

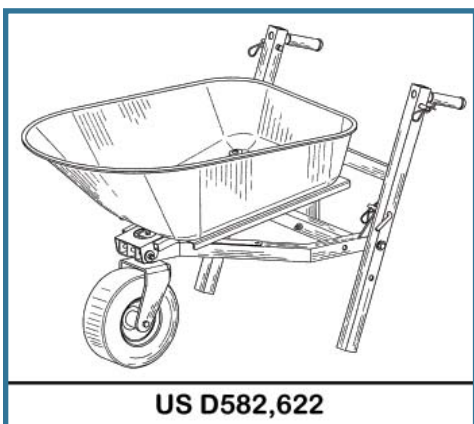
IP Bulletin

Trends in Patent, Copyright, Trademark and Technology Development and Protection

DESIGN PATENTS PROVIDE AN INEXPENSIVE AND EFFECTIVE MEANS OF INTELLECTUAL PROPERTY PROTECTION AND SHOULD BE CONSIDERED FOR BUILDING AN INTELLECTUAL PROPERTY PORTFOLIO

Although product creators and manufacturers may initially consider the popular utility patent as a way to protect their products, design patents may also provide a strategic avenue for obtaining intellectual property protection and should not be overlooked when formulating an intellectual property portfolio strategy.

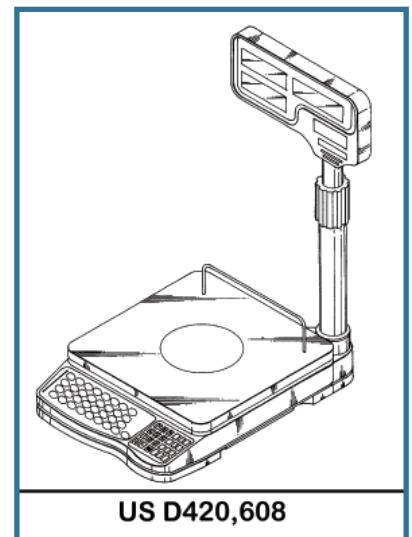
The more popular utility patent provides a protection mechanism for the *utilitarian* features of an invention, that is, the useful features or how an article is used and works. To obtain a utility patent for an invention, the patent applicant must meet the tests of novelty and non-obviousness, show that the claimed subject matter falls within a patentable category, and provide a sufficient specification such that *one of ordinary skill in the art* will be able to make and use the invention described.



Unlike a utility patent, a design patent protects only the visual or *ornamental* characteristics of a product, in other words, how the product looks. In fact, a design patent can contain only

a single claim worded such as, “*The ornamental design of an [article] as shown and described.*”

Unlike a claim in a utility patent, which is defined by the *words* of the claim, the claim in a design patent is the *drawing* or drawings. While the “article” must be named in the claim, such as a “lamp shade” or “shower caddy,” the most critical segment of a design patent is the drawings portion which must provide a sufficient number of views to disclose the complete appearance of the claimed design.



It is therefore important to file a design patent application only *after* a design has been finalized and is ready for release, such as presentation at a trade show or for production. If a design patent application is filed prior to the final product design version, any changes made to the actual product design would not be covered by the design patent. The design intended to be covered must be the design shown in the drawings of the design patent application.

The statutory language that provides the basis for design patent protection is 35 U.S.C. § 171, which states that an applicant may obtain a design patent for “any new, original, and ornamental design for an article of manufacture” provided that the legal requirements

are met. The Manual of Patent Examining Procedure (MPEP) asserts that the case law has interpreted the language “new, original and ornamental design for an article of manufacture” to include at least three types of designs including:

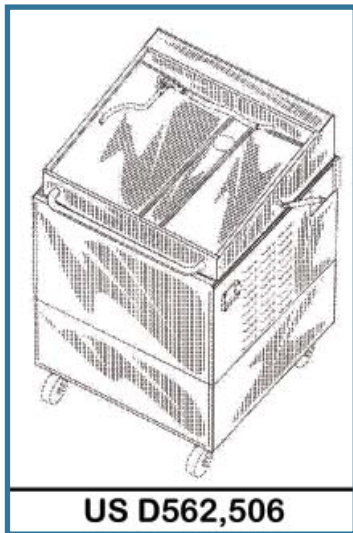
A) “an ornament, impression, print, or picture applied to or embodied in an article of manufacture (surface indicia);”

B) “the shape of configuration of an article of manufacture;” and

C) combinations of A and B.

It is important to note that while a design patent claims the look of a product, this does not preclude the product from having a utilitarian purpose. The necessary consideration for design patentability is that the appearance must not be dictated by the product’s use, but rather must be for esthetic purposes. However, as stated in the MPEP “[t]he design for an article *cannot be assumed* to lack ornamentality merely because the article of manufacture would seem to be primarily functional.”

An understanding of the wide scope and variety of “articles of manufacture,” or products, that may be covered by a design patent may be obtained by a review of the USPTO’s Design Patent Classes. As set forth in the table on page 3, the USPTO currently lists 33 Design Patent Classes and a catch-all category, “Miscellaneous.” Virtually any type of product will fit into one or more of the Design Patent Classes.



