

THE UNIVERSITY OF BRITISH COLUMBIA
PETER A. ALLARD SCHOOL OF LAW

FINAL EXAMINATION – DECEMBER 2020

LAW 422.001
Intellectual Property Law

Professor Graham J. Reynolds

EXAM PASSWORD: Tm898n
RESUME CODE: ABB336

TOTAL MARKS: 100

(8:50 AM PST) **PREPARATION TIME ALLOWED: 10 MINUTES**

(9:00 AM PST) **WRITING (INCLUSIVE OF READING) TIME ALLOWED:**
3 HOURS AND 15 MINUTES

8:50-9:00 AM Preparation Time (Exam writing not permitted) – This time is given to students to download/print your exam questions once the exam has been made available online on Canvas, to read the Exam Password on this exam coversheet, to enter the Exam Password for the exam in Exemplify, and to progress in Exemplify until you see the **STOP SIGN**, where you will **WAIT until 9:00 AM. DO NOT proceed past the STOP SIGN. DO NOT begin typing your exam answers in Exemplify until 9:00 AM!**

9:00 AM Exam Writing Time – At 9:00 AM, you may proceed past the **STOP SIGN** in Exemplify and begin typing your exam answers. Students are required to calculate and monitor their own time for writing exams. All exam answer uploads will be monitored to ensure that typing of answers only occurred during the allotted Exam Writing Time.

This is an open book examination, meaning that you can refer to your casebook, class notes, course materials, and/or CANS during the exam. You are not permitted to access the internet for assistance in responding to exam questions.

If you think you have discovered an error or potential error in a question on this exam, please make a realistic assumption, set out that assumption clearly in writing for your professor, and continue answering the question. Do not email your professor or anyone else about this while the exam is in progress.

ACADEMIC INTEGRITY

Any exam answers that raise suspicion of breaking any restrictions outlined on this cover page may be subject to being processed through academic integrity software. Students typing exam answers before or after the allocated exam writing time may receive a grade penalty.

CONFIDENTIALITY REGULATIONS – READ CAREFULLY

As this exam is being written off-campus and is unsupervised, any communication whatsoever (including, but not limited to in person, telephone, e-mail, text, social media, etc.) concerning the contents of this examination with anyone (other than the Student Services staff of the Allard School of Law) is strictly prohibited.

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What Do I Do If:

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- **I'm experiencing technical difficulties DURING THE WRITING of the exam**

If you experience technical difficulties with Exemplify at the very beginning or during an exam, you may attempt to solve your problem/reboot your computer **BY YOURSELF**. You are **STRONGLY** encouraged to spend **NO MORE THAN 5 minutes** attempting to do so. You will **NOT BE GIVEN ANY EXTRA TIME** to complete the exam. **If your attempt to solve the problem is unsuccessful**, or if you choose not to make such an attempt, you **MUST** immediately **begin hand-writing** your exam answers with pen on lined paper. **You may NOT type your exam answer in word-processing software.**

When you have finished writing the exam, you must upload the exam answers that you completed in Exemplify (if you are prompted for a Resume Code, it is on the coversheet of the exam questions). Email Bernie Flinn, flinn@allard.ubc.ca, for help with this. Please provide your phone number in the email. Bernie or another IT Support staff person will then help you to upload any answers that you typed in Exemplify.

You must also upload to Canvas your hand-written exam answers into the "Exam Answer File Upload (Word Processor or Hand-written ONLY)" folder. Scan or take a picture of each page (.jpg) of your exam and put them into one folder to upload.

Your answer file should be named, and the coversheet of your answers should be titled with:
Your Exam Code, Course Number, Name of Course, and Instructor Name
i.e., **XXXX LAW 422.001 Intellectual Property Law – Reynolds**

- **I'm experiencing technical difficulties EXITING and UPLOADING the exam**

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I hope you have a safe and relaxing holiday break

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Question 1 of 4 [30 marks, 59 minutes]:

Betty Wilkins is a successful businessperson. In May 2020, she decided to start a private, for-profit business school both as a money-making venture and as a way to pass her business skills on to others. Tuition for this school – the Wilkins Business Academy – is \$10,000 for a four-month intensive course. The first iteration of this course is running from September-December 2020. Students who complete this program will receive a certificate of completion as well as access to specific business opportunities through Betty's network of connections. Classes consist of Betty lecturing over Zoom. Students are also asked to read certain materials prior to class. Some of these materials are authored by Betty. Some are authored by others.

