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## SHOULD I GET MY DESIGN PATENTED?

by  
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### OVERVIEW

In the decision *L.A. Gear v. Thom McAn*, 988 F.2d 1117, 25 U.S.P.Q.2d 1913 (Fed. Cir. 1993), the Court of Appeals for the Federal Circuit, once again affirmed the rights to a design patent. Although the general standards of adjudicating a design patent infringement case have not dramatically changed over the last few years, courts have upheld more cases against infringers. The penalty to the infringer is very severe.

### MISCONCEPTION OF DESIGN PATENTS

Previously, many designers mistakenly thought that design patents were too expensive or too difficult to obtain. Some even thought that the standards imposed by the Patent & Trademark Office (PTO) were too stringent. This belief may have resulted from confusing the prosecution of a design patent with that of a utility patent.

### OBTAINING A DESIGN PATENT

In reality, the cost of obtaining a design patent is significantly lower than that of a utility patent, because it is normally simpler and shorter to draft. Even the federal rules require design patent applications to be brief. 37 C.F.R. § 1.153 states that "No description, other than a reference to the drawing is ordinarily required . . . More than one claim is neither required nor permitted." Accordingly, the cost of obtaining a simple design patent can be only a few hundred dollars.

In addition, the time it takes to obtain a design patent is also substantially less than that for a utility patent. Since the consumer life of a design product is usually shorter than that of a utility patent, the PTO allows the design patent applicant to petition to expedite the process. This can reduce the normal prosecution time from two to three years to as little as six months to a year.

### INFRINGEMENT IS EASY TO PROVE

Since design patent infringement relates solely to the patented design, the test is to show that the copied design is substantially the same as the patented design, thereby deceiving the ordinary observer. To uncover this deception, courts have held that the plaintiff need not provide proof of unfair competition in the marketplace. Courts have even held that infringers cannot avoid liability by using different labels to try to claim that the consumers would not be confused.

The ultimate question in design patent infringement is whether the effect of the whole design is substantially the same. In *L.A. Gear*, 988 F.2d at 1124, 1125, the court found that since the major design elements were similarly placed on the infringing shoes, the same distinctive overall look had been created. For this reason, the court determined that the product was confusingly similar to the patented design to an ordinary observer.

### DEFENSES

Once infringement is proved, the infringers' most common defense in patent cases has been the invalidity of the patents. However, proving invalidity is extremely difficult. First of all, a statutory presumption of validity exists for all patents. Every patent issued by the PTO has passed muster during the prosecution process. Under this presumption, the infringer has the heavy burden to prove that the patented design does not meet the standard, i.e. that the PTO examiner incorrectly granted the patent.

## **FUNCTIONALITY**

Since functional features are not patentable, an infringer will probably allege that the patented design is primarily "functional" and not "ornamental." A design patent is concerned with the appearance of an article of manufacture. In order to determine whether a design is primarily ornamental or functional, courts have held that the overall appearance of the article should be observed at to determine whether the claimed design is dictated by the utilitarian purpose of the article.

To counter this argument, a designer can show alternative ways of design which achieve the same function, thus showing the specific design copied is not functional.

## **OBVIOUSNESS**

For a design to be patentable, it cannot have been obviously suggested by previous designs, or prior art. Courts have held that one should look at the entirety of the article and not only on the separate elements or features. For an infringer to claim the patented design as obvious, it must prove that:

1. individual elements, AND
2. the overall ornamental quality of the combination are both suggested by prior art. Therefore, an infringer's mere attempt to show differences element by element will not defeat the validity of the patent.

In addition, in order to determine whether the design is obvious, courts will examine secondary considerations such as commercial success and time lag of the patented design, making invalidity very difficult to prove.

## **DAMAGES**

In addition to injunction, damages awarded by courts in patent infringement are becoming increasingly severe. Under 35 U.S.C. § 289 a patent design infringer is liable for "his total profit." In addition, 35 USC § 284 provides that "the court shall award the claimant damages . . . in no event less than a reasonable royalty . . . together with interest and costs . . . the court may increase the damages up to three times the amount found or assessed."

For example, in the unreported *Coyle v. Sega Enterprises Ltd.*, inventor Jan Coyle won a jury verdict of \$33 million dollars, and the infringer settled for another \$10 million for fear of facing the possibility of treble damages as provided for by the statute. In addition, in exceptional cases, courts may award reasonable attorney fees to the prevailing party. Courts have held that the existence of willfulness of infringement is sufficient basis for finding a case exceptional, e.g., *S.C. Johnson & Son, Inc. v. Carter- Wallace, Inc.*, 781 F.2d 198, 201, 228 U.S.P.Q. 367 (Fed. Cir. 1986). In *L.A. Gear*, 988 F.2d at 1128, 25 U.S.P.Q.2d 1913, the Federal Circuit court found willfulness in defendants' infringement, thereby reversing the lower court's ruling not awarding attorney fees.

## **SUMMARY**

Substantial benefits clearly outweigh the small costs to obtain a design patent. Courts have been increasingly likely to punish design patent infringers severely. The numbers and sizes of these awards are steadily increasing. In addition to an injunction, inventors can recover lost profits, the infringer's total profits, attorney fees, and even treble damages. These are strong deterrents to future infringers, and should prompt them to realize that the gains are not worth the risks of such severe sanctions.

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