

## **Second Life Brings Infringement Risks and Licensing Opportunities, Top Trademark Expert Says**

*Wolf Greenfield's Doug Wolf Offers Guidelines*

BOSTON—Feb. xx, 2008— “Virtual intellectual property owners are facing increasing licensing and infringement issues – the same issues, in fact, that are faced by intellectual property owners in the real world,” Douglas R. Wolf of Wolf, Greenfield & Sacks, P.C., writes in “New England In-House” magazine.

“But before companies prepare to reap the benefits of participating in this world, they must first understand the differences – and similarities – regarding licensing and infringement issues in the virtual world versus the physical world,” writes Wolf, who co-chairs the trademark practice at the Boston law firm specializing in intellectual property protection.

Unauthorized trademark use by Second Life “residents” is increasingly problematic, he says.

“There is a ‘black market’ in Second Life where graphics are sold with little or no advertising, but rather through word-of-mouth among the residents...establishing boundaries is critical to avoid a future problem trying to rein in infringers,” he writes.

Wolf provides some guidelines for companies licensing trademarks in Second Life and other virtual worlds:

- Know your licensee.
- Supply the graphics—provide the quality and type of graphics you want the licensee to have
- Exclusivity—exclusivity is always dependent on the negotiations.
- Jurisdiction—It is important that your licensee has some ties to the U.S. so you’ll have an effective method to enforce rights.
- Tarnished brand—consider the environment in which the products are sold.
- Enforcement—the licensee should have a responsibility to the property owner to make the licensor aware of any infringement.
- Marking product—additional marking of the object’s Second Life profile may be worthwhile.
- Royalty rates—a detailed conversation with your future licensee can establish an appropriate royalty rate.
- Payment reports—detailed reports should be provided and include information about any purchase, the name of the purchasing resident, the date and time of the purchase, and pricing.

“In the end, addressing these virtual world issues is best done sooner rather than later. As these worlds continue to grow, infringements and other intellectual property matters are also moving at

a rapid pace. Getting protection under control at the earlier stages will help prevent cleaning up problems later on,” Wolf concludes.

The full article can be read at [www.newenglandinhouse.com/gateway.cfm?id=644](http://www.newenglandinhouse.com/gateway.cfm?id=644).

Wolf Greenfield, the largest law firm in New England devoted exclusively to intellectual property law, serves companies that make everything from pharmaceuticals to software to electronics to snowboards, as well as representing academic research centers. The firm counsels clients in the areas of patents, trademarks, copyrights, designs, trade secrets, and related licensing and litigation. Web: [www.wolfgreenfield.com](http://www.wolfgreenfield.com)

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