Design patents have been obtained for everything from “Aqueous Parts Cleaners” to “Wireless Transceivers,” and examples of both of these are shown below as reproduced from actual design patents.

These examples illustrate that a utilitarian apparatus may be subject matter for a

design patent if the apparatus embodies an ornamental design.

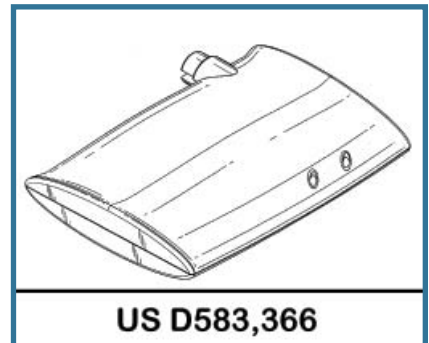
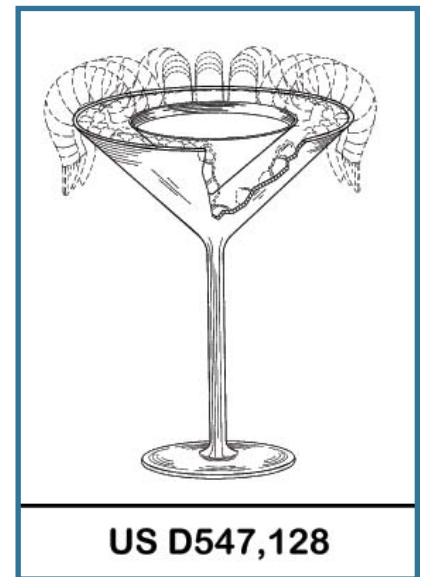
Examples of design patents are numerous and are illustrative of the wide scope of articles that fall within the purview of design patent protection. Another example is a “Shrimp Cocktail Serving Container” claimed in U.S. Design Patent D547,128 (issued Jul. 24, 1997). Figure 1 of the design patent is reproduced below.

A design patent has a term of 14 years from its date of issue, in contrast to a utility patent, which has a term of 20 years from its date of filing. Per the most recent USPTO fee schedule, the filing fees for a design patent application (filing, search and examination fee) are only \$460.00 versus \$1,090.00 for a utility patent application. For a small entity, the fee is reduced by half.

A design patent portfolio can therefore be of critical value to any inventor or business, including a small business or start-up, that has a unique product appearance and needs to be protected from copying by others.

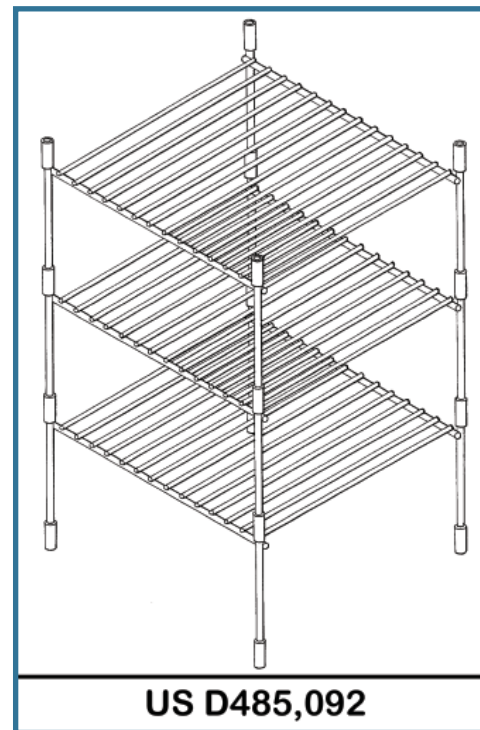
A design patent provides this necessary protection against copying and can be a determining factor in the types of obtainable damages.

One example of a successful design patent court action, filed in the U.S. District Court for the Northern District of Illinois, involved a defendant who



USPTO Design Patent Classes	
Class	Description
D01	Edible products
D02	Apparel and haberdashery
D03	Travel goods and personal belongings
D04	Brushware
D05	Textile or paper yard goods; sheet material
D06	Furnishings
D07	Equipment for preparing or serving food or drink not elsewhere specified
D08	Tools and hardware
D09	Packages and containers for goods
D10	Measuring, testing, or signaling instruments
D11	Jewelry, symbolic insignia, and ornaments
D12	Transportation
D13	Equipment for production, distribution, or transformation of energy
D14	Recording, communication, or information retrieval equipment
D15	Machines not elsewhere specified
D16	Photography and optical equipment
D17	Musical instruments
D18	Printing and office machinery
D19	Office supplies; artists' and teachers' materials
D20	Sales and advertising equipment
D21	Games, toys, and sports goods
D22	Arms, pyrotechnics, hunting and fishing equipment
D23	Environmental heating and cooling; fluid handling and sanitary equipment
D24	Medical and laboratory equipment
D25	Building units and construction elements
D26	Lighting
D27	Tobacco and smokers' supplies
D28	Cosmetic products and toilet articles
D29	Equipment for safety, protection and rescue
D30	Animal husbandry
D32	Washing, cleaning or drying machine
D34	Material or article handling equipment
D99	Miscellaneous

was copying and importing a patented stackable shelf and shower caddy. The patents involved were U.S. Design Patents D485,092 (issued Jan. 13, 2004) for the "Stackable Shelf" and D489,207 (issued May 4, 2004) for the "Shower Caddy."

