

35 U.S.C. Section 102 –

From Hupp to International Seaway, how are the PTAB and district courts applying the "anticipation test" for designs? Ivy Clarice Estoesta





Overview

- Ex Parte PTAB Decisions Appeals of Anticipation Rejections
- Inter partes PTAB Decisions Validity Challenges Based on Anticipation
- District Court Decisions Validity Challenges Based on Anticipation

Ex parte Fojtik, Appeal 2019-006598 (PTAB Jun. 2020)

Prior Art

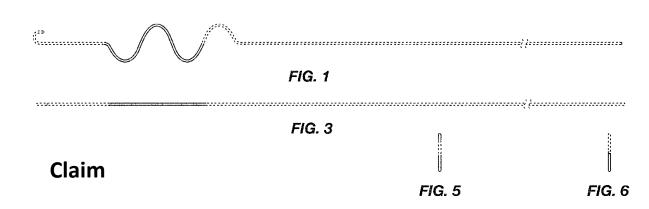
- Examiner rejected the claim on two grounds of anticipation under the ordinary observer test, based on *International Seaway Trading Corp. v. Walgreens Corp.*, 589 F.3d 1233 (Fed. Cir. 2009)
 - (1) Shape and appearance of Figure 59A and claim are "substantially the same"
 - sinusoidal shape
 - (2) Shape and appearance of Figure 14D and claim are also "substantially the same"
 - sinusoidal shape



Figure 59A



Fig. 14D



Ex parte Fojtik, Appeal 2019-006598 (PTAB Jun. 2020)

- PTAB **reversed** the rejection
 - The ordinary observer test articulated in Seaway is the sole test for anticipation of a design patent claim
 - Fig. 59A and paragraphs describing the figures (including Fig. 59A) suggest that it is not flat like the claimed design
 - The entirety of the disclosure suggests that the structure shown in Fig. 14D is helical, and that Fig. 14D shows a schematic representation of that helical structure





Prior Art



Fig. 14D

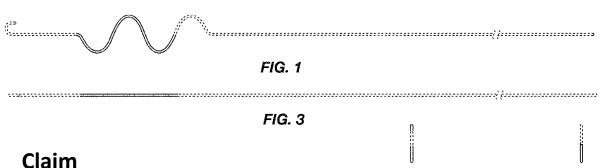
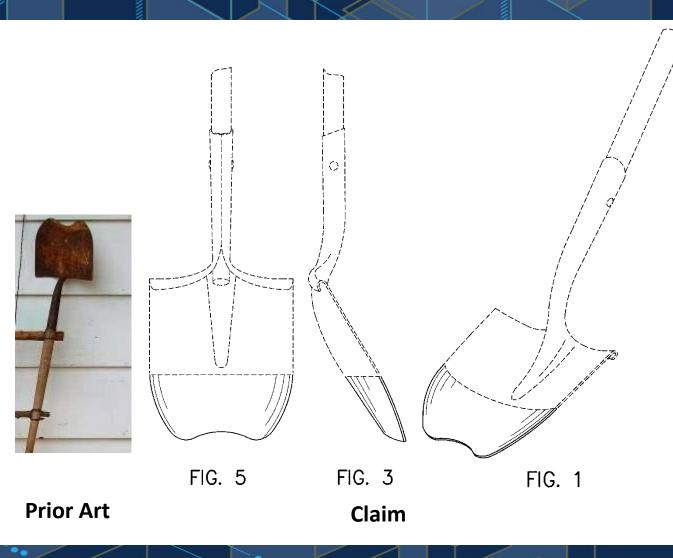


