Litigating Design Patents: If Something’s Amiss, Move to Dismiss...

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Summary

• Introduction
• Dismissal/“Legal” Dissimilarity Overview
• Empirical Case Examples
• Summary/Conclusion

Note: Slides available online
Will 289’s “Total Profit” Inspire Trolls?

“In the end, this will likely bring forward efforts to repeal § 289. Hopefully, a judicial framework will be developed that strikes the right balance and further secures § 289 as a distinguishing feature of U.S. design patent law.”

-Gary Griswold, Consultant
Assuming *Arguendo* There’s a Problem...

- 12(b)(6) “failure to state a claim” and 12(c) “judgment on the pleadings” motions based on visual dissimilarity already provide a means to counter overzealous design patent assertions
- Not applicable to identical copying
“Legal” Dissimilarity Has Long Existed...

- E.g., at Summary Judgment

_winner_int'l Corp. v. Wolo Mfg. Corp., 905 F.2d 375 (Fed. Cir. 1990)_
“Legal” Dissimilarity Has Long Existed...

- Judgment as a Matter of Law too...

*Elmer v. ICC Fabricating, Inc.*, 67 F.3d 1571 (Fed. Cir. 1995) (reversing denial)

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| Fig. 1 from the '620 Patent (pertinent parts circled) | Alleged Infringement | Exemplary Prior Art |
...But Nascently at the Pleadings Stage


(Caption – See Form 1.)

1. (Statement of Jurisdiction — See Form 7.)

2. On ___date___, United States Letters Patent No. ______ were issued to the plaintiff for an invention in an electric motor. The plaintiff owned the patent throughout the period of the defendant’s infringing acts and still owns the patent.

3. The defendant has infringed and is still infringing the Letters Patent by making, selling, and using electric motors that embody the patented invention, and the defendant will continue to do so unless enjoined by this court.

4. The plaintiff has complied with the statutory requirement of placing a notice of the Letters Patent on all electric motors it manufactures and sells and has given the defendant written notice of the infringement.

Therefore, the plaintiff demands:

(a) a preliminary and final injunction against the continuing infringement;
(b) an accounting for damages; and
(c) interest and costs.
Challenging Case Law (Pleadings Stage)

• A complaint may be dismissed under Rule 12(b)(6) if “it appears beyond doubt that plaintiff can prove no set of facts in support of his claim which would entitle him to relief.”

• Rule 12(b)(6) does not permit “dismissal based on a judge’s disbelief of a complaint’s factual allegations.”

• “The issue is not whether a plaintiff will ultimately prevail but whether the claimant is entitled to offer evidence to support the claims.”
Sea Change: *Twombly’s* Plausibility…

- “We do not require heightened fact pleading of specifics, but only enough facts to state a claim to relief that is plausible on its face. Because the plaintiffs here have not nudged their claims across the line from conceivable to plausible, their complaint must be dismissed.”

Design Day 2017: If Something’s Amiss…

Iqbal’s “Experience and Common Sense”

- “[D]etermining whether a complaint states a plausible claim is context-specific, requiring the reviewing court to draw on its experience and common sense.”

Ashcroft v. Iqbal, 556 U.S. 662, 663-64 (2009)
Meanwhile, the Design Gods are Restless...

• “In some instances, the claimed design and the accused design will be sufficiently distinct that it will be clear without more that the patentee has not met its burden of proving the two designs would appear substantially the same to the ordinary observer, as required by Gorham. In other instances, when the claimed and accused designs are not plainly dissimilar, resolution of the question whether the two designs will appear to be substantially the same will benefit from a comparison of the claimed and accused designs with the prior art ... .”

|-------------|-----------------|---------------------|---------------|

*Egyptian Goddess Inc. v. Swisa Inc.*, 543 F.3d 665, 678 (Fed. Cir. 2008) (*en banc*) (affirming summary judgment of noninfringement)
But Do You Always Consider Prior Art?

