

Intellectual Property (Law 388) Final Exam Eric Goldman Santa Clara University School of Law Spring 2008

Question 1 is worth 60% of the total grade, and Question 2 is worth 40%. You should allocate your time accordingly.

This is an "open book" exam, so you may use any written material you want. However, during the exam, you may not communicate about the exam or your answer with anyone (orally, electronically or otherwise).

Type your answer. Include page numbers and your blind grade ID number on every page of your answer, but do not otherwise include any information that would identify yourself in the answer. At the beginning of each question's answer, tell me the number of words in your answer. I DO NOT INTEND TO GRADE AN ANSWER THAT EXCEEDS THE WORD LIMIT BY EVEN ONE WORD. OMITTING OR INACCURATELY REPORTING A WORD COUNT MAY LEAD TO SIGNIFICANT PENALTIES.

This is a take-home exam. Your answer must be turned into the Faculty Support Office (Bergin 214-A) no later than 4:00 pm Pacific, April 25, 2007 (as measured by the FSO time clock). IF YOUR ANSWER IS LATE, YOU WILL FAIL THE COURSE. **THERE IS NO GRACE PERIOD.** NO EXCUSES!

Some additional thoughts for you:

- All relevant parties are, and all relevant actions take place, in the United States.
- Spend adequate time reading the question and outlining a response.
- Prioritize your discussion. Extensive discussion of irrelevant issues may hurt your score.
- Read each question very carefully. Answer the questions actually asked. Do not answer questions that I did not ask.
- Some potential efficiency techniques:
 - o Bullet points, short citation forms and unambiguous abbreviations are OK.
 - Please quote statutes or cases only as necessary to make your point.
 - If any additional information would be useful in your analysis, indicate what information would be helpful (and why it would help) and then state your assumptions in order to proceed with your analysis.
 - While generally your answer should be based on legal principles, you are also welcome to address other perspectives and concerns.
- The word count cap is a maximum, not a target!

GOOD LUCK AND HAVE A GREAT SUMMER!

<u>Question #1</u> (maximum of 1,800 words). On a timed exam, I would set a time limit of 108 minutes.

Britney Spears is one of the highest profile musicians of the past decade. She has sold over 80 million records and has numerous endorsement deals, such as her \$75 million deal to endorse Pepsi. She has federally registered trademarks in the term "Britney Spears" for (among other things) bean dolls, dolls and doll playsets.

Starting around 2004, Britney exhibited increasingly erratic behavior, such as her quickie Vegas marriage, rehab stints, exposure "going commando" and alleged parenting deficiencies. As part of this degeneration, Britney caused a media sensation in 2007 when she shaved off her signature golden locks. In response, Jill would like to develop a new "Britney Shears" product:



What copyright, trademark and right of publicity issues might Jill encounter if she commercializes this product? What steps would you recommend to Jill to address these issues? Assume that California right of publicity law applies.

<u>Question #2</u> (maximum of 1,200 words). On a timed exam, I would set a time limit of 72 minutes.

Your client is Ronald Chump. Ronald is a successful serial entrepreneur in the travel industry. As a college junior, he started his first company and sold it in 3 years for \$50 million. He subsequently sold his second venture for over \$300 million. After that success, rather than start another company, Ronald has decided to become a "rent-a-CEO" for companies in the consumer-oriented online travel industry (examples of industry participants include Orbitz, TripAdvisor, Travelocity, etc.). The idea is that struggling companies will hire him as their chief executive officer (CEO). He will then act as the company's full-time CEO for approximately 6-12 months, turn the company around, hand over responsibility to a new CEO and move on to the next company. These companies will hire Ronald as a full-time employee.

Because of his successful track record, Ronald has the ability to negotiate the terms of his employment agreements. Assume that prospective employers will ask Ronald to enter into an Employment, Confidential Information and Invention Assignment Agreement similar to the form included on pages 99-100 of the casebook (except that the forms will not contain the 3 month trailer clause or Sec. 3). Write a memo to Ronald explaining what provisions he should include and exclude in his employment agreements with respect to trade secrets, patents and copyrights. Explain your reasoning.

Eric's tips: Think carefully about the steps a CEO might take to help turn around a company, the kind of information that a CEO is likely to see and to create, and the legal consequences of multiple successive employment stints.

END OF EXAM