FIG. 5

FIG, 6

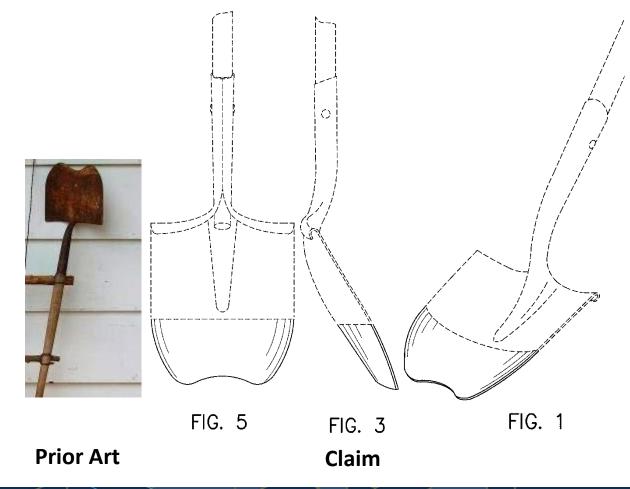
Ex parte Eichler, Appeal 2019-004293 (PTAB May 2020)

- Examiner rejected the claim as anticipated under the ordinary observer test, based on *Seaway*
 - Prior art and claim are "substantially the same"
 - Indented tip
 - Any appearance of asymmetry is due to the viewpoint/angled position of the article/normal wear and tear through use



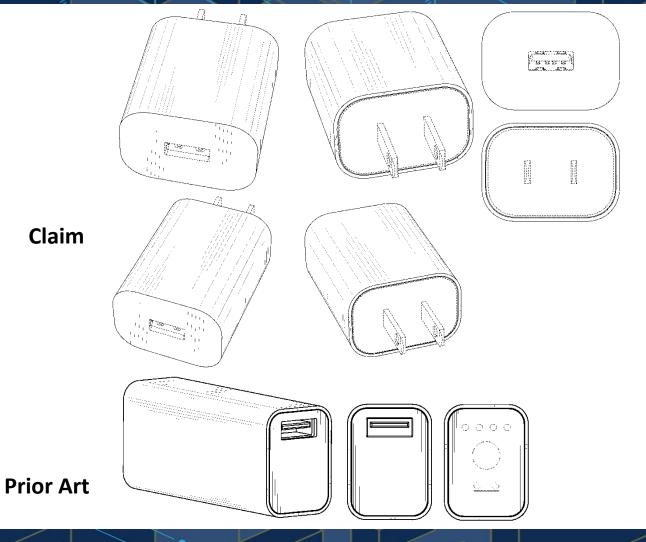
Ex parte Eichler, Appeal 2019-004293 (PTAB May 2020)

- PTAB reversed the rejection
 - Seaway not cited
 - Cited MPEP 1504.012 (citing Hupp v. Siroflex of America Inc., 122 F.3d 1456 (Fed. Cir. 1997) ("In design patent applications, to establish anticipation, a prior art reference 'must be identical in all material respects' to the claimed design.")
 - Examiner compares only the front views of the designs at issue, not the other views
 - Examiner's determination is based on speculation about the appearance of the side and rear of the prior art



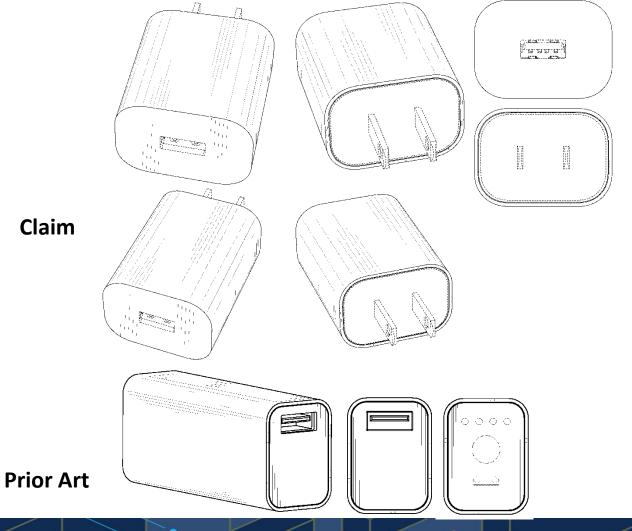
Ex parte Langhammer et al., Appeal 2019-004315 (PTAB Apr. 2020)

- Examiner rejected the claim as anticipated under the ordinary observer test, based on *Seaway*
 - Claim is directed to multiple embodiments having slightly differing lengths, which the Examiner determined to be obvious variations
 - Prior art and claim are "substantially the same"
 - Smooth rounded corners
 - Flat on one end
 - Rectangular opening centered on the opposing end