Betty has set up a course website, which was created by the company Go! Online! Betty is solely responsible for adding content to her course website. Go! Online!'s role was limited to the initial website design and its subsequent development. Betty has uploaded, to her website, all of the materials that she expects students to read prior to class. These materials, along with Betty's recorded lectures, are available for download. Betty requires all individuals who seek to download materials from her website to confirm that they are doing so for the purposes of research, education, or private study. Betty's website is also password protected. The password selected by Betty for this site is 123456, which happens to be the most commonly hacked password of 2020. Betty's web hosting service – the service that makes Betty's website accessible to others over the internet, that stores her files, and that coordinates the transfer of files from Betty's website to users – is Ocean Internet.

Betty has recently become aware that her course website is being accessed by people who have not enrolled in her class. She's not overly concerned about this. Betty would like her course materials and lectures to be widely available, both for public interest reasons and for marketing purposes. Approximately 30 students are enrolled in the current iteration of Betty's course. Around 150 people have accessed her site and its materials since it was made available online.

One of Betty's lectures as part of her intensive course is on the topic of business law. For this lecture, Betty assigned two chapters from a prominent Business Law textbook authored by Mary Agarwal, a Vancouver-based lawyer. This work was published in 2018. Combined, these chapters are 60 pages in length, and represent one quarter (60/240) of Mary's 240 page textbook. Mary retains copyright in this textbook. Betty did not seek permission from Mary prior to using these chapters in her course. In order to upload copies of the chapters to her website, Betty first used a scanner to create digital copies of the two chapters. These digital copies – which were of the same quality as the original written text – were then saved to her personal laptop. Betty then uploaded these files from her laptop to her website (creating another copy of these works), where they are available for download by those who have the password to her site. Betty has thus

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far declined to apply technological protection measures to works uploaded to her site, which would have restrained further distribution of these works.

In mid-November, Mary received an email from a student in Betty's class who was seeking clarification on a concept discussed in Mary's textbook. Mary was upset to find out that her work was being used without her permission in the context of a for-profit course, and has decided to pursue legal action. While sales of her textbook have increased since Betty began offering her intensive course, Mary feels like she should have been consulted prior to her work being used without her authorisation.

Please answer the following questions related to this hypothetical situation:

- A) Mary would like to bring actions for copyright infringement against Betty, Go! Online!, and Ocean Internet, related to Betty's unauthorised use of Mary's Business Law textbook in the context of her course. Discuss whether these parties have committed any prima facie infringements of the copyright held by Mary in her Business Law textbook. Do not discuss defences to infringement in your response to this question. As well, assume that copyright subsists in Mary's Business Law textbook.
- B) Discuss whether Betty's dealings with Mary's Business Law textbook, as described above, were "fair dealing[s]" under s. 29 of the *Copyright Act*.
- C) For future iterations of her course, Betty would like to use a different set of materials to support her business law lecture. She has identified a different business law textbook that she would like to use (which was published in 1980), but the publisher (a small entity) doesn't appear to have a website. Betty was also unable to find the author's contact information based on a web search using the Google search engine. Betty would like to reproduce this work in its entirety on her course website. Given the steps that Betty has taken thus far, is she permitted by the orphan works provision of the *Copyright Act* (s. 77) to go ahead and reproduce the work on her course website? Discuss the likelihood that the Copyright Board will issue Betty a license to reproduce this work.

Question 2 of 4 [25 marks, 48 minutes]:

Anna Dominico has been the owner and operator of "Taste of Italy", a Vancouver-based restaurant, since its opening in 1987. In September 2020, with the assistance of her son Carlo, both the restaurant and its branding went through a significant redesign. In the restaurant, the light green colour palette was replaced with a dark red. This colour was used on the walls, as an accent colour on the tables (for instance on the plates and napkins), and on the exterior of the building. This colour was also incorporated as part of the corporate branding. While the name of the restaurant continues to be "Taste of

Italy”, the text is now represented both in the signage at the restaurant and in their marketing in the same dark red colour as is used inside the restaurant. This colour – dark red – had not been used at the restaurant prior to its redesign.

Anna and Carlo have also recently created a second restaurant, run by Carlo, called the “Pasta Garden.” This establishment – Carlo’s first restaurant – opened on December 1, 2020. When Carlo was a child, “Pasta Garden” was his name for the family restaurant “Taste of Italy.” Anna and Carlo are aware of the North American restaurant chain “Olive Garden”, which first opened in 1982 and has approximately 900 locations globally (including one in Langley, British Columbia). However, because of the strong family association with the name “Pasta Garden”, as well as certain differences between the two restaurants, Anna and Carlo decided to go ahead and use the name “Pasta Garden” for their restaurant despite the similarity to the name “Olive Garden.” Carlo’s restaurant is very formal, and is one of the most expensive restaurants in Vancouver. Carlo’s restaurant sources the majority of its ingredients from Italy. The Olive Garden is a casual restaurant, known for its substantial portion size, unlimited salads and breadsticks, and its affordability. The Olive Garden uses a much broader range of suppliers than does Pasta Garden, at a much lower price point. A trademark in the word mark “The Olive Garden”, in association with restaurant services, was registered in Canada in 1987 and remains valid. Anna and Carlo have decided not to seek trademark protection for the term “Pasta Garden”.

