension of copyright from

Similarly, the specialized patent court, the United States Court of Appeals for the Federal Circuit, which was established in 1982, has been markedly more pro-patent than the non-specialized courts had been.¹³² William Landes and Richard Posner have argued that this pro-patent bent is understandable in the context of interest group politics and behavior:

It was predictable that a specialized patent court would be more inclined than a court of generalists to take sides on the fundamental question whether to favor or disfavor patents, especially since interest groups that had a stake in patent policy would be bound to play a larger role in the appointment of the judges of such a court than they would be in the case of the generalist federal courts.¹³³

Accordingly, greater numbers of patents have been issued and upheld since the advent of the Federal Circuit.¹³⁴

As the proponents of increased rights have had greater resources and political influence, and as intellectual property has become more valuable, intellectual property rights have expanded exponentially. Furthermore, there is no reason to believe that this trend is likely to change; rather, the owners of intellectual property will be inclined to continue to push for additional rights, and it is likely that they will succeed.¹³⁵ To be sure, some

life-plus-fifty years to life-plus-seventy years. Thus, the major beneficiaries of such an Act are not future creators, but current copyright owners—and the larger the library of revenue-producing copyrights, the greater the future benefit. Consumers, on the other hand, pay the full costs of these benefits. But they pay them in small doses individually, and over a long period of time. Thus, the absence of effective lobbying against the Act.

131. See Digital Millennium Copyright Act, 17 U.S.C. §§ 1201-1205 (2000); see also *A&M Records, Inc. v. Napster, Inc.*, 239 F.3d 1004 (9th Cir. 2001) (upholding grant of preliminary injunction against Napster and its file-sharing service).

132. William M. Landes & Richard A. Posner, *An Empirical Analysis of the Patent Court*, 71 U. CHI. L. REV. 111, 112 (2004) (“As expected, the Federal Circuit has turned out to be a pro-patent court in comparison to the average of the regional courts that it displaced in the patent domain.”).

133. *Id.* at 111-12.

134. *Id.* at 127.

135. See, e.g., Levmore, *supra* note 108, at 190 (“[W]e should expect increased protection for the creators of ideas, abstract or not. This expansion comes not only because of technological changes, but also, and more interestingly perhaps, because of an asymmetry in interest group activity and likely success.”); Magliocca, *supra* note 11, at 863 (“Overprotection is the more serious danger because the future has no lobby in Congress. That somewhat cynical assertion is borne out by the relentless expansion of intellectual property rights in recent decades.”).

expansion in rights can be attributed to factors other than interest group pressures and imbalances—changing technology certainly may justify stronger protections in some cases, for example—but much of the expansion of the last fifty years appears to be reactive rather than targeted at specific technological change. That is, expansion has occurred in relation to specific industry concerns or with regard to one area of intellectual property protection rather than with an eye to the federal intellectual property scheme as a whole. Thus, overlapping protection has arisen as a by-product of the general expansionist trend and not as part of an intentional, systematic approach to protecting intellectual property rights.

C. Overlapping Intellectual Property Protection

Historically, the subject matters of patent, copyright, and trademark law were quite distinct and questions of dual protection rarely arose. When they did, channeling doctrines developed that worked to distinguish copyrightable from patentable from trademarkable works.¹³⁶ With the expansion of rights and the constant pressure of litigants and interest groups, however, the boundaries have begun to blur and the channeling doctrines have failed to maintain the old distinctions. As the scope of federal intellectual property protection has expanded, the once-separate regimes have begun to overlap in significant ways. In a variety of circumstances, it is possible for the owner of a work to obtain the protections of more than one form of intellectual property. Thus, for example, as will be discussed in the following sections, computer software may be protected by both patent and copyright law, and an ornamental design may be protected by a design patent, a copyright, *and* a trademark.

Overlapping protection arises in two ways: intellectual property owners may seek concurrent coverage of more than one form of protection or they may request sequential protection.¹³⁷ Both scenarios give rise to the same set of concerns, and they should be addressed with a coherent doctrine. Perhaps because of the variety of ways in which the issue presents itself, however, litigants and courts have failed to recognize overlapping protection as a single, overarching problem and, accordingly, have not treated it as such. The following sections set forth the channeling rules that

136. Cohen & Lemley, *supra* note 42, at 26-27 (“A variety of doctrines historically have served to channel certain sorts of innovation (technical) into the patent sphere and other sorts (artistic) into the copyright sphere.”).

137. The concerns about overlapping protection that are addressed in this Article also arise when the author or creator seeks protection for a work that falls within the subject matter of patent or copyright law but is, for some reason, unpatentable or uncopyrightable.

have created boundaries between the three federal intellectual property regimes and describe some of the ways in which overlapping protection is now available. The examples provided are intended to be illustrative rather than exhaustive; they demonstrate the variety of scenarios involving overlapping protection and serve to highlight both the scope and the ambiguity of the problem of overlapping protection.

1. *The Patent/Copyright Overlap*

a) *The Channeling Rules*

New technologies often have presented problems for the patent and copyright systems.¹³⁸ Historically, patents and copyrights covered very different subject matters: patents were for new and useful inventions, copyrights were for original expressive works.¹³⁹ When the possibility of dual protection arose, channeling doctrines served to maintain the distinction between the two regimes.¹⁴⁰ Copyright's "useful article" doctrine, for example, directed functional works to the patent realm; useful articles remain uncopyrightable.¹⁴¹ In addition, copyright law was explicitly designed to cover expressive works, which generally are excluded from patent protection as not "useful."¹⁴² These doctrines still distinguish patent from copyright subject matter, but overlapping protection has nonetheless become available in some cases. Computer programs and mask works (semiconductor chips) provide excellent examples of technologies that

138. *See Sony Corp. v. Universal City Studios, Inc.*, 464 U.S. 417, 430 (1984) ("From its beginning, the law of copyright has developed in response to significant changes in technology.").

139. Cohen & Lemley, *supra* note 42, at 26-27 ("A variety of doctrines historically have served to channel certain sorts of innovation (technical) into the patent sphere and other sorts (artistic) into the copyright sphere.").

140. *See, e.g., Baker v. Selden*, 101 U.S. 99 (1879) ("The claim to an invention or discovery of an art or manufacture must be subjected to the examination of the Patent Office before an exclusive right therein can be obtained."). In some cases, however, the Supreme Court merely sidestepped the question of overlapping protection. *See, e.g., Mazer v. Stein*, 347 U.S. 201, 217 (1954) ("As we have held the statuettes here involved copyrightable, we need not decide the question of their patentability. Though other courts have passed upon the issue as to whether allowance by the election of the author or patentee of one bars a grant of the other, we do not . . . Neither the Copyright Statute nor any other says that because a thing is patentable it may not be copyrighted. We should not so hold.").

141. *See Mazer*, 347 U.S. at 201.

142. *See* 35 U.S.C. § 101 (2000); *see Karjala, supra* note 65, at 45 ("[T]he fundamental difference between traditional patent and copyright subject matter is best captured by the term 'functionality.' Patents protect creative, functional invention; copyright protects creative, nonfunctional authorship.").

have managed to blur the lines that had previously seemed clear: Is a computer program an expressive work? Is it a useful article? The answer to both questions is yes, and computer software and mask works are now eligible for overlapping protection.

b) Computer Software and Mask Works: A Case Study in Overlapping Patent and Copyright Protection

The most significant overlap between patent and copyright protection has arisen with the development of computer software, and computer software presents an ongoing challenge for the intellectual property system. Computer programs are, on the one hand, utilitarian works, not so different in some ways from the obviously patentable widget. On the other hand, they are expressive written works, which have traditionally been protected by copyright law. Because of their dual nature, computer programs initially fell into an ambiguous space in the intellectual property system, and the existing doctrines and definitions ultimately were incapable of effectively channeling software into one form of protection.¹⁴³

The pressure to expand intellectual property rights led directly to the dual protection currently available for computer software. Until the late 1980s, the Patent Office rejected the vast majority of patent applications for computer-related inventions, and “it was widely believed that computer program-related inventions were rarely, if ever, patentable.”¹⁴⁴ In 1972, the Supreme Court held that a computer algorithm could not be patented and consistently reiterated that position for many years.¹⁴⁵ Software engineers and their attorneys, frustrated by their inability to obtain patent protection due to the Patent Office and the courts’ resistance to the idea that computer software might be patentable, eventually turned to copyright for assistance. The copyright system turned out to be much more amenable to the claims of the software engineers for protection.¹⁴⁶

143. Indeed, the question of the appropriate scope of intellectual property protection for software has occasioned a tremendous amount of scholarly discussion. *See, e.g.*, Breyer, *supra* note 19; Cohen & Lemley, *supra* note 42; Karjala, *supra* note 65; A. Samuel Oddi, *An Uneasier Case for Copyright than for Patent Protection of Computer Programs*, 72 NEB. L. REV. 351 (1993); Pamela Samuelson, *Benson Revisited: The Case Against Patent Protection for Algorithms and Other Computer Program-Related Inventions*, 39 EMORY L.J. 1025 (1990); Pamela Samuelson et al., *A Manifesto Concerning the Legal Protection of Computer Programs*, 94 COLUM. L. REV. 2308 (1994).

144. Samuelson, *supra* note 143, at 1028.

145. *Id.* at 1028-29.

146. Karjala, *supra* note 65, at 42-43 (“[J]udges in the early software copyright cases made the fundamental mistake of treating computer programs as literary works amenable

In 1974, Congress established the National Commission on New Technological Uses of Copyrighted Works (CONTU) to examine new technologies and make recommendations concerning intellectual property law.¹⁴⁷ The primary recommendation issued by the panel was that copyright law should protect computer software,¹⁴⁸ despite the provisions of the Copyright Act stating that copyright does not extend to “any idea, procedure, process, system, method of operation, concept, principle, or discovery.”¹⁴⁹ Congress adopted CONTU’s recommendations in 1980, and courts began to recognize copyright claims concerning computer programs.¹⁵⁰

Although copyright protection had become available, the owners of the software programs continued to press their patent claims and eventually succeeded. Following a series of decisions softening the prohibition on patenting software, the Federal Circuit, in the *State Street* decision, found that “useful” mathematical algorithms fell within the ambit of patentable subject matter.¹⁵¹ Other courts followed suit, and it is now beyond cavil that computer software is patentable.¹⁵² But the Federal Circuit’s change of heart concerning patentability did not include a change in the copyrightability of computer programs. Thus, much computer software can now be protected under both the patent and copyright regimes. A programmer—or her employer—may now enjoy the benefits of both protection regimes: twenty years of strong patent rights; at least seventy years of medium-strength copyright rights; the patent right to preclude fair use, re-

to the same analysis they had used for years in application to works like novels and plays.”).

