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Protecting Your Mobile App IP

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Richard Stim

Protecting Your Mobile App IP: The Mini Missing Manual

by Richard Stim

Contents

Introduction

This Mini Missing Manual explains four cost-effective ways to protect applications you develop for mobile devices. The info provided here won't stop people from doing nasty stuff like misappropriating your secrets, stealing your name, and copying your code. But, if any of those things happen, it'll give you the legal ammunition you need to recover your losses and, in some cases, get money to pay attorney fees. In short, if someone takes your work and then tries to bully you because they can afford an expensive lawyer, the methods explained here will help you even the playing field. Equally important, taking these steps will reinforce your legal rights in the event that another company wants to acquire your apps. There's one chapter for each of the four methods:

- **Trade secret protection.** This kind of protection is helpful when you haven't made your app available to the public and you want to show it to others—investors, beta testers, or contractors, for example. Chapter 1 explains what trade secrets are and how you can protect them. It also includes two standard nondisclosure agreements and explains of how to fill them out.

- **Copyright protection**. Copyright is an effective means of protecting your whole app as well as individual parts of it such as the underlying code, appearance, and in some cases, the collection of data within your app. Chapter 2 covers basic copyright principles and shows you how to file a copyright application for your app.

- **Trademark protection**. Trademark law protects your app's name, slogan, or logo. Chapter 3 explains trademarks and shows you how to file an application for trademark registration with the U.S. Patent and Trademark Office.

- **Permissions**. Most apps consist of some material from another source, like photos, data, video, or audio clips. Chapter 4 tells you how and when to get permission to reuse material, explains fair use and the public domain, and includes sample release forms (with info on how to fill them out).

Note: You'll see the term "intellectual property" pop up throughout this Mini Missing Manual. It refers to laws related to copyrights, trademarks, patents, and trade secrets—in short, all the laws that protect the intangible ideas that spring from your mind that you express in creative and (hopefully) moneymaking ways.

Why not hire a lawyer?

If you can afford to hire a lawyer to take the steps suggested here, great. Unfortunately, most developers don't earn enough to pay a lawyer's hefty legal fees. (The typical hourly rate for an intellectual property attorney is about *30 times* the cost of this manual.) Happily, most of the tasks described here aren't that tough. For example, you should be able to prepare a nondisclosure agreement and register a copyright without having to visit a law firm.

Even if you do delegate tasks to a lawyer, you're better off understanding the basic principles of intellectual property law so you're not completely at the mercy of your lawyer—an unfortunate fate that has felled many a software startup. Success and longevity in

the mobile app business are based on a lot of variables, one of which is knowing your legal rights. If you don't understand the basic rules of protecting your apps, then you might end up scrambling to retrieve rights that you've inadvertently signed over to others.

> **Note:** The information provided here is to help you cope with basic legal needs. You should consult with an attorney if you want professional assurance that this information is appropriate to your particular needs.

FREQUENTLY ASKED QUESTION

What About Patents?

I've heard that patents are the best way to protect ideas. How come you don't cover them in this guide?

Patent protection isn't covered here for a few reasons. Patent law—meaning utility patents, the most common form of patent protection—only protects new inventions that aren't obvious to others in the field. Although many patents have been granted for software and methods of doing business, the tide seems to be turning away from software protection. In other words, it's becoming more difficult to acquire patent protection for software, *and* harder to defend those patents. Patent protection also isn't discussed here because:

- Most apps probably aren't patentable.
- Getting a patent takes approximately 2 years and you can't go after infringers until after you've obtained the patent.
- Obtaining a patent is expensive: It generally entails about $5,000 to $10,000 in attorney fees.

That said, if you believe that you've created a novel way of accomplishing a process using a mobile or handheld device, you should consult a patent attorney or patent agent. Keep in mind that you have 1 year from the first time you publicly sell or publish info about your app (whichever comes first) to file for your patent.

Tip: Your humble author started *www.dearrichblog.com*, a blog that addresses common questions asked by developers, artists, and other content producers. There, you can look for answers to questions or ask your own. For example, the site includes several entries on copyrighting apps.

Trade Secrets and Nondisclosure Agreements

The lucky developers who tested prototype iPads before they were released to the public also had to perform one not-so-fun chore: reading through Apple's hefty *nondisclosure agreement* (often called an NDA). Among other things, the agreement required developers to keep the device isolated in a room with blacked-out windows, tethered to a fixed object, and under lock and key (and of course, no tweeting about it). Apple's secrecy requirements might seem a bit draconian, but the company's covert strategy is an important part of its marketing plan; it's the reason there's so much excitement whenever Apple unveils a new product.

The whole point of NDAs is to protect *trade secrets*, which you'll learn about in a sec. You probably won't need Apple's level of secrecy when developing a mobile app, but you should require *some* confidentiality to protect your business secrets. This chapter explains what you need to know about trade secrets and includes sample NDAs you can use when working with outside folks.

Trade Secrets: An Overview

Trade secrets include any confidential information that gives you an advantage over other developers, such as an idea for an Android app, a unique method of converting a PDF to html, or a collection of data about bankruptcy laws for use in a legal app.

Your trade secrets will likely include unpublished computer code, design specifications, business plans, and pricing and marketing strategies. In order for your info to qualify as a trade secret, it has to satisfy these three criteria:

- **It can't be generally known or ascertainable through legal methods.** Once something is general knowledge or can be learned by others in the business, it can't be protected by a nondisclosure agreement (with a few exceptions, explained below). The legal term for this is "readily ascertainable," meaning that the info can be obtained legally—for example, you can find it through an online database or at a library. (On the other hand, if someone obtains your secrets *illegally*—for example, they hack their way through your company's firewall—then you can go after them in court, even without an NDA.)

- **It has to provide a competitive advantage or have economic value.** For most trade secrets, this requirement is easy to fulfill. If you can show that folks can derive benefits from using the info, that you invested time and money in developing the info, or that you've received business or licensing offers for using it, you've got yourself a trade secret.

- **It needs to be the subject of reasonable efforts to maintain secrecy.** These efforts usually include logical security procedures—like locking offices, monitoring visitors, and labeling confidential information—and NDAs, which you'll learn all about later in this chapter. If you don't make any effort to keep the info secret, then it can't be considered a trade secret.

For example, there was a case involving a blood bank that claimed its list of donors was a trade secret, but since the bank posted the list online where competitors could find it, a court ruled that this info wasn't a trade secret (see *http://tinyurl. com/22joz5s* if you want the gory details).

Publicly Known Info and Databases as Trade Secrets

Can information that's publicly known ever be considered a trade secret? What about databases?

Yes, info that's public knowledge can be a trade secret *if* you've compiled or assembled it in a unique way. For example, in one case, a court ruled that a combination of generic, public-domain computer programs linked together in a unique way not generally known outside the banking industry constituted a trade secret (see *http://tinyurl. com/2frc37x*).

Databases—organized collections of information, usually in digital format—are often protected as trade secrets. For example, in the 1994 case One Stop Deli, Inc. v. Franco's, *Inc.*, a court ruled that a database used for inventorying and determining cost economies on wholesale sandwich production for fast-food restaurants was a protectable trade secret. But if you have a collection of data that's readily ascertainable—for example, a list of dead celebrities or valuable baseball cards—a court isn't going to grant you trade secret protection.

Databases may also be protected under copyright law if the method of compiling or arranging the data is sufficiently creative. It's often hard to tell whether a database meets the *modicum of creativity* standard (see *http://tinyurl.com/28y8ta8*) required by the U.S. Supreme Court. Collections of raw data such as parts lists usually don't constitute sufficient creativity, and neither do street directories or genealogies. In short, the fact that it took a lot of hard work to compile the info doesn't guarantee you copyright protection.

Protecting Your Secrets

Trade secret protection is based on the simple notion that keeping information close to the chest can provide a competitive advantage in the marketplace. But simply *saying* that data or know-how is a trade secret doesn't make it so; you have to actively do things that show your desire to keep the info secret.

Some companies go to extreme lengths to keep their trade secrets…well, secret. For instance, only two Coca-Cola employees ever know the trade secret Coke formula at the same time. Their identities are never disclosed to the public, and they aren't allowed to fly on the same airplane.

Fortunately, such extraordinary secrecy measures are seldom necessary. You don't have to turn your office into an armed camp to protect your secrets, but you *do* need to take reasonable precautions to keep them hidden from prying eyes. Here's a list of the minimum safeguards a small mobile app business (like a start-up) should enact to protect its trade secrets. Follow these guidelines and, if you ever need to file a lawsuit to prevent someone from using or disclosing information in violation of an NDA, a judge would likely conclude that you took reasonable precautions to prevent the public or competitors from learning about your secrets:

- **Use nondisclosure agreements.** If you're giving someone confidential info, have them sign a nondisclosure agreement. This is the single most important thing you can do to protect your trade secrets because it gives you a legal document to fall back on and shows that you take secrecy seriously. For example, in 1984,two computer consultants were sued for reverse-engineering the interface of a system for storing hospital data (Technicon Data Systems Corp. v. Curtis 1000, Inc.). As you'll learn in the next section, reverse-engineering itself isn't illegal.

The problem was that the consultants had signed an NDA saying they wouldn't reverse-engineer the interface, so the court ruled that they couldn't use the trade secrets they'd obtained that way.

- **Maintain physical security.** Employees and ex-employees are the most likely people to give away trade secrets to competitors, so it's important to make sure that former employees turn in their keys so they can't get into your offices anymore. And at a minimum, make it a policy that all your employees have to keep sensitive documents filed away when unattended, and that they have to lock things like file cabinets and desk drawers.

- **Monitor computer security.** Make sure you take the typical precautions: firewalls, access procedures, and encryption.

- **Label information confidential.** Clearly mark documents (both hard copies and electronic versions), software, and other materials containing trade secrets as "confidential."

Tip: Don't go overboard and mark everything in sight confidential. If virtually everything, including public information, is labeled that way, a court may conclude that nothing was really confidential.

As your company grows and you develop increasingly valuable trade secrets, you'll want to consider taking additional security precautions such as limiting employee access to trade secrets, beefing up physical and digital security, restricting copying, shredding documents, keeping close tabs on who visits your workspace, and creating policies related to hiring and laying off employees.

Email Disclaimers

Is it worth putting a statement at the end of all my emails saying that the material in them is confidential?

Sure, feel free to use these statements (known as *disclaimers*)—but don't count on them to protect anything.

Although there aren't any court cases related to them, the general consensus is that email disclaimers don't create a legally binding arrangement because the other party doesn't have to agree to the terms. If you accidentally send something confidential, a court will be more concerned with the contents of the email, the choice of recipient (especially your relationship with the recipient), and the circumstances of the transmission than with whether you included a disclaimer. Also, the fact that most disclaimers appear at the end of email messages works against enforcing them because disclaimers have to be prominent (at the top of the email, say) to have any effect. So why bother including one? It's mostly a matter of wishful thinking: You can hope that *stating* that an email is confidential will make the recipient (and perhaps even a judge) believe it's confidential.

Bottom line: The best protection for your secrets is to obtain a signed NDA and to label information "confidential." Don't count on email disclaimers to protect you. If you're especially concerned about the wrong person reading your secrets, don't send them in email.

Limitations of NDAs

You'll learn the nitty-gritty details of NDAs in a moment, but it's important to know that there are some situations where even a signed NDA won't let you stop someone from disclosing or using your secret business info. A court won't enforce your NDA (or protect the information you consider a trade secret) if any of these situations apply:

- **You didn't use reasonable efforts to maintain secrecy.** See "Protecting Your Secrets" for suggested security measures.

- **The info is generally known or easy to ascertain.** This relates that "readily ascertainable" aspect discussed in "Publicly Known Info and Databases as Trade Secrets".

- **The trade secret is learned through independent discovery.** Anyone who creates the same secret info independently—even if it's identical to your trade secret—is free to use and disclose that information.

- **The information is lawfully acquired through reverse engineering.** It's perfectly legal to disassemble and examine products that are available to the public. If someone learns one of your trade secrets this way, he can use it freely, and once the info becomes publicly known, you lose your ability to protect it as a trade secret.

Note: To help prove that a trade secret was independently developed, software companies with big bucks use *clean room* techniques, which involve doing things like isolating engineers or designers and filtering the information they receive. These isolated folks usually have a specific goal (like creating an app that uses GPS software to coordinate blood donors, for example) and, to accomplish that task, they're presented with publicly available materials, tools, and documents. The development team's progress is then carefully monitored and documented, and a technical expert or legal monitor reviews any requests for further information that the team makes. That way, the company has records to show that trade secrets were developed independently so they can refute any claims that the work was copied. Of course, this is only feasible for big companies that can afford to pay for these extreme measures.

Customer Lists

Can a customer or client list be a trade secret?

Customer lists are tough to protect as trade secrets. A list that's easy to get or requires little effort to assemble usually can't be protected. For example, in one case (*http://tinyurl.com/29zlax6*), an insurance company that sold life insurance to the owners of car dealerships claimed that someone had stolen its customer list of car dealerships, and that the list was a trade secret. A court wouldn't protect the customer list as a trade secret because it was easy to get that info simply by looking in a phonebook (and because the person accused of stealing it had helped compile it in the first place).

A list is more likely to be protected if it's more specialized than that and has been used for a long time, or if it includes detailed info like customers' special needs or confidential pricing information. In one case, a court protected an employment agency's client directory because the list also included stuff like the volume of the customer's business, specific customer requirements, key managerial customer contacts, and billing rates.

So, the short answer is "It depends." The more detailed and specialized the information in your customer or client list, the better your chances that a court will agree it's a trade secret.

Nondisclosure Agreements

You've already heard a lot about NDAs in this chapter, but you haven't actually *seen* one—until now. Yes, the long wait is finally over. Well, okay, so NDAs aren't all that exciting, but you'll sure be glad you have one in place if a disgruntled former employee decides to post your trade secrets on her blog.

This section includes an example of a standard NDA as well as an NDA specifically for beta testers, which is a little more complicated. After each NDA you'll find a detailed explanation of how to fill it out.

Standard NDAs

When you're developing an app, you should get signed NDAs from people you disclose confidential information to, like investors, clients, customers, contractors, potential business partners, and licensees. If you use this standard agreement and someone steals (or "misappropriates") your secrets, the agreement allows you to go to court and ask for certain legal remedies—ways to correct the problem, prevent further disclosure, and compensate you for financial losses resulting from the info not being secret anymore.

> **Note:** You don't need to get signed NDAs from people who work at your company, since all states have laws forbidding employees from disclosing confidential company info. However, some companies prefer not to rely solely on state laws, so they mention employees' NDA obligations—like maintaining confidentiality and not disclosing secrets—in their employee handbooks. Alternatively some companies make employees sign employment agreements that contain NDAs (or, depending on the state, a noncompetition agreement that includes stuff about nondisclosure). Employees typically sign these agreements before they start working for the company. But if the agreement is signed after that (or after the person leaves the company), most states require companies to give employees some additional benefit or compensation for entering into such an agreement.

A nondisclosure agreement should define the trade secrets you want to protect, exclude what's *not* protected, establish a duty to keep the confidential information secret, and state the length of time the agreement will be in force. Here's an example (don't worry—there's an explanation of what it all means later in this chapter):

> **Note:** You can view (and copy) the basic NDA explained below at *www.ndasforfree.com/NDAS/GetBasic.html*.

Nondisclosure Agreement

This Nondisclosure Agreement (the "Agreement") is entered into by and between _____ [insert your name, the type of business (sole proprietorship, partnership, corporation, or LLC), and address] ("Disclosing Party"), and _____ [insert name, business form, and address of other person or company with whom you are exchanging information] ("Receiving Party") for the purpose of preventing the unauthorized disclosure of Confidential Information as defined below. The parties agree to enter into a confidential relationship with respect to the disclosure of certain proprietary and confidential information ("Confidential Information").

