

# Protecting Your App

## UTILITY PATENT PROTECTION

Inventions are protected with patents, the most common of which is the utility patent. While software has encountered challenges in obtaining patent protection in recent years, in the hands of an engaged inventor and competent attorney, both software and mobile apps continue to obtain utility patent protection.

Apps that do something new, that cause a change in the real world or that improve the operation of computers are the kinds of inventions that are likely to be patentable. The app must also be novel (i.e., different from what was previously known) and non-obvious (i.e., more than an obvious variation of what was previously known). The developer or patent attorney may undertake a search to determine how the app differs from what was previously known and assess the chances for obtaining patent protection. To obtain a valid patent, the patent application must be filed within one year of the first public disclosure of the app. Ideally, it should be filed before any public disclosure of the invention is made.

A utility patent has a term of twenty years from filing and gives its owner the right to stop others from making, using, offering for sale, selling or importing the invention. The median cost of filing a patent application on a software-related invention is \$10,000<sup>1</sup> and the average pendency is 24.2 months.<sup>2</sup> The total cost of obtaining a utility patent is usually higher, as the applicant prosecutes (or argues the merits of) the application and pays the issue fee.

Given the high cost, an app developer must consider whether the commercial prospects for the app justify the investment and whether the anticipated life of the app will outlast the application process. If being the only person allowed to offer for sale, sell and use the app is worth the time and money required, then attempting to secure utility patent protection makes sense.

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<sup>1</sup> AIPLA Report of the Economic Survey 2017, p. I-94

<sup>2</sup> <https://www.uspto.gov/dashboards/patents/main.dashxml> (October 2017)

## DESIGN PATENTS

A design patent offers narrower protection than a utility patent, and extends only to the appearance of various elements of the app, such as the icon and graphical user interface. Still, these can be significant to customers and prospective customers, and are often a key reason for the success of the app.

Design patents, comprising mostly drawings of the design, are significantly less expensive to obtain than utility patents. They are also easier to obtain and issue much more quickly than utility patents. The median cost of filing a design patent application is \$1,500<sup>3</sup> and the average pendency is 19.2 months.<sup>4</sup> There are some additional costs in actually obtaining the design patent, so the total cost is usually between \$2,000 and \$3,000.

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## TRADEMARKS

Trademark protection also applies to certain aspects of an app, such as its name, the appearance of its icon and the appearance of its user interface. Trademark rights are generally established through use, but an app developer can get the process started early by applying to register these marks based on an intent to use the mark. Before adopting a mark, a search should be conducted to help avoid infringement claims from prior users and to save the developer from wasting time and resources on a mark that will eventually need to change.

The average cost of filing a trademark application is \$775.<sup>5</sup> There are usually some additional costs in prosecuting the application, and, if the application is based upon an intent to use the mark, in filing a Statement of Use. The obvious benefits of a trademark registration are a presumption of ownership of the mark, a presumption of the exclusive right to use the mark, and the right to use the ® symbol. A less obvious but important benefit is the fact that the mark is easy for other developers to find and avoid.



<sup>3</sup> AIPLA Report of the Economic Survey 2017, p. I-107

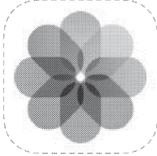
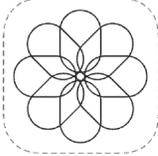
<sup>4</sup> <https://www.uspto.gov/corda/dashboards/patents/main.dashxml?CTNAVID=1006>

<sup>5</sup> AIPLA Report of the Economic Survey 2017, p. I-79

## DESIGN PATENTS VS. TRADEMARKS

Both design patents and trademarks can protect app icons and features of app interfaces, and a well-funded developer will pursue both. A design patent protects the design for 15 years against the use of a design that is so similar to the patented design that it would cause an ordinary observer to purchase it, supposing it to be the patented design. A trademark registration protect the design for as long as the design is in use against the use of design that is so similar that it creates a likelihood of confusion.

**Apple, which certainly knows about app development pursues both design patents and trademark applications on its icons:**

Trademark	Design Patent	
 <p>U.S. Reg. No. 4601575</p>	 <p>U.S. Patent No. D750106</p>	
 <p>U.S. Reg. No. 4601574</p>	 <p>U.S. Patent No. D741909</p>	
 <p>U.S. Reg. No. 4540401</p>	 <p>U.S. Patent No. D752641</p>  <p>U.S. Patent No. D734779</p>	
 <p>U.S. Reg. No. 4557343</p>	 <p>U.S. Patent No. D771707</p>  <p>U.S. Patent No. D745041</p>	
 <p>U.S. Reg. No. 4516429</p>	 <p>U.S. Patent No. D740322</p>	

## COPYRIGHT PROTECTION

Copyrights protect several aspects of an app, including the code itself and any pictorial or graphic works incorporated into the app. A copyright protects the work against copying, but, unlike a patent, it does not protect against independent creation. Copyrights are a highly favored form of protection by app developers because they are both automatic and essentially free.