147. See FINAL REPORT OF THE NATIONAL COMMISSION ON NEW TECHNOLOGICAL USES OF COPYRIGHTED WORKS (1978), The Digital Law Online Website, at <http://digital-law-online.info/CONTU>.

148. *Id.* at 1-2.

149. 17 U.S.C. § 102(b) (2000). For an argument that copyright protection is not appropriate for software, see Karjala, *supra* note 65, at 43 (“Copyright protection for most program innovation would be much worse than whatever comes out of patent, because copyright was not designed for, and indeed is ill-suited to, the protection of technology.”).

150. See, e.g., *Computer Assocs. Int’l v. Altai, Inc.*, 982 F.2d 693 (2d Cir. 1992); *Apple Computer v. Franklin Computer*, 714 F.2d 1240 (3d Cir. 1982); *Williams Elecs. v. Arctic Int’l*, 685 F.2d 870 (3d Cir. 1982).

151. *State St. Bank & Trust v. Signature Fin. Servs.*, 149 F.3d 1368, 1373 (Fed. Cir. 1998).

152. Cohen & Lemley, *supra* note 42, at 4 (“With some eighty thousand software patents already issued, the Federal Circuit endorsing patentability without qualification, and the Supreme Court assiduously avoiding the question, software patentability is a matter for the history books.”) (internal citations omitted).

verse engineering, and independent creation; and the copyright benefit of preventing the creation of substantially similar works.

The patent/copyright overlap has also extended to mask works. In 1984, Congress enacted the Semiconductor Chip Protection Act (SCPA) in response to concerns that existing intellectual property rights did not appropriately protect semiconductors.¹⁵³ In particular, Congress was concerned that copyright protection was not sufficient because of the ease of copying the chips¹⁵⁴ and that the scope of patent protection was not sufficient to protect the intellectual property in the chips.¹⁵⁵

There has been relatively little litigation under the SCPA, and there is nothing in the SCPA indicating that such concurrent protection is to be avoided or is prohibited. Consequently, it is possible for mask works to have concurrent protection by both the SCPA, which provides copyright-like protection, and patent law. The overlap is not complete—that is, there may be elements of a chip that are protected by the SCPA and not patent law—but the designer of a semiconductor chip certainly may obtain more than one type of protection for certain aspects of the chip.¹⁵⁶ For example, the SCPA protects the circuit design on a semiconductor chip,¹⁵⁷ and patent law will protect the electronic circuitry and components.¹⁵⁸ As a result,

153. Pub. L. 98-620, Title III, 98 Stat. 3347 (codified at 17 U.S.C. §§ 901-914); *see, e.g.*, *Brooktree Corp. v. Advanced Micro Devices, Inc.*, 977 F.2d 1555, 1562 (Fed. Cir. 1993). The Federal Circuit has stated:

The design of a satisfactory chip layout may require extensive effort and be extremely time consuming, particularly as new and improved electronic capabilities are sought to be created. A new semiconductor chip may incur large research and development costs, yet after the layout is imprinted in the mask work and the chip is available in commerce, it can be copied at a fraction of the cost to the originator. Thus there was the concern that widespread copying of new chip layouts would have adverse effects on innovative advances in semiconductor technology

Id.

154. *Brooktree Corp.*, 977 F.2d at 1562 (“[I]t was uncertain whether the copyright law could protect against copying of the pattern on the chip itself, if the pattern was deemed inseparable from the utilitarian function of the chip.”).

155. *Id.* (“The patent system alone was deemed not to provide the desired scope of protection of mask works.”).

156. *See, e.g., id.* (permitting both claims).

157. 17 U.S.C. § 902 (2000).

158. 35 U.S.C. § 101 (2000); *see also Brooktree Corp.*, 977 F.2d at 1562-63. The court in *Brooktree Corp.* stated:

Although electronic circuitry and electronic components are within the statutory subject matter of patentable invention, *see* 35 U.S.C. § 101, and some original circuitry may be patentable if it also meets the

for obvious reasons, a rational designer of semiconductors likely will seek all of the protection she can obtain for her work.¹⁵⁹

Thus, the owner of a mask work can obtain copyright-like protection under the SCPA, which lasts for ten years, and patent protection for twenty years. With the patent protection, the chip designer can prevent all copying, even that which might otherwise be acceptable under the SCPA. The SCPA, for example, provides a reverse engineering exception allowing copying so long as the copier's final product is original (and not substantially similar to the copied chip).¹⁶⁰ Patent law does not, however, provide a similar reverse engineering exception.¹⁶¹ As a result, by pursuing both forms of protection, a chip designer can obtain the benefits of both protection regimes and, at the same time, avoid some of the trade-offs otherwise required by those regimes.

2. *The Patent/Trademark Overlap*

With the expansion of trademark law to include trade dress and some product configurations,¹⁶² trademark and patent subject matter threaten to overlap.¹⁶³ Patent law and trademark law historically have been distin-

requirements of the Patent Act, as illustrated in this case, Congress sought more expeditious protection against copying of original circuit layouts, whether or not they met the criteria of patentable invention. 977 F.2d at 1562-63.

159. This does not mean, of course, that chip designers will always seek multiple forms of protection, but there will certainly be situations in which it is in the best interests of a chip designer (or any owner of intellectual property) to maximize the number of rights that can be obtained and to maximize the potential recovery in a lawsuit.

160. 17 U.S.C. § 906(a).

161. *See* *Kewanee Oil Co. v. Bicron Corp.*, 416 U.S. 470, 490 (1974) (“While trade secret law does not forbid the discovery of the trade secret by fair and honest means, e.g., independent creation or reverse engineering, patent law operates ‘against the world,’ forbidding any use of the invention for whatever purpose for a significant length of time.”).

162. *See, e.g.*, *Two Pesos v. Taco Cabana*, 505 U.S. 763 (1992) (addressing the trade dress protection in the decorating scheme of a restaurant). An example of a product configuration is a tie for plastic bags.

163. There has been a great deal of commentary on the interaction and possible collision between patent and trademark law in the context of product design. *See, e.g.*, Margreth Barrett, *Consolidating the Diffuse Paths to Trade Dress Functionality: Encountering Traffix on the Way to Sears*, 61 WASH. & LEE L. REV. 79, 84-85 (2004) (“This Article concludes that the *Traffix* formulation is not fully consistent with any of the policies that courts have cited as justifying or defining the functionality doctrine.”); Kevin E. Mohr, *At the Interface of Patent and Trademark Law: Should a Product Configuration Disclosed in a Utility Patent Ever Qualify for Trade Dress Protection?* 19 HASTINGS COMM. & ENT. L.J. 339, 345 (1997). Mohr argued that:

guished by the functionality requirement: a patent must be useful,¹⁶⁴ while a functional item or aspect of an item cannot serve as a trademark.¹⁶⁵ In *TrafFix Devices, Inc. v. Marketing Displays, Inc.*, the Supreme Court reaffirmed the functionality doctrine, and it appears that this channeling rule remains relatively robust.¹⁶⁶ Given the press of litigants and the willingness of Congress and the courts to expand the scope of intellectual property protections, however, it will not be surprising if the functionality doctrine fails to prevent overlap in certain cases or eventually begins to erode.

3. *The Copyright/Trademark Overlap*

a) The Channeling Rules

In theory, copyright protection is unavailable for most trademark-like items, and vice-versa. Copyright law does not protect words, names, slogans, short phrases or “familiar symbols and designs.”¹⁶⁷ Most word marks—“McDonald’s” or “Starbucks Coffee,” for example—are short phrases, and thus not copyrightable. In addition, copyright protection does not extend to unoriginal works,¹⁶⁸ so items taken from the public domain

[w]hen the policies underlying patent and trademark law collide, the impact threatens to transform the above-described reciprocal patent bargain into a grant of a perpetual patent monopoly to the inventor. This Article addresses these concerns in the context of a product configuration or feature having been disclosed in a utility patent, and suggests that courts should adopt a strict rule to resolve conflicts between patent and trademark law.

Mohr, *supra*, at 345.

164. 35 U.S.C. § 101 (2000).

165. *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 850 n.10 (1982); *see also* *Qualitex Co. v. Jacobsen Prods. Co., Inc.*, 514 U.S. 159, 164 (1995). The *Qualitex* Court stated:

The functionality doctrine prevents trademark law, which seeks to promote competition by protecting a firm’s reputation, from instead inhibiting legitimate competition by allowing a producer to control a useful product feature. It is the province of patent law, not trademark law, to encourage invention by granting inventors a monopoly over new product designs or functions for a limited time, 35 U.S.C. §§ 154, 173, after which competitors are free to use the innovation. If a product’s functional features could be used as trademarks, however, a monopoly over such features could be obtained without regard to whether they qualify as patents and could be extended forever (because trademarks may be renewed in perpetuity).

514 U.S. at 164. *See generally* Barrett, *supra* note 163.

166. *See* *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23 (2001).

167. 37 C.F.R. § 202.1(a) (1994).