1. **Definition of Confidential Information.** For purposes of this Agreement, "Confidential Information" shall include all information or material that has or could have commercial value or other utility in the business in which Disclosing Party is engaged. If Confidential Information is in written or digital form, the Disclosing Party shall label or stamp the materials with the word "Confidential" or some similar warning. If Confidential Information is transmitted orally, the Disclosing Party shall promptly provide a writing indicating that such oral communication constituted Confidential Information.

2. **Exclusions from Confidential Information.** Receiving Party's obligations under this Agreement do not extend to information that is: (a) publicly known at the time of disclosure or subsequently becomes publicly known through no fault of the Receiving Party; (b) discovered or created by the Receiving Party before disclosure by Disclosing Party; (c) learned by the Receiving Party through legitimate means other than from the Disclosing Party or Disclosing Party's representatives; or (d) is disclosed by Receiving Party with Disclosing Party's prior written approval.

3. **Obligations of Receiving Party.** Receiving Party shall hold and maintain the Confidential Information in strictest confidence for the sole and exclusive benefit of the Disclosing Party. Receiving Party shall carefully restrict access to Confidential Information to employees, contractors, and third parties as is reasonably required and shall require those persons to sign nondisclosure restrictions at least as protective as those in this Agreement. Receiving Party shall not use any Confidential Information, without prior written approval of Disclosing Party, for Receiving Party's own benefit, or publish, copy, or otherwise disclose to others, or permit the use by others for their benefit or to the detriment of Disclosing Party. Receiving Party shall return to Disclosing Party any and all records, notes, and other written, printed, or tangible materials in its possession pertaining to Confidential Information immediately if Disclosing Party requests it in writing.

4. **Time Periods.** The nondisclosure provisions of this Agreement shall survive the termination of this Agreement and Receiving Party's duty to hold Confidential Information in confidence shall remain in effect until the Confidential Information no longer qualifies as a trade secret or until Disclosing Party sends Receiving Party written notice releasing Receiving Party from this Agreement, whichever occurs first.

5. **Relationships.** Nothing contained in this Agreement shall be deemed to constitute either party a partner, joint venturer, or employee of the other party for any purpose.

6. **Severability.** If a court finds any provision of this Agreement invalid or unenforceable, the remainder of this Agreement shall be interpreted so as best to effect the intent of the parties.

7. **Integration.** This Agreement expresses the complete under-standing of the parties with respect to the subject matter and supersedes all prior proposals, agreements, represen-tations, and understandings. This Agreement may not be amended except in a writing signed by both parties.

8. **Waiver.** The failure to exercise any right provided in this Agreement shall not be a waiver of prior or subsequent rights.

This Agreement and each party's obligations shall be binding on the representatives, assigns, and successors of such party. Each party has signed this Agreement through its authorized repre-sentative.

Disclosing Party

Date: _____

By: _____

Receiving Party

Date: _____

By: _____

Whew—that's a lot of legalese! The following sections explain what the heck does it all mean and how do you fill it in.

Who's Disclosing? Who's Receiving?

In the sample agreement above, the Disclosing Party is you, the person disclosing secrets. The Receiving Party is the person or company you're giving that information to and who's obligated to keep it secret. (The terms are capitalized to indicate that they're defined in the agreement.)

The sample agreement is a "one-way" agreement—that is, only one party is disclosing secrets. If *both* sides are disclosing secrets to each other, you need to tweak the agreement to make it a mutual NDA. To do that, replace the first paragraph in the agreement above with this:

> This Nondisclosure agreement (the "Agreement") is entered into by and between _____ [insert your name, business form, and address] and _____ [insert name, business form, and address of other person or company with whom you are exchanging information] collectively referred to as the "parties" for the purpose of preventing the unauthorized disclosure of Confidential Information as defined below. The parties agree to enter into a confidential relationship with respect to the disclosure by one or each (the "Disclosing Party") to the other (the "Receiving Party") of certain proprietary and confidential information (the "Confidential Information").

Clause 1: Defining the trade secrets

This is the most important part of an NDA because it explains what you're protecting. Every nondisclosure agreement defines its trade secrets, often referred to as "Confidential Information." If your definition doesn't specify what you're protecting then, alas, they won't be protected by the agreement.

In the sample agreement above, this clause explains how you'll let the other party know what's confidential. It says that, if you give them written materials or software, you'll clearly mark it "Confidential." And if you tell them trade secrets orally, the last sentence of Clause 1 states that you'll give them written confirmation that you disclosed a trade secret—an email or text message will suffice. (You must send this confirmation ASAP, ideally the same day you make the disclosure.)

Another common approach is to specifically list the confidential information without actually including the secrets in the NDA. For example, you could replace the text of Clause 1 in the sample agreement above with this:

> **Definition of Confidential Information.** For purposes of this Agreement, "Confidential Information" shall include the 40 pages of documentation and accompanying software code furnished to you on January 31st and tentatively titled the "Water Skiing Application."

Clause 2: Excluding information that isn't confidential

This clause—you guessed it—explains what *isn't* top secret. As mentioned earlier in this chapter, you can't prohibit someone from disclosing information that's publicly known, legitimately acquired from another source, or that that person developed before meeting you. (That's what parts a–c of Clause 2 mean, respectively.) Similarly, the receiving party can disclose your secret if you give them permission to (part d). All these exceptions exist with or without an NDA, but they're commonly included to make it clear to everyone that such info isn't considered a trade secret.

Clause 3: Duty to keep information secret

This clause is the heart of the NDA—it establishes a confidential relationship between the parties. It explains that the receiving party has to keep the information confidential and limit its use. In some cases, you may want to impose additional requirements, like prohibiting the other party from reverse-engineering, decompiling, or disassembling the software to keep them from learning more about the trade secrets. You may also want to require them to return all trade secret materials that you furnished under the agreement. To include these types of requirements, simply add them into the appropriate section. You can see an example of how this is done in Sections 3 and 6 of the beta tester agreement discussed later in this chapter.

Clause 4: Duration of the agreement

How long should an NDA apply? That's probably something you'll have to negotiate before you specify it in this clause. As the disclosing party, you'll likely want a long timeframe, whereas the receiving party will want a short one.

In the sample agreement above, the NDA applies until the confidential info becomes public knowledge or you send the receiving party a letter saying that they're no longer bound by the agreement. But you have other options the time frame, including a fixed period or a fixed period with some exceptions. Examples of both are shown below and if you decide to go with one of these options instead, then simply replace the text of Clause 4 (from "The nondisclosure provisions" to "whichever occurs first") with one of these:

- **Fixed time period:** This Agreement and Receiving Party's duty to hold Disclosing Party's Confidential Information in confidence shall remain in effect until _____.

- **Fixed time period with exceptions:** This Agreement and Receiving Party's duty to hold Disclosing Party's Confidential Information in confidence shall remain in effect until _____ or until one of the following occurs:

    — (a) the Disclosing Party sends the Receiving Party written notice releasing it from this Agreement, or

    — (b) the information disclosed under this Agreement ceases to be a trade secret.

If the NDA is for one of your employees or a contractor, you might want to make the term unlimited or have it end only when the trade secret becomes public knowledge. Five years is a common length for NDAs that involve business negotiations and product submissions, although many companies insist on 2 or 3 years instead. Your best bet is to get as long a timeframe as possible, preferably unlimited. But keep in mind that some businesses want a fixed period of time and some courts, when interpreting NDAs, require that the time period be reasonable. Determining "reasonableness" is subjective and depends on the confidential material and the nature of the industry. For example, some trade secrets within the software or tech industries may be short-lived. Other trade secrets—like the Coca-Cola formula—have been kept confidential for over a century. If it's likely that others will stumble upon

the same secret or innovation or that it'll be reverse-engineered within a few years, then a 2- or 3-year period is probably fine. Once the time period is over, the disclosing party is free to reveal your secrets.

Clauses 5-8: Boilerplate provisions and signatures

The sample NDA above includes four miscellaneous *provisions* (sections)—Relationships, Severability, Waiver, and Integration. You don't *have* to include these provisions, but they can be helpful if there's a dispute over things like whether a certain provision is enforceable, whether a modification to the agreement was properly made, or whether you waived certain obligations, so you're better off leaving them in.

FREQUENTLY ASKED QUESTION

One NDA or Many?

If several people at a single company will be checking out my projects, can I use one NDA for all of 'em or do I need a separate NDA for each person?

When you're disclosing information to a company and you're concerned it getting disseminated within that company, you have two choices: You can have everyone who'll have access to your trade secrets sign your company's standard NDA (like the one shown above, for example) or have an executive or officer of the company sign it. Clause 3 of the above agreement includes a requirement that all the company's employees and contractors who learn the trade secrets be bound by similar agreements.

If you go the first route (many NDAs), you can sue each individual in the event of a breach. This option is better suited for NDAs that you send to small entities such as sole proprietorships or partnerships where each person can be individually liable. The second option is better if you're working with a business that operates as a corporation or LLC. In that case, you sue the *company* for breaking its promise not to disclose; you can't sue the person who actually disclosed the info.

Beta Tester Nondisclosure Agreement

If you give beta versions of your app to outside testers, here's the kind of NDA you should have them sign.

Beta Tester Nondisclosure Agreement

This is an agreement, effective _____ ("Effective Date"), between _____ ("Company") and _____ ("Tester"), in which Tester agrees to test a mobile app program known as _____ (the "Software") and keep Company aware of the test results.

1. **Company's Obligations.** Company shall provide Tester with a copy of Software and any necessary documentation and instruct Tester on how to use it and what test data is desired by Company. Upon satisfactory completion of the testing, Company shall _____.

2. **Tester's Obligations.** Tester shall test Software under normally expected operating conditions in Tester's environment during the test period. Tester shall gather and report test data as agreed upon with Company. Tester shall allow Company access to Software during normal working hours for inspection, modifications, and maintenance.

3. **Software a Trade Secret.** Software is proprietary to, and a valuable trade secret of, Company. It is entrusted to Tester only for the purpose set forth in this Agreement. Tester shall maintain Software in the strictest confidence. Tester will not, without Company's prior written consent:

— disclose any information about Software, its design and performance specifications, its code, and the existence of the beta test and its results to anyone other than Tester's employees who are performing the testing and who shall be subject to nondisclosure restrictions at least as protective as those set forth in this Agreement;

— copy any portion of Software or documentation, except to the extent necessary to perform beta testing; or

— reverse engineer, decompile, or disassemble Software or any portion of it.

4. **Security Precautions.** Tester shall take reasonable security precautions to prevent Software from being seen by unauthorized individuals whether stored on Tester's hard drive or on physical copies such as CD-ROMs, diskettes, or other media. Tester shall lock all copies of Software and associated documentation in a desk or file cabinet when not in use.

5. **Term of Agreement.** The test period shall last from _____ until _____. This Agreement shall terminate at the end of the test period or when Company asks Tester to return Software, whichever occurs first. The restrictions and obligations contained in Clauses 4, 7, 8, 9, and 10 shall survive the expiration, termination, or cancellation of this Agreement, and shall continue to bind Tester, its successors, heirs, and assigns.

6. **Return of Software and Materials.** Upon the conclusion of the testing period or at Company's request, Tester shall within 10 days return the original and all copies of Software and all related materials to Company and delete all portions of Software from computer memory.

7. **Disclaimer of Warranty.** Software is a test product and its accuracy and reliability are not guaranteed. Tester shall not rely exclusively on Software for any reason. Tester waives any and all claims Tester may have against Company arising out of the performance or nonperformance of Software.

    SOFTWARE IS PROVIDED AS IS, AND COMPANY DISCLAIMS ANY AND ALL REPRESENTATIONS OR WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, WITH RESPECT TO IT, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABIL- ITY OR FITNESS FOR A PARTICULAR PURPOSE.

8. **Limitation of Liability.** Company shall not be responsible for any loss or damage to Tester or any third parties caused by Software. COMPANY SHALL NOT BE LIABLE FOR ANY DI- RECT, INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGE, WHETHER BASED ON CONTRACT OR TORT OR ANY OTHER LEGAL THEORY, ARISING OUT OF ANY USE OF SOFT- WARE OR ANY PERFORMANCE OF THIS AGREEMENT.

9. **No Rights Granted.** This Agreement does not constitute a grant or an intention or commitment to grant any right, title, or interest in Software or Company's trade secrets to Tester. Tester may not sell or transfer any portion of Software to any third party or use Software in any manner to produce, market, or support its own products. Tester shall not identify Software as coming from any source other than Company.

10. **No Assignments.** This Agreement is personal to Tester. Tes- ter shall not assign or otherwise transfer any rights or obliga- tions under this Agreement.

11. **Relationships.** Nothing contained in this Agreement shall be deemed to constitute either party a partner, joint ven- turer, or employee of the other party for any purpose.

12. **Severability.** If a court finds any provision of this Agreement invalid or unenforceable, the remainder of this Agreement shall be interpreted so as best to effect the intent of the parties.

13. **Integration.** This Agreement expresses the complete understanding of the parties with respect to the subject matter and supersedes all prior proposals, agreements, representations, and understandings. This Agreement may not be amended except in a writing signed by both parties.

14. **Waiver.** The failure to exercise any right provided in this Agreement shall not be a waiver of prior or subsequent rights.

Company

Date: _____

By: _____

Tester

Date: _____

By: _____

Happily, you can pretty much use this NDA as is—just fill in the blanks and you're all set. Here's what all the clauses mean and how to fill it out:

Intro paragraph. Fill in the date. Next, put your name in the "Company" blank and the name of the individual or company that's beta-testing your app in the "Tester" blank. Then put the name of the app being tested in the "Software" blank.

Clause 1: Company's Obligations. The first sentence of this clause is pretty straightforward—it says you'll give the tester a copy of your app and tell them how you'd like them to test it. The wording you enter in the second sentence is up to you. Typically, beta testers get a free copy of the finished version of software as payment; this is where you'd note that. If you're going to pay the tester for his services, mention that here.

Clause 2: Tester's Obligations. This paragraph describes what tester is expected to do: gather and report test data. You can leave this section as is.

Clause 3: Software a Trade Secret. This clause makes clear to the tester that the app is a trade secret and explains what they *can't* do with it: They're not allowed to tell people about it, copy it (except as necessary to test it), or reverse-engineer or disassemble it to see how it works.

Clause 4: Security Precautions. This clause requires the tester to take reasonable precautions to make sure the app isn't seen by unauthorized people. No need to add anything here.

Clause 5: Term of Agreement. Fill in dates for the testing timeframe here. This clause also states that certain parts of this agreement will still be in effect even after the ending date listed here. The sample agreement above specifies that the tester's obligation to secure the software, as well as the warranty disclaimer, limitation of liability, prohibition of assignment and "no-rights" provision (in other words, Clauses 4, 7, 8, 9, and 10) will apply after the end of the testing period. However, you can customize this clause by adding or deleting clause numbers as appropriate.

Clause 6: Return of Software and Materials. This clause simply says that the tester has to return the app when the testing is done and delete it from any computers where they've installed it.

Clause 7: Disclaimer of Warranty. This part explains that you're providing the app to the tester "as is." That means that you're not guaranteeing that the app will work and the tester can't sue you if the app doesn't do what it was supposed to.

> **Note:** In case you're wondering, yes, the last parts of Clauses 7 and 8 *do* have to be in all caps. Why? Because some courts have indicated that disclaimers of warranties and limitations of liability are only effective if they're "prominently displayed" within the agreement, and printing them in all caps satisfies those courts.

Clause 8: Limitation of Liability. This clause states that you're providing the app for evaluation purposes only, and that you're not liable for any damages the app causes—for example, if it mucks up the tester's iPhone.

Clause 9: No Rights Granted. This clause makes it absolutely clear that the app belongs to you and that you're not giving the tester any ownership rights in it, and that the tester can't sell or transfer the app to anyone.

Clause 10: No Assignments. The point of this clause is to specify that the tester has to do the testing himself—he can't have anyone else to do it for him.