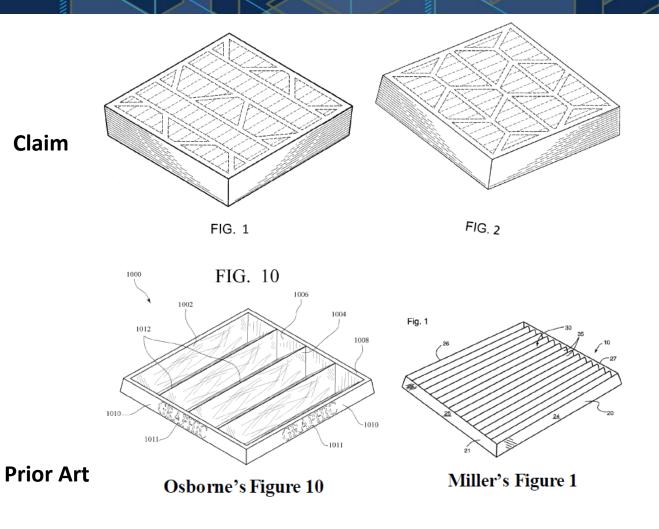
Ex parte Langhammer et al., Appeal 2019-004315 (PTAB Apr. 2020)

- PTAB **reversed** the rejection
 - The ordinary observer test articulated in Seaway is the sole test for anticipation of a design patent claim
 - Prior art teaches an opening that is closer to one edge; claimed design teaches an opening that is centered
 - Proportional length of the prior art is considerably longer than either embodiment of the claim



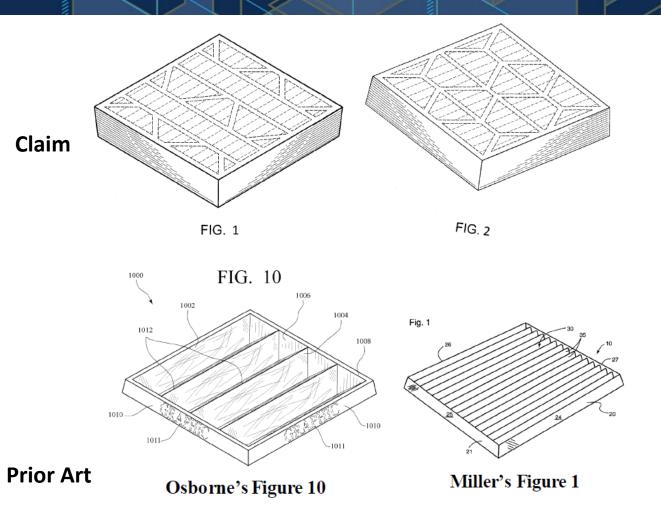
Ex parte Perez, Appeal 2019-001458 (PTAB Mar. 2020)

- Examiner rejected the claim on two grounds of anticipation
 - (1) Osborne "discloses all the elements of the [claim]"
 - four angled walls that taper from having a narrower square-shaped perimeter on one side to having a wider squareshaped perimeter on the opposite side
 - pyramidal shape
 - (2) Miller also "discloses all the elements of the [claim]



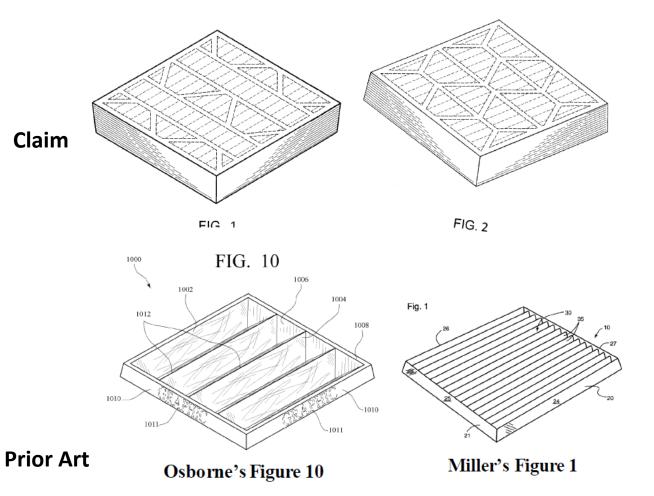
Ex parte Perez, Appeal 2019-001458 (PTAB Mar. 2020)