168. 17 U.S.C. § 102(b) (2000).

that function as trademarks (because they have acquired secondary meaning)—such as “United Airlines” or “Blockbuster Video”—are not eligible for copyright protection. Many logos are deemed not to contain the requisite level of originality to achieve copyright protection: the distinctive Coca-Cola script is protectable as trade dress but it would not be considered original for purposes of copyright law. The subject matter definitions contained in the Copyright Act, along with the trademark requirement that descriptive or suggestive marks must acquire secondary meaning to be protectable,¹⁶⁹ have channeled works such that little overlapping protection was available, as a practical matter. However, the channeling doctrines have not been sufficient to prevent some overlap because of Congressional action, the expanding scope of copyright and trademark rights granted by the courts, and the changing notion of what constitutes a trademark. Because the rights granted to intellectual property owners are only likely to increase,¹⁷⁰ overlapping protection will become increasingly common.

b) Characters: A Case Study in Overlapping Trademark and Copyright Protection

Intellectual property protection for characters presents perhaps the most interesting—and most difficult—scenario concerning overlapping protection. At least in part because of the expansion in trademark rights and the evolving notion of what constitutes a trademark, it is now possible to obtain copyright and trademark protection for fictional or graphic characters.¹⁷¹ Mickey Mouse might be the most famous example. The Walt

169. 15 U.S.C. § 1052 (e), (f) (2000). Most trademarks, in order to be protectable, must acquire “secondary meaning,” which happens when “in the minds of the public, the primary significance of a product feature . . . is to identify the source of the product rather than the product itself.” *Inwood Labs.*, 456 U.S. at 851 n.11 (1982); *see also* *Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.*, 469 U.S. 189, 194 (1985) (stating that, in order to be registered, descriptive marks must have acquired secondary meaning).

170. *See supra* Part III.B.

171. This notion of “characters” and what constitute the protectable elements of a literary or graphic character is slippery under any circumstances, and the question of how or whether or to what extent characters should be protected is perhaps more intractable. *See* Catherine Seville, *Peter Pan's Rights: To Die Will Be an Awfully Big Adventure*, 51 J. COPYRIGHT SOC'Y U.S.A. 1, 2 (2003) (“Even within the literary sphere the concept of ‘ownership’ of character is extremely problematic. Although the author is an obvious first candidate for holding such a property, the author is likely to have built on existing themes and sources . . . , and therefore it is hard to justify a right in a character which threatens to remove such sources from the public domain. Furthermore, once the character is released to the public, its audience will have a view of it, separate from that of the author.”).

Disney Co. owns the copyright on the character's design,¹⁷² and, thanks to copyright term extension, that copyright will last until at least 2023.¹⁷³ Disney has invested an enormous amount of money and effort into promoting and protecting its characters and their likenesses, and has exercised a great deal of control over the use of those characters by others.¹⁷⁴ Mickey Mouse is protected by copyright law as an original expressive work; Mickey is considered a work of art, falling squarely within the traditional subject matter of copyright law.¹⁷⁵ Mickey, or, more specifically, the graphic representation of Mickey, has also come to function as a trademark for the Walt Disney Co. by serving the trademark purpose of identifying the source of the goods and products with which he is associated.¹⁷⁶ Although he likely did not perform this function early in his career—originally he was the product, not the product identifier—Mickey undoubtedly qualifies as a trademark for Disney today.¹⁷⁷

Over time, Mickey has become a popular cultural icon, and many are eager to use his image when the copyright expires.¹⁷⁸ However, with the

172. Pub. L. 105-298, 112 Stat. 2827, 2827-28 (1998) (amending 17 U.S.C. §§ 302, 304).

173. Sony Bono Copyright Term Extension Act, 17 U.S.C. § 304 (2000). One of the stories often told about the CTEA is that it was passed primarily, or at least to some extent, in order to extend Disney's copyright in Mickey Mouse, which, before the passage of the CTEA, would have expired in 2003. *See Symposium: Panel II, supra* note 98, at 780-81 (statement of Eben Moglen); *see also* <http://disney.go.com/vault/archives/movies/steamboat/steamboat.html> (last visited Dec. 20, 2004) (dating the "birth" of Mickey Mouse: November 18, 1928).

174. *Walt Disney Prods. v. Air Pirates*, 345 F. Supp. 108, 109 (C.D. Cal. 1972) ("In the case of a number of these characters, of which 'MICKEY MOUSE' is probably the prime example, the plaintiff has devoted considerable effort and resources to developing a recognition of that image, and exploiting its value in numerous ways. In that effort, plaintiff has been markedly successful.").

175. 17 U.S.C. § 102(a)(5).

176. An archived version of Disney's corporate home page is available at <http://web.archive.org/web/20040208010337/disney.go.com/corporate> (last visited Dec. 20, 2004) (using a graphic representation of Mickey Mouse as a logo and including a quote from Walt Disney: "I only hope that we don't lose sight of one thing—that it was all started by a mouse").

177. It seems unlikely that Disney knew from the outset what sort of asset Mickey Mouse would become for the company. *See Disney's Mouse*, at <http://www.geocities.com/disneysmouse> (last visited Dec. 20, 2004) (setting forth a brief history of Mickey Mouse).

178. *See, e.g., Mickey Mouse Downloads, Fred's Corner*, at <http://www.fredscorner.nl/mickey/index.html> (last visited Dec. 19, 2004) (providing Mickey Mouse downloads; the disclaimer states that "[n]o infringements of any copyrights or trademarks are intended"); *Mickey Mouse Release Day*, infoAnarchy's wiki, at <http://www.info>

passage of time, Disney's copyright protection for Mickey enabled the company to obtain trademark rights. That is, because of the copyright protection—which has prevented others from using Mickey's image—Disney was able to create trademark rights, which arise from the association of the image with the company. One of the reasons that people associate Mickey with Disney is that no one else has been able to use his picture for the last seventy-six years. In effect, Disney used its copyright as leverage for getting trademark protection that it may not have been able to obtain without the benefits of copyright law. Because trademark rights are indefinite, lasting as long as they function as source identifiers,¹⁷⁹ we can expect that Disney will continue to enforce its trademark rights in Mickey after the copyright expires. Under the current legal regime, this acquisition of trademark rights and the concurrent protection of copyright law are entirely legitimate. This dual protection, however, has implications for the intellectual property system and its goal of furthering a competitive economy.

Overlapping rights arose in a different way in a lawsuit concerning Mickey's contemporary, Peter Rabbit. In *Frederick Warne & Co. v. Book Sales, Inc.*, the plaintiff, a publisher of the Peter Rabbit books, brought suit against a competitor who was publishing versions of the Peter Rabbit books that were no longer protected by copyright.¹⁸⁰ The publisher asserted that the defendant's use of several cover illustrations infringed its trademark rights, notwithstanding the fact that the illustrations were on the original, now-unprotected versions of the books.¹⁸¹ In all, the publisher claimed trademark rights in eight drawings of characters from the Peter Rabbit books. The court addressed the issue of overlapping—in this case, sequential—protection and held that the “fact that a copyrightable character or design has fallen into the public domain should not preclude protection under the trademark laws so long as it is shown to have acquired independent trademark significance, identifying in some way the source or sponsorship of the goods.”¹⁸² The court asserted that trademark and copy-

anarchy.org/wiki/wiki.pl?Mickey_Mouse_Release_Day (last modified Aug. 30, 2004) (a webpage devoted to third party use of Mickey Mouse).

179. *See Selchow & Righter Co. v. McGraw-Hill Book Co.*, 580 F.2d 25, 27 (2d Cir. 1978) (“Federal trademark law, however, provides for the grant of rights to the trademark owner for an indefinite time period. Absent certain abuses by a trademark owner and assuming use in a trademark sense, the duration of a trademark depends on public recognition that the trademark identifies the user's goods and distinguishes them from the goods of others.”).

180. 481 F. Supp. 1191, 1193 (S.D.N.Y. 1979).

181. *Id.*

182. *Id.* at 1196.

right protection ought to be able to co-exist and even overlap because of the very different purposes of copyright and trademark law.¹⁸³ As with Disney, it appears here that the plaintiff leveraged the copyright rights to obtain trademark protection.¹⁸⁴ Frederick Warne & Co. sought to establish and maintain its trademark rights in the pictures of Peter Rabbit while the copyright was in effect and then continued to press those trademark rights after the copyright expired. Here as well, the drawings of Peter Rabbit initially were the product, or part of the product, and then became, at least according to the plaintiff, a trademark signifying the source of the product.

Frederick Warne demonstrates the way in which the expanded notion of trademarks and trademark rights has led to overlap. The conclusion that Peter Rabbit has risen to trademark status is a stretch, yet the court did not appear reluctant to confer trademark rights on Frederick Warne & Co. It is hard to believe that the picture of Peter Rabbit has come to function as a trademark or that there is really a significant risk of confusion in this instance. Indeed, it is only if the trademark rights are granted here that people will come to associate Peter Rabbit with a single source rather than believing that he is part of the public domain. It is through this sort of expansion of trademark rights that overlapping protection has become available.

183. *See id.* (“Dual protection under copyright and trademark laws is particularly appropriate for graphic representations of characters. A character deemed an artistic creation deserving copyright protection . . . may also serve to identify the creator, thus meriting protection under theories of trademark or unfair competition”) (internal citations omitted). The court alluded to the fact that intellectual property protection of characters may present specific problems, but it did not address those issues:

Some commentators have suggested that trademark and unfair competition theories might serve to protect a character beyond the term of copyright applicable to the underlying work. This provocative question need not be reached, since plaintiff does not seek to establish exclusive trademark rights in the characters themselves but only to protect its limited right to use specific illustrations of those characters.

Id. at 1197 n.3. Other courts have suggested that the distinction between a specific illustration of a character and the character itself is potentially meaningful in determining whether trademark law might apply after copyright protection has expired. *See, e.g.,* Sony Pictures Entm’t, Inc. v. Fireworks Entm’t Group, Inc., 137 F. Supp. 2d 1177, 1196 & n.30 (C.D. Cal. 2001).

184. The court denied the defendant’s summary judgment motion, holding that the trademark claims could go forward, but did not make a finding that the Frederick Warne Co. had established secondary meaning. *Frederick Warne*, 481 F. Supp. at 1198 (“[The plaintiff may not] have an easy task at trial. Because the claimed marks are derived from or are similar in appearance to the illustrations in the text of the books, they may well prove to be ‘weak’ marks. As a general rule, weak or descriptive marks are accorded less protection than inherently distinctive marks.”).

c) Overlap by Design or Overlap by Accident?

There is no evidence that either Congress or the courts have thought in any systematic way about overlapping trademark and copyright protection. Although in some cases the existence of multiple layers of protection is discussed, as in the Peter Rabbit case, in many other cases, the availability of more than one form of federal intellectual property protection is not noted, much less analyzed. This practice persists in the lower courts, the Supreme Court, and the U.S. Congress. Such a lack of attention indicates that overlapping copyright and trademark protection has arisen accidentally, as a byproduct of the expansion of intellectual property rights, rather than by design.