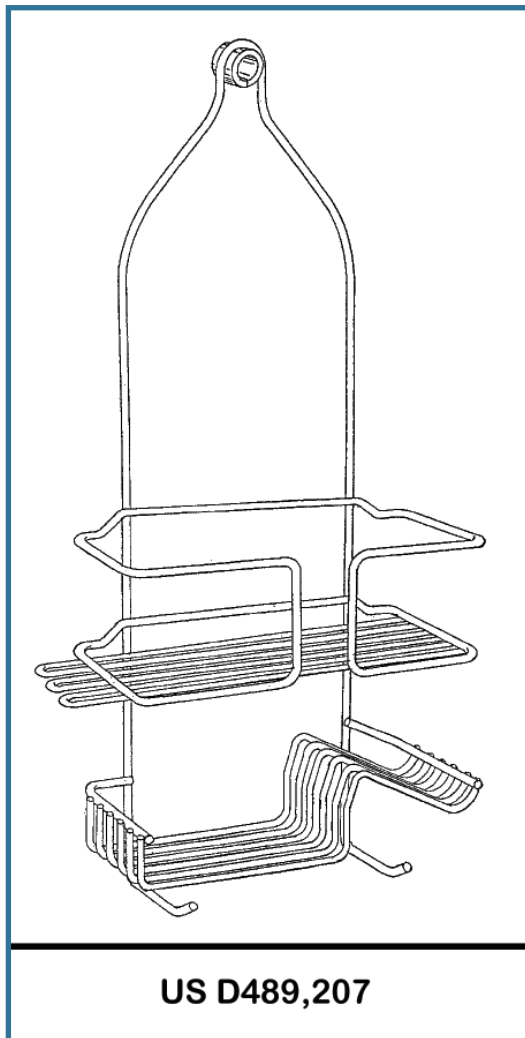


The defendant engaged an overseas manufacturer in China to produce copies of the patented designs for sale in the U.S. The patent owner successfully obtained a very favorable settlement based on the sales, against both the defendant and the manufacturer in China. Although the court action involved trade dress and copyright claims as well as patent infringement, the infringement claim presented liability for willful infringement and attorney fees, which would not have been possible under the trade dress or copyright claims alone.

Recent Federal Circuit case law has also proved favorable to design patent holders in terms of the law of infringement determination.

In *Egyptian Goddess, Inc. v. Swisa, Inc.* (Fed. Cir. 2008), the Federal Circuit held that the test for infringement is the "ordinary observer" test and that the "point of novelty" test should no longer be used in

the analysis of a claim of design patent infringement. Under the point of novelty test, courts held that to prove infringement of a design patent, a plaintiff needed to show that, in addition to an accused device being “substantially similar” to the claimed design, the



accused device contained “substantially the same points of novelty that distinguished the patented design from the prior art.” The Federal Circuit in *Egyptian Goddess* held that the point of novelty test should no longer be used and stated that the sole test for determining infringement of a design patent is whether “the accused article embodies the patented design or any colorable imitation thereof.” The

“ordinary observer” test was originally set forth by the Supreme Court in *Gorham Co. v. White*, 81 U.S. 511 (1871), which involved a design patent for tablespoon and fork handles.

An accused design will still be viewed in the context of the prior art, however, especially if the prior art area is crowded. The question under the standard is whether an ordinary observer, familiar with the prior art designs, would be deceived into believing the accused product to be the same as the patented product.

One can see that the infringement standard articulated by the Federal Circuit affords a design patent holder a measure of protection from willful copiers who seek to produce knock-off versions of the patented product. Further, all the remedies available to a utility patent holder are likewise applicable to a design patent holder, that is, injunction and damages, including damages for willful infringement. Importation into the U.S. may also be blocked using a design patent.

USPTO statistics show that the number of design patent grants, from patents originating in the U.S., has risen from 7554 in 2005 to 13,494 in 2007, a 78% increase. However, foreign originating U.S. design patent grants have risen from 5397 in 2005 to 10,569 in 2007, a 95% increase over the same period. The key players in 2007 were Japan with 2417 grants, Taiwan with 1355, South Korea with 957 and Germany with 810. China with 462 grants in 2007 had a 183% increase over its 2005 design patent grants and has been steadily increasing its share of design patents since 1999.

In spite of these increases, the overall number of design patents granted per year is still small compared to the number of utility patent grants, which numbered over 200,000 for 2007. This may be an indication that the power of design patents may not be fully appreciated by current U.S. businesses.

Therefore, design patents should be considered as a part of an initial or overall intellectual property portfolio and may provide a cost-effective means of product protection for individual inventors or business entities of any size. ■

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