Clauses 11–14: Boilerplate Provisions and Signatures. These last four provisions—Relationships, Severability, Waiver, and Integration—aren't essential, but it's a good idea to leave 'em in because they can help courts interpret the agreement and understand the relationship between the parties. For example, the integration provision (Clause 13) makes it clear that this is the final and complete confidentiality agreement between the parties.

Copyrighting Your App

On July 11, 2008, two apps launched at Apple's new App Store. One was iBeer by Hottrix, a small app development company; the app used a clever accelerometer-powered feature to make a virtual glass of beer empty as you tilted your iPhone. The other was iPint by Coors, an app that…well, did exactly the same thing. The main difference was that iBeer cost $3 and iPint was free. Hottrix believed that it had been ripped off—it claimed that Coors had seen a video about iBeer in 2007 (a year before the App Store opened), and that Coors developed iPint only after Hottrix rejected Coors' 2007 request to license iBeer. The two companies negotiated but couldn't work out a deal. Hottrix complained to Apple, which removed iPint from the App Store. As a result, iBeer quickly became one of the bestselling paid apps. Hottrix then sued Coors for copyright infringement.

Can a company copyright the idea of a tilting beer glass? Nope: Copyright doesn't protect ideas, methods, or processes. But it *does* protect artwork, software code, text, and other similar content. If Coors's developers had created a substantially similar app—and Hottrix's attorneys maintained that they did—then the small app developer may have had a solid claim against the beer behemoth.

Although the case has dropped out of the news—perhaps because of a settlement—one thing is clear: Hottrix's copyright claim seems to have been enough to convince Apple to remove the Coors app from its App Store.

So how can copyright law help if you end up in legal battles over apps you create? Consider what copyright does: It gives the creator of an app the right to stop others from copying, distributing, or making variations of that app (though as you probably know, there are many exceptions to this rule, some of which are covered in this chapter). In other words, if you own a copyright on something, you can stop unauthorized uses of that thing (called *infringements* in legalese). If you can prove that you've been damaged financially by the infringement, a court may award you a payment. If you win your battle, you can also force the infringer to stop making copies of your app and destroy the ones they've already made.

What many developers find hard to believe is that, under copyright law, you're *automatically* granted copyright once you finish the work. That's right: You don't have to file an application and register with the U.S. Copyright Office to get a copyright. Once you finish a working version—even an incomplete, pre-alpha version—you have a copyright on your app, with two exceptions:

- **Your app doesn't meet copyright standards.** This chapter explains these standards in detail, but as a general rule, if you didn't copy your app from someplace else and it has some original aspects to it, you can claim a copyright on it.

- **Someone hired you to create the work and it was a work made for hire.** A *work made for hire* is created either by:

  —An employee who develops the app during the course of employment (in which case, the employer almost always owns the app) or

— An independent contractor who was commissioned to create the app *and* signed a written work-made-for-hire agreement, *and* the app can be categorized as one of the following:

  — A contribution to a collective work

  — Part of a motion picture or other audiovisual work

  — A supplementary work (meaning a work prepared for publication as a supplement to a work for the purpose of introducing, concluding, illustrating, explaining, revising, commenting upon, or assisting in the use of the main work)

  — An instructional text used in teaching—provided it's designed for use in day-to-day teaching, not simply a how-to book

  — A translation

  — A test and test-answer materials

Note: Alas, there isn't enough room in this Mini Missing Manual to get into an in-depth discussion of work-made-for-hire issues. If you suspect your app is a work made for hire, check out *www. copyright.gov/circs/circ09.pdf* for more info.

Okay, so you get copyright automatically. But what does that *mean* exactly and how do you prove it if there's a dispute? To win in a copyright lawsuit, you need to prove three things: that you have a copyright on your app, that someone copied your app, and that the other person's app is substantially similar to yours. So, for example, if someone can prove that they created an app that, by sheer coincidence, is similar to yours but that they never copied your app, then they didn't infringe your copyright. As you can see, the decision comes down to evidence—for example, being able to

prove when you created your app and that the infringer had access to it. (By the way, you don't have to jump through so many hoops if the infringing app is an exact copy; in that case, a court will presume someone copied your work.)

So how do you prove you have a copyright? The U.S. has a system for registering works. Registering something with the U.S. Copyright Office doesn't *prove* you have copyright over that work, but if you register it within 5 years of its publication, it creates a legal presumption that you're the owner and that the facts in your copyright application are true. That means that, if there's a dispute over who owns the app, a court will presume you own it and the other side will have to prove that you're *not* the owner.

Registering your copyright also gives you a few more legal rights than if you don't bother registering it and just rely on the automatic copyright (discussed above), but for the most part, you get the most important rights even if you don't register. There is, however, one really good reason to register your copyright: If you end up in a dispute, you'll need a registration to file a federal lawsuit.

Note: it's a common fallacy that mailing a copy of the source code to yourself provides some form of legal protection or proof of creation. It doesn't. After all, you could send a blank envelope to yourself and place the code in it years later. If you're concerned about proving the date of creation, do what inventors do: have two witnesses sign and date a printed copy of the code.

One thing to remember is that, for the most part, you have to enforce your own copyright—the government won't do it for you (the same goes for all intellectual property claims). In other words, your copyright only has value if you're willing to enforce it *and* can afford to do so. Unfortunately, the chase can be expensive (intellectual property lawyers can be pricey) and the outcome often depends on which party has more money. That's another reason to register: If you have your registration in place within 3 months

after you publish of the app or prior to an infringement of the app, a judge might make the other side pay your attorney fees (more on this in the next section).

> **Note:** Alas, there isn't enough room in this Mini Missing Manual to get into an in-depth discussion of work-made-for-hire issues. If you suspect your app is a work made for hire, check out *www. copyright.gov/circs/circ09.pdf* for more info.

Registering Your Copyright

As you just learned, you don't have to do anything to gain copyright over an app you developed—you get it automatically. However, it may be worth the time and effort of registering your copyright with the U.S. Copyright Office. (Registering is the process by which the Copyright Office reviews your application and issues your certificate of registration.) Why? Registration may help you resolve copyright disputes more quickly. It also lets potential infringers know you're serious (it may even frighten them away), and—because you might be awarded attorney fees and statutory damages in court (more on this in a moment)—it may help you attract a lawyer to take your case. Here are some other benefits of registering:

- If you register your app within 5 years of when you released it to the public, the government (meaning the courts) will presume you own the copyright for that app.

- If you register your app prior to an infringement or within 3 months of when it was first available to the public, you may be entitled to special payments known as "statutory damages" and to attorney fees from the person you sued. For example, say you mailed in you copyright application on June 1 and then discovered an infringement on September 1 (3 months later). Because you registered *before* discovering the infringement, you can seek statutory damages and attorneys fees. If, on the other hand, you had filed your application after September 1, you wouldn't be able to sue for either of those things.

- With a few exceptions, you can only file a copyright infringe-ment lawsuit if you've registered your mobile app first.

The fee to register is currently only $50 (less if you file electroni-cally), which is a real bargain considering how useful it can be if you need it. The standard registration process takes approximately 6 months, though you can expedite things for an added fee, which can shorten the duration to within 5 working days. (You can't expedite a copyright registration purely for convenience. It's only allowed in urgent cases—like when someone has ripped off your app and you need to file a lawsuit quickly. The Note on page 45 has more details.) After the Copyright Office reviews and approves all your application materials, they'll send you a Certificate of Regis-tration, which you should keep in a safe place.

FREQUENTLY ASKED QUESTION

The Waiting Game

Should I wait until after *I receive a Certificate of Registration to start selling my app?*

Nope. As mentioned earlier in this chapter, your app is protected under copyright law as soon as you finish it. However, you may want to wait until after you've *filed* a registration application to start selling. That's because, regardless of how long it takes to process the application and receive your certificate, your copyright registration is effective as of the date the Copyright Office receives your application (assuming it's all in order). So you can rest assured that you'll have all your legal rights (discussed above) if someone infringes on your app, even though you haven't received your Certificate of Registration quite yet.

Keep in mind that even if you post screenshots of your app on Twit-ter, Dribbble, or Flickr before the app is finished and before you file your application, you can still take advantage of the copyright benefits discussed above as long as you register your app within 3 months of when it was first available to the public.

Tip: The U.S. Copyright Office's website, *www.copyright.gov*, is your one-stop source for all things copyright. You can download copyright application forms or copyright circulars (special publications that explain copyright laws and rules in plain language) You can also write to them via snail mail at Copyright Office, Library of Congress, Washington, DC 20559-6000.

Form CO: Your Ticket to Copyright Registration

The all-purpose Form CO is probably your best choice for registering your app. You can download this relatively simple form from the Copyright Office's website: *www.copyright.gov/forms/formco2d. pdf*. The following sections explain how to complete Form CO. You have to fill in all the items marked with an asterisk (*).

FREQUENTLY ASKED QUESTION

Does One Form Fit All Apps?

I'm trying to register an app with the U.S. Copyright Office. My app includes music, photos, text graphics, sounds, and code. Is there a way to register all that stuff in the app in one application?

Happily, the answer is yes.

One thing that's kind of tricky about registering an app that includes lots of different types of content is choosing a copyright category. Line 1A of Form CO doesn't include a "Software" option, so most software programs are registered as "literary works"—the most appropriate of the limited options, since source code is written in letters and numerals. However, if your app is primarily pictures, choose "Visual arts work" instead. And if it's a graphics-heavy product like a game, choose "Performing arts work." Don't worry if your app seems to straddle two categories—just pick the one that seems best to you.

You also need to figure out which elements of the app are original (created entirely by you) and which aren't. For example, if you contributed some text and software code but you licensed the rest, then you can only claim copyright (and seek registration) for what you created. You indicate that in line 2H of Form CO. Then, in line 4A, you list the items you aren't claiming copyright for. The following sections have the details.

Tip: After you fill it in and print out Form CO, *don't* alter it by hand. Why? Because the information used by the Copyright Office is encoded in the form's barcodes, which change depending on what you fill in. So if you want to register a series of similar works, keep the form open after you print it, and then make the necessary changes and print the new version.

Section 1: Work Being Registered

This section is where you fill in basic info about your app. As explained in the box "Does One Form Fit All Apps?", this form isn't tailored for software, so you kind of have to shoehorn in your app's vital stats.

Note: On Form CO, "author" refers to the person or company that developed the mobile app, and the mobile app being registered is called "the work."

- **1A*: Type of work being registered.** As mentioned above, you can use Form CO for all types of apps. Check the appropriate box for the type of work (see the box "Does One Form Fit All Apps?" for help figuring out which one to choose). Every app contains more than one type of work—for example, yours might contain a visual work (images), a text work (software code and text), and maybe even a performing arts work (music or videos)—so just choose the type that's most predominant in your app. If you're not sure how to characterize your code, "Literary work" is your best bet.

- **1B*: Title of work.** Type in the name of your app as it's offered for sale—for example, the title it's listed under at the App Store. If it doesn't have an official name, enter a descriptive phrase (such as "Random monkey noise generator") or write in "untitled." Capitalize each word and don't use quotation marks, like this: Tarot Clock Lite V1.2. If you want to include additional title(s)—for example, you're registering three separate apps that are collectively sold as one app—click the "Click here to create additional space to add an additional title" button.

- **1C: Serial issue.** You can leave this field blank. It's designed for works that will be released in successive parts, like a magazine.

Note: If you're selling an app that incorporates serialized re-leases—your app lets people receive an issue of your magazine every month, say—you should consider submitting two copyright applications: one for the operating program (the app itself) and a separate application for the serialized publication. (In case you're wondering, a series of versions of an app—1.0, 2.0, and so on—*doesn't* constitute a serial publication.) For help preparing serial applications, head to *www.copyright.gov/circs/circ62.pdf*.

- **1D: Previous or alternative title.** If you've publicly referred to your mobile app by any name other than what you entered in field 1B, enter that title here.

- **1E*: Year of completion.** Type in the year when you finished creating your app; the date you stood back and said, "Hallelu-jah—I'm done!" The date you enter here can't be later than the year of first publication that you enter in field 1F.

- **1F: Date of publication.** Enter the date when you first publicly announced the app, using mm/dd/yyyy format. (See the box "When is a Mobile App Published?" for more on what "publica-tion" means in this context.) If you don't know the exact date, get as close as reasonably possible. Don't enter a date in the future. If you have published your app yet, just leave this line blank.

- **1G: ISBN.** You can leave this blank—it applies only to books. (ISBN stands for "international standard book number".)

- **1H: Nation of publication.** Type in the name of the country where you first published your app. If you published it simul-taneously in the U.S. and another country, you can just list the United States. Leave this line blank if you haven't published your app yet.

- **1I: Published as a contribution in a larger work entitled.** If this app is as part of a larger work—for example, it's one

mobile app from a collection of related apps, say—enter the title of the larger work.

- **1J: If line 1i above names a serial issue.** You can leave this field blank.

- **1K: If work was preregistered.** You can ignore this field, too, as it's unlikely that you've preregistered. (Preregistration is a process where the owner of an unpublished software program can file a notice stating that they intend to publish the work later; it's typically used when a copyright owner needs to sue for infringement while they're still preparing a product for commercial release.) You can learn more about preregistration at *www.copyright.gov/prereg*.

FREQUENTLY ASKED QUESTION

When is a Mobile App Published?

How do I know when my mobile application has been published? Is it when Apple offers it for sale?

In the world of copyright, the word "publication" has a broader meaning than you might expect. A work is considered to be published under copyright law if you sell, distribute, or offer to sell or distribute copies of your mobile app to the public. So as soon as the app is available for people to buy at the App Store, you've published it. Displaying it for sale at a trade show is also considered publication, provided that the point of your trade show display is to make a deal with a wholesaler, distributor, or someone else who wants to sell your app.

Section 2: Author Information

This section is where you tell the Copyright Office about the app's author—the person or company that created the app. Happily, it's pretty straightforward.

- **2A or 2B*: Personal name/Organization name.** Complete *one* of these fields, but not both. If you created the app yourself, enter your name in the "Personal name" fields, unless you

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wish to be anonymous or pseudonymous, (more on that in a moment). If you're filling this out for someone else who created the app, put that person's name in 2A instead. If a company is claiming ownership—either because it purchased the rights to the app or the app was created under a work-made-for-hire arrangement (see page 28)—then list the company's name in field 2B.

Tip: If other people contributed some copyrightable content to your app and they intended that all of the work be merged into the app, then you need to list these people on your copyright application, too. (You *don't* need to list people or businesses from whom you obtained permission to use content. You'll list that kind of content later, in item 4A.) In legal-speak, these folks are called "co-authors." They include people who worked with you and made significant contributions to the visuals, text, or code used in the app you're registering. If you have co-authors, scroll down to the top of page 3 of Form CO and click the "Click here to create space to add an additional author" button. Then add information about the other author(s). (Note that the button that's supposed to let you add authors can be a bit buggy; specifically, the extra field(s) may not appear. If you run into this problem, you can either file electronically using the eCO system [see the box "Applying Online"] or file a paper Form TX [*www.copyright.gov/forms/formtxd.pdf*]).

Bear in mind that whatever you enter in line 2A or 2B will become part of the Copyright Office's online public records, and you can't remove this information later. So how can you protect your privacy? By publishing your app anonymously or under a pseudonym. If you decide to go this route, type "anonymous" or "pseudonymous" in the First Name field, and then fill out field 2G appropriately (see below).

- **2C: Doing business as.** You can leave this field blank unless you're doing business under a fictitious business name—like Jo Smith *doing business as* Appenstance, for example. In that case, enter "Appenstance" in this field.

- **2D and 2E: Year of birth and Year of death.** Enter the year the author was born and (if applicable) died. These fields are optional but can come in handy as a way to identify you if you have the same name as another person who has registered a copyright—for example, if your name is Stephen King. Just like fields 2A and 2B, whatever date(s) you type in here will be part of the Copyright Office's online public records, so if you're squeamish about sharing personal info with the universe, leave these fields blank.