Please answer the following questions related to this hypothetical situation:

- A) As part of their redesign, Carlo and Anna would like to register several trademarks in Canada related to the restaurant “Taste of Italy”. First, they would like to register the word mark “Taste of Italy” in association with restaurant services (Nice Class 43). They do not want to limit this trademark to any particular font, size or colour. Second, they would like to register, as a trademark, the dark red colour that is now central to their restaurant and to their branding, also in association with restaurant services (Nice Class 43). Discuss the issues they are likely to encounter when attempting to register these trademarks, as well as whether their attempts to register the trademarks are likely to be successful.
- B) Shortly after opening “Pasta Garden”, Anna and Carlo receive a letter from a law firm representing the Olive Garden advising them that if they do not change the name of their restaurant to something other than Pasta Garden, an action will be commenced for infringement under the *Trademarks Act*. Discuss whether any infringement action brought by Olive Garden under the *Trademarks Act* is likely to succeed. Do not consider s. 7 of the *Trademarks Act* in your response.

Question 3 of 4 [15 marks, 29 minutes]:

Dr. Abby Gluck, a Vancouver resident, is a pharmaceutical chemist and inventor. A few years ago, Abby invented a new process for producing synthetic Vitamin D. Shortly after inventing this process, Abby gave a presentation at a conference in which she described how this process worked and outlined all of its key elements. This presentation took place on October 12, 2017. On October 20, 2017, Abby filed an application for a patent on this process in the United States. On February 15, 2018, Abby filed for a patent for this same invention in Canada. Abby's patent application encompassed only the process for producing synthetic Vitamin D. She did not attempt to file for a patent on the synthetic Vitamin D produced by this process. Abby's Canadian patent was granted on November 20, 2019.

Luke Beekle is the CEO of AffordaVit, a vitamin manufacturer whose main product is Vitamin D. In early 2020, Luke came across a recorded version of the talk given by Abby in 2017. He then reviewed the relevant patent documents in the Canadian Patents Database. He was shocked to find out how cost-effective Abby's process is compared to the process that his company currently employs. After some quick calculations, Luke determined that switching to Abby's process would save the company \$0.10 (10 cents) per pill, even after the costs of retrofitting his facilities were taken into consideration. Given the volume of Vitamin D pills that AffordaVit produces, implementing this process would net him a huge cost savings. Luke did not factor in the licensing fee that Abby charges to companies to make use of her patented process (which amounts to \$0.05 per pill, or 5 cents per pill).

Luke quickly began to retrofit all of his manufacturing facilities to use Abby's patented process (in its entirety, and without modification). He did not seek permission before doing so, betting that Abby would never find out about his unauthorized use of her patented process. To Luke's surprise, Abby did find out. She was tipped off by one of Luke's employees who was tired of his underhanded dealings. In total, AffordaVit produced, and sold 1,000,000 (1 million) pills prior to receiving a letter from Abby's lawyers. This letter requested that AffordaVit cease production immediately, and advised that they will be launching an action for patent infringement on behalf of Abby. Luke ceased production after receiving this letter.

Please answer the following questions related to this hypothetical situation:

- A) Assume that the validity of Abby's patent is challenged, and that the focus of this challenge is on the conference presentation given by Abby on October 12, 2017 (which had not previously come to light during the patent examination process). Should this presentation have impacted Abby's ability to secure a patent on this invention in Canada? Discuss.

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- B) Discuss whether AffordaVit has infringed Abby's Canadian patent, and if so what acts constitute prima facie infringements. Do not discuss defences to patent infringement in your response. Assuming that the patent has been infringed, discuss what remedies might be available to Abby.

Question 4 of 4 [30 marks, 59 minutes]

- A) In the context of our course, you've had the opportunity to compare and contrast the three main pieces of Canadian intellectual property legislation: the *Copyright Act*, *Trademarks Act*, and *Patent Act*. Please select **one** element from **each of these three** pieces of legislation, and discuss the impacts that would flow from its incorporation into **one** of the other two statutes. For instance, you might begin to answer this question by selecting a provision from the *Copyright Act*, and discussing the impacts that would flow from incorporating this provision into either the *Trademarks Act* or the *Patent Act*. You could then continue by selecting a key feature of the *Trademarks Act*, and discussing the impacts that would flow from incorporating this feature into either the *Copyright Act* or the *Patent Act*. Your complete response would then conclude by selecting a key feature of the *Patent Act* and discussing the impacts that would flow from incorporating this feature into either the *Copyright Act* or the *Trademarks Act*.

END OF EXAMINATION