- PTAB **reversed** the rejection
 - The ordinary observer test articulated in Seaway is the sole test for anticipation of a design patent claim
 - "...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."
 - Then cited Door-Master Corp. v. Yorkstown
 Inc., 256 F.3d 1308 (Fed, Cir. 2001) and Hupp
 v. Siroflex of Am. Inc., 122 F.3d 1456 (Fed. Cir. 1997) and noted that "an anticipatory
 reference must be "identical in all material
 respects" to the claimed design



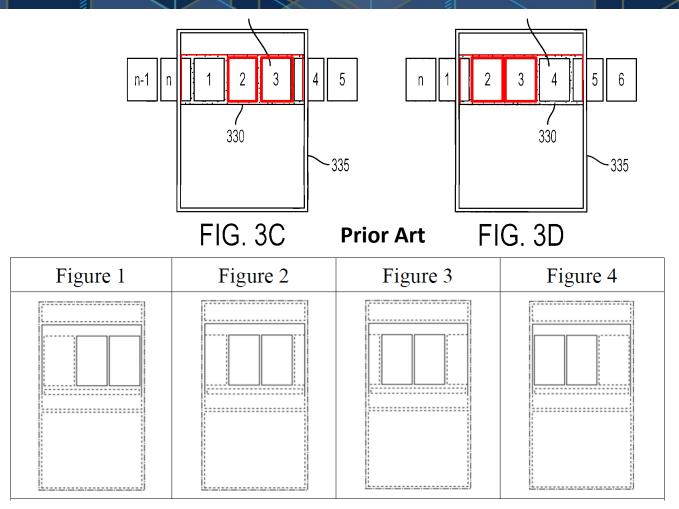
Ex parte Perez, Appeal 2019-001458 (PTAB Mar. 2020)

- PTAB **reversed** the rejection
 - The different thickness between [the claim and prior art designs] was found to be "so significant" that an ordinary observer "would not be deceived into purchasing one supposing it to be the other"
 - "An ordinary observer of filters would know that the thickness of a filter, even filters having the same basic shape, is an important consideration...such that a minor difference in thickness will stand out."



Ex parte Fong et al., Appeal 2019-001727 (PTAB Jan. 2020)

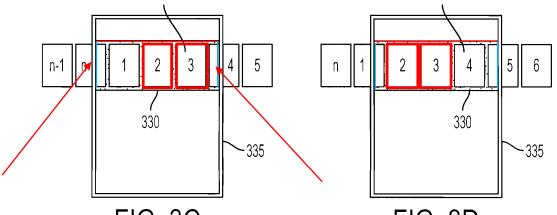
- Examiner rejected the claim as anticipated under the ordinary observer test, based on Seaway
 - Prior art and claim have "substantially similar" design characteristics
 - static landscape-oriented "enclosing rectangle" rectangle comprising an upper boundary and two lateral boundaries
 - array of portrait-oriented rectangles which slide from right-to-left across a display screen within the enclosing rectangle



Claim

Ex parte Fong *et al.,* Appeal 2019-001727 (PTAB Jan. 2020)

- PTAB **reversed** the rejection
 - The ordinary observer test articulated in Seaway is the sole test for anticipation of a design patent claim
 - The enclosing rectangle lacks visible right and left margins (i.e. hidden from view by the outermost rectangular elements n and 4 (Fig. 3C) and 1 and 5 (Fig. 3D), which are *not* GUI)
 - Examiner does not explain why the prior art nevertheless shows an enclosing rectangle having "substantially the same" features as the claim's enclosing rectangle