Although the Supreme Court has addressed overlapping protection in certain contexts, it has ignored the issue entirely in other contexts. In *Wal-Mart Stores, Inc. v. Samara Bros.*,¹⁸⁵ for example, the Court did not even recognize the potential for overlapping protection as an issue. The plaintiff, Samara Bros. (“Samara”), designed and manufactured a line of children’s clothing: “seersucker outfits decorated with appliqués of hearts, flowers, fruits, and the like.”¹⁸⁶ Samara sold its clothing line nationally. Wal-Mart became aware of Samara’s clothing line, sent samples of the clothing to its manufacturer, and proceeded to produce a line of nearly-identical garments.¹⁸⁷ At issue before the Supreme Court was the relatively narrow question of whether a plaintiff pursuing a 15 U.S.C. § 43(a) claim for trade dress infringement must prove secondary meaning.¹⁸⁸ Almost unmentioned in the Court’s opinion, however, is the fact that Samara brought claims for both federal trademark infringement and copyright infringement.¹⁸⁹ Samara prevailed at trial on both claims, thus obtaining overlapping federal protection.¹⁹⁰ Although the Supreme Court reversed the judgment on the trademark claim, the Court’s opinion in no way indicated that such overlapping protection would be inappropriate or problematic if Samara were able to demonstrate secondary meaning. Thus has the

185. 529 U.S. 205 (2000).

186. *Id.* at 207.

187. *Id.* at 207-08. This was a lucrative business, too. “In 1996, Wal-Mart briskly sold the so-called knock-offs, generating more than \$1.15 million in gross profits.” *Id.* at 208.

188. *Id.*

189. *Id.*

190. Indeed, it is even possible that Samara Bros. could have obtained a design patent as well, assuming the designs met the requirements of novelty, originality, and nonobviousness, and were ornamental and not dictated by functional considerations. *See* 35 U.S.C. § 171 (2000).

trademark/copyright overlap arisen, and thus has it not been satisfactorily addressed.

4. *The Patent/Copyright/Trademark Overlap*

The availability of design patents provides an example of an overlap between all three forms of federal protection.¹⁹¹ Even with the greatly expanding scope of intellectual property rights, few items qualify for patent, copyright, and trademark coverage; the subjects of each area of protection remain too distinct for that. However, because works protected by design patents may not, by definition, be useful,¹⁹² the functionality doctrine does not operate in this context to distinguish patent subject matter from trademark and copyright subject matter. Thus, commercial art, also called ornamental design, has managed to straddle all three areas.¹⁹³ Although protection for commercial designs is also one of the few segments of intellectual property law that has not seen marked expansion over the years,¹⁹⁴ the overlaps in this area present a challenge to the intellectual property system. The availability of multiple forms of protection makes it very difficult to determine which—if any—form is appropriate, and it muddies the waters of acceptable use for those wishing to use or build upon previously-existing works.

An ornamental design used on the front of a car, for example, would be eligible for all three versions of federal intellectual property protection.¹⁹⁵ The design patent system protects novel, nonobvious, ornamental designs for a period of fourteen years, providing essentially the same property rights that an invention would obtain with a utility patent.¹⁹⁶ The same design may also qualify for copyright protection, assuming it is an original, expressive work.¹⁹⁷ The design also may come to function as a

191. 35 U.S.C. § 171 (defining the subject matter amenable to design patent protection as “any new, original and ornamental design for an article of manufacture.”).

192. Functional, or useful, designs may not be protected by the design patent statute. *Power Controls Corp. v. Hybrinetics, Inc.*, 806 F.2d 234, 238 (Fed. Cir. 1986).

193. Magliocca, *supra* note 11, at 846 (“Product designs occupy a unique position in the law because they sit at the confluence of patent, copyright, and trademark doctrine. Indeed, commercial art is the only form of property that can be protected under any of these three traditional categories.”).

194. *Id.* (“Despite intense lobbying efforts that predate the first World War, Congress has rejected every proposal to grant designs broad property rights.”).

195. Jewelry, shoes, furniture, tools, and computer graphics are further examples of items that may fall into this area of triple overlap.

196. 35 U.S.C. § 171.

197. 17 U.S.C. § 102 (2000).

trademark if it serves to indicate the source of the car.¹⁹⁸ These multiple layers of protection, although perhaps appealing to some creators of ornamental designs, are not coordinated in any way and do not necessarily provide the optimal level of protection for designs.¹⁹⁹ In short, the current protection for designs is inadequate according to many designers, the overlapping patchwork of protection is not a coherent or well-planned system, and no doctrine or rule exists to integrate the various forms of protection.

IV. THE PROBLEM OF OVERLAPPING PROTECTION

As the scope of intellectual property rights has expanded dramatically in the last half century, overlapping protection has become increasingly available: copyright and trademark protections for graphic characters; copyright and patent coverage for computer software; and design patent, copyright, and trademark protection for commercial designs. For opponents of the recent expansions in intellectual property rights, overlapping protection likely will appear to be just another problematic manifestation of the rent-seeking behavior of industry groups. But even for those who generally support the enlargement of intellectual property rights, overlapping protection should be a cause for concern. As this Part will describe, overlapping protection disrupts the federal intellectual property system, frustrates the patent and copyright bargains, and meddles with the incentive structures. Moreover, overlapping protection imposes a host of unnecessary costs on intellectual property owners, litigants, third parties, and the public. An examination of the problems arising from overlapping protection leads to the conclusion that if intellectual property rights continue to expand as we should expect they will, the expansion should take place carefully and with an effort to avoid overlapping protection.

A. The Problems with the Patent/Copyright Overlap

As described in Part III, copyright and patent law now overlap in two significant areas: computer software and mask works may receive both forms of protection simultaneously. Overlapping protection in these areas

198. See *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 166 (1995) (“[One of] the basic legal requirements for use as a trademark [is that the mark] act as a symbol that distinguishes a firm’s goods and identifies their source, without serving any other significant function.”).

199. Indeed, industrial designers have been urging Congress to pass a design statute for years. See Magliocca, *supra* note 11, at 845 (“For more than one-hundred years, designers and academics have complained that the United States provides inadequate incentives for commercial artistry.”).

disrupts both the patent and copyright bargains. Each of these bargains falls apart when an alternative form of protection is available for the invention or creative work. When both patent and copyright protection are available, the public will be deprived of some of the benefits that would otherwise flow from the grant of a patent. If a patented invention is also protected by copyright law the inventor will still be required to disclose the invention fully as required under patent law,²⁰⁰ but copyright law may prevent later inventors from developing and profiting from improvements.²⁰¹ Copyright law will stymie the right to make improvements on a patented article because even if patent law would permit the improvement, under copyright law the improved version likely would be considered substantially similar and therefore infringing.²⁰² Thus, while the patentee continues to receive all of the benefits of patent protection when she obtains a copyright as well, the public does not receive all of the benefits of patent law when overlapping protection is available.

Prohibiting improvements to patentable items affects another of the goals of intellectual property policy: furthering a competitive economy.²⁰³ In the patent context, the rules concerning blocking patents and the reverse doctrine of equivalents permit others to make and patent improvements on previously-patented inventions.²⁰⁴ The ability to patent improvements is considered “socially desirable” because, in the patent context, incremental improvements may result in enormous efficiency gains.²⁰⁵ Improvability permits greater competition, reduces barriers to entry, and therefore ameliorates some of the harm caused by granting patent rights. Using copyright law to limit the ability to make improvements to patented articles thus disrupts and distorts the intellectual property balance.

By securing both forms of protection, the programmer or software engineer (or her employer) also gets the benefits of copyright law: an ex-

200. 35 U.S.C. § 112.

201. Section 106 of the Copyright Act provides that one of the exclusive rights of a copyright owner is the right to make derivative works. 17 U.S.C. § 106 (2000 & Supp. II 2002).

202. 17 U.S.C. § 106(2) (giving copyright holder the right to prepare derivative works). A substantially similar copy of a copyrighted works infringes on the copyright holder’s rights. *See, e.g., Country Kids ’N City Slicks, Inc. v. Sheen*, 77 F.3d 1280, 1284 (10th Cir. 1996) (applying the substantial similarity test for copyright infringement).

203. *See supra* Part II.B.

204. Lemley, *supra* note 25, at 1009-10 (discussing blocking patents and the reverse doctrine of equivalents in the context of improvements under patent law).

205. Karjala, *supra* note 65, at 48 (“The policy basis for these differences between the two protection schemes is the social desirability, indeed necessity, of allowing later technological creators to make incremental improvements on the works of others.”).

tended period of medium-strength copyright rights and the right to prevent others from making substantially similar copies, even if those include novel and nonobvious improvements that would otherwise be patentable.²⁰⁶ The public may get increased production of software, but it is deprived of a variety of the rights that generally flow to it from the grant of copyright rights. Even if another programmer independently creates a substantially similar program—something that copyright law does not condemn—the patent rights would prohibit such activity.²⁰⁷ In addition, as long as the patent is in effect, no one may make fair use of the program, even though such use would be permitted under copyright law.²⁰⁸

Finally, the availability of multiple forms of protection in the patent/copyright context (or within any other area of overlap) makes it impossible to evaluate the incentive that has been provided. If both patent and copyright protection are available, Congress will not be able to determine whether the copyright incentives or the patent incentives spurred the new creation.²⁰⁹ It may be, for example, that copyright protection—whatever defects it may suffer—provides sufficient incentive for the creation of new software.²¹⁰ If that is true, the addition of patent protection for

206. Julie Cohen and Mark Lemley have described some of the problems presented by overlapping protection for software:

Copyright and trade secret law both have strongly articulated policies permitting reverse engineering where it is undertaken for a legitimate social purpose. For patent law to ban reverse engineering of software would undermine the goals of both copyright and trade secret law. It is little consolation to a reverse engineer who is held liable for patent infringement that he or she cannot also be sued for copyright infringement and misappropriation of trade secrets. Because patent, copyright, and trade secret rights can coexist simultaneously in the same piece of software, intellectual property policy for software must be made with the combination of rights in mind. If the courts conclude that patent law does not permit reverse engineering, they have effectively nullified the contrary rule in copyright and trade secret law.

