

Design Patents: Part Of A Complete IP Portfolio

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When people speak of a United States "patent," they are most often referring to a utility patent. A utility patent protects a "new and useful process, machine, manufacture, or composition of matter." There are other types of U.S. patents, which cover different types of inventions. One is a design patent, which protects a "new, original and ornamental design for an article of manufacture."

Many practitioners disfavor design patents, often referring to the Court of Appeals for the Federal Circuit's 1988 *In re Mann* decision holding that, "design patents have almost no scope. The claim at bar, as in all design cases, is limited to what is shown in the application drawings."¹ Despite this disfavor, the number of design patents being applied for and issued continues to grow. A relative contradiction, one may ask why intellectual property savvy inventors and companies would choose design patent protection in such numbers. A likely answer lies in a balance of considerations. This article addresses some of these considerations, as they apply to a new product launch.

Design Patents At A Glance

Utility and design patents cover different types of inventions – new and useful processes, machines, manufactures, and compositions versus new, original and ornamental manufacture designs. Design patents often address everyday items, like the shapes of spoons and fingernail buffers.

Both utility and design patents are applied for at the United States Patent Trademark Office. Utility patents are applied for pursuant to 35 U.S.C. §101, while design patents are applied for pursuant to 35 U.S.C. §171. While the contents of utility and design patent applications differ considerably (resulting in design patent applications being less expensive to prepare), both need to distinguish over prior inventions (*i.e.*, the prior art) pursuant to 35 U.S.C. §§102 (novelty) and 103 (obviousness). While it can take several years for a utility patent to even be initially examined, design patents are routinely issued within two years, and sometimes in less than one year from when application was made.

It may also be noted that utility patents now have a term of twenty (20) years from the earliest filing date, while design patents have a term of fourteen (14) years from the date of grant. And, that while

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utility patents must have maintenance fees paid to keep them in force for their full term, design patents have no such post-issuance costs or requirements.

Accordingly, design patents provide a relatively quick and inexpensive mechanism to achieve "patent pending," and eventually "patented" status for new products. Design patents may be used to provide an initial layer of protection around a product launch, which may be leveraged while utility patents are being prosecuted. Further, design patents may be used in combination with utility patents to ultimately protect different aspects of products, resulting in a stronger overall intellectual property position.

Design Patent Protection

Like utility patents, design patents empower their holders to exclude certain goods from being made, used, offered for sale, sold or imported into the United States. Accordingly, design patent holders may enforce its exclusionary rights by commencing a civil action in federal district court pursuant to 35 U.S.C. §281 and/or an enforcement action before the United States International Trade Commission (ITC) pursuant to 19 U.S.C. §1337 (to preclude imports). Design patents enjoy the same presumption of validity and available remedies for infringement as do utility patents.²

The scope of design and utility patents are different. The scope of a utility patent is measured by its explicitly numbered, technically-concise claims. In contrast, the Supreme Court's "ordinary observer" test governs the scope of design patent protection. The *Gorham* decision holds that "if, in the eye of an ordinary observer, giving such attention as a purchaser usually gives, two designs are substantially the same, if the resemblance is such as to deceive such an observer, inducing him to purchase one supposing it to be the other, the first one patented is infringed by the other."³ Thus, where a product too closely resembles a design patent, an infringement occurs.

The Federal Circuit has dutifully adopted this precedent, holding infringement occurs where "the patented design as a whole is substantially similar in appearance to the accused design."⁴ However, the Federal Circuit has supplemented the *Gorham* "ordinary observer" analysis with the "point of novelty" test. This additional test establishes that to infringe a design patent, an accused product must also "appropriate the novelty in the patented device which distinguishes it from the prior art."⁵ This bipartite analysis sometimes tends to shift the focus of determining infringement to verbalizing individual details or elements found in a design, and combinations of those design elements, instead of on the overall visual resemblance of the designs – in potential conflict with *Gorham's* instruction.

In its August 2007 *Egyptian Goddess* decision, the Federal Circuit raised the design patent infringement bar yet again, holding the point of novelty must also be a non-trivial advance over the prior art.⁶ The Federal Circuit has since agreed to re-hear the appeal *en-banc*, leading to extensive *amicus* briefing earlier this year, including briefing on behalf of the American Intellectual Property Law Association (AIPLA), the Intellectual Property Owners Association (IPO), Apple Corp., Electrolux Home Products, Inc., and Nike, Inc. Arguments proffered range from supporting the non-trivial advance requirement, to maintaining the point of novelty test, to eliminating the point-of-novelty test *in toto*.

A decision in the *en-banc Egyptian Goddess* appeal is still forthcoming as of submission of this article. The decision, and any subsequent appeal in this case, will likely shape design patent protection for years to come though.