- **2F*: Citizenship/Domicile.** You have to enter information about the author's citizenship here. If the person who created the app is a U.S. citizen, check the Citizenship and United States boxes. If the author is a citizen of some other country, check the Citizenship and Other boxes on the first line of this item, and then select the name of the country in the top drop-down menu. If you'd rather list the nation where the author is domiciled (resides permanently), check the Domicile box and the other appropriate box. For example, if you're a Canadian citizen but you live in the U.S., you can either list either "Citizenship: Canadian" or "Domicile: U.S.A." (but not both).

- **2G: Author's contribution.** Turn on the "Made for hire" checkbox here if the author's contribution qualifies as a work made for hire (explained above; if you need more info, check out *www.copyright.gov/circs/circ09.pdf*). As mentioned above, you can keep your identity private by registering your app anonymously or under a pseudonym. An app is *anonymous* if the creators aren't identified in the published copies of the work, and it's *pseudonymous* if the creator is identified under a fictitious name (pen name). You should only check the Anonymous or Pseudonymous box here if that's the way you distribute your app—that is, you deliberately avoid using your legal name. If that is the case, check the appropriate box (Anonymous or Pseudonymous), and don't forget to fill out field 2A appropriately (see above). If you use a pen name, type it in the "Pseudonym is" field.

- **2H*: This author created.** Check the appropriate box(es) to indicate what the author listed in field 2A or 2B contributed to this mobile app. You can check as many as apply—for example, Computer program, Music, 2-diminsional artwork, Motion picture/audiovisual, and Photography. If the person's contribution doesn't really fall into any of the categories listed, check the Other box and then fill in a brief, specific description. The Copyright Office recommends avoiding terms like "idea," "concept," "title," or "name." Instead, go with things like "computer program code," "screen displays," "program text," "subroutines," or "entire work."

Note: If you intend to claim copyright on the screen displays— that is, you own the copyright for the app's visual imagery, not just its code—you have to list them as part of your authorship.

Section 3: Copyright Claimant Information

This section is where you identify the copyright owners and, if necessary, how they acquired that ownership. The copyright *claimant* is, as the name suggests, the person or business that's claiming copyright ownership. The claimant can be one of three things:

- **The author of the work.** This category includes the owner of a work made for hire. So if you hired someone to create the app for you under a work-made-for-hire arrangement (), you're considered the author.

- **A person or business who acquired all the rights to the mobile app before the copyright application was filed.** This kind of arrangement is usually created by a written agreement called an *assignment* (see the description of field 3E for more about assignments).

- **A person or company that the copyright owner authorized to act as the claimant.** For example, a book author could authorize her agent to act as the copyright claimant.

Here's how to fill out this section:

- **3A or 3B*: Personal name/Organization Name.** As with fields 2A and 2B, fill in one or the other of these items, but not both. Enter the name of the person or organization that owns the copyright—either the developer who created it or—if the original copyright owner transferred the copyright—the person or company that now owns the copyright (more on transferring copyrights in a moment). What you enter here may be the same as what you put in line 2A or 2B.

- **3C: Doing business as.** You can leave this blank unless you've transferred ownership of the app to a company that uses a DBA.

- **3D*: Address, Email, and Phone.** Here's where you list the claimant's mailing and email addresses and phone number. You have to enter a street address and city, and this postal address will become part of the Copyright Office's online public records. If you decide to enter an email address and phone number (they're optional), they won't appear in the public records unless you also include them in "Section 5: Rights and Permissions".

- **3E: Copyright ownership acquired by.** If the claimant is the same as the author of the app listed in line 2A or 2B, skip this line. You only have to fill this in if the claimant isn't an author but has obtained copyright ownership from the author or another owner. In that case, check the appropriate box to indicate how the claimant acquired the copyright.

  The "Written agreement" checkbox refers to assignments or by other contracts. An *assignment* is an agreement in which someone sells (or "assigns") all of his rights in the app to someone else. In other words, the seller gives up all claim to copyright ownership. It's also possible to transfer copyright via another type of agreement—for example, as part of the sale of a business. In that case, list that agreement (for example,

"Contract for sale of XYZ Company"). Or maybe you acquired the rights because the app was subject to a loan agreement. That's right—copyrighted materials are often used as collateral for loans; when the copyright owner defaults on the loan, the lender can foreclose on the copyright ownership just like when a bank forecloses on a home. By the way, if you acquired ownership by an assignment or other type of contract, you should make sure that the Copyright Office has a record of that document. To learn more about how to do that, check out *www.copyright.gov/circs/circ12.pdf*.

Check the "Will or inheritance" box only if the original copyright holder is deceased. If neither of those situations apply, check the Other box and enter a brief statement explaining how the copyright was transferred.

Section 4: Limitation of Copyright Claim

If your app is 100% original—you didn't use anyone else's images or code, or example—then you can skip this section. But if, like many apps, your app was derived from some other source (or several sources), then you need to need to complete this section. This is where you specify that the work contains or is based on material that was previously registered or published, material that's in the public domain, or material that isn't owned by the person or organization listed in Section 3. The purpose of Section 4 is to exclude that material from the claim and identify the new material you're registering. Don't worry: It's not as confusing as it sounds.

- **4A: Material excluded from this claim.** Here's where you indicate which parts of your app aren't your original creation. For example, if you were registering an app that contains a public domain image of Sigmund Freud, you'd check the Other box and enter "public domain image of Sigmund Freud" in the text field.

If you're registering the first *published* version of an app that's identical to a previously registered unpublished version (more on previous registrations in a sec), check the Other box and type in "First publication of work registered as unpublished"; if you go this route, you don't need to fill in item 4C.

- **4B: Previous registration.** If someone has already registered large portions of your app—for example, say and author has given you permission to include material from a book that he wrote and registered—or if you registered an earlier version of your app, then enter the registration number and the year the work was registered. The registration number is on the Certificate of Registration, or you can search for it at *www.copyright. gov/records*.

Note: If you regularly create new versions of your app, you can file new copyright applications for each one. Just make sure to indicate the previous two versions in item 4B. You're probably best off only bothering with submitting applications for major revisions, so if version 2 isn't much different from version 3, you can skip applying.

- **4C: New material included in this claim.** Check the appropriate box(es) to identify the material you're claiming in this registration. The point of this item is to indicate what *you* contributed to the app, since you should only fill in this section if the app also contains material by someone else. Typically, you can simply enter the same thing here that you put in the "Continuation of Author Information" line in item 2H. However, if this is a new version of your app, instead of re-entering the information from 2H, you might type in "revised computer program," "editorial revisions," or "revisions and additional text of computer program."

Why would anyone registering an app check the Compilation box? Well, you might use it if you created an app titled "10 Best Music App Tools," in which you assembled, selected, or organized the preexisting apps into one jumbo app without changing any of them. Your goal in that case is to protect the collection, not the individual apps within it. In other words, you're trying to copyright the manner in which you arranged or selected the apps, not the apps themselves. However, if you've created several different apps, then you *don't* want to check this box because you aim is to protect the individual apps.

If none of the checkboxes applies, check the Other box and enter a brief description of the new material you're registering.

Section 5: Rights and Permissions

If someone wants to contact you about your app—a developer wants to license the rights for a similar but derivative app, say, or someone wants to nominate you for the Nobel prize—they need to know how to get in touch with you. Section 5 is where you provide your contact info so folks can do that. If the information in Section 3 (see above) is the same as what you'd enter here, then just check the box at the beginning of this section. If you want to provide different contact info here, fill in the appropriate fields.

This section is optional, so you can skip it if you want. One factor that might help you decide whether to fill it in is the fact that all the information you enter in this section—including name, postal address, email address, and phone number—will be posted online in the Copyright Office's public records.

Section 6*: Correspondence Contact

You have to fill in this section, which lets the Copyright Office know who they should contact with any questions about this application. If it's the same person as the one listed in Section 3 or

5, simply check the first or second box, respectively. Surprisingly, whatever you enter in this section *won't* appear in online public records.

Section 7: Mail Certificate To

This required section tells the Copyright Office who they should mail the registration certificate to. If this is the same as the person (or organization) in Section 3, check the first box. If it's the same as the person in Section 5, check the second box. And if it's the same as the person in Section 6, check the third box. If you want it sent somewhere totally different, fill in the appropriate fields. As with Section 6. the info you provide here won't end up online.

Section 8: Certification

Congratulations—you're almost finished! Just a few more items to go, and they're easy to fill in.

- **8A*: Handwritten signature.** After you print out the completed application, be sure to sign it here.
- **8B*: Printed name.** Type in the name of the person who will sign the form.
- **8C*: Date signed.** If you're going to sign the form the same day that you print it, then turn on the "Today's date" radio button. If not, select "Write date by hand" and then be sure to write in the date when you sign the application.

Note: If you entered a date in item 1F, make sure the date in item 8C isn't earlier than the one in 1F.

- **8D: Deposit account.** Leave this line blank unless you have a Copyright Office deposit account. That's an account where you've deposited at least $450; the Copyright Office then deducts from it each time you file a copyright application. It's not worth setting one of these up unless you registering several copyrights a year. In that case, Circular 5 (*www.copyright.gov/circs/circ05.pdf*) explains how to create such an account

- **8E: Applicant's internal tracking number.** If you have an tracking number you want associated with this application, enter it here.

That's it. That wasn't too bad, now was it?

Once you complete the form, print it and sign it (and write in the date, if needed). Now you just need to write a check for the application fee ($50, payable to the Register of Copyrights) and gather up your deposit materials, which are explained in the following section. When you have everything together, put it all in the same envelope or package and mail it to:

> Library of Congress
>
> Copyright Office
>
> 101 Independence Avenue, SE
>
> Washington, DC 20559-6233

> **Note:** As mentioned earlier, you can expedite your filing—but it'll cost ya: For an expedited handling fee of $810 ($760 plus the $50 filing fee), the Copyright Office will process an application within 5 working days. But this service is only allowed in urgent cases, like when you're dealing with a lawsuit related to your app, a pending customs matter, or a looming contractual or publishing deadline. You can request it by following the instructions in Copyright Circular 10 (*www.copyright.gov/circs/circ10.pdf*).

Applying Online

Can I file a copyright application online instead of printing it out and snail-mailing it?

Yes, the Copyright Office has an online filing system it calls *eCO*. One benefit of going this route is that it's cheaper than applying by mail ($35 instead of $50). To apply online, you:

- Answer the application questions on the Copyright Office's website (to get started, head to *www.copyright.gov/eco/notice.html*)
- Pay the fee by credit or debit card, electronic check, or by setting up a deposit account
- Upload or mail copies of your deposit materials (explained in a sec)

To apply online, all you have to do is create a user account and password. And it's nice to know that the eCO system includes a "Save for Later" feature so you don't have to complete your application all in one sitting.

Tip: The information in this chapter about filling out the mail-in form should give you the guidance you need to fill out the online application. But if you need more help, the Copyright Office has done a nice job of explaining the eCO process and making it user-friendly with a tutorial (*www.copyright.gov/eco/eco-tutorial.pps*) and FAQs (*www.copyright.gov/eco/faq.html*). And once you start your online application, you'll see that it's peppered with helpful drop-down menus and links that provide pop-up explanations for each step the process.

Deposit Materials

The final piece of your copyright application is what's called your *deposit*—a nonreturnable copy of the work you're registering. If you were registering a novel, for example, you'd simply mail in a copy of the manuscript. But since you're registering an app, the issue of what to send in as a deposit is a little more complicated.

Mobile app developers should submit their code and several images of the mobile app's screens (screenshots). You should include screenshots as part of your deposit materials even if you specified in item 4A of your application that you don't claim copyright ownership of the graphics because someone else claims copyright to the imagery. This section explains exactly what you need to submit.

The Code

The Copyright Office wants a hard-copy printout of all or part of your code. You've got four ways to do this. You can send in a printout of you:

- **Source code.** Include the first 25 and last 25 pages of source code, together with the page containing the copyright notice, if any. (If you're writing in a scripted language, that scripted language is considered source code.) If you're not sure where the program begins and ends, make your best guess. If the program has under 50 pages of source code, include it all.

- **Source code with portions containing any trade secrets blacked out so no one can read them.** If you want to hide your trade secrets, you can provide the first and last 25 pages of source (with trade secrets blacked out), *or* the first and last 10 pages (with no trade secrets blacked out), *or*—for programs whose source code fills 50 pages or less—all the source code with trade secret portions blacked out. You also need to include a cover letter explaining that there are trade secrets in the code.

- **Object code with trade secrets included.** The Copyright Office prefers that you submit source code, but if you want to deposit object code, you have to include a letter stating that the object code contains original authorship. The program will then be registered under the *Rule of Doubt,* a state of registration in which the Copyright Office is basically saying, "We can't

read or understand object code so we're taking the applicant's word that this is copyrightable." If there's a battle over the copyright, the you'll have to jump through a few more hoops in court. If you decide to go this route, provide the first 25 and last 25 pages of object code plus any 10 or more consecutive pages of source code with no blacked-out portions.

Most people choose the first option, and that's what the Copyright Office prefers. Why are there so many options? Because some developers worry about revealing their trade secrets if they submit their entire source code, so they prefer to either black out secrets or file the object code instead (that's the binary file—or, in Java, the byte code—for an app).

The Screenshots

If you specifically claimed the visual aspects of your app—that is, in Section 2H, you checked 2-diminsional artwork, Motion picture/audiovisual, or Photography—then you have to provide screen-shots. Images of your app's key screens will suffice. But even if you didn't check those 2H categories, it's still a good idea to furnish some screenshots with your deposit materials.

Your goal when choosing the shots is to document screens that are most likely to be copied by an infringer. That way, if you're engaged in an infringement battle, you can point to the deposit materials and say, "See, he copied *this* image!). There's no limit on the number of screenshots you can deposit, so submit as many as you like.

To submit screenshots with your application, use a printout, pho-tograph, or drawing of the screens. These reproductions should be no smaller than 3"×3" and no larger than 9"×12". The Copyright Office will also accept a manual accompanying the program if it contains clear reproductions of the screens.

If you're registering a game or an application that includes moving imagery (audiovisual materials), you can submit a CD-ROM or DVD of the audiovisual material. If you checked "Motion picture/audio-visual" in Section 2H you, *have* to provide this material along with your code.

Tip: The deposit requirements are pretty complex. For more on what to submit as your deposit, check out Circular 61 (*www. copyright.gov/circs/circ61.pdf*), which is specifically about registering computer programs.

After You Mail Your Application

The Copyright Office handles more than half a million applications a year, so be prepared to wait. It can take 6 to 8 months (or more) for them to process your application. That's not as bad as it sounds, though, because—as you learned earlier—your registration is effective on the date the Copyright Office receives your application (assuming you filled out the forms properly), not the date you actually receive your registration certificate. (And don't forget about the copyright protection you have automatically as soon as you finish your app—see .)

How will you know when the Copyright Office receives your application? They'll cash your check! And because the registration is effective as of the date the Copyright Office receives your application, once they cash your check, you should feel comfortable knowing that you've done everything possible under to protect for your app.

If 6 months pass after they cash your check and you haven't heard anything or you don't hear anything for a while and you're concerned, write them and include a copy of the canceled check with your letter (that'll help them trace your application).

> **Note:** If you want to find out about the status of your application within 16 weeks of when the Copyright Office received it, you'll have to pay a fee. Call (202) 707-3000 to ask about this.

The Copyright Office will eventually respond to your application in one of three ways:

- If you did everything right, you'll receive a registration certificate with the official Copyright Office seal, registration date, and number stamped on it. Be sure to keep it for your records.

- If you made a minor mistake—for example, you failed fill in a required field, or you didn't properly describe your authorship—the Copyright Office will contact you and explain how to fix it.

- If your application is rejected, you'll get a letter explaining why. (No, you won't get your deposit fee back.) If you want to appeal the Copyright Office's decision, you can send a request to:

  Chief, Receiving and Processing Division

  Copyright Office

  P.O. Box 71380

  Washington, DC 20024-1380

  Appeals are beyond the scope of this manual, but you can learn more about the process at *http://asmp.org/tutorials/if-you-are-turned-down.html*.