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Copyright protection arises automatically when a work is fixed in tangible form, but developers should follow these two steps to ensure the strongest copyright protections: First, apply copyright notice to the work. Copyright notice consists of the word “copyright” or the © symbol, the year of first publication of the work, and the name of the copyright owner. For a work published in 2018, for example, the copyright notice might read:

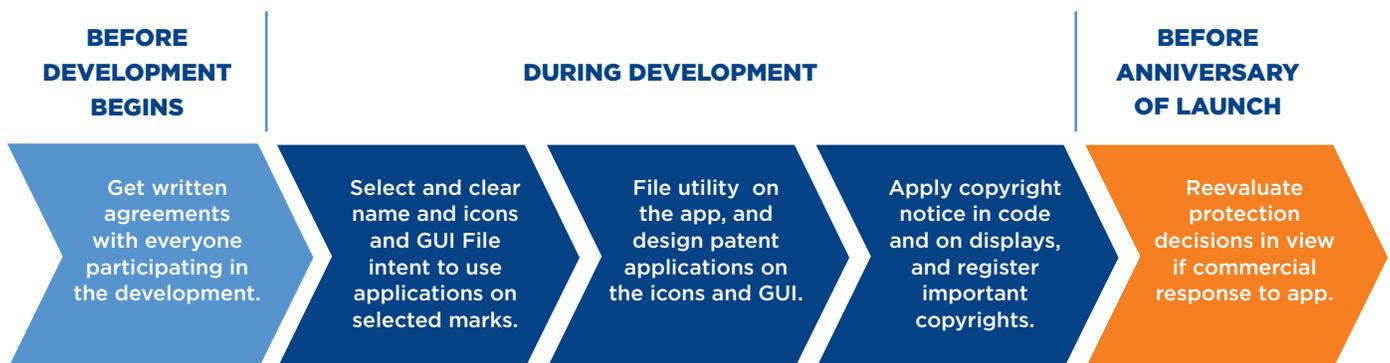
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Second, register the claim of copyright. While the copyright exists without registration, registration is a prerequisite to an infringement action. If the registration is obtained before infringement begins (or within three months of publication, if later), the prevailing owner in a copyright infringement suit is entitled to a guaranteed statutory damages recovery and an award of attorney’s fees from the infringer.

## DEVELOPING AN IP PLAN

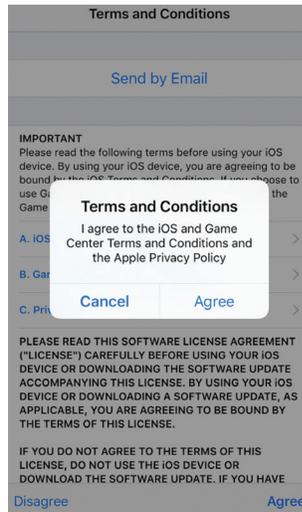
There is plenty of protection available for a new mobile app. All the developer needs to do is design an app that people will want and take some simple steps up front to protect it.

Before an app developer begins work on a new app, he or she should prepare an IP plan to ensure that the work is fully protected. If there is a need to hire employees or consultants, for example, there should be written agreements in place to protect confidentiality and ensure that the developer owns any patentable inventions and copyrightable works that result from the development project.



## CONTRACTS AND TERMS OF USE

A developer can also protect the app and himself/herself through carefully crafted terms of use.



BEFORE THE APP IS PUBLISHED TO AN ONLINE STORE, THE DEVELOPER SHOULD TAKE THE FOLLOWING STEPS:

- 1 Identify any patentable inventions and file the appropriate utility patent applications.
- 2 Identify any patentable designs in the app icon and/or app interface and file design patent applications.
- 3 Identify any protectable trademarks, including the name of the app, the icon for the app, and any distinctive elements in the interface, and apply for trademark protection based upon an intent to use these marks.
- 4 Incorporate copyright notice into the code and any pictorial or graphic works that are part of the interface, and consider registering the copyrights.

After publishing the app, the developer should complete any trademark applications. Within three months of publication, he or she should consider applying to register any copyrightable works incorporated into the app.

Before the first anniversary of publishing the app, the developer should evaluate whether there are any additional aspects of the app that might be worth patenting based upon the commercial reception of the app. Protections that may have seemed unnecessary at first could be worth reconsidering if the app has become a commercial success.

Finally, as trademark registrations issue, registered marks should be identified with the ® symbol. As patents issue, patent notice should be incorporated into the app's displays.