*Ethicon Endo-Surgery, Inc. v. Covidien, Inc.*, 796 F.3d 1312 (Fed. Cir. 2015) (affirming summary judgment of noninfringement)
Ethicon’s Part-Time “Extraordinary” Observer

• “Where the claimed and accused designs are ‘sufficiently distinct’ and ‘plainly dissimilar,’ the patentee fails to meet its burden of proving infringement as a matter of law.” Id. at 1335 (emphasis added).

• Otherwise, “the inquiry may benefit from comparing the claimed and accused designs with prior art to identify differences that are not noticeable in the abstract but would be significant to the hypothetical ordinary observer familiar with the prior art.” Id.

• Thus, not erroneous to not consider a “frame of reference provided by the prior art” Id. at 1337.
Utility Analogy and Death of Form 18

• Utility patentee “has no plausible basis for alleging that the plain and ordinary meaning of ‘TV Channel’ (or ‘TV Channel’ properly construed) covers URLs … .”


• Post-Rule 84 Abrogation:
  70% ➔ 56% 12(b)(6)/(e) denial rate

*Anthony Volpe and Joseph Matthew, “Patent infringement Complaints After the Change in Rules,” The Legal Intelligencer (Nov. 1, 2016)*
If Something’s Amiss...

EMPIRICAL EXAMPLES
Kellman v. Coca-Cola
No. 3-cv-71542 (E.D. Mich. 2003)

- 12(b)(6) motion filed June 2003...

- ...GRANTED Aug. 2003 280 F. Supp. 2d 670
Cotapaxi v. Corporate Edge
No. 6-cv-5183 (D.N.J. 2007)

- 12(b)(6) motion filed Dec. 2006...

...GRANTED Oct. 2007 2007 WL 2908265
Colida v. Nokia
No. 7-cv-8056 (S.D.N.Y. 2008)

- 12(b)(6) motion filed Feb. 2008...

**GRANTED** May 2008 2008 WL 451788

Grandway Honduras v. 2 Lumps of Sugar
No. 9-cv-6049 (C.D. Cal. 2010)

• 12 (c) motion filed July 2010...

• ...DENIED Aug. 2010
Beaumont Products v. Clean Control
No. 9-cv-3325 (N.D. Ga. 2010)

• 12(b)(6) motion filed March 2010...

...DENIED Oct. 2010
Dioptrics v. Idea Village
No. 8-cv-03538 (N.D. Cal. 2010)

• 12(b)(6) motion filed Nov. 2009...

D434,789 (Fig. 1) and D532,814 (Fig. 1)

Idea Village’s HD Wraparounds Night Vision Sunglasses and HD Vision Wraparounds Sunglasses

• ...DENIED Oct. 2010 2010 WL 4393876
Hall v. Bed Bath & Beyond

- 12(b)(6) motion filed August 2010…

...GRANTED (sua sponte) Dec. 2010

...REVERSED (F.C.) Jan. 2013 705 F.3d 1357

US D596,439 (Fig. 1) Patented/accused product
Parker v. Kimberly-Clark
No. 11-cv-5658 (N.D. Ill. 2012)

- 12(b)(6) motion filed Oct. 2011...

- ...GRANTED Jan. 2012 2012 WL 74855

DS89,611 (Fig. 1) Kimberly-Clark’s Poise Hourglass Pad
MSA Products v. Nifty Home Products
No. 11-cv-5261 (D.N.J. 2012)

• 12(b)(6) motion filed Oct. 2011...

• ...GRANTED Jun. 2012 883 F.Supp.2d 535

D628,444 (Fig. 2), D628,445 (Fig. 2)
Nifty Home Product’s K-Cup Drawer
Anderson v. Kimberly-Clark
No. 12-cv-1979 (W.D. Wash. 2013)

• 12(c) motion filed Mar. 2013…

• … GRANTED Sept. 2013
P.S. Products v. Activision
No. 13-cv-342 (E.D. Ark. 2014)

• 12(b)(6) motion filed July 2013...