Posting a Copyright Notice on Your Work

Should I include a copyright notice in my app? If so, where do I put it?

While you don't technically *have* to include a notice in your app to receive legal copyright protection, it's a good idea to include a basic notice (like "Copyright © 2010 Bobby Jones") in each copy of your mobile app. Why? The notice tells anyone who sees the work that you're claiming copyright and makes it clear when the work was first published. That might keep easily dissuaded pirates from copying your app, and it can help you prove that any copyright infringement was willful (meaning the person knew they were doing something they weren't allowed to do), which might help you recover more damages if you end up in court.

The year listed in your copyright notice should be the year of first publication. If you created a version 2 with additional material, then the notice should include the date that version is first published. Or, you can list a range of years to include all versions, like "Copyright © 2009-2011," or "Copyright © 2009, 2011," for example.

As far as where to put the notice, there are no fixed rules for apps. You can put it on the opening splash screen, include it as a footer on certain screens, or make it part of an Information page. You should also probably include it on your website if you're offering the app as a download. (Apple includes it as part of the metadata on your page in the App Store). If there's any print material that goes along with your app—like an overview PDF—include the notice on the cover or on an inside page of that document.

Infringement: What You Can Do About It

The sad fact is that there are a lot of sleazy characters out there. If you're unlucky, one of them might decide to steal parts of your app and claim it as his own. The whole point of registering your copyright is to protect you in case that happens. The technical term for this kind of app-swiping is *infringement*.

How can you be sure that someone has infringed on your copyright? The answer depends on three factors:

- **Is your work protected by copyright?** In order for you to copyright an app, you have to create it independently (in other words, you can't steal parts of it from anyone else), it has to show some creativity, and has to be fixed in some way (for example, saved to a hard drive).

  Remember that copyright doesn't protect ideas, so you can't stop someone from coming up with an idea similar to yours. So if your app teaches people Karate moves, that doesn't mean no one else can create an app that explains the same thing, just that they can't express that information in substantially the same way you do. But if the other app has audio, visuals, or text that's really similar to your app, you may have a legitimate infringement claim.

- **Did the infringer copy the work?** If the person won't admit that they copied your app, you need to show two things:

  —**The infringer had access to your work.** Sometimes this is easy to prove—for example, if you sent the other party a link to your app and you have a copy of the email. In other cases, you may need to use a legal process known as *discovery* to obtain records to prove your claim, like download records from Apple.

Note: If someone else's app is *exactly* the same as yours, a court will presume that the infringer had access to your work—how else could they create an identical copy?

  —**The two works are really similar.** The stronger the similarity, the greater the chance that a court will find that the person infringed on your copyright. Some courts use a two-step process to decide whether there's a substantial

similarity between the two works. First, they identify the aspects of the works that are subject to copyright protection (in other words, they filter out the unprotectable parts, like stuff that's in the public domain). Then the court compares all the other aspects to see how alike they are. If they're suspiciously similar, the court then decides whether the person actually infringed on the original app developer's copyright.

- **Is there any reason to excuse the infringement?** Whether your lawsuit will be successful (meaning the court will agree that the person infringed on your copyright and award you damages) depends on whether the alleged infringer can raise one or more legal defenses to the charge. Common defenses in copyright infringement cases are:

  — too much time has elapsed between the infringing act and the lawsuit (this is sometimes referred to as either "the statute of limitations defense" or "estoppel," which roughly means that the defendant figured that, because the copyright owner didn't do anything for a long time after the infringement, it was okay with the copyright owner to infringe)

  — the infringement is allowed under fair use (see *http://fairuse.stanford.edu/index.html* for more info)

  — the original work isn't protected under copyright law and therefore anyone can copy it without infringing

  — the infringing work was independently created (that is, it wasn't copied from the original)

  — the copyright owner authorized the use in a license

If someone infringes your copyright, you can file a lawsuit in federal court asking the court to issue orders (restraining orders and injunctions) to prevent further violations, award monetary damages (if appropriate), and—in some circumstances—award attorney fees. For 99.5 percent of the population, filing a copyright lawsuit is well beyond the boundaries of legal self-help; in other words, you'll need an attorney.

> **Tip:** If you're really worried about being sued for copyright infringement, it might be a good idea to register your unpublished work with the Copyright Office while you're still developing it. (Yep, the Copyright Office lets you register unpublished works.) The advantage of going this route is that you deposit a copy of the software with the Copyright Office as part of the registration process, and they keep it on file. This registered copy can serve as proof that you didn't copy it from anyone: If you deposited your app before the work you are alleged to have copied was created, then you couldn't have copied it.

Self-Help Remedies

If you suspect someone of copying your app, you should discuss your problem with a copyright attorney, even if you plan to try to settle or compromise with the infringer without going to court. A preliminary conference with an attorney shouldn't be expensive. However, whether you see an attorney or not, here are some preliminary things you can safely do on your own:

1. **Make a common-sense assessment of how big the problem is.** Who is the infringer? How much infringement is occurring? If the person has sold 10 copies of a copycat app and then removed it from the App Store, it's probably not worth worrying about. But if the person has sold *5,000* copies and counting, that could be a different story.

2. **Make sure your copyright records are complete in case you need to get a lawyer involved to stop the infringer.** Hopefully, you've registered your copyright and have retained copies of all the documents you filed and of your correspondence with the Copyright Office. You should also keep copies of all copyright transfers you've made, if any.

3. **Consider sending the alleged infringer a cease and desist letter.** Such a letter serves several functions:

   — It lets the infringer know that you believe she is infringing your copyright.

   — It gives you evidence of when you discovered the infringement, which can be useful if you end up taking your case to court.

   — It gives the infringer a chance to explain her conduct and offer a compromise before you spend lots of money on a lawsuit. Even if you're sure you're right, it doesn't hurt to listen to the other person's story. And by giving the infringer a chance to respond, you may find out a lot about how she plans to defend herself in court.

A typical cease and desist letter:

- explains who you are, including your business address and telephone number, or—if you want to protect your privacy—some other way to contact you, like at a P.O. Box

- includes the name of your work, the date you first published it (see the info in "1F: Date of publication"), and, if you've registered your work, the copyright registration certificate number

- describes the nature of the activity you believe to be an infringement of your copyright

- demands that the infringer stop that activity, and

- asks the person to respond within a stated period of time (typically two weeks)

While you *can* threaten legal action in your cease and desist letter, you're probably better off not doing that at this stage. Such threats usually just make people paranoid, defensive, and unwilling to co-operate. In addition, if you include the threat of a lawsuit, the other side can initiate a preemptory legal action in which it asks a local court to sort out the dispute; the person *can't* do this if you don't threaten legal action.

Also, if you act as if your lawsuit is only hours away, the answer to your letter is likely to come from the infringer's lawyer. Once two lawyers are involved, the chances of any sort of compromise is pretty low, since lawyers usually get paid more to fight than to compromise.

When you draft your letter, remember that you may end up wanting to use it in court. So avoid being cute, nasty, tentative, or overly dramatic. Once you've written the letter, be sure to send it by certified mail or some other method that gives you proof that the other person received it.

What you do next depends on the response you receive (if you receive one), as well as the nature of the infringement. Common out-of-court resolutions to infringements include:

- the infringer paying you to compensate you for any actual damages you suffered as a result of the infringement (and any profits the infringer made from the infringement that aren't taken into account in computing the actual damages)

- the two of you reaching an agreement—usually in the form of a license—that makes the infringement legal and that stipulates that you'll get paid a certain fee for all future copies of the other person's work, and

- getting the infringer to agree to stop distributing the infringing work.

The DMCA and You

What's the DMCA and what do I need to know about it before I post my apps?

In 1998, Congress passed the Digital Millennium Copyright Act (DMCA), a complex bit of legislation related to copyright protection in the Internet Age. If you want to read the whole thing (and you don't), you can find it here: *http://tinyurl.com/me2a.* Happily, you only need to know about two aspects of this law.

First, it forbids developers from circumventing copy-protection schemes and other technological measures designed to prevent access to program code. The DMCA also makes an exception for some reverse engineering. If you've lawfully obtained the right to use a copy of a computer program, you can circumvent copy-protection measures to gain access to the code *if* you do it to identify and analyze, "those elements of the program that are necessary to achieve interoperability of an independently created computer program with other programs." In other words, you can check out a program's code if you paid for a copy of the program and you're working on your own program or app that will work with that program. Moreover, programmers can develop tools to permit such reverse engineering and share the info they learn from doing reverse engineering with others, as long as these activities don't constitute copyright infringement (for example, you can't copy copyrighted code).

Second, the DMCA gives copyright owners a very powerful self-help process to fight online infringement: If you believe your copyrighted material has been unlawfully stored in an Internet Service Provider's system (or that the ISP's system contains links or other locators to a site that contains infringing material), you can send a notice to the ISP letting it know about the infringement and asking the ISP to take down the material.

Why should the ISP comply? The DMCA creates "safe harbors," which make it so that ISPs can't be sued for monetary damages if their customers commit copyright infringements. However, to obtain safe-harbor protection for storage of—or links to—infringing material, ISPs have to comply with the DMCA's notice and take-down procedure, explained at http://tinyurl.com/htu2e). So, any ISP that gets such a notice has a strong incentive to remove or disable access to the material, because doing so means it can't get sued for the alleged infringement.

What should you do if someone accuses *you* of copyright infringement? First, see how serious the claim is. If it's minor—for example, a photographer claims you used one of her pictures in your app without permission—then the two of you can usually come to some kind of compromise quickly. This kind of thing happens all the time, and in such instances you probably don't need to involve a lawyer (who'll probably charge you at least $200 per hour). Simply have the copyright owner sign a letter releasing you from liability in return for your payment.

On the other hand, if you receive a letter from a copyright owner or owner's attorney alleging a substantial claim—for example, that your app is an unauthorized derivative work and its sale should be halted immediately—it's probably time to find a copyright lawyer. If, even worse, you're served with a *court complaint* (a document initiating a lawsuit), you need to act quickly because you may have as little as 20 days to file an answer (response) in court. (If you don't respond in time, a judgment can be entered against you.)

Even if the case is serious, don't despair: Some infringement suits are resolved quickly and—assuming you have the money to fight—many infringement cases are won by the alleged infringer.

Bottom line: *If you receive a cease and desist letter accusing you of infringement, you probably should see an attorney.*

If the other party is trying to sue you for a substantial amount, you should only decide whether to settle the case or fight it out in court after consulting with an attorney. In making this decision, you need to carefully weigh the following factors:

- How likely it is that the copyright owner will prevail.
- How much you'd owe the copyright owner if you lost.

- The costs of contesting the case, not only in terms of money, but also time, embarrassment, and bad publicity.

- How much the copyright owner may be willing to settle for.

Typically, a copyright owner who sues you for infringement will seek a preliminary injunction (a court order) soon after the lawsuit is filed that prohibits you from continuing the infringing activity. Then the court will hold a hearing where the judge will decide whether the copyright owner would likely prevail at trial and whether the owner would be irreparably harmed if the judge doesn't issue an injunction. Most of the time, infringement cases are settled based on the outcome of this hearing. If the copyright owner gets an injunction, the alleged infringer will usually agree to settle the case on terms favorable to the owner. If the judge doesn't issue an injunction, the copyright owner may continue to fight, drop the case entirely, or accept a relatively small settlement.

Keep in mind that, if the copyright owner *does* have a valid claim (in other words, you really did violate her copyright), paying an attorney to fight a losing battle will only compound your problems. If the copyright owner is able to obtain a preliminary injunction from a federal judge, she probably has a valid claim. In that case, your best bet is to tell your attorney to settle out of court and pay the copyright owner for damages.

Names and Trademarks

When Apple debuted the iPhone in 2007, everyone was impressed. Well, not *everyone:* The lawyers at Cisco Systems weren't thrilled. They acknowledged that it was a "cool phone," but they also pointed out that they owned the registered trademark, "iPhone"—they'd owned it since 2000 when they had acquired another company. (A *trademark* is any name, logo, symbol, or device that identifies one company's products and services and distinguishes them from others—like Google, O'Reilly, and Amazon, for example.)

Why would Apple debut a product with a name that was registered to a competitor? The answer is that, in the rarified world where companies like Apple and Cisco play, trademark disputes are as common as flashlight apps. They have huge legal departments to sort out such cases.

Unless you've got a team of attorneys on call, you can't operate with similar disregard for trademark rights. If you do, you may have your app pulled by Apple or find your mailbox packed with cease and desist letters. Your goal should be to avoid infringing on someone else's mark and to be prepared to pursue others who tread on

yours. This chapter gives you advice on choosing a trademark in the first place, then walks you through the process of registering your mark so you can get maximum legal protection. Finally, you'll learn a little about trademark infringement so you can avoid ending up in a legal battle.

> *Note:* When a trademark is used to identify services instead of goods—like iTunes U, which offers educational services—it's sometimes referred to as a *service mark*. Unless specifically distinguished, both trademarks and service marks are referred to as "trademarks" throughout this Mini Missing Manual.

Trademark Basics

Here are some important trademark principles to help you get started:

- **First user gets the trademark.** As a general rule, if you're the first to use a trademark in commerce—meaning you're the first to sell an app under a certain name—you acquire the rights to it (and can stop other app makers from using a substantially similar trademark). However, simply being the first to use a mark may not get you all the protection you need. Other factors that influence trademark rights are the geographical extent of your use, whether the mark is weak or strong, whether someone with related products or services—for example, a computer hardware manufacturer or website developer—is using a similar name, and whether you've abandoned your right to use the mark. (There's more on these factors later in this chapter.)

- **Rights are limited to your goods and services.** This is a cornerstone of trademark law: You can only stop others from using a similar mark on goods or services with which the mark is used, intended to be used, or likely to be used. So if you create the mark "Good to Gopher" for a game involving gophers, you won't be able to stop a company that adopts the name for pest extermination, because consumers aren't likely to be confused by the two distinct and noncompeting uses.

- **Creating a trademark doesn't create rights.** You don't get trademark rights merely because you create a trademark—by designing a logo or coining a slogan, say. To acquire rights, you have to actually use the trademark in commerce (as explained above). You can *reserve* trademark rights—by filing an ITU application as described below—but these rights won't vest unless you eventually use the mark in commerce.

- **Distinctive trademarks are easier to protect.** Trademark protection is based around a "strength" classification system. Strong trademarks—such as Scrabble, Doodle Jump, or Pandora—are distinctive and you can immediately stop others from using similar ones. Weak trademarks, on the other hand, are not distinctive because they merely describe some aspect of the app—for example Alarm Clock Pro and iFitness—and you can't register them on the Principal Register (which is the best form of U.S. trademark protection—see the Note below) until you can show the U.S. Patent and Trademark Office (USPTO) that consumers associate the name with your app. This is usually proven by extensive advertising and sales. (Trademark experts refer to this "strengthening" as *secondary meaning.*) For example, the weak descriptive term "Windows" became a strong trademark after Microsoft spent several billion dollars associating the term with its company.

Note: The USPTO keeps two lists of all the trademarks it has registered—the Principal Register and the Supplemental Register. Of the two lists, the Principal Register is by far the more important. Trademarks on this list have much more protection than those on the Supplemental Register—which is primarily for weak or descriptive marks that haven't acquired secondary meaning. People almost always file applications for the Principal Register. If the mark isn't deemed worthy of that register (because it's too weak), then the trademark examining attorney often recommends filing on the Supplemental Register instead (there's no additional fee).

Why bother with the Supplemental Register? One reason is that anyone doing a standard trademark search will discover the registration and most likely will decide to use a different mark. Also, placement on the Supplemental Register entitles the mark's owner to use the ® symbol (see "Symbols indicating a trademark"). And finally, if the mark continues in use and remains on the Supplemental Register for 5 years, it's easier to apply to have the mark placed on the Principal Register (because it will have acquired distinctiveness through continued use over time). So, the Supplemental Register gives you some benefits, so it's a sensible alternative if the USPTO refuses to put your mark on the Principal Register because it's not distinctive enough.