Cohen & Lemley, *supra* note 42, at 27.

207. *See supra* Parts II.A, II.B.

208. *See id.*

209. Merges, *supra* note 128, at 2229 (“Whether the [software] industry could have done even better with the added incentive of patents, or whether in fact the absence of patent protection was a blessing, are two hypotheses often discussed in the legal literature and the writings of computer programmers themselves.”).

210. *See, e.g.,* Cohen & Lemley, *supra* note 42, at 5 n.5 (“The bewildering variety of software innovations generated in the years before software was considered patentable suggests that for software, at least, patent protection may not be as necessary as the reward theory assumes. The question is complicated, however, by the availability of copyright protection for software during that period, and by uncertainty over both the scope of copyright protection and the degree of overlap between the copyright and patent

software was not only unnecessary but socially harmful; unnecessary because enough software may be created without the benefit of patent law and harmful because to provide greater rights to the inventor deprives the public of some of the rights it otherwise would receive. This is problematic from a utilitarian perspective. The utilitarian theory of intellectual property protection prescribes that rights are to be granted at the lowest cost to society. Overlapping protection raises a significant risk of overprotection by granting more rights and imposing greater costs than necessary to encourage the production and dissemination of inventive and creative works.

Thus, in some respects, the rights and privileges of copyright law and patent law work at cross-purposes. To permit overlapping protection may increase the protections for intellectual property owners, but it also deprives society of some of the public benefits that otherwise would flow from copyright and patent law. Concurrent protection also is likely to increase the transaction costs for consumers, competitors, and commentators: determining what uses are acceptable and bargaining around two sets of rules rather than one does nothing but increase transactions costs and uncertainty. If the goal is to strengthen or expand the rights of intellectual property owners, providing increased incentives *within* any given legal regime, rather than allowing overlap, best serves the goals of the intellectual property system.

B. The Problems with the Copyright/Trademark Overlap

There are two distinct phases of overlapping intellectual property protection (in the trademark/copyright context and others). The first is the situation of concurrent protection, when copyright law and trademark law coexist and simultaneously protect a particular creative or expressive work. The second phase begins when the copyright protection for the work expires but the trademark protection persists (or arises for the first time). For example, Mickey Mouse is now in his period of concurrent protection. When the copyright expires, Mickey will enter the phase of sequential protection. Both phases are, in different ways, problematic with regard to the intellectual property system and intellectual property policy.

models of protection.”); Merges, *supra* note 128, at 2230 (“Concerning the interim period when software patents were in doubt, however, at least this much can be said: The industry learned to work around the absence of patent protection quite nicely. There was no shortage of technical innovation and new commercial products. Perhaps something about software provided profits ample enough to induce entry and innovation even in the absence of patents.”).

Concurrent copyright and trademark protection disrupts the balance established by Congress and deprives the public of the benefits of the copyright bargain. While the copyright owner will benefit from copyright law notwithstanding the simultaneous protection of other legal rules, the benefits that normally flow to the public from the grant of a copyright will not accrue. In theory, when an author obtains the protections of copyright law, society gets something in exchange, including the increased production, disclosure, and dissemination of creative works,²¹¹ the right to make fair use of copyrighted works,²¹² and the right to independently create identical or substantially similar works.²¹³ If a copyright owner obtains an additional form of protection such as a trademark, however, the public may be deprived of some of these bargained-for benefits.

Pressing Mickey Mouse into service yet again, the availability of trademark protection means that some uses of Mickey that might be considered “fair use” under copyright law may be actionable under trademark law.²¹⁴ A parody of Mickey Mouse used in a magazine, for example, might be deemed fair use under copyright law but might nonetheless constitute actionable trademark infringement. In this situation, Disney continues to obtain all of the rights and benefits that ordinarily flow to copyright owners, but the public is deprived of elements of the bargain—the fair use exception is an integral part of copyright law and is a significant element of the copyright bargain.²¹⁵ Similarly, if someone—someone living in a cave, presumably—independently created a cartoon character looking similar to Mickey, such creation would be acceptable under copyright law but not under trademark law, assuming a likelihood of consumer confusion between the two characters.²¹⁶ Again, Disney gets its period of exclusive protection and the other benefits of copyright law, but the public is deprived of the benefits that would otherwise accrue as part of the copyright bargain.

Overlapping copyright and trademark protection also implicates the “delicate balance” of the copyright bargain by interfering with the incentive structure established by Congress.²¹⁷ Because copyrights are granted

211. *See supra* Part II.B.

212. 17 U.S.C. § 107 (2000).

213. *See supra* Part II.B.

214. The nominative or fair use exception in trademark law is not coextensive with the fair use exception in copyright law.

215. *See supra* note 60.

216. *See supra* Part II.C.

217. *Stewart v. Abend*, 495 U.S. 207, 230 (1990) (stating that it is not the Court’s “role to alter the delicate balance Congress has labored to achieve”).

to encourage the creation of new expressive works and because the legal regime is, at least in theory, calibrated to encourage a sufficient level of creation without harming the public unnecessarily,²¹⁸ it is worth examining whether the legal rules actually achieve their stated purpose. If overlapping protection is available, it is difficult to determine whether the creation of new works is attributable to the incentives provided by copyright law, or if, instead, it was the protections provided by trademark law that encouraged the new creation. The availability of overlapping protection will preclude any sort of analysis concerning the effect of any single set of legal rules on the creation and dissemination of creative works.²¹⁹ It may be, for example, that certain types of works will be produced even in the absence of any sort of federal protection, in which case we may be overprotecting certain types of intellectual property. This is an important concern because overprotection of intellectual property is a serious issue under the utilitarian theory of intellectual property protection. In a system based upon a utilitarian theory, the goal is to provide the minimum amount of incentive (that is, the fewest rights to spur an appropriate level of creation) at the lowest cost to society. Because simultaneous copyright and trademark protection makes overprotection much more likely, overlapping protection is problematic from the utilitarian perspective.

Additional problems crop up during the period of sequential protection, when the copyright expires yet trademark protection continues. As described in Part II.B, the public's "right to copy" a formerly copyrighted work occupies an important place in federal intellectual property policy. Indeed, the very purpose of providing "limited" in time copyright protection is to assure that a continual supply of creative works is injected into the public domain. The right to copy advances this goal by permitting copying without restriction once a copyright expires. For obvious reasons, allowing trademark protection for a formerly-copyrighted work impinges on the right to copy. In theory, once a copyright expires, the public can make any use they choose of works no longer protected by copyright. If we allow perpetual trademark protection for those same items, the right to copy is limited: while some uses (some copies or derivative works) will be

218. See *supra* Part II.B.

219. There are very few empirical studies regarding the incentives (and results) of the patent and copyright laws. For one example, see Landes & Posner, *supra* note 29, at 474 (describing the results of an empirical study concerning the possibility of indefinitely renewable copyrights and concluding that "[p]aradoxically, a system of unlimited renewals might, depending on the length of the initial term and on the fee structure, expand the number of works in the public domain, although the average (and conceivably the total) value of the works in the public domain might fall since copyright in the most valuable works would probably be renewed many times.").

acceptable, other uses of the work will run afoul of the trademark laws. Thus, to permit concurrent copyright and trademark protection not only works mischief during the period of simultaneous protection, but it also threatens the right to copy once the copyright expires.

For all of these reasons, overlapping copyright and trademark protection—both concurrent and sequential—implicates and threatens federal intellectual property policy. While the Supreme Court has addressed a subset of these issues,²²⁰ it has failed to view concurrent and sequential protection as part of an overarching problem, and its doctrine is accordingly limited and insufficient.²²¹

C. The Problems with the Design Patent/Copyright/Trademark Overlap²²²

Because of the availability of design patents—which may be granted only for nonfunctional designs—commercial design is amenable to protection by all three forms of intellectual property law. For example, the front grille on a Jeep qualifies for a design patent because it is a novel, nonobvious, and non-useful ornamental design.²²³ It is also copyrightable as original, non-useful expression fixed in a tangible medium,²²⁴ and it may function as a trademark if it has obtained secondary meaning as an identifier of source.²²⁵ This version of overlapping protection is, as with the scenarios described above, problematic with regard to intellectual property policy. Simultaneous protection here poses all of the problems described above: undercutting the right to copy, impoverishing the public domain, and disrupting both the copyright bargain *and* the patent bargain.

220. See *infra* Part V.

221. See *id.*

222. The current patent/trademark overlap is minimal, but, in theory, similar problems will arise when and if patent and trademark law overlap. Overlapping protection in this area would disrupt the patent bargain by potentially depriving the public of the right to make improvements, by disrupting the incentive structure, and ultimately undercutting the right to copy. These concerns remain more theoretical than practical for the moment because in *TrafFix*, the Supreme Court reaffirmed the channeling doctrine—trademark's non-functionality requirement—that maintains the boundary between the patent and trademark subject matter. *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 29-30 (2001). That is, there is currently little, if any, overlapping patent and trademark protection available. Given the general expansion of intellectual property rights and the fact that the non-functionality rule has failed to prevent litigants from asserting claims for overlapping protection, however, it may well emerge as a practical issue.

223. See 35 U.S.C. § 171 (2000).

224. See *supra* Part III.A.2.

225. See *supra* Part III.A.3.

The multiple forms of protection work at cross-purposes, not necessarily for the owner of commercial designs, but for everyone else. The public will be deprived of the privileges of the patent and copyright bargains during the period in which all three forms of protection apply and of the benefits of the copyright bargain while the trademark is in effect. Furthermore, because of the indefinite term of trademark protection, the public may *never* be able to copy the commercial design at issue, although, of course, the owner will have reaped the rewards of both design patent and copyright protection. Even more so than in the dual protection situation, the boundaries of acceptable use by third parties are extremely unclear in this scenario. That is, because of the multiple layers of protection, each with its own set of protections and exclusions, third parties (such as competitors, artists, and commentators) may have a difficult time determining whether, when, and how they may copy, discuss, or improve upon a commercial design. The multiple forms of protection involve competing exceptions to the owner's exclusive rights, different terms of protection, and varying licensing considerations. Thus, negotiating a license for the use of an item protected by a design patent, a copyright, and trademark will be costly and complicated. Moreover, the costs of obtaining this multi-layer protection often will outweigh the value of the rights granted.

