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IP

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A Picture-Perfect Patent

Design rights cover the finest ornaments of American innovation.



PHOTOS BY DIEGO M. RADZINSKI

Robert Katz leads one of the most successful design patent prosecution practices in the country. Last year his firm, Banner & Witcoff, nurtured more design patent applications through the U.S. Patent Office than any other law firm ever had. (The previous firm to hold the record—Banner & Witcoff.)

So what are design patents? We've written about utility patents, plant patents, and business method patents (*ad nauseam*). But a patent on the invention of a design? *Legal Times* recently talked to Katz about this intellectual property hybrid.

Q. Let's start at the beginning. What is a design patent? How is it different from a utility patent? Or trade dress?

A. A design patent protects the ornamental appearance of an article of manufacture. Like other patents, it conveys an exclusive right to exclude others from making, using, selling, importing, and offering to sell certain products—in this case, those bearing the same or

substantially similar appearance to the patented design. (Note that “same or substantially similar appearance” is not the technical test for infringement.)

Design patents differ from utility patents in a number of ways.

Utility patents are typically directed to functional innovations. Design patents are directed to innovation that is primarily ornamental. In utility patents, it’s the words that define the protected subject matter (although there are drawings as well). In design patents, it’s the drawings (although there are words as well).

Design patents differ from trade dress in a number of material ways, too.

First, the designs covered by patents can have a higher degree of functionality and still be patentable as designs. Trade dress, which is a form of trademark, serves solely to identify the source of the goods.

Second, trade dress laws require a likelihood of confusion to establish liability. If the problematic products are sold at different price points or through different channels of commerce, it may be difficult to show that consumers are likely to be confused. But such differences are irrelevant in a design patent infringement analysis.

Third, to establish enforceable trade dress in a product configuration, the owner has to establish that the trade dress has acquired distinctiveness and serves as a trademark. Design patents must be novel and nonobvious to be enforceable.

Q. What kinds of designers seek design patents?

A. In reality, the process of seeking design protection commonly works backward to the designers themselves. While commercialization is not a requirement, the decision to seek these patents is usually made by the companies who are commercializing new designs. However, it’s not uncommon to work directly with the designers—just as you might work directly with inventors—when determining the best way to protect a design and preparing a patent application.

Many companies obtain design patents for defensive purposes—to protect the sales of products that their competitors are likely to copy. Savvy companies recognize the importance of building a strong design patent portfolio.

Any company selling consumer products that are purchased at least partly due to their aesthetic appearance should be routinely protecting their designs with patents. And surveys consistently show that an attractive appearance is a major, if not the most important, factor in *many* purchasing decisions. This is not only true for apparel, but also for electronic

goods, appliances, furniture, sporting goods, automobiles, and a host of other products. That’s why the design leaders in these fields tend to file substantial numbers of design patent applications. Top-selling athletic shoes or mobile phones, for example, are often covered by design patents.



Q. How much are these patents worth?

A. Many companies procure utility patents for the purposes of generating licensing revenue. In contrast, design patents are rarely licensed. Most are obtained for purposes similar to those driving trademark registration. That is, companies most

commonly obtain design patents to protect the sales of their own products. They obtain design patents so that they can stop competitors from selling a same or substantially similar design.

The value of a design patent, therefore, is based mainly on the success and projected success of the underlying commercial product and the importance of preventing others from selling products bearing the same and similar designs. A design patent covering Apple’s iPod, for instance, would be valued higher than a design patent covering, say, the Edsel.

One remedy for design patent infringement is the award of profits made on sales of the infringing goods. Awards for design patent infringement can run into the millions of dollars. Banner & Witcoff has represented clients who were awarded amounts in that range—and has successfully defended clients accused of infringement where the potential liability was in the millions.

Sometimes infringement of a valuable product is stopped at an early stage before significant infringing sales. Then the damages award may be small, but the value of the design patent is high indeed.

Q. Do courts have any trouble understanding the scope of design patents?

A. The interpretation of design patents and the application of some design patent laws have caused a number of difficulties.

One area of concern is when courts try to apply principles of utility-patent claim construction to design patents: They have not translated well. For example, the practice of converting (or trying to convert) the aesthetics of a design patent image into words has been criticized by some practitioners as unnecessary and illogical. Even a recent decision by the U.S. Court of Appeals for the Federal Circuit recognizes this fact. Yet this approach is still followed in most design patent litigation.

There are also conflicts in the case law. Take the issue of whether a design patent is valid when the design is formed from elements that are partially functional but that are not dictated by function. Some cases have looked to whether alternative designs could perform the same function (if so the design patent is valid). But two decisions seem to go another route by considering other factors traditionally applied in trade dress cases.

Q. You noted that “same or substantially similar appearance” is not actually the test for design patent infringement. What is the test?

A. Currently, the test for infringement has two parts. The patentee must prove both parts for a finding of infringement. The first concerns the overall appearance of the design and is commonly referred to as the “ordinary observer” test. The second concerns the “point of novelty” and whether that point (or points) of novelty has been appropriated in the accused article.

Q. Tell me more about the “ordinary observer” test.

A. The “ordinary observer” test is sometimes also referred to as the *Gorham* test, after the 1871 Supreme Court decision in *Gorham Manufacturing Co. v. White*. To determine whether the accused article in that case was substantially the same as the patented design, the Court said that the comparison should be made from the viewpoint of an ordinary observer as opposed to an expert, who is more likely to notice subtle distinctions. An ordinary observer was a person of “ordinary acuteness,” who would bring to the examination of the article “that degree of observation which men of ordinary intelligence give.”

Since *Gorham*, there have been one or two cases that have shifted the “ordinary observer” standard to an “ordinary purchaser” standard. Most recently, in a Sept. 12 decision from the Federal Circuit, *Arminak v. Saint-Gobain Calmer*, the “ordinary observer” was converted into a corporate nozzle-buyer because the patentee sold its products through a middleman, not directly to the public. In essence, the patentee’s sales model was deemed to have a critical effect in deter-

mining whether its product had been infringed. This would not seem to be logically sound as a patentee is under no obligation to even manufacture, much less sell, its patented design. This apparent blending of design patent and trade dress concepts has been very poorly received by the design community and by lawyers experienced in design patent practice.

Q. Where is the cutting edge of design patent work today?

A. The cutting edge is on innovative legal representation to capture the essence of unique designs. Designers are becoming ever more creative to meet consumer demands. Some designs offer a novel presentation of material and color contrasts. Others have a unique appearance that can be captured only by showing the article in multiple states. Presenting these designs in such a way that the U.S. Patent and Trademark Office accepts them as patentable can be challenging.

Another cutting-edge area is patenting graphical user interfaces and icons. Companies with valuable computer games, business programs, and other software seek to protect the surface ornamentation on the screen display.

Q. Your firm does a lot of design patent work. How did that come about?

A. Banner & Witcoff has represented a few companies in the area of designs for decades. We became innovative on their behalf to maximize their design portfolios. We also recognized

that for many products with a short life-cycle, there needed to be a way to obtain design patents faster. Upon urging, the Patent Office instituted a new procedure for designs, a “rocket docket.” We also won a few high-profile litigations. And our reputation grew.

As more companies have come to us to help them establish a design



patent portfolio, the number of design patents we obtain on their behalf has naturally increased. We previously held the law-firm record of procuring the most U.S. design patents, 292, in a calendar year. In 2006, we shattered that record by procuring 554 U.S. design patents. This year we’re on pace to procure over 700. As always, we sincerely thank our clients for entrusting us with their innovative and valuable designs. ■