There's no foolproof test for choosing a mark or determining whether a mark is strong or weak. But if your mark is weak or descriptive, be prepared to explain to the USPTO why consumers associate the term with your goods and why you deserve to register it (as explained in the next few paragraphs). Generally, a mark is strong if it's either so unique or clever that it's classified as "inherently distinctive"—like "Tetris," for example, which is immediately distinctive—or if it *becomes* distinctive through sales and advertising—like Glow Hockey or eTrade.

- **No trademark protection if…** In some situations, the intended trademark can't be registered, and the owner has no right to stop others from using a similar mark. The most common reasons for this include:

    —**Nonuse** (also known as *abandonment*), which occurs if you stop using a trademark and it appears as if you won't resume using it,

    —**Using a generic term.** This means attempting to use the name of a class of goods. For example, you use the term "Software" as the sole name for your mobile app. In that case, the name won't be protected because it's a generic term. (Someone could, however, use generic terms in conjunction with other terms—like Software Lingerie, for example—and not be generic.)

- **Symbols indicating a trademark.** Typically, the symbols ®, ™, or ℠ are used along with trademarks—as in Tetris®. The ® symbol indicates that a trademark has been registered with the USPTO, which you'll learn more about in a few pages. It's illegal to use the ® symbol if the trademark in question hasn't been registered with the USPTO. You're not legally required to use the ® symbol, but not using it may limit the amount of damages that you can recover if you sue someone for infringing on your trademark. If you haven't registered the trademark, you can use the ™ symbol instead. Similarly, the ℠ symbol is for service marks that haven't been registered. The ™ and ℠ symbols don't have any legal significance other than indicating that the owner is claiming trademark rights which may or may not hold up in court.

Domain Names and Trademarks

What if somebody is using my trademark as a domain name?

If you have a registered trademark and someone is holding the domain name hostage—meaning they registered it in bad faith in order to cause you problems (and jack up the price of getting it)—then federal law and international arbitration rules can help you. For more information check out *www.icann.org/en/udrp*.

However, not all uses of domain names by others are in bad faith. Trademark owners often vie for the same domain name. For example the Apple computer company and the Apple music label (the Beatles' record company) may both have a legitimate claim to apple.com, but the computer maker apparently acquired it first.

Trade Names vs. Trade Marks

I registered my mobile app business's name as the name of my corporation with my secretary of state. Does that make it a trademark?

No, registering your business name (also referred to as your trade name) with your state's secretary of state doesn't give you any trademark rights. State registration is done primarily to guarantee that each corporation or LLC has it's own name for state regulation purposes, and to help the public identify corporate owners for purposes of lawsuits and taxes.

You'll only acquire trademark rights if you use the trade name in connection with the sale of your products or services—for example, Apple is both a trade name and is used as a trademark on hardware and software products.

Bottom line: If you don't use your trade name to sell products or services, then it won't function as a trademark

Tip: Be careful about using your surname as a trademark. There are some advantages to using your own name—you have less chance of infringing on someone else's trademark and you may have an easier time preserving your rights to a domain name. But you may be surprised to learn that it's often difficult to register trademarks that use a family name, because the USPTO often considers family names to be weak trademarks. That's because a family name that's perceived primarily as a person's name is descriptive (meaning weak), and therefore can't be registered on the USPTO's Principal Register unless the trademark owner can demonstrate secondary meaning—like Newman's Own or Dell, where consumers associate the name with certain products.

Choosing and Registering Your Trademark

As a general rule, an excellent app that consumers want will sell regardless of its name. Occasionally, the name of an app may draw attention—like the short-lived I Am Rich app (a $999 iPhone app that did nothing)—or may create some consumer demand (as in the case of apps such as Nude It and SexIQ). While you're allowed to come up with creative names, here are some rules that may help you come up with a successful trademark:

- **Sometimes the obvious choice is the best choice.** Even though descriptive marks may be harder to register or enforce (see the Note on page 64), that might not matter for your app when you consider its short lifespan and the need for instant customer recognition of its capabilities. For example, the purposes and capabilities of iVideoCamera, Spin Art, and CNN Mobile are all clear, making them logical choices.

- **Pick a name that distinguishes you.** You don't need to be clever, just distinctive. The point is to create a name that differentiates you from competitors. For example, Street Lingo is distinctive enough from its urban dictionary competitor, Slango, to avoid a trademark dispute.

- **Avoid a name that's similar to competitors'.** This is the flipside of the previous point: Choosing a name similar to a competitor's may trigger a dispute—and if the competitor has been using the name longer than you have, you'll lose the battle. A similar name is one that is likely to confuse consumers—for example, a game that's similar to Tetris and called Tris could easily confuse folks looking for Tetris (this actually happened—see "Infringement" for details). Determining the degree of similarity is part science and part witchcraft, and sometimes depends on the sophistication of the consumers. If you're not sure whether a name you've chosen is too similar to someone else's, put yourself in the competitor's shoes and look at the choice from their perspective. Would you feel ripped off?

Trademark Searching

Typically, a company with a new product hires a trademark search company to report on whether its new product name is likely to infringe. But that's probably overkill for most app developers. Most likely, a search of the app stores and the software categories at online retailers such as Amazon should give you a general idea whether your name is likely to be confused with another product.

You need to consider *all* software products because that's the class within which you might register (see "Mark Information") and because a trademark owner acquires rights not just for its goods but also for goods and services that it is reasonably likely to offer. For example, it might be expected that an online game would be ported to the iPhone. Therefore, even if that game isn't yet available as an iPhone app, you'd run into problems if you named your app the same thing as the game. Similarly, if your app is geared to a specific field or industry, you'd need to check out that field to

be sure you're not in conflict with anyone else's products. If you're offering tide tables in app called Tidey Up, say, you wouldn't want to use that name if there was already a publisher by that name that prints tide tables, since it is not unlikely that the publisher will expand into the app world.

Using Other Companies' Names in Yours

Is it okay to use the name of an app company like Pre, iPhone, or Android in the name of an app? For example, if I'm creating an app for the Palm Pre, can I call it Pre Video? Or if I'm working on something for the iPhone, can I call it iPhone Video?

Before you incorporate another company's name into your app, review the company's trademark rules. (There's usually a link to these guidelines on the Legal Notices or About Us page of the company's website.) In the case of Palm for example, they don't want you to merge "Pre" with your trademark, and prefer instead that you tie your app to the phone's operating system, not its name (since the company expects other phones to use the OS other than just the Pre). For example, Palm recommends "Video for webOS."

Similar rules would apply for Apple as well. You can probably get away with "Video for iPhone" or "Video: iPhone Edition," but not with iPhone Video. Apparently, the same rules apply to the iPad, too, as Apple has rejected apps with titles such as "PartyPad – Marble Mixer" but accepted "Scrabble for iPad." In addition, when you use another company's trademark, the guidelines for using it usually require that you include a statement disclaiming rights to the other company's trademark, like "iPhone and Apple are trademarks of Apple, Inc." (Even if it's not required, it's a good idea to include a phrase like this). You can put the statement on any screen in your app (it's usually on the screen that contains your copyright notice), and you should include it whenever you advertise your app.

Finally, your search should locate substantially similar variations on the mark. For example, if a mobile app developer is using the named Birdman for a collection of bird calls and birding photos for bird watchers, he would need to search for that name as well as soundalikes ("Byrd"), plurals ("Bird Men"), gender variations ("Bird Women" or "Bird Boy") and perhaps foreign translations.

If you search around and find that someone else is already using the mark you want—or a substantially similar mark—it's time to rethink your choice. Frustrating though this is, it's better than closing your eyes to the competition and hoping for the best. Failure to search—or to act on what you discovered in a search—can have expensive consequences. If you rush to market, blind to the fact that a similar trademark is already being used by a competitor, the competitor may obtain a court order preventing you from using the trademark, *and* you may have to pay monetary damages and attorney fees.

The cheapest way to search is to start with an online search using Google, and then searching the USPTO's database (on *www.uspto. gov*, click Trademarks, and then click Search Marks). If this preliminary search turns up similar marks (which lawyers call *potential conflicts*), you can then drop the names you were considering that might conflict and either choose new names or narrow down your list of potential choices before paying for to a professional search report. If your preliminary search doesn't turn up any similar marks, you can hire a professional search firm to prepare a complete report. The complete report usually includes registered U.S. and international trademarks and unregistered (known as "common law") trademarks.

These searches are expensive (often $300–$500), and they're sometimes difficult to decipher, so you can probably skip the professional search unless you're entering into a licensing or distribution agreement (in which you have to promise that your trademark doesn't infringe), you have to answer to shareholders or other investors, or your apps are becoming successful and you need the peace of mind that comes with knowing you aren't infringing any existing marks.

> *Tip:* Two companies that perform professional trademark searches are Thomson Compumark (*http://compumark.thomson. com/jsp/index.jsp*) and Trademark Research Corporation, (*www. cch-trc.com*). Thomson Compumark has been around longer and has a more established reputation among attorneys, but the results from both companies are usually similar.

The Benefits of Registration

As mentioned earlier, you can acquire trademark rights without filing a federal or state trademark registration (under what are known as *common law principles*). A federal registration will run you $300–$400, which might not be worth it if your trademark is unlikely to run into any problems. However, you may want to register the name of your most popular app if you plan on building a brand—that is, issuing a series of apps under that name—or if you want to protect the name of your company. Federal registration—that is, registering your trademark on what's referred to as the Principal Register—is the best way to protect your rights, and it provides the following benefits:

- Only the owner of a federally registered mark may use the symbol ® in conjunction with goods or services.

- The filing date of your trademark application gives you nationwide priority as of that date. That gives you the right to stop others from using a similar name on similar products or services anywhere in the U.S. (unless someone has been using that mark before you).

- The owner of a registered mark may, under some circumstances, recover lost profits, damages, and costs in a federal trademark infringement lawsuit.

- The owner of a registered mark can deposit a copy of the registration with U.S. Customs in order to stop others from importing goods that use an infringing mark.

- After 5 years of continuous use, a federally registered mark, with some exceptions, can't be challenged as being improperly issued or invalid.

- A federal registration will make it easier to file a trademark application in certain foreign countries.

If these benefits are important to your mobile app business, and if you believe your trademark adds substantial value to your business, then you'll want to register with the USPTO as described in the following sections.

The Federal Registration Process: TEAS

The United States Patent and Trademark Office handles federal trademark registrations. Before you begin your federal application, you'll need to figure out on what basis you are filing. Most federal trademark applications are based on either actual *use in commerce* or an applicant's intention to use the trademark in commerce (referred to as an *intent-to-use* or ITU application).

The preferred (and cheapest) method of preparing the federal trademark application is to use the online Trademark Electronic Application System (TEAS) on the USPTO's website (*www.uspto.gov*). Registration takes approximately 1 year and the fee ranges from $275–$375 per class of goods. The fee is $275 if you register using TEAS Plus (the simplest system), $325 if you use TEAS (for more complex registrations), and $375 if you file a paper application. (For info about paper applications, check *www.uspto.gov/trademarks/process/appcontent.jsp.*) TEAS is an interactive system in which you're asked a series of questions. If you don't answer a question or you leave out an essential element, TEAS asks you to correct the error. Your best bet is to start with the TEAS Plus, as it's the simplest and least expensive way to file. To get started, head to *www.uspto.gov/teas/teasplus.htm*, where you can choose between the TEAS form and the TEAS Plus form. In the next few sections, you'll find explanations of the key elements of the application process. Although there are differences between the three types of applications, all of them require the elements described below.

Applicant Information

In the TEAS system, the applicant can be an individual, a partnership, a corporation, an association (such as a union, social club, or cooperative), or a joint ownership by some combination of any these forms. If you're filling out the application on behalf of a partnership, include the names and citizenship of the general partners and the country where the partnership is based. If you're representing a corporation, list the name and state or country under which it's incorporated.

You have to list your own citizenship and a mailing address. If you're doing business under a fictitious name (a DBA), check the appropriate box and list it, especially if it's included on any of the materials you're submitting with the application.

Mark Information

If the trademark you're registering is a word or group of words, identifying it to the USPTO is straightforward: You just type in the trademark, like "JustJewels" or "iQuarium." But if the trademark is a stylized presentation of the word, a graphic symbol, a logo, a design, or anything else you're trying to register—for example, a sound, color or smell (yes, smells have been registered as trademarks), you need to provide a statement that clearly identifies the mark. As a general rule, you'll get the broadest protection for your name by registering it as a word trademark.

If you're using the TEAS system, simply type in the word trademark. (If you're registering a word trademark, you'll get the broadest protection if you register it without any specific formatting. That way, you'll be able to use the trademark in various fonts, rather than being restricted to the exact way you registered it with the USPTO.) If you're registering a stylized mark—attach a black-and-white rendition of the mark (in either JPG or GIF format), and then type a written description into the TEAS application where it says says, "Enter description of the mark, below."

Note: Before pressing "Continue" on the form, you'll see a checkbox you can turn on if you wish to make an "additional statement." The most common such statement is a *disclaimer*. Many trademarks include words or phrases that, by themselves, can't be protected under trademark law because granting one person an exclusive right to use such a term would decimate the English language. So the USPTO usually requires applicants to *disclaim* certain portions of trademarks. For example, if you wanted to register the trademark "The Lucky App," you'd have to disclaim "App," since it's a generic term that everyone has the right to use. By doing that, you're making it clear that, apart from using "App" as a part of your trademark, you're not claiming any exclusive right to use the word "app." In general, it's best *not* to include a disclaimer during your initial filing. If your trademark examiner (see page 76) wants you to disclaim something, you can always do so later without being penalized.

Goods and/or Services Information

The next step in the registration process is to identify your class of goods. Most likely, your app will fall into International Class 009, which includes all computer programs and software.

Your app may also fit into two categories. For example might be registered in class 009 for software and Class 028 for "games and playthings." In general, you're best off starting with one class and expanding to others later.

> *Note:* The USPTO uses the International Schedule of Classes of Goods and Services, a system recognized by most countries for categorizing goods and services. This helps the USPTO trademark examiners search their database to determine whether other products like yours are already using a similar mark. You can register your work in many classes, but bear in mind that each class registration costs $275 or $325 (depending on whether you use TEAS Plus or TEAS).

To identify the class for your goods, the TEAS Plus form lets you search the USPTO's goods and services manual at *http://tinyurl.com/jy9kx*. From the Choose Field drop-down list, pick Class, and then type in a description of your app—"Accounting software," for example—into the Enter Search Terms field. The search results will tell you which class to use.

Another way to figure out which class your app falls into is to check the *Trademark Manual of Examining Procedure* (TMEP) (*http://tess2.uspto.gov/tmdb/tmep*) and the *Acceptable Identification of Goods and Services Manual* (*http://tess2.uspto.gov/netahtml/tidm.html*), which lists appropriate choices of identification of goods and services in alphabetical order and by class.

Along with the class, you need to provide a description of your app. For example, if you're selling an app that creates wireframes to make web pages appear in an easier-to-see format, your description would be, "Software for cellular telephones that provides access to web-based applications and services through a portal interface." Or if you've created a game, you might write, "Electronic game software for cellular telephones; computer game programs; downloadable electronic games via the internet and wireless devices." In most cases, the description is automatically inserted by the TEAS system when you choose the proper class. In other cases—for example, if your product or service doesn't fall neatly within a suggested description—you'll need to do a little more work to provide an accurate description.

The goal here is to be specific without being too broad. You can get an idea of some typical descriptions by using the *Acceptable Identification of Goods and Services Manual* (*http://tinyurl.com/ jy9kx*). Choose "Description" from the drop-down menu and then type in a word or two related to your app. For example, if you type in "mobile application," the manual offers descriptions such as: "Computer application software for {specify items, e.g., mobile phones, portable media players, handheld computers}, namely, software for {specify the function of the programs, e.g., use in database management, use in electronic storage of data, etc.}." You can then use that description as the basis of yours, and simply tweak it as appropriate.