In addition, in terms of the goal of providing a sufficient—but only a sufficient—incentive for the creation of new works, the complication in the design patent/trademark/copyright overlap may be unnecessary. It is far from clear that the state of industrial design and the needs of consumers in the United States require any form of protection at all.²²⁶ Despite the variety of legal regimes available, many designers do not take any advantage of the available legal protections, and commercial designs continue to be produced and available at what should or could be considered acceptable levels.²²⁷ If intellectual property protection is meant to provide an incentive for creation such that the public has access to a wide variety of goods and services, that protection may not be necessary for industrial or commercial design. Thus, this patchwork of overlapping protections may

226. Magliocca, *supra* note 11, at 894 (“Moreover, an array of specific points—particularly the illustrative but oft-ignored experience with broad design rights in the Nineteenth Century—establish that marginal design innovations do not deserve property protection.”).

227. *Id.* at 847 (“Upon reviewing those tenets and their application in the design context, the evidence is persuasive that the costs of a property right outweigh the benefits. That judgment is reinforced by the observation that, notwithstanding the lack of protection afforded to commercial art, consumers already have an incredibly diverse selection of product designs from which to choose.”).

do nothing but increase costs and confusion for consumers and create increased transactions costs.

D. Overlapping Protection Is an Overarching Problem

In each of the contexts described above, overlapping protection gives rise to the same set of problems and concerns: depriving the public of the benefits meant to flow from the grant of intellectual property rights, including a decrease in the number of works entering the public domain, disrupting the incentive structures commanded by the Constitution and established by Congress, and undercutting the right to copy. The fact that the same constellation of problems arises in these different areas should give us pause in considering the expansion of intellectual property rights. Because overlapping protection in all of its manifestations presents the same set of issues and problems, it should be treated as a single, overarching problem.

V. THE GAPS IN THE DOCTRINE

Congress has given little, if any, thought to this set of problems, however. Although the Supreme Court may have begun to think about these issues, the solutions it has so far proposed are half measures at best. In addition, it is clear that the Court has not conceptualized overlapping protection as a single overarching issue. Viewing the existing doctrine in light of overlapping protection as a general problem, serious gaps in the doctrine become clear. These gaps demonstrate both the inadequacy of the current approach to the issue of overlapping protection and the caution that should be exercised in expanding intellectual property rights in the future.

A. The Existing Doctrine

In two recent cases, the Court has addressed some of the issues presented by claims for overlapping protection, and in both cases the Court has rejected the request for multiple layers of protection. Unfortunately, the resulting doctrine fails to take account of the overarching problem of overlapping protection and may create as many problems as it solves. In these two cases, the Supreme Court addressed—and rejected—claims by intellectual property owners for trademark protection following the expiration of, in one case, a copyright and, in another case, a patent. It was in these two cases that the Court warned of the dangers of “mutant” copyrights and “backdoor” patents. In neither case, however, did the Court address the issue of overlapping protection in general. This failure has resulted in an incomplete and problematic doctrinal approach.

1. *The Mutant Copyright*

Dastar Corp. v. Twentieth Century Fox Film Corp. presented the Court with a question concerning sequential protection: the plaintiff asserted trademark claims concerning a work that had previously been protected by copyright.²²⁸ In this case, the plaintiff's copyright had expired for a video series based upon General Eisenhower's World War II book, *Crusade in Europe*.²²⁹ The defendant, Dastar Corp., copied the video series, edited it significantly, and sold it for substantially less than the plaintiff's video series.²³⁰ Because its copyright had expired (for failure to renew), the plaintiff could not sue for copyright infringement of the video series.²³¹ Instead, the plaintiff brought claims for trademark infringement, alleging that the defendant engaged in reverse passing off in violation of the Lanham Act.²³² As a result, the case presented only the question of whether the plaintiff was entitled to protect with trademark law the same item it had previously protected with copyright. The Court said no.

The bulk of the Court's opinion addressed the reach of the "false designation of origin" provision in the Lanham Act.²³³ The plaintiff's Lanham Act claim revolved around the allegation that,

in marketing and selling [the video series] as its own product without acknowledging its nearly wholesale reliance on the Crusade television series, Dastar has made a false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which . . . is likely to cause confusion . . . as to the origin . . . of his or her goods."²³⁴ The Court concluded that to extend the phrase "origin of goods" to include "the person or entity that originated the ideas or communications . . . would not only stretch the text, but it would be out of

228. 539 U.S. 23 (2003).

229. *Id.* at 25.

230. *Id.* at 25-27.

231. The plaintiffs did bring a claim for infringement of the copyright in Eisenhower's original book, but that claim was not before the Court. *Id.* at 28 n.2.

232. *Id.* at 27. "Reverse passing off" involves selling another's product as one's own. Thus, for example, affixing the Nike "swoosh" to your cheap sneakers is "passing off"; affixing your mark to Nike's sneakers is "reverse passing off." Both are actionable as forms of trademark infringement under the Lanham Act. *See Peaceable Planet, Inc. v. Ty, Inc.*, 362 F.3d 986, 987 (7th Cir. 2004) (describing "passing off" and "reverse passing off").

233. *See generally Dastar*, 539 U.S. at 28-37.

234. *Id.* at 31 (internal quotations omitted).

accord with the history and purpose of the Lanham Act and inconsistent with precedent.”²³⁵

The Court then confronted the fact that the item at issue—the video series—was at one time protected by copyright law.²³⁶ Permitting the claim for reverse passing off would “cause[] the Lanham Act to conflict with the law of copyright.”²³⁷ According to the Court, this conflict arises because, once a copyright has expired, the right to copy that copyrighted item “passes to the public.”²³⁸ To deny to the public this right to copy would disrupt the “‘carefully crafted bargain’ . . . under which, once a patent or copyright monopoly has expired, the public may use the invention or work at will and without attribution.”²³⁹ The Court explicitly addressed the policy reason for prohibiting this particular version of overlapping protection: permitting the plaintiff’s trademark claim would “create a species of mutant copyright law that limits the public’s federal right to copy and to use expired copyrights.”²⁴⁰ This mutant copyright would permit “perpetual patent and copyright,”²⁴¹ which is, according to the Court, impermissible.²⁴²

Thus, the *Dastar* Court emphasized that it takes the “right to copy” seriously and that the right is an integral part of the “delicate balance” of federal intellectual property law. Essentially, the Court rejected a claim for sequential protection based on the policies underlying federal intellectual property law: to permit the plaintiffs’ trademark claim would deprive the public of one of its bargained-for benefits, the right to copy a work after its copyright expires. Based on the Court’s opinion, a mutant copyright can be defined as any additional protection for a work within the subject matter of copyright. With this definition, it becomes clear that a mutant

235. *Id.* at 32.

236. *Id.* at 33-35. Acknowledging that consumers may view origin differently when purchasing “communicative” products, such as the video series at issue (and as opposed to noncommunicative products, such as a hammer), the Court nonetheless rejects the notion that the term “origin” in the Lanham Act should be deemed to include the creator or author of a work. *Id.* at 35 (“Reading ‘origin’ in § 43(a) to require attribution of uncopyrighted materials would pose serious practical problems In many cases, figuring out who is in the line of ‘origin’ would be no simple task.”).

237. *Id.* at 33.

238. *Id.* at 33 (quoting *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 230 (1964)).

239. *Id.* at 33-34 (quoting *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 150-51 (1989)) (internal citation omitted).

240. *Id.* at 34 (quoting *Bonito Boats*, 489 U.S. at 165) (internal citation omitted).

241. *Id.* at 37.

242. *Id.*

copyright emerges whenever overlapping protection is available. The Court did not, however, address overlapping protection in general, nor did the Court appear to object to the possibility that the plaintiff might have asserted claims for both copyright infringement and trademark infringement before the copyright expired. That is, the Court did not deal with the variety of problems posed by concurrent trademark and copyright protection, notwithstanding the fact that Dastar may well have asserted the trademark claims while the copyright remained valid.

2. *The Backdoor Patent*

TrafFix Devices, Inc. v. Marketing Displays, Inc. presented the Court with a similar issue.²⁴³ In *TrafFix*, the Court provided a more satisfactory solution to the problems posed by overlapping protection, but the solution is limited to the patent/trademark collision. In *TrafFix*, the plaintiff sought trademark protection for a product that had previously been protected with a patent. Plaintiff Marketing Displays, Inc. (“MDI”) owned the recently-expired patents on a “mechanism built upon two springs . . . to keep . . . outdoor signs upright despite adverse wind conditions.”²⁴⁴ When the patents expired, a competitor, TrafFix Devices (“TrafFix”), reverse engineered, copied, and sold a product nearly identical to MDI’s product.²⁴⁵ Because it could not bring a patent infringement claim, MDI sued TrafFix for trademark infringement. The Court held that MDI could not obtain trademark protection for the functional features of a product,²⁴⁶ upholding the channeling rule, and rejecting MDI’s request for sequential protection of its intellectual property. The Court emphasized the nonfunctionality requirement for trademark protection and held that “one who seeks to establish trade dress protection must carry the heavy burden of showing that the feature is not functional, for instance by showing that it is merely an ornamental, incidental, or arbitrary aspect of the device.”²⁴⁷

In reaching this conclusion, the Court referred to the public policy concerning creative and inventive works, again referring to the right to copy:

Trade dress protection must subsist with the recognition that in many instances there is no prohibition against copying goods and products. In general, unless an intellectual property right such as a patent or copyright protects an item, it will be subject to copy-

243. 532 U.S. 23 (2001).

244. *Id.* at 25.

245. *Id.* at 26.

246. *Id.* at 29.

247. *Id.* at 30.

ing. As the Court has explained, copying is not always discouraged or disfavored by the laws which preserve our competitive economy. Allowing competitors to copy will have salutary effects in many instances.²⁴⁸

The Court based its decision, in part, on the underlying policies of intellectual property law and recognized that the overlapping protection sought by the plaintiff implicated those policies. Thus, a backdoor patent arises when additional protections cover an item that falls within the subject matter of patent law. As with the mutant copyright, backdoor patents arise whenever overlapping protection is available.