• ...GRANTED Feb. 2014 140 F.Supp.3d 795
Poly-America v. API Industries
No. 13-cv-693 (D. Del. 2014)

• 12 (c) motion filed July 2013...

...DENIED April 2014
Legler v. Exxel Outdoors
NO. 13-cv-668 (E.D. Wis. 2014)

• 12(b)(6) motion filed Oct. 2013...

D440,806 (Figs. 1 & 8)  Exxel Outdoor’s Inflatbed

• ...GRANTED July 2014  2014 WL 3727566
Deckers Outdoor v. J.C. Penney
No. 14-cv-02565 (C.D. Cal. 2014)

• 12(b)(6) motion filed April 2014...

D599,999 and D616,189 (Figs. 1)
Arizona Carmen Girls Boot and Arizona Crescent Casual Suede Boot

• ...DENIED Sept. 2014 45 F.Supp.3d 1181
OurPet’s Company v. Iris USA
No.14-cv-1642 (N.D. Ohio 2015)

• 12(b)(6) motion filed Nov. 2014...

• ...GRANTED Mar. 2015 2015 WL 12780599
**Atomi, Inc. v. Cabeau, Inc.**
No. 15-cv-00276 (S.D.N.Y. 2015)

- 12(b)(6) motion filed March 2015…

- **DENIED** Jun. 2015
SCG Characters v. Telebrands Corp.
No. 15-cv-00374 (C.D. Cal. 2015)

- 12(b)(6) motion filed April 2015...

- ...GRANTED Aug. 2015 2015 WL 4624200

D468372 (Fig. 2), D468781 (Fig. 2), D469479 (Fig. 2), D484927 (Fig. 2)

Telebrand's Ball Pets
Silverman v. Attilio Giusti Leombruni SPA
No. 15-cv-2260 (S.D.N.Y. 2016)

• 12(b)(6) motion filed Dec. 2015...

• ...GRANTED Feb. 2016
Elite Gaming v. Spec International
No. 15-cv-08984 (N.D. Ill. 2016)

- 12(b)(6) motion filed Dec. 2015...

...DENIED Mar. 2016
C&A Marketing v. GoPro, Inc.
No. 15-cv-7854 (D.N.J. 2016)

• 12(c) motion filed Feb. 2016

• ...DENIED April 2016 2016 WL 1626018
Performance Designed v. Mad Catz
No. 16-cv-0629 (S.D. Cal. 2016)

• 12(b)(6) motion filed May 2016...

• ...GRANTED Jun. 2016 2016 WL 3552063
Airhawk v. THEREALCRAIGJ
No. 16-cv-00624 (C.D Cal. 2016)

• 12(b)(6) motion filed June 2016...

...DENIED Aug. 2016

Accused Products:
- Classic Pillion Motorcycle Seat-Cushion
- Classic Smart/Cruiser Motorcycle Seat-Cushion
- Classic Sport Motorcycle Seat-Cushion

D673,785 (Fig. 1); D672,569 (Fig. 2); D658,396 (Fig. 2)
Rab Lighting v. ABB Lighting
No. 16-cv-3026 (S.D.N.Y. 2016)

• 12(b)(6) motion filed July 2016…

…DENIED Sept. 2016
Bobcar Media v. Aardvark Event Logistics
No. 16-cv-885 (S.D.N.Y. 2017)

• 12(b)(6) motion filed March 2016...

...DENIED Jan. 2017 2017 WL 41729
Caffeinate Labs, Inc. v. Vante Inc. et al.*
No. 16-cv-12480 (D. Mass. Filed Dec. 7, 2016)
• 12(b)(6) motion filed Mar. 2017

*Disclaimer: Presenter represents Defendants
Richardson v. Stanley Works Inc.
597 F.3d 1288 (Fed. Cir. 2010) (affirming summary judgment of noninfringement)

- Could a 12(b)(6) motion have been filed?
• Dismissal motions are a growing force to counter overzealous design patent enforcement
• To date: 54% grant rate
• Not perfect, but more usage/improving
Thank you!
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