If the USPTO's trademark examining attorney—the person who reviews your application—disagrees with your description, he'll revise it with you so that it's appropriate. This type of back and forth is pretty common and, according to a USPTO survey, the applicant's identification of goods and services was questioned in more than fifty percent of trademark applications. So, don't be surprised if you hear form the examiner on this issue.

After you've selected your class and description, you'll be asked the filing basis for your application. If you've already used the mark in connection with the sale of the mobile app, then you would select Section 1A ("Actually using mark in commerce") under "Use in Commerce." If you haven't yet used the mark in commerce but you intend to, then choose Section 1B ("No use of mark yet, intending to use"). This makes your application a ITU application, explained in "The Federal Registration Process: TEAS".

Specimen and Dates of Use

If you're filing basis is Section 1A ("Actually using mark in commerce"—see above), you'll need to enclose a *specimen*—that is, a JPG showing the trademark being used on your mobile app. (In the case of ITU applications (see "The Federal Registration Process: TEAS"), you'll have to file the specimen later, together with an "Amendment to Allege Use" document, which you can fill out here: *http://eteas.uspto.gov/aou*.) The online form lets you upload your specimen. For mobile apps, you should furnish a screenshot of a web page—for example, the product page at the Apple App Store—that shows the trademark in connection with you app and shows a way for users to download or buy the app. You'll need to describe the specimen, too; for example, "A screenshot of the product page for the iClock app at the Apple App Store."

You'll also need to provide the date (or your best guess as to the date) you first sold apps using the trademark, anywhere in the world. You'll also need to list the date when you first sold your app in U.S. commerce. Usually, that means a sale to someone outside your state (for example, through a website or when you traveled to a software tradeshow).

Declaration

You have to provide a signed declaration, a sworn statement, or other verification that the facts in your application. Fortunately, you don't have to go out and hire an attorney to help you with this. The TEAS application provides an all-purpose declaration that you can use for both ITU applications (see "The Federal Registration Process: TEAS") and for applications for trademarks that are already in use. All you have to do is confirm your acceptance of the declaration and follow the instructions for providing your digital signature.

Completing the Process

The last step in the registration process is paying the fees, authorizing your electronic signature, and validating the application. After you click "Pay/Submit" and your info get submitted to the USPTO, you'll see an onscreen confirmation.

Later, you'll receive email acknowledging your application. Hold on to that email, because it's the only proof you'll have that the USPTO got your application. It's also proof of your filing date and contains the serial number they assigned to your application.

After Filing

Your confirmation email explains that you shouldn't expect to hear anything about your application for about 3 months. If you haven't heard anything in 3 and a half months, it's a good idea check on the status of your application. You have two ways to do this:

- **Check TARR.** The Trademark Applications and Registrations Retrieval system's webpage (*http://tarr.uspto.gov*) lets you find out about pending trademark application. All you do is enter your serial number (the one in your confirmation email) and it'll give you a status report.

- **Call the trademark office.** If you want additional info or would prefer talking to a real, live person, call the Trademark Assistance Center at (800) 786-9199 Monday through Friday between 8:30 a.m. and 5:00 p.m. eastern time.

You'll likely receive some kind of communication from the USPTO within 3 to 6 months. If there's a problem with your application, you'll receive what's called an *action letter*. This is a letter from the trademark examining attorney who has been assigned to review your application explaining what the problems are. Most problems can be resolved by simply calling your examiner.

When the examiner approves your application, you'll receive a Notice of Publication in the mail. Your trademark will then be published online in the USPTO's Official Gazette (*www.uspto.gov/news/og/trademark_og/index.jsp*). During the 30 days after your trademark is published, anyone can oppose your registration For example, if you apply to register YankeeApps, the New York Yankees could file an opposition. Only 3% of all published marks are opposed, so it's unlikely you'll run into trouble. Just keep this in mind if you know another company might object once they learn of your application.

Once your trademark has made it through the 30-day publication period, assuming you filed on an actual use basis (see "The Federal Registration Process: TEAS"), you'll receive a Certificate of Registration. Keep in mind that the USPTO sometimes takes a long time to move applications through this long process, so it may take a year or more to process your application. Be patient.

If you filed on an intent-to-use basis instead, your trademark won't be placed on the USPTO's Principal Register until you file your Amendment to Allege Use document, which tells the USPTO the date you started using the mark and completes your registration. You'll also need to provide a specimen showing how you're using the mark. (See "Specimen and Dates of Use" for the details.)

Contacting the USPTO

Chances are good that you'll be in touch with the USPTO after you file your application. Few applications sail through without any glitches, so you need to be diligent to keep your application moving through the process.

If you're waiting for the USPTO to do something and it's been more than 6 months since you heard from them, check the TARR system or call the USPTO, as described above (see "After Filing"). If you discover a problem, bring it to the USPTO's attention.

If a USPTO examining attorney contacts you and you fail to respond in a timely manner, your application may be considered abandoned, meaning your application is officially dead. If that happens, the only way to revive it is to petition the Commissioner for Trademarks (which you can do online at *www.uspto.gov/teas/eTEASpageG.htm*) within 60 days of the date of abandonment.

If the examiner wants you to change your application (for example, by suggesting a different description of services or goods), consider the examiner's suggestions, and if you are okay with them, let the examiner know you accept them. If you're not okay with them, then you two can discuss the matter and perhaps achieve a compromise.

> *Tip:* In general, the USPTO trademark examining attorneys are friendly and amenable to working with non-attorneys. So if your examining attorney objects to some aspect of your application, don't be afraid to call and discuss any questions with her. Just remember that they're government employees with intense workloads so be prepared, efficient, and have your paperwork in front of you when you call. And don't be argumentative—it won't get you anywhere.

An examiner with a brief question might call you and then issue and mail you an *examiner's amendment* (a form where the examiner handwrites a record of the phone conversation or meeting with you). Read the amendment carefully to make sure it matches your understanding of the conversation. If you disagree, or don't understand the amendment, first call the examiner. If that doesn't straighten everything out, write the examiner a letter with your concerns. If you're interested in reading more about the types of disputes that arise between examiners and applicants, check out the TTABlog at *http://thettablog.blogspot.com*.

Staying out of Trouble

You've probably read about companies that have had to stop using names, logos, or other trademarks because a competitor believes the mark infringes on theirs. If you receive a warning like this (technically called a cease and desist letter), consult with an intellectual property attorney.

Below is some information that can help you avoid trademark troubles in the first place—and, if you do run into a problem, it may help you decide how to respond.

Infringement

Trademark infringement occurs when one company uses another company's trademark (or a substantially similar mark) in a manner that is likely to confuse consumers into believing that there's some connection, affiliation, or sponsorship between the two companies. This usually occurs when a trademark is used on similar goods. For example, in 2008, an iPhone developer released an arcade game with similarities to Tetris called Tris. Fifteen days later, he pulled it from Apple's App Store after the Tetris Company, which licenses the famous game, complained to Apple about the game.

When determining how likely it is that consumers will get confused, courts usually use several factors that may vary slightly depending on where you are. The important issues are usually the strength of the senior user's mark (the *senior user* is the one who first used the mark), the similarity of the marks and products, the sophistication of the buyers, and evidence of actual confusion. If you're interested reading more about trademark disputes, check out *Trademark: Legal Care For Your Business and Product Name* (Nolo) or read The Trademark Blog (*http://www.schwimmerlegal.com*),the leading blog on the subject,

Trademark Dilution

Sometimes, even if there's little likelihood of customer confusion, a company with a famous trademark can stop another company from using its famous trademark in a manner that blurs the two companies in customers' minds. This is referred to as *trademark dilution,* and occurs when the integrity of a famous trademark is "muddied" by an unwanted or insulting commercial association. For example, if you create an app that produces farting sounds and call it Wal-Fart, you will most certainly hear from Wal-Mart's attorneys because your use creates an association that dilutes their famous mark.

Altering a trademark in a comparative advertisement can also be considered dilution. For example, in a TV ad, an equipment manufacturer animated the John Deere "deer" logo and appeared to make it run from the competition, and the courts ruled that this muddied the John Deere brand.

Using Other People's Work

You may have seen the photo: a solitary figure seated in front of a thousand TV monitors. The picture is by Louis P. Psihoyos, a *National Geographic* photographer, who earns his living from the sale and license of stock photography. Psihoyos was upset to learn that an iPhone app, i.TV, used his copyrighted photograph (known as "1000 TVs") without his permission, so he sued the makers of the app and Apple, claiming that Apple was equally responsible for the infringement. His lawyers claimed that, "Apple failed to take steps to ensure that third-party application developers weren't infringing copyrights. Apple was aware that i.TV was making questionable uses of Mr. Psihoyos' famous and iconic photograph, and didn't prevent the developer from placing the photograph in the infringing application." This case hadn't been decided by the time this Mini Missing Manual was published, but regardless of the outcome, the message is clear: Using other people's material without authorization will get your app dumped from the App Store (at least until you remove the unauthorized material) and it won't endear you to Apple, either.

It's one thing to swipe someone else's photo an use it on your website. In that case, you can pull it quickly if you get caught and—unless you took it from a major stock-photo vendor like Getty Images—probably get away with a slap on the wrist. But things are a little more complicated with mobile apps because you're making and distributing a copy of the other person's work each time your app is downloaded. While you can pull your app and swap out the infringing material, there's no way to recall all the existing copies that folks have downloaded. So if someone goes after you for an infringement, that person can have your app removed *and* take you to court for damages based on the number of copies you sold or distributed. Worse, if you created the app for a third party, you'll *really* be in hot water if their app is off the market because of a copyright infringement—especially if, as is sometimes the case, you promised to create an app that doesn't infringe.

In this chapter, you'll learn about some of the issues that arise when you want to use other people's copyrighted work in your app. One of the main things to take away from this chapter is that—thanks to companies such as iStockphoto.com—it's now easy and relatively inexpensive to obtain high quality music, sound effects, and photos at very reasonable license fees. So you should have no trouble building an app that won't infringe on anyone else's work—especially after reading this chapter.

Fair Use Explained

Under a legal doctrine known as *fair use*, there are times when you have the right to discuss, criticize, or poke fun at copyrighted works without seeking permission from the copyright owner. In general, fair use permits you to copy small portions of a work for "transformative" purposes such as parody, scholarship, or commentary.

FREQUENTLY ASKED QUESTION

How Much Can I Use Without Permission?

I want to use the theme song from a TV Show in my app. Can I do that without infringing? Is that a fair use?

Unfortunately, there's no sure-fire way to guarantee that your use is a fair use. As you'll learn in the following pages, you can only get a definitive fair use determination from a judge—and who wants to go to court over an app?

If you're thinking about using someone else's content in your app, ask yourself three questions:

- **How likely is it that the copyright owner will find out about your use?** This is usually the key issue. The more successful your app is, the more likely that a copyright owner will learn of your use and take action.
- **How likely is it that they'll care?** This issue often hinges on whether the copyright owner feels that they're either losing money or that their customers will be confused or upset by your use.
- **If they do care, how far will they take it?** The answer to this one is often complex and depends on the owner's financial power, access to lawyers, and demeanor.

The bottom line is that, if you can acquire the material legitimately, then do so—it could save you a lot of hassle.

The difficulty of applying fair use is that the standard is often subjective, so you can't guarantee that your use is a *fair* use until a judge says so at the end of a lawsuit—and at that point you may be bankrupt from legal fees. In addition, website owners and app store retailers like Apple are rarely interested in the fine points of fair use; they simply remove the work if someone claims it's infringing. Even if you can later convince them to reinstate your app, you'll have lost weeks (if not months) of sales.

The upshot is this: Tread carefully in the realm of fair use. If you'd like to see some examples of fair use cases and discussion, two helpful websites are the Stanford Fair Use site (to which your humble author has contributed some content) at *http://fairuse.stanford.edu* and the Center for Social Media's site at *www.centerforsocialmedia.org/resources/fair_use/.*

FREQUENTLY ASKED QUESTION

Can You Copy Code?

I want to copy some code from an existing app and I don't want to ask for permission. How much can I copy?

There's no way to tell how much is too much. Swiping code is difficult to justify as fair use, since that doctrine requires a *transformative* use of the borrowed material. Copying only a small portion of a program's code could constitute copyright infringement, particularly if it's a highly creative or important example of the programmer's art.

For example, people have been successfully sued for copyright infringement for copying as little as 14 lines of source code out of a total of 186,000. However, there are instances where copying a small amount of code—like a particular routine or subroutine—may not constitute infringement. That might be the case if the portion of code is not likely to be protected under copyright law—if it's a commonly re-used, minimally creative routine, a standard programming technique, or coding for elements dictated by manufacturing standards or design specs, for instance—or if a court considers it too small to bother with (in legal terms, *de minimus*).

Of course, it's always difficult to predict what's acceptable and the final decision is often in the hands of a judge who knows little about programming or code.

The Public Domain: Free Stuff

You don't need permission to reproduce *public domain* material in your mobile app—that is, anything that was published in

the United States before 1923, or any copyrighted work that was published before 1964 and whose copyright hasn't been renewed (only about 11 percent of copyrights issued before 1964 have been renewed). It also includes any material produced by U.S. government employees.

Determining whether a work is in the public domain requires research. The U.S. Copyright Office doesn't maintain a list of public domain works. You can pay companies to perform searches and give you public domain reports, but that gets expensive. If you're interested in pursuing public domain works, check out the best book on the subject, *The Public Domain: How to Find & Use Copyright-Free Writings, Music, Art & More* by Stephen Fishman (Nolo). Your trusty search engine will also uncover many good online resources for public domain works.

Getting Permission

If you use a copyrighted work in your app without permission, the consequences can be expensive and—more importantly—can result in Apple or some other app store owner pulling your work under the provisions of the DMCA (see the box "The DMCA and You") or some other basis for claiming infringement. The typical approach is for the retailer/distributor to pull the app first and ask questions later.

This isn't to say that if you use something without permission you'll *always* suffer consequences. The risk of a dispute—whether it's with Apple or with a copyright holder—depends not just on your particular use, but also on other factors such as the likelihood that the use will be spotted, whether you are a "worthy" target for litigation, whether permission is really needed, and whether the other side is inclined to sue. So you may get away scot-free—but is it worth the risk?

> ***Tip:*** If you're not already familiar with royalty-free providers such as istockphoto.com, check them out for reasonably priced photos, video, and audio. Review the licenses at such sites to be sure they cover using the material in your app.

The Five Steps for Getting Permission

Taking a conservative approach to using material created by others is the best way to protect your mobile app business. Unless you're certain that the material is in the public domain or that your use is legally excusable, you should seek permission. (If you aren't sure, you'll have to either do your own risk analysis or get advice from an attorney who knows copyright or media law.) As a general rule, it's wise to assume that *all* materials are protected by copyright law unless you have conclusive information to the contrary.

What does it take to acquire permission? You have to complete the following steps:

1. **Determine whether you can use the work without asking for permission.** You don't always need permission because copyright law doesn't protect *all* materials. For example, works published in the United States before 1923 are in the public domain and free to use. However, a work isn't in the public domain simply because someone has posted it on the Internet (a popular myth) or because it doesn't sport a copyright notice (another fallacy).

2. **Figure out who owns the work you want to use.** Often, you can locate the owner just by looking at the copyright notice on the work. But sometimes you'll need to do more detailed research, like searching the U.S. Copyright Office's records (see "Trademark Searching").

3. **Identify what rights you need.** The next section shows you a sample permission agreement, which is the legal document you need to use to get legal permission to use someone else's work. Most permission agreements are *nonexclusive*, meaning that others can use the material in the same way you plan to. An *exclusive* permission agreement, on the other hand, means you are the only one who has the right to use the work as described in the agreement. For example, the National Enquirer could obtain the exclusive right to reproduce images from Taylor Swift's wedding, say.