Although the Court did not explicitly address the possibility of concurrent patent and trademark protection, its resolution in *TrafFix* serves to maintain the channeling doctrines that distinguish patent subject matter from trademark subject matter such that neither concurrent nor sequential protection will be available. The basic rule announced by the Court was hardly controversial.²⁴⁹ The nonfunctionality requirement was already well-established in trademark law²⁵⁰ and the utility requirement well-established in patent law.²⁵¹ Thus, as a practical matter, overlapping patent and trademark protection remains unavailable. Yet again, however, the Court failed to view overlapping protection as a general, overarching issue, so *TrafFix* does not assist in resolving issues regarding overlapping protection in any other context.

B. The Gaps in the Doctrine

In both *Dastar* and *TrafFix*, the Court expressed concerns about the preservation of the “right to copy,” about competition policy, and, at least

248. *Id.* at 29 (internal citation omitted).

249. The Court’s new version of the functionality doctrine, on the other hand, has already produced a great deal of confusion in the lower courts and much scholarly commentary. Barrett, *supra* note 163, at 83 (“While most commentators agree that the *TrafFix* decision further reduces a business’s ability to assert trade dress protection for product features, considerable disagreement exists among both scholars and the courts of appeals over precisely how the Supreme Court intended its functionality standard to be interpreted and applied.”); see, e.g., Mark Alan Thurman, *The Rise and Fall of the Trademark Law’s Functionality Doctrine*, 56 FLA. L. REV. 243, 244-45 (2004) (“Trademark law’s functionality doctrine is a mess, and the responsibility for this mess rests squarely with the United States Supreme Court. . . . Within one year of the *TrafFix* decision, the lower federal courts divided on the crucial question of what general functionality standard should be used.”).

250. *TrafFix*, 532 U.S. at 29 (“This burden of proof gives force to the well-established rule that trade dress protection may not be claimed for product features that are functional.”).

251. 35 U.S.C. § 101 (2000).

implicitly, about the enrichment of the public domain. These policy concerns gave rise to the “mutant” copyright language in *Dastar*. In *Dastar*, the Court described a mutant copyright as emerging when the copyright owner attempted to use trademark law to protect the formerly-copyrighted video series.²⁵² In *TrafFix*, the Court did not use the term “backdoor patent,” but that term can be used to describe the situation averted by the Court: obtaining trademark protection for an invention after the patent has expired. Both cases involved claims for trademark rights after the expiration of a finite form of intellectual property protection, and the holdings in both cases are limited to that situation. The set of concerns raised by overlapping protection is much larger, however. As suggested above, claims for overlapping protection have arisen in a variety of circumstances that are not addressed by the Court’s rulings in *Dastar* and *TrafFix*. These situations, which also give rise to mutant copyrights and backdoor patents, are problematic if we take seriously the Court’s reasoning in *Dastar* and *TrafFix*, the patent and copyright bargains, and intellectual property policy in general.

1. *The Absence of Doctrine in the Patent/Copyright Context*

While the Supreme Court in *TrafFix* may have headed off the potential problem of overlapping patent/trademark protection, and while it addressed, albeit insufficiently, the copyright/trademark overlap, the patent/copyright overlap remains entirely unaddressed. Neither *Dastar* nor *TrafFix* comes close to providing a comprehensive approach to the problem of overlapping intellectual property protection, and this insufficiency is most obvious in the context of the patent/copyright overlap. The Supreme Court has not confronted the patent/copyright overlap, and the lower courts have not acknowledged it as problematic.²⁵³ As described above in Part IV.A, however, overlapping patent and copyright protection creates both mutant copyrights *and* backdoor patents, depriving the public of its side of the intellectual property bargain during the period of concurrent protection and limiting the right to copy once the patent expires.

2. *The Doctrinal Gap in the Copyright/Trademark Context*

While the holding in *TrafFix* likely will prevent the emergence of significant patent/trademark overlap, the *Dastar* opinion leaves significant room for problematic overlapping protection to arise and creates a new set

252. 539 U.S. 23, 34 (2003).

253. *See, e.g.*, *Brooktree Corp. v. Advanced Micro Devices, Inc.*, 977 F.2d 1555 (Fed. Cir. 1992) (entering judgment for plaintiff who alleged patent infringement and violation of the Semiconductor Chip Protection Act).

of problems. The Court's sin in *Dastar* is a sin of omission. In *Dastar*, the Court failed to answer the question of what will happen when, after a period of concurrent copyright and trademark protection, the copyright expires. Nor did the Court address the concerns that arise during the period of concurrent protection—that is, the problems involved in protecting a particular work with both copyright and trademark law described above in Part IV.B.

In *Dastar*, the Court failed to acknowledge the fact that many claims for sequential protection (copyright, then trademark) once were or could have been claims for concurrent protection (copyright *and* trademark). The example of Mickey Mouse once again proves helpful. Mickey is currently protected by both copyright law and trademark law. What will happen when the copyright on Mickey expires? Under the reasoning in *Dastar*, when Mickey's copyright expires the "right to copy" Mickey should pass to the public; to allow trademark protection following the expiration of the copyright would create a "mutant" copyright.²⁵⁴

This result is problematic because withdrawing trademark protection for Mickey Mouse when the copyright expires would only create a new set of problems. In *Dastar* the plaintiff's trademark claims were weak—the plaintiffs asserted a somewhat novel theory of trademark protection—and were relatively easy to reject. It would not be so easy to reject Disney's trademark claim for Mickey Mouse, however. Disney's trademark rights are well-established; allowing a "right to copy" Mickey would result in a great deal of consumer confusion, exactly what the trademark laws seek to avoid.²⁵⁵ On the other hand, the Court's "right to copy" jurisprudence is well-entrenched and finds a solid basis in intellectual property policy.²⁵⁶ As set forth by the Court in *Dastar*, the right to copy is an integral part of the copyright bargain and flows from federal intellectual property policy. So, while it would be problematic to withdraw well-established trademark rights when a copyright expires, to deny the right to copy is equally, if not more, problematic.²⁵⁷

Thus, the Court has left Mickey between a rock and a hard place. By addressing only one aspect of the copyright/trademark overlap, the Court

254. *Id.*

255. *See supra* Part II.C.

256. *See supra* Part II.B.

257. *See* A. Samuel Oddi, *The Tragicomedy of the Public Domain in Intellectual Property Law*, 25 HASTINGS COMM. & ENT. L.J. 1, 6 (2002) ("[T]he public domain may also be impacted if subject matter protected under one form of intellectual property upon termination of that form may continue to be protected under another form or intellectual property for an extended term.").

in *Dastar* obviously did not view overlapping copyright and trademark protection as part of a single, overarching issue or interrelated set of problems. As a result, the Court did not provide a solution to that interrelated set of problems and instead issued an incomplete and unsatisfactory result.

a) *Wal-Mart Stores, Inc. v. Samara Bros.*

In fact, it is clear that the Supreme Court is not offended by the notion of overlapping protection in general. While in *Dastar* the Court rejected the plaintiff's request for sequential protection, in another case, the Court allowed claims for concurrent protection to proceed. In *Wal-Mart Stores, Inc. v. Samara Bros.*,²⁵⁸ the Court did not comment upon the plaintiff's pursuit of both copyright and trademark claims for children's clothing designs. The Court held that the plaintiff had not established secondary meaning and therefore rejected the trademark claim.²⁵⁹ The Court did not, however, reject the trademark claim on the grounds that it constituted a request for a "mutant" copyright. Nor did the Court appear concerned about the other ways in which the simultaneous assertion of copyright and trademark rights might affect the copyright bargain, limit fair use of the work, and disrupt the incentive structure created by Congress. Thus, the Court has not seen overlapping protection as a single issue or provided a roadmap for the lower courts.

b) The Lower Courts

Indeed, the Court's ruling in *Dastar* will not help to resolve the issues raised in many instances in the lower courts. In a variety of cases (all decided before *Dastar*), lower courts have confronted the issue of overlapping protection, but, unlike in *Dastar* and *TrafFix*, the issue has arisen primarily in the context of requests for concurrent trademark and copyright protection. Accordingly, the rulings in neither *Dastar* nor *TrafFix* will assist in the resolution of similar cases in the future.

In some instances, claims for overlapping trademark and copyright protection have proceeded without comment. In *Lyons Partnership, L.P. v. Morris Costumes, Inc.*,²⁶⁰ for example, the owners of the "Barney" character—the "famous purple dinosaur" popular with young children—brought copyright and trademark infringement claims against a costume rental company for renting out "three look-alike costumes that children allegedly believe are in fact Barney."²⁶¹ The plaintiffs prevailed on both their trade-

258. 529 U.S. 205 (2000).

259. *Id.* at 216.

260. 243 F.3d 789 (4th Cir. 2001).

261. *Id.* at 794.

mark and copyright claims, and the court did not mention the overlap, much less what might happen when the copyrights expire. Similar overlaps proceed unnoticed in a variety of circumstances.²⁶² *Dastar* will neither assist in nor change the result of these cases, although these cases all involve claims for overlapping protection that threaten to undercut federal intellectual property policy.

In some cases, lower courts have rejected a party's attempt to maintain more than one form of federal intellectual property protection and have, in doing so, recognized some of the public policy issues involved in the matter. Again, however, *Dastar* will not provide much guidance and will not alleviate the problem of overlapping copyright and trademark protection. In *Shaw v. Lindheim*, for example, the Ninth Circuit rejected the plaintiff's efforts to obtain both copyright and trademark protection for a pilot script, titled "The Equalizer."²⁶³ Plaintiff Lou Shaw claimed that the defendants had misappropriated a script he had submitted to them, copying his work without compensating him or giving him any credit. The defendants had rejected Shaw's script and later produced a similar television program with the same name. Shaw sued for, among other things, copyright and trademark infringement.²⁶⁴ The court permitted Shaw's copyright claim to go forward but refused to allow the trademark claim because that would involve an expansion of the trademark laws in a manner "not consistent with the Lanham Act's purpose of preventing individuals from misleading the public by placing their competitors' work forward as their own."²⁶⁵ The Ninth Circuit explicitly referred to the problem presented by overlapping protection, declining "to expand the scope of the Lanham Act to cover cases in which the Federal Copyright Act provides an adequate remedy."²⁶⁶ The court provided no further analysis concerning the potential of overlapping protections, however, and had no ready doctrine to which it could refer concerning the propriety of the plaintiff's claims.

