

CASE STUDY

TITAN TIRE CORP. v. CASE NEW HOLLAND, INC.

Preliminary Injunctions in Design Patent Cases Are Based on the Four-Factor Test; Questions of Validity in the Patentee Rebuttal Important in Court Evaluation of the Evidence in the Context of the Preliminary Injunction Motion

INDEX TOPICS: Design Patent Infringement; Preliminary Injunctions

In *Titan Tire Corp. v. Case New Holland, Inc.*, the U.S. Court of Appeals for the Federal Circuit clarified factors and standards of review for evaluating preliminary injunctions under 35 U.S.C. § 283 for patent cases, in particular design patent cases.¹ Specifically, the case presented the Federal Circuit with the opportunity to clarify how a validity challenge affects the court's preliminary injunction analysis. Design patents enjoy the statutory presumption of validity under 35 U.S.C. § 282, and are subject to some of the same patentability limitations as utility patents, such as the non-obviousness requirement under 35 U.S.C. § 103.

At trial, Goodyear and Titan Corporation (collectively, "Titan") filed a motion of preliminary injunction against Case New Holland ("Case") pertaining to the alleged infringement of U.S. Design Patent No. 360,862. The trial court

denied the motion in view of Case's validity challenge to the design patent on grounds of obviousness. The Federal Circuit affirmed the trial court.

The Federal Circuit reiterated the four factors for determining whether to grant a preliminary injunction:

[a] plaintiff seeking a preliminary injunction must establish [1] that he is likely to succeed on the merits, [2] that he is likely to suffer irreparable harm in the absence of preliminary relief, [3] that the balance of equities tips in his favor, and [4] that an injunction is in the public interest.²

In deciding a preliminary injunction motion, the trial court must consider all four factors as a matter of sound discretion.³ **{MORE}**

¹ 566 F.3d 1372 (Fed. Cir. 2009).

² *Id.* at 1375–1376 (citing *Winter v. Natural Res. Def. Council, Inc.*, 129 S. Ct. 365, 374 (2008)).

³ *Titan Tire*, 566 F.3d at 1380.

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Here, the court primarily focused on explaining the first factor of the analysis. The court held that a patentee seeking a preliminary injunction in a patent infringement suit must show that it likely will prove infringement, as well as likely withstand any challenges to the validity of the patent.⁴ The evidentiary burdens of the parties at the preliminary injunction stage track the burdens at trial.⁵ While the patent in-suit enjoys the statutory presumption of validity during the preliminary injunction stage, the alleged infringer may attack the validity of the patent in response to preliminary injunction motion.⁶ At the preliminary injunction stage, it is the patentee who must persuade the court that, despite the validity challenge, the patentee is likely to succeed on the merits at trial on the validity issue.⁷

In evaluating success on the merits at trial, the court must weigh the evidence both for and against validity. According to the Federal Circuit, a substantial question of patent validity means that the patentee has not shown that the invalidity defense lacks merit.⁸ Hence, if the trial court concludes there is a substantial question concerning patent validity, “it necessarily follows that the patentee has not succeeded in showing it is likely to succeed at trial on the merits of the validity issue.”⁹ The court emphasized that the alleged infringer does not need to prove invalidity by the “clear and convincing” standard

as during trial.¹⁰ Rather, based on its “sound judgment”, the trial court must determine whether not it is more likely than not that the patentee will succeed on the merits at trial, taking into account any existing substantial question of validity.¹¹

Turning to the merits of the case, the Federal Circuit relied on its own design patent obviousness jurisprudence to affirm the trial court,¹² and did not rely on, or extend, the Supreme Court’s decision in *KSR International Co. v. Teleflex, Inc.*¹³ 🌟

⁴ *Id.* at 1376.

⁵ *Id.* at 1377.

⁶ *Id.*

⁷ *Id.*

⁸ *Id.* at 1379.

⁹ *Id.*

¹⁰ *Id.* at 1379–1380.

¹¹ *Id.* at 1380.

¹² *Id.* at 1380–1381.

¹³ 550 U.S. 398 (2007).

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