    The length of time you can use the work is often referred to as the *term*. (If agreement doesn't specify a term, you can use the material for as long as you want or until the copyright owner revokes the permission.) Your rights may also be limited to a certain geographic region (called the *territory*). See "Content/Permission Licenses" for more on these agreements.

4. **Contact the owner and ask for permission.** The biggest issue that arises at this point is whether the copyright owner will want you to pay him for using his content. If you're only using a small portion of the work or if the owner is eager for exposure, he might not ask for payment. Or an owner may agree to suspend payment until your app becomes profitable, or condition payment on other factors.

5. **Formalize the arrangement.** The last step is coming to a formal arrangement. Oral permission agreements are legally enforceable, and even if you don't have *explicit* oral agreement, you may still have a right to use a work if permission can be implied from the way the parties have behaved. For example, say you ask for permission to use a photo and the photographer agrees as long as you give her $100, which you pay by PayPal.

A permission agreement can be implied from the fact that photographer emailed you the image and accepted payment by PayPal.

That said, relying on an oral or implied agreement isn't always a good idea. For instance, you and the rights owner may have misunderstood each other or remembered the terms of your agreement differently, which could land you in hot water. For that reason, written agreements are preferable. Such an agreement doesn't need to be formal or written in legalese. A simple statement of permission signed by the person granting permission and detailing the use is usually suitable. See "Content/ Permission Licenses" for an example.

Three Ways to Get the Rights

There are three common ways to get the rights to use copyrighted material in your app:

- **Work made for hire.** If you hire someone to create content for you (known as a *commissioned work*) you can acquire rights to it as a work made for hire. If the person who produced the work is an employee of yours, you automatically own all rights to work he creates on your behalf, and you don't need to seek permission. If the person isn't an employee, she's considered an independent contractor, and your ownership of her work isn't automatic. To guarantee your ownership of an independent contractor's work, you should use a work-made-for-hire agreement. See *http://www.nolo.com/legal-encyclopedia/article-29913.html* for more on such agreements.

- **Assignment.** If the work already exists and you want to buy *all* rights to it, you can use a simple assignment like the one in the next section below.

- **License/permission agreement.** If you want only limited rights to use copyrighted material, go with a license/permission agreement (see "Content/Permission Licenses").

Copyright Assignments

An *assignment* is a permanent transfer of all rights. You can use an assignment when you want to acquire all rights to a copyrighted work such as a photo or a video. (As mentioned above, you'd usually use an assignment to acquire rights to an existing work. If you're commissioning the work, a work-made-for-hire agreement [see "Three Ways to Get the Rights"] is more appropriate.) Here's a simple assignment you could use in straightforward cases where you're acquiring all rights to a work.

Basic Copyright Assignment

I, _____("Assignor"), am owner of the work entitled _____(the "Work") and described as follows: _____.

In consideration of $_____ and other valuable consideration, paid by _____ ("Assignee"), I assign to Assignee and Assignee's successors and assigns, all my right, title, and interest in the copyright to the Work and all renewals and extensions of the copyright that may be secured under the laws of the United States of America and any other countries, as such may now or later be in effect. I agree to cooperate with Assignee and to execute and deliver all papers as may be necessary to vest all rights to the Work.

Signature of assignor(s) _____

_____

> *Note:* The term "valuable consideration" refers to the benefit—financial or otherwise—that the assignor gets or expects to get from the deal. In this case, the assignor gets money, and perhaps more—like the prestige associated with having the assignee reproduce the work. In any case, using this term is one of those "legalese" requirements that's important in contracts like this where only one party signs.
>
> The term "successors and assigns," refers to people or entities that step into another party's shoes. By definition, a *successor* is someone who succeeds to a status or position—for example, by inheritance or by purchasing a company. An *assign* is someone who has acquired the position as a result of an assignment—for example, if a contract is assigned (or transferred) to another company. The terms, although distinguishable, almost always appear together and some people consider them synonymous.

You may need other permissions besides the ones mentioned in this example. For instance, you may need permission to reproduce a trademark if your use is commercial and likely to confuse consumers or tarnish the trademark's reputation. Or you may need permission if you're using a real person's image or name and are implying a commercial connection between that individual and your product; for example, if you want to include a celebrity's image as a splash screen for your app. In that case, you'll need to get that person to sign a model release like the one shown later in this chapter (see "Personal Releases").

Content/Permission Licenses

You've already learned about work-made-for-hire agreements and assignments. The other popular way to acquire rights to use someone else's content in your app is an agreement known as either a *permission agreement* or a *content license*. These agreements do basically the same thing; the distinction is that permission

agreements are usually less formal and are used for smaller bits of content—like a photo or a single article—while content licenses are used for longer works or collections of works. (For more about content licenses, go to *www.patentcopyrighttrademarkblog.com/ ContentLicenseExplanations.pdf*.) Here's an example of a basic permission agreement.

Basic Permission Letter Agreement

From: _____ ("Licensee")

To: _____
("Licensor"):

I am writing to you to request permission to use the following material:

_____
_____ (the "Selection")

Licensee Publication Information

The Selection will be reproduced, displayed and distributed as follows:

☐ in Licensee's mobile app (including all subsequent versions, derivatives, and editions) tentatively titled _____ (the "Work")

☐ at Licensee's website promoting the Work

☐ other: _____

Fee

Licensee shall pay a fee of $_____ to Licensor at the following address: _____

_____ upon publication of the Work or within 6 months of executing this agreement, whichever is earlier.

Credit

A standard credit line including your company name will appear in the Work's credit. If you have a special credit line you would prefer, indicate it here: _____

_____

Samples

Upon publication, Licensee shall furnish _____ copies of the screens incorporating the Work to Licensor.

Signed by Licensee: _____

Name: _____

Title: _____

Address: _____

_____

Date: _____

Licensor's Approval of Request

I warrant that I am the owner of all legal rights for the Selection and have the right to grant the permission to republish the materials as specified above. I grant to Licensee and Licensee's successors and assigns, the nonexclusive worldwide right to republish the Selection in all editions of the Work.

Permission granted by: _____

Signed by Licensor: _____

Name: _____

Title: _____

Address: _____

_____

Date: _____

Completing this permission agreement is fairly straightforward. You're the licensee and the person who owns the rights is the licensor. You can modify this sample in various ways—for example, by limiting the time for use, or by adding a statement giving you the right to make changes to the content if those changes are approved by the licensor (in case you want the right to crop a photo or shorten an article, say). You can add these requirements using plain English.

Tip: Before you send a permission letter off to a copyright owner, write down all the possible ways you may use the material you're licensing and make sure they are included in the letter, since it's often difficult to go back and ask for permission a second time. For example, you may need rights for all foreign translations and derivative rights, and you may want these rights for all media, not just in apps.

Personal Releases

If you're using a person's image in your work, you should probably get him to sign a *personal release*. (Personal releases are often referred to as *model releases*, but the term "model" can be used to refer to anyone, not just professional models.) These releases addresses certain rights that overlap with copyright—though technically, they're actually a separate area of law known as "right of publicity"—and they're included here because you may be taking photos of people for, or using model images in, your app. The same may be true if you're using a person's name, particularly in the title of your app—for example, the actor Johnny Depp could stop your use if you titled your app, "Johnny Depp's Pirate App."

Whether you need to have someone sign a release depends on why you want to use that person's name or image. If it's for commercial purposes—like using a person's photo for an app that's helping sell a company's products or services, such as an app for American Express, Nike, or Netflix—you need to obtain a release. But if you're going to use the name or image for informational purposes such as a science app or even a pop-quiz app, you probably don't need permission. But beware: The line between informational and commercial use is very fuzzy—like the line between documentary films and fictional feature films—which is why most lawyers recommend getting a release whenever you're in doubt. Even if a release isn't required, you should be careful that your use doesn't *defame* (make untrue statements that damage the person's reputation) or invade the person's privacy (that is, you intrude where the person has an expectation of privacy—for example, post pictures taken with a hidden camera).

There are two kinds of personal releases: blanket and limited. A blanket release lets you use photos of the person signing the release in any way; it's the best route if you want unlimited rights to use the image. If, on the other hand, the model is only consenting to a specific use—for example, in ads for your mobile app—then

go with a limited release that specifies the particular ways you're allowed to use the person's image and name. Watch out: If you use those things in some other way, the person can sue you for breach of the agreement. For example, a model that had signed a release limiting use of her image to a museum brochure sued when the photo appeared on a Miami transit card.

Tip: Personal releases don't usually include many of the legal provisions found in other agreements in this Mini Missing Manual. Instead, releases are often "stripped down" to help avoid lengthy discussions or negotiations. So keep your releases short and simple.

The Unlimited Personal Release Agreement is a blanket release. It permits you to use the model's image and name in all forms of media throughout the world, forever. (For details on the provisions in the agreement, see "Filling Out a Personal Release".)

Unlimited Personal Release Agreement

Grant

For consideration which I acknowledge, I irrevocably grant to _____ ("Company") and Company's sucessors and assigns the right to use my image and name in all forms and media including composite or modified representations for all purposes, including advertising, trade, or any commercial purpose throughout the world and in perpetuity. I waive the right to inspect or approve versions of my image used for publication or the written copy that may be used in connection with the images.

Release

I release Company and Company's successors and assigns and successors from any claims that may arise regarding the use of my image, including any claims of defamation, invasion of privacy, or infringement of moral rights, rights of publicity, or copyright. Company is permitted, although not obligated, to include my name as a credit in connection with the image.

Company is not obligated to utilize any of the rights granted in this Agreement.

I have read and understood this agreement and I am over the age of 18. This Agreement expresses the complete understanding of the parties.

Name: _____

Date: _____

Signature: _____

Address: _____

Witness Signature: _____

Parent/Guardian Consent (include if the person is under 18)

I am the parent or guardian of the minor named above. I have the legal right to consent to and do consent to the terms and conditions of this release.

Parent/Guardian Name: _____

Date: _____

Parent/Guardian Signature: _____

Parent/Guardian Address: _____

Witness Signature: _____

If you need fewer rights to use the model's image, go with a limited agreement instead, which lets you use his name or image only for the purposes specified in the agreement. (The section "Filling Out a Personal Release" tells you how to fill out this agreement.)

Limited Personal Release Agreement

Grant

For consideration that I acknowledge, I grant to _____ ("Company") and Company's successors and assigns the right to use my image for the following purposes: _____ _____ in the following territory _____ for a period of ____ year(s) (the "Term").

I grant the right to use my name and image for the purposes listed above in all forms and media, including composite or modified representations, and waive the right to inspect or approve versions of my image used for publication or the written copy that may be used in connection with the images.

Payment (include if appropriate)

For the rights granted during the Term, Company shall pay $_____ upon execution of this release.

Renewal (include if appropriate)

Company may renew this agreement under the same terms and conditions for _____ year(s) provided that Licensee makes payment of $_____ at the time of renewal.

Release

I release Company and Company's successors and assigns from any claims that may arise regarding the use of my image, including any claims of defamation, invasion of privacy, or infringement of moral rights, rights of publicity, or copyright. Company is permitted, although not obligated, to include my name as a credit in connection with the image.

Name: _____

Date: _____

Signature: _____

Address: _____

Witness Signature: _____

Parent/Guardian Consent [include if the person is under 18]

I am the parent or guardian of the minor named above. I have the legal right to consent to and do consent to the terms and conditions of this release.

Parent/Guardian Name: _____

Date: _____

Parent/Guardian Signature: _____
_____

Parent/Guardian Address: _____

Witness Signature: _____

Filling Out a Personal Release

The Grant paragraph in a personal release establishes the rights the model is granting. The unlimited agreement includes a blanket grant that is broad and intended to encompass all potential uses, whether informational, commercial, or other. In the limited agreement, you have to list the specific ways you intend to use the image—for example, "for use on a mobile app program tentatively titled 'Clock Around the Rock.'" The limited release also has restrictions regarding where you can use the image and for how long. Simply type in the appropriate geographic region and term—for example, North America with a 2-year term.

The limited release includes Payment and Renewal sections. If you want to include these in the unlimited version, simply copy and paste them. If your release includes a term, you might want to include the Renewal section in case you decide that you want to continue using the model's image after the term is up.

The Release section is the person's promise not to sue you for legal claims such as libel and invasion of privacy.

If the model is a minor, his parent or guardian should sign the Parent/Guardian Consent section.

Since issues about release authenticity often crop up many years after a photo is taken, you should have a witness sign the agreement to verify the model's signature (or his parent's signature). The witness should be an adult; an employee or assistant is a good candidate.

Using Someone Else's Trademark

So far, this chapter has been about using other people's content in your app. But what if you want to use someone else's trademark in connection with your app (including ads for it)? Here are some guidelines:

- **Informational uses.** You don't need permission to use a trademark in an "informational" or "editorial" way. These are uses that inform, educate, or express opinions protected under the First Amendment to the U.S. Constitution. For example, you can use a corporate logo without permission if your app provides information about political contributions made by various corporations. However, you shouldn't use that logo in your ads, splash screens, or corporate materials—anything that implies that the corporation is associated with or endorses your app.

- **Comparative advertising.** You're allowed to use a trademark when making accurate, comparative product statements in advertisements. However, since comparative advertisements tend to raise the hackles of trademark owners, it's a good idea to have a trademark or business law attorney knowledgeable review the ad before you run it.

- **Commercial uses.** If you're going to use a trademark in your advertising, promotion, or marketing, you need permission (except in comparative ads, explained above). For example, it's not a great idea to have a model wear a T-shirt that says "Microsoft" on it in an online ad for your app.

- **Using trademarks in mobile app products.** Proceed with caution if you're using trademarks as part of your mobile app's art. You may be able to argue that your use is informational (see above) and protected by the First Amendment. But this argument may be a loser if it looks like you're trying to mooch off the success of the trademark rather than comment on it.

Note: If you're in the position of making a First-Amendment argument, that means that you've already triggered a company's ire, and you'll have to deal with the consequences. This isn't to discourage you from speaking out against corporate branding, just to alert you to the potential morass that awaits if you do.

- **Parodies.** A parody is when a trademark is imitated in a manner that pokes fun at it. For example, you could sell an app named "Mutant of Omaha." Bear in mind that offensive parodies are the ones most likely to trigger lawsuits. For instance, lawsuits were filed over lewd photos of the Pillsbury Doughboy and over nude Barbie doll imagery (entitled "Malted Barbie" and "The Barbie Enchiladas.") Although the artist in the case involving Barbie dolls eventually won his claim, it required substantial legal effort and expense. So weigh the legal consequences carefully before creating a parody app.

  A trademark parody is less likely to run into problems if it doesn't compete with the trademarked goods and services and doesn't confuse consumers—that is, they get the joke and don't think the parody product comes from the same source as the trademarked goods. Also, keep in mind that not all humorous uses are parodies. To avoid trouble, you should specifically poke fun at the trademark.

- **Trademark disclaimers.** A *disclaimer* is a statement intended to minimize confusion in consumers' minds or deflect liability. You might want to include such a statement if you're not sure whether you have the right to use a trademark, if you're required to use such a statement under a company's terms of use of their trademark (see the box "Using Other Companies' Names in Yours"), or you're involved in a trademark parody—for example, if you parodied Facebook, it would help to include a disclaimer such as "Facebook is a registered trademark of Facebook, Inc. Facebook is not associated with and does not endorse FunnyApps products and services." And remember that a disclaimer is only effective if it's prominently placed, permanently affixed, can be read and understood, and really minimizes confusion. A disclaimer, by itself, won't keep you from getting sued for trademark infringement.

But, when properly done, a disclaimer can minimize confusion and prevent dilution. For example, if you create an app that lets people look up train arrivals in the City by the Bay, you might want to include a line like, "This application is not associated with or endorsed by the San Francisco Municipal Railway" on your splash screen (or any screen that contains copyright or legal info) and on any product pages or web pages where you offer the app.

Colophon

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