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Is Design Patent Examination Too Lax?

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IS DESIGN PATENT EXAMINATION TOO LAX?

Sarah Burstein[†]

TABLE OF CONTENTS

I. INTRODUCTION	608
II. BACKGROUND	611
III. FEDERAL CIRCUIT CASE LAW.....	613
A. NOVELTY.....	613
B. NONOBVIOUSNESS	616
C. ORNAMENTALITY	621
IV. LESSONS & IMPLICATIONS	624

