



with periodic royalties. Enforcement can take the form of a software "jacket" that periodically updates a server over the internet, or a hardware component that physically and electronically ties the users to the developer.

A technological breakthrough known as an "electronic watermark" suggests a more creative solution. Any form of electronic information may be identified using this marking system. The watermark is an undetectable imbedded code to which the user of the information does not have access. Companies or individuals could be licensed to use the image and turn the watermark on or off by entering coded commands. The only inhibiting factor of this technology is that it would require modifying current copyright law. Currently, copyright cannot be altered or removed once placed on material.

Lastly, a process called "transcopyright" has been proposed. This scenario expresses information in a distributed network. A map is supplied to the user indicating where the information may be purchased. In effect, this process segments payments into smaller and smaller pieces. It is believed that if the payments are "insignificant" - or pennies, then the customer would be more likely to pay the royalty. However, transcopyright infringes on current copyright law which gives the holder exclusive rights to control the context in which material appears. In addition, transcopyright technology gives no free use of any sort which is in conflict with the copyright fair use doctrine.

Conclusion

For the small business it is important to be focused. Intellectual property strategies may be applied to gain market credibility, limit competition, increase market share, or maintain a strong and effective defense. As a frame of reference, note the legal maneuvers of the competition, particularly the larger firms. They usually have the inside track on industry trends and have the financial wherewithal to set the pace.

**Information contained herein is meant to assist only
and should not be regarded as legal advice.**

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