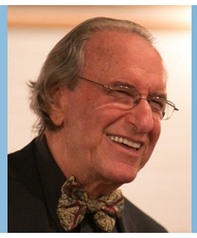
THE UNDERAPPRECIATED DESIGN PATENT

Paul J. Sutton
Sutton Magidoff



While a great deal of attention is paid to—and 90% of US court decisions are directed to—utility rather than design patents, far too little attention is afforded to the US design patent. Except for publicity surrounding Apple's smartphone litigation against Samsung, news stories rarely focus upon the power and importance of design patent protection. In particular, design patent damages can far exceed those associated with utility patents.

Title 35 of the US Code § 171 provides for the issuance of design patents. In its use of the term "design", the statute contemplates the ornamental (non-functional) appearance of an article, including its shape or configuration or surface ornamentation applied to the article, or a combination of those.

A design patent is a type of industrial design right, although the laws of foreign countries that protect designs of that name will differ and will afford different scopes of protection.

Design patents are often used to protect physical objects such as jewellery, the shape of beverage and other containers, furniture, and other articles of manufacture, to name but a few. This type of patent protects a single design, or minor variations of it.

Utility patents, unlike design patents, offer a far broader scope of functional protection, including business methods, manufacturing processes, mechanical devices, electrical circuits, the applications of algorithms, software associated with products and services, and chemicals. The claims of a utility patent will use language to define the scope of the subject invention so that a reader can distinguish between that invention and anything not covered by the patent.

This latter function is important in enabling those who read patents to be able to lawfully design around what is claimed without subjecting themselves to liability for patent infringement. For the scope of protection in design patents, attention is focused on the patent's drawings.

Courts look to 35 USC § 284 to determine damages for utility patent infringement. This statute permits "damages adequate to compensate for the infringement, but in no event less than a reasonable royalty". With design patents, courts under 35 USC § 289 can award an infringer's total profit.

Clearly, that sum will far exceed a reasonable royalty rate, giving the owners of design patents an incredibly powerful damages weapon against infringers. That said, courts—using a 'single recovery rule'—have been loath to award a double damages recovery to the owners of both utility and design patents where the infringement claims arise from a common set of operative facts.

Another benefit of design patents is the relatively low cost in pursuing their grant compared to the cost of pursuing utility patents. Often, applications for design patents result in issuance in less than 12 months.

A design patent filed on or after December 18, 2013 will have a non-renewable life of 15 years from the date of its grant; those filed before that date have a life of 14 years from grant.

The test for establishing design patent infringement can be found in the 2008 Federal Circuit *en banc* decision in *Egyptian Goddess v Swisa*.

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This ruling provided an 'ordinary observer' test. The court presented a single inquiry, namely: whether an ordinary observer who is familiar with the prior art would be deceived into thinking that a design accused of infringement was the same as a patented design. If so, infringement is established.

Parties who wilfully copy the products of others can often do so in a slavish manner, making them particularly vulnerable to those who have acquired intellectual property protection such as design patents. For such parties, it is often their goal to confuse the consuming public into thinking that their knockoffs are genuine. Their slavish copying can run afoul not only of design patents, but also of trademark rights.

By investing slightly more creative time and energy into the ornamental design appearance of their products, manufacturers will be able to pursue design patent protection along with trademark protection. Where possible, trademark protection may afford the benefit of an indefinite life. The relationship between design patents and trademarks will be treated in another *WIPR* article. ■

Paul J. Sutton is a founding partner of IP boutique law firm Sutton Magidoff. He can be contacted at: paul@suttonmagidoff.com