Prior Art

FIG. 3C



Figure 1	Figure 2	Figure 3	Figure 4

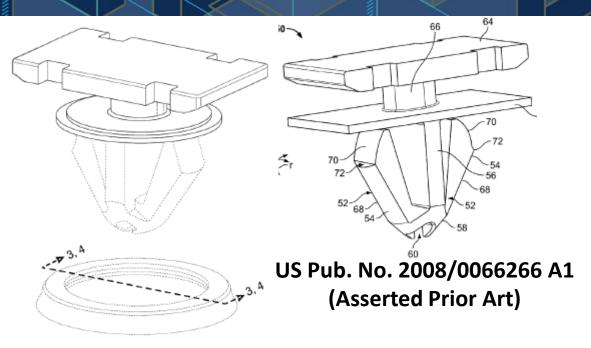
Claim

Ex Parte PTAB Reversal Rate of Anticipation Rejections

- Post-Seaway publicly available decisions (after Dec. 2009 Sep. 2022): 92% of appeals involving a 102 rejection reversed (13 decisions; 12 reversed; 1 affirmed)
- Pre-Seaway publicly available decisions (Aug. 1997 2008):
 69% of appeals involving a 102 rejection reversed (16 decision; 11 reversed; 5 affirmed)

Termax Company v. Illinois Tool Works Inc., IPR2022-00106 (PTAB May 2022)

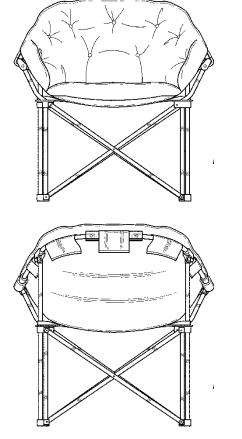
- Termax challenged the validity of Illinois Tool Work's design patent for a fastener, based on anticipation
- PTAB denied institution of IPR (Paper No. 7)
 - The ordinary observer test articulated in *Seaway* is the test for anticipation of a design patent claim
 - Ordinary observer tests requires consideration of the design as a whole, which Petitioner fails to do
 - Petition ignores the lower (circular) platform and has not established a reasonable likelihood of prevailing on the ground that the lower platform is primarily dictated by function



The Challenged Patent (D897,826)

MacSports, Inc. v. Idea Nuova, Inc., IPR2018-01006 (PTAB Nov. 2018)

- MacSports challenged the validity of Idea Nuova's design patent for a foldable club chair, based on anticipation
- PTAB denied institution of IPR (Paper No. 6)
 - The ordinary observer test articulated in *Seaway* is the test for anticipation of a design patent claim
 - Ordinary observer tests requires consideration of the design as a whole, which Petitioner fails to do
 - Petitioner does not account for the patented design's relatively broader and flatter cushion member, and relatively flatter upper support



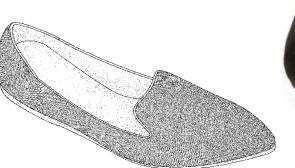


The Challenged Patent (D752,890) CampingWorld.com 360 (Prior Art) Inter partes PTAB Rates Involving Validity Challenges Based on Anticipation (2013 – 2022)

- 23 proceedings involving a validity challenge based on anticipation
- Institution of IPR/PGR based on anticipation denied in 12 of 23 proceedings (11 of 23 instituted; 48% Institution Rate)
- Of the 11 proceedings instituted, 7 invalidated the challenged patent based on anticipation (64% Post-Institution Invalidation rate; 30% Invalidation rate overall)

Rothy's, Inc. v. Birdies, Inc., No. 21-CV-02438-VC, 2022 WL 1448160 (N.D. Cal. May 2022)

- Rothy's sued Birdies for design patent infringement, and Birdies challenged the validity of Rothy's' design patent for a loafer as anticipated by Birdies' prior "Blackbird" loafer design
- Birdies moved for summary judgement on the issue of validity
- Court declined to grant Birdies' motion
 - Seaway not cited and ordinary observer test was not applied to assess anticipation
 - Door-Master cited, and court assessed whether the prior design and claimed design are "identical in all material respects"

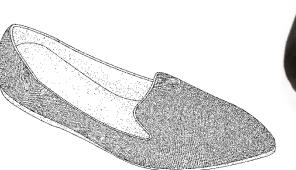




The Challenged Patent (D885,017) Original Blackbird (Prior Art)