262. See, e.g., *L.D. Kichler Co. v. Davoil, Inc.*, 192 F.3d 1349 (Fed. Cir. 1999) (plaintiff alleged design patent, trademark, and copyright infringement of its electric lighting fixtures; court rejected the claims but not on the grounds of overlap); *Kieselstein-Cord v. Accessories by Pearl, Inc.*, 632 F.2d 989 (2d Cir. 1980) (plaintiff brought claims alleging defendant had infringed the copyright and trademark rights in plaintiff's belt buckle); *Reynolds & Reynolds Holdings, Inc. v. Data Supplies, Inc.*, 301 F. Supp. 2d 545 (E.D. Va. 2004) (plaintiff alleged design patent, copyright, and trademark rights in its preprinted forms; case dismissed on jurisdictional grounds).

263. 919 F.2d 1353, 1364-65 (9th Cir. 1990).

264. *Id.* at 1355.

265. *Id.* at 1364.

266. *Id.* at 1364-65.

Similarly, the Sixth Circuit, in *Murray Hill Publications, Inc. v. ABC Communications, Inc.*, rejected a plaintiff's trademark claim on the grounds that allowing the claim "would simply transform every copyright action into a Lanham Act claim."²⁶⁷ Other courts have rejected certain claims for concurrent protection while not rejecting the concept entirely. In *EMI Catalogue Partnership v. Hill, Holliday, Connors, Cosmopolos, Inc.*, the court held that a song cannot serve as a trademark for itself because a "contrary conclusion would allow any copyright claim for infringement of rights in a musical composition to be converted automatically into a Lanham Act cause of action."²⁶⁸ The court went on to say, however, that there were situations in which both claims would be appropriate, but "[c]oncluding that a song can serve as an identifying mark of the song itself would stretch the definition of trademark . . . too far and give trademark law a role in protecting the very essence of the song, an unwarranted extension into an area already protected by copyright law."²⁶⁹

Thus, a number of courts have identified overlapping protection as problematic, at least in certain circumstances, and have in some cases refused to permit such concurrent protection.²⁷⁰ It is nonetheless clear that claims for overlapping protection exist and will likely increase, that such claims present a challenge to the intellectual property system, and that the system has thus far failed to meet that challenge. *Dastar* will not assist in the resolution of these kinds of cases, although it is possible that the Court's emphasis on the right to copy in both *Dastar* and *TrafFix* will em-

267. 264 F.3d 622, 634 (6th Cir. 2001) (internal citations and quotations omitted). The Court in *Murray Hill* rejected the plaintiff's copyright claims as well. The court appeared to believe that the proper claim, if any, was a copyright claim and that the Lanham Act should not apply even if the copyright claims failed.

268. 228 F.3d 56, 64 (2d Cir. 2000).

269. *Id.*

270. *See, e.g., Jeffrey Milstein, Inc. v. Greger, Lawlor, Roth, Inc.*, 58 F.3d 27, 32 (2d Cir. 1995) ("Overextension of trade dress protection can undermine restrictions in copyright and patent law that are designed to avoid monopolization of products and ideas. Consequently, courts should proceed with caution in assessing claims to unregistered trade dress protection so as not to undermine the objectives of these other laws."); *see also Comedy III Products, Inc. v. New Line Cinema*, 200 F.3d 593, 595 (9th Cir. 2000) ("We cannot agree with Comedy III's threshold assertion that this [movie] clip is a trademark. First, the footage at issue here was clearly covered by the Copyright Act, 17 U.S.C. § 106, and the Lanham Act cannot be used to circumvent copyright law. If material covered by copyright law has passed into the public domain, it cannot then be protected by the Lanham Act without rendering the Copyright Act a nullity."); *Galerie Furstenberg v. Coffaro*, 697 F. Supp. 1282, 1290 (S.D.N.Y. 1988) (dismissing plaintiff's trademark claim because it should have been "brought under the federal copyright, not trademark, statute").

bolden the lower courts in rejecting claims for concurrent protection, if they conceptualize overlapping protection as a general problem.

3. *The Doctrinal Gap in the Design Patent/Copyright/Trademark Context*

In the context of the design patent/copyright/trademark overlap—which arises mainly for commercial and industrial design—*Dastar* is, again, a half-measure at best. While the ruling in *Dastar* may serve to limit trademark protection once the copyright and the design patent have expired, there is currently no doctrine that would affect the availability of concurrent protection. This may be the least problematic instance of overlapping protection—in part because it is utilized relatively infrequently—but it may also be the area in which additional protections are least necessary. A single form of protection (if that) is likely all that is necessary as an incentive to spur creation of commercial and industrial design; the existence of multiple layers of protection leads only to the overprotection of intellectual property and imposes substantial transactions costs.²⁷¹

VI. CONCLUSION

Given the likelihood that intellectual property rights will continue to expand, those rights are likely to continue to overlap, and to do so in more instances and in more significant ways unless a more systematic approach is taken and more thought is given to the federal intellectual property system as a whole. Because overlapping protection presents a variety of challenges to the intellectual property system, disrupts the intellectual property balance, and impoverishes the public domain, we should work to eliminate the overlaps that do exist and, perhaps more importantly and more realistically, attempt to avoid creating overlaps in the future.

In an ideal intellectual property system, there would be no overlapping protection.²⁷² In a perfect world, the subject matters of patent law, copyright law, and trademark law would be defined such that any given work

271. See *supra* Part III.

272. See Oddi, *supra* note 257, at 44 (“A pure system having no overlaps, with each title having its own defined scope of protection, would no doubt be an aspired archetype. Nonetheless, such has not been the reality of the development of the intellectual property system; indeed, the overlaps seem to be expanding rather than contracting.”); see also Magliocca, *supra* note 11, at 854 (“Whatever one thinks about the merits of protecting esthetic innovations, there is a consensus that utilitarian improvements should be given property rights only pursuant to the careful limits established by the utility patent laws.”).

would be eligible for, at most, one form of protection.²⁷³ This world is probably unattainable, however, given the extent of overlapping protection currently available.

Overlapping protection has arisen mostly by accident.²⁷⁴ Certainly there is no policy or doctrine prohibiting or discouraging overlap, but neither has there been a Congressional statement that overlaps have been intended, are beneficial, or contribute to the intellectual property system. Thus, the first step toward a solution to the problem of overlapping protection would be action by Congress indicating an intent to avoid overlapping intellectual property protection. This would provide an interpretive rule for the courts to aid in the resolution of claims for overlapping protection and it would provide a roadmap for future expansion of intellectual property rights.

If the intent to prevent overlap is made explicit, the cases at the margins—not only *Dastar* and *TrafFix*, but the lower court cases described above—would find a solid ground for rejecting claims for overlapping protection. In addition, with an explicit rule against overlapping protection, the channeling doctrines could be strengthened with that intent. For example, the rule that words, names, and short phrases are uncopyrightable should be extended to make logos uncopyrightable. Trade dress protection could be scaled back to eliminate, or at least reduce, the copyright/trademark overlap and reduce the risk that patent and trademark will begin to overlap.

In addition, Congress should withdraw either patent protection or copyright protection for software, or it should enact *sui generis* legislation for software (with the explicit provision that no other form of federal protection applies). Similarly, mask works should no longer be protected by patent law. If the SCPA does not provide sufficient protection, it can and should be amended; however, both forms of protection should not be available. These changes would reduce the degree of overlap that currently

273. See Gideon Parchomovsky & Peter Siegelman, *Towards an Integrated Theory of Intellectual Property*, 88 VA. L. REV. 1455, 1469-70 (2002) (noting the Supreme Court's efforts to maintain a "conceptual separation" between copyright and patent law); see also Oddi, *supra* note 257, at 45 (noting the consequences to the public domain of allowing overlapping protection and stating that "[d]octrinal attempts are made to avoid or at least minimize these overlaps.").

274. See Oddi, *supra* note 257, at 43-44 ("The possibility of overlapping subject matter with respect to the strong versions of intellectual property protection is probably, at least in part, an unintended consequence of a complex and evolving intellectual property system. The absence of industrial design protection has also contributed to overlaps, as have technological developments, such as computer programs and other technology that does not quite fit into traditional categories.").

exists and would help prevent overlap in the future. The mere assertion of a general rule against overlap would have a dramatic effect in that it would provide a rule of decision for courts confronted with the problem and a governing principle for intellectual property lawyers.

These changes would not provide a complete solution, however. Overlapping protection would still remain, at the very least for some works already covered by more than one form of intellectual property law. The difficulty is most obvious in the copyright/trademark overlap and with the Mickey Mouse example. In the case of Mickey Mouse, trademark rights obviously have attached and to withdraw the protections of trademark law would cause a great deal of consumer confusion and, according to some, would work an injustice upon Disney. Even if one discounts the fairness to Disney, to allow others to use Mickey's image would cause a conflict with trademark law and its goals. In such cases, and perhaps in instances where intellectual property rights overlap in the future, election of protection or, at the very least, election of remedies should be forced upon intellectual property owners.

In any event, the issues of overlapping protection must be addressed if we are serious about intellectual property policy, about the federal right to copy, and about the patent and copyright bargains. For both proponents and opponents of the recent (and future) expansion of intellectual property rights in the United States, overlapping protection should be a cause for great concern. It is problematic for those who argue that intellectual property owners have already been granted too much because it entails both increased rights for the owners of intellectual property *and* a disruption of the copyright and patent bargains. Those who support the expansion of rights will not worry about the former issue but ought to be equally concerned about the latter. To expand rights by creating overlapping protection undermines intellectual property policy and renders nearly impossible the ability to evaluate the effects of the intellectual property laws. If the expansion of rights is to continue, it ought to continue thoughtfully and in a manner that ensures that the law reflects the goals of the intellectual property system and the intent of Congress. If it must be done, enlarging rights *within* each area of intellectual property law is far preferable to the overlapping patchwork of rights that exists.