Accordingly, it is reasonable to expect that the scope of design patent protection will become more certain in the near future, if not enhanced as compared to recent Federal Circuit holdings. Further, design patents still provide a workable scope of protection for many products in the *interim*. For example, automobile manufacturers have turned to design patent protection relative to replacement parts manufacturers, who are sometimes characterized as "slavish copiers." In 2007 the ITC found a §337 violation for generic replacement parts manufactured in Taiwan in favor of Ford Global Technologies.⁷ Ford instituted another design patent-based ITC investigation earlier this year.⁸

Design Patents And Trade Dress

Trade dress is generally protectable under the Lanham Act. Accordingly, unlike patents, trade dress protection may extend indefinitely. Trade dress has traditionally taken the form of the overall appearance of a container, label or other product packaging. Trade dress protection has matured to cover elements used to market a product, such as the appearance and décor of a restaurant chain. Trade dress protection has also extended, in so-called "product configuration trade dress" circumstances, to protect the shape and design of a product itself, such as Goldfish® brand crackers.⁹

Being founded in trademark protection, protectable trade dress serves as an indicator of the product's source or origin. To establish a trade dress infringement has occurred, a plaintiff must prove the trade dress is either inherently distinctive, or that the trade dress has acquired sufficient distinctiveness through so-called "secondary meaning." In its 2000 *Wal-mart* decision, the Supreme Court held that a plaintiff asserting trade dress protection in an unregistered product configuration must always demonstrate acquired secondary meaning, reasoning in part, that design patents are available to protect inherently distinctive product designs that have not yet acquired secondary meaning.¹⁰ Thus, a plaintiff must now prove a product configuration has itself acquired a secondary meaning that serves as an indicator of the product's source in order to successfully assert product configuration trade dress – which is often no small task. Accordingly, while

a likelihood that a product's unique shape and design constitutes protectable trade dress generally increases with time, it is unlikely such a protection is available when the product is initially launched.

In consequence, design patents are again well-suited for providing a relatively quick and inexpensive initial layer of protection around a product launch, which may be leveraged while protectable trade dress rights are being acquired through advertising to and adoption by the consuming public.

Further, a common defense to claims of trade dress infringement is functionality – reasoning that where an asserted trade dress is functional, its adoption by others cannot constitute unfair competition. Generally, a design is functional when it is essential to the use or purpose of the product. In its 2001 *Traffix Devices* decision, the Supreme Court held a prior patent has vital significance in resolving a trade dress claim, and that a utility patent is strong evidence the features therein claimed are functional.¹¹ Accordingly, one could conversely conclude a design patent is evidence the design claimed is non-functional. Indeed, courts have held that a design patent is relevant evidence of non-functionality of a design.¹² Accordingly, design patents also bolster claims of product configuration trade dress, providing evidence of non-functionality, even after the design patent has expired.

Conclusion

Design patents can serve as important business tools, particularly in connection with new product launches. Design patents can:

1. serve as a quick and cost effective way of establishing an intellectual property position for new products. Coupled with aggressive enforcement actions, such as an ITC §337 action, where appropriate, a design patent can conceivably be filed, issued and enforced to injunction in about two and one-half (2 1/2) years.
2. supplement utility patents to provide more comprehensive intellectual property protection for a product. While utility patents may protect the inner workings of a product, design patents may be used to protect the product's look and feel.
3. strengthen trade dress protection in products and product lines. Even after a design patent expires, it may still be used to evidence non-functionality, and hence validity of asserted trade dress protection, potentially in perpetuity.

¹ 861 F.2d 1581 (Fed. Cir. 1988)

² See, 35 U.S.C. §§ 171, 282-287

³ 81 U.S. 511 (1871)

⁴ *OddzOn Prods., Inc. v. Just Toys, Inc.*, 122 F.3d 1396, 1405 (Fed. Cir. 1997).

⁵ *Litton Sys., Inc. v. Whirlpool Corp.*, 728 F.2d, 1423, 1444 (Fed. Cir. 1984).

⁶ 256 F.3d 1354 (Fed. Cir. 2007)

⁷ *In the Matter of Certain Automotive Parts, Inv. No. 337-TA-557*

⁸ *In the Matter of Certain Automotive Parts, Inv. No. 337-TA-651*

⁹ *Nabisco, Inc. v. PF Brands, Inc.*, 191 F.3d 208 (2d Cir. N.Y. 1999)

¹⁰ 529 U.S. 205 (2000)

¹¹ 532 U.S. 23, 29 (2001)

¹² Compare, *Keystone Mfg. v. Jaccard Corp.*, 2007 U.S. Dist. LEXIS 13094 (W.D.N.Y. Feb 26, 2007); *Fuji Kogyo Co., Ltd. v. Pac. Bay Int'l, Inc.*, 461 F.3d 675 (6th Cir. 2006); and *Topps Co., Inc. v. Verburg Co.*, 1996 U.S. Dist. LEXIS 18556 (S.D.N.Y. 1996).

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