Rothy's, Inc. v. Birdies, Inc., No. 21-CV-02438-VC, 2022 WL 1448160 (N.D. Cal. May 2022)

- Court declined to grant Birdies' motion on the issue of anticipation
 - The two designs are not identical in all material respects
 - Birdies admits that its original Blackbird loafer is made of calf hair
 - Visual appearance of the patented design connotes a loafer made of knit material

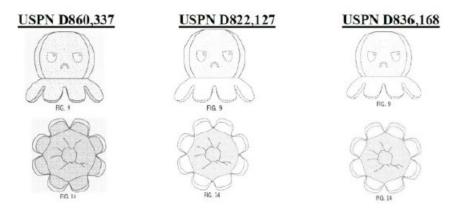




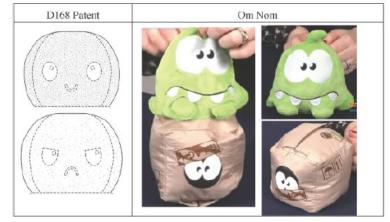
The Challenged Patent (D885,017) Original Blackbird (Prior Art)

Tee Turtle, LLC v. Kellytoy Worldwide, Inc., 522 F. Supp. 3d 695 (C.D. Cal. Feb. 2021)

- Tee Turtle sued Kellytoy for design patent infringement and sought to enjoining Kellytoy from selling its "Flip-A-Mallow" plush toys
 - Each patent covers slightly different aspects of a reversible plush toy
- To defeat Tea Turtle's request for a preliminary injunction, Kellytoy challenged the validity Tee Turtle's design patents for reversible plush toys as anticipated by a prior toy design called "Om Nom"



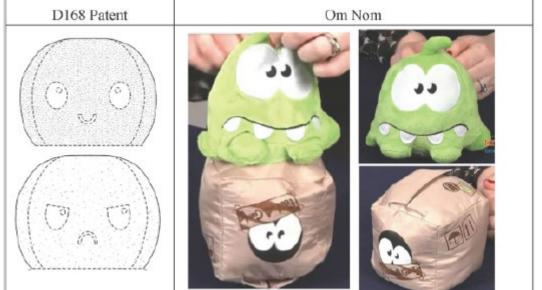
The Challenged Patents

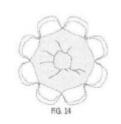


Patented Design and the Asserted Prior Art

Tee Turtle, LLC v. Kellytoy Worldwide, Inc., 522 F. Supp. 3d 695 (C.D. Cal. Feb. 2021)

- Court concluded that no substantial question of anticipation raised based on Om Nom
 - The ordinary observer test articulated in *Seaway* is the sole test for anticipation of a design patent claim
 - Then cited Door-Master and assessed whether the prior design and patented designs are "identical in all material respects"
 - Om Nom and the patented designs are not identical in all material respects
 - Patented designs are generally spherical in both configurations, while Om Nom's second configuration is a box







Patented Design and the Asserted Prior Art



Thank you!

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ANTICIPATION

October 26, 2022

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A claim is <u>anticipated</u> only if <u>each</u> and <u>every</u> <u>element</u> as set forth in the claim is found in a single prior art reference.

Verdegaal Bros. v. Union Oil Co. of California, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987)



"The *identical invention must be shown* in as complete detail as is contained in the ... claim."

Richardson v. Suzuki Motor Co., 868 F.2d 1226, 1236 (Fed. Cir. 1989) (emphasis added).



Under 35 U.S.C. 102... to anticipate a claim, the disclosure must teach every element of the claim. (emphasis added).

M.P.E.P. 2131



A patent for a claimed invention may not be obtained, notwithstanding that the claimed invention is not identically disclosed as set forth in section 102, if the differences between the claimed invention and the prior art are such that the claimed invention as a whole would have been obvious ... (emphasis added).



Hupp v. Siroflex 122 F.3d 1456 (Fed. Cir. 1997)

As with a utility patent, design patent anticipation requires a showing that a single prior art reference is identical in all material respects to the claimed design.



And then ... along came ...

International Seaway v. Walgreens 589 F.3d 1233 (Fed. Cir. 2009)



International Seaway v. Walgreens 589 F.3d 1233 (Fed. Cir. 2009)

The worst design patent decision from the Federal Circuit...

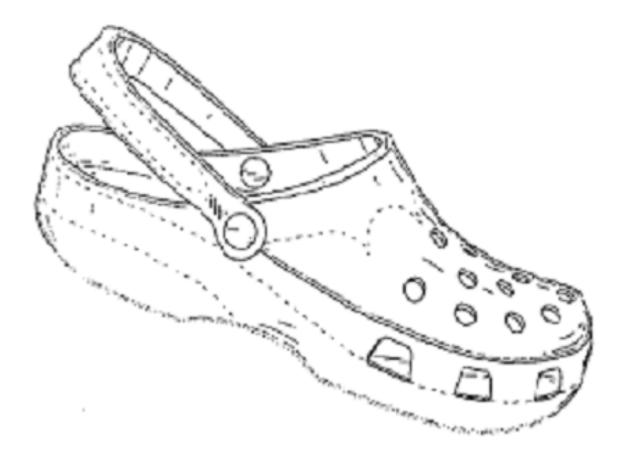


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The worst design patent decision from the Federal Circuit... ever.



International Seaway v. Walgreens 589 F.3d 1233 (Fed. Cir. 2009)





"... The ordinary observer test must logically be the sole test for anticipation"...



Ordinary Observer Test:

If in the eye of an ordinary observer, two designs are substantially the same, then there's infringement (*Gorham, Egyptian*)

Court: [This] "must logically be the sole test for anticipation"...



Translation:

If the prior art is "substantially the same" as the claimed design, then the claimed design is anticipated by that prior art.



To anticipate a claim:

pre-Seaway: the prior art must be identical to the claimed design.



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pre-Seaway: the prior art must be identical to the claimed design.

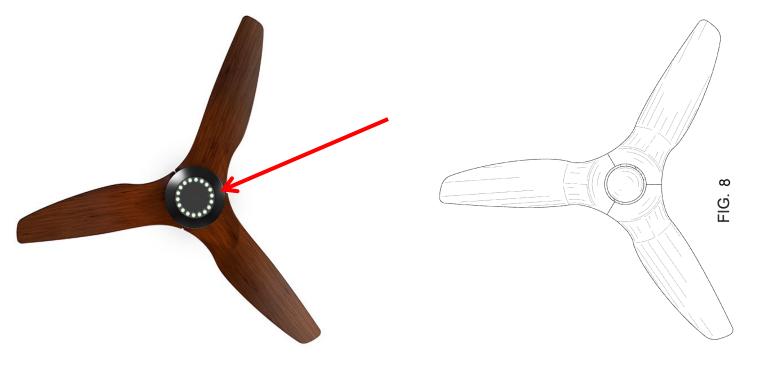
post-Seaway: the prior art only needs to be substantially the same as the claimed design.







Actual 102 Rejection by USPTO

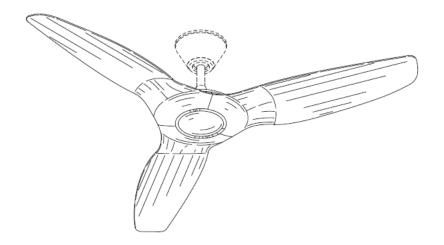


Prior Art

Claimed Design







Prior Art

Claimed Design



USPTO Logic in 102 Rejection

"The appearance of the [Prior Art] fan is substantially the same as that of the claimed design. The ordinary observer test is the sole test for anticipation." [citing Seaway]



USPTO Logic in 102 Rejection

"Two designs are substantially the same if their resemblance is deceptive to the extent that it would induce an ordinary observer, giving such attention as a purchaser usually gives, to purchase an article having one design supposing it to be the other." [citing Gorham v.White]



USPTO Logic in 102 Rejection

"Just as 'minor differences between a patented and an accused article's design cannot, and shall not, prevent a finding of infringement', so too minor differences cannot prevent a finding of anticipation.' [citing Seaway].



I. More 102 rejections than ever before.

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- IO2 traversal reduced to arguing differences between prior art and claimed design – morphing into IO3 analysis.
- 6. PTO is avoiding 103's rigorous tests for primary and secondary references.

Egyptian Goddess v. Swisa 543 F.3d 665 (Fed. Cir. 2008)

In evaluating infringement, the ordinary observer is deemed to view the differences between the patented design and the accused product in the context of the prior art.



In other words, post-Seaway, in evaluating anticipation, the ordinary observer is deemed to view the differences between the claimed design and the anticipating reference in the context of the prior art.



BUT...

The USPTO is not evaluating anticipation by a prior art reference in light of the prior art.





What is the basis for International Seaway?



Peters v. Active Mfg. Co. 129 U.S. 530 (1889)



MAXIM: "That which infringes, if later, would anticipate, if earlier"

DesignLawGroup, LLC

Peters v. Active Mfg. Co. 129 U.S. 530 (1889)

If the accused design infringes the claim, then the accused design would anticipate the claim if it were prior art.



Graver Tank v. Linde Air Products 339 U.S. 605 (1950)

Doctrine of Equivalents:

Even if there's no literal infringement, infringement may nevertheless be found if the accused product performs "substantially the same function, in substantially the same way, to produce the same result." (emphasis added)

Lewmar Marine v. Barient 827 F.2d 744 (Fed. Cir. 1987)

Federal Circuit: We need to adjust the Peters v. Active maxim to take the Doctrine of Equivalents into account:

"[t]hat which would literally infringe if later in time anticipates if earlier..."



Lewmar Marine v. Barient 827 F.2d 744 (Fed. Cir. 1987)

A product which infringes via the doctrine of equivalents – by definition a product that is different in one or more respects than the claimed invention – would not necessarily anticipate the claimed invention were it to be prior art.



Lewmar Marine v. Barient 827 F.2d 744 (Fed. Cir. 1987)

A product which infringes via the doctrine of equivalents – by definition a product that is different in one or more respects than the claimed invention – would not necessarily anticipate the claimed invention were it to be prior art.

In modern jurisprudence the "maxim" only makes sense in cases of literal infringement, since anticipation requires that each and every element of the claimed invention be found in a single prior art reference and literal infringement requires that each and every element of the claimed invention be found in the accused product.

DesignLawGroup, LLC

Peters v Active "maxim" (modified by Lewmar):

That which would *literally* infringe if later in time anticipates if earlier.

That which infringes by the Doctrine of Equivalents if later in time would NOT necessarily anticipate if earlier.



Lee v. Dayton-Hudson 838 F.2d 1186 (Fed. Cir. 1988)

"While [Graver Tank] is not directly applicable to design patents, it has long been recognized that the principles of equivalency are applicable under Gorham which uses substantially the same as the measure for infringement" (emphasis added)



Lee v. Dayton-Hudson 838 F.2d 1186 (Fed. Cir. 1988)

The test for design patent infringement is a doctrine of equivalents test.



International Seaway – design patents (ignoring Lewmar):

That which infringes by the Doctrine of Equivalents if later in time DOES anticipate if earlier



Seaway is wrong because:

It failed to take Lewmar's "literally" modifier into account.



Seaway (if revised per Lewmar):

The ordinary observer test must logically be the sole test for anticipation only in cases of literal design patent infringement.

But ...

There's no test for literal design patent infringement.

But ...

There's no test for literal design patent infringement.

The sole test is the "substantially the same" ordinary observer test which inherently is a doctrine of equivalents analysis.

Seaway was dead wrong

In design patents, that which infringes a design patent by the Doctrine of Equivalents if later in time would NOT anticipate if earlier.





REVISED:

The ordinary observer test CANNOT logically be the sole test for anticipation





Let us return to those thrilling days of yesteryear...







Hupp v. Siroflex 122 F.3d 1456 (Fed. Cir. 1997)

As with a utility patent, design patent anticipation requires a showing that a single prior art reference is identical in all material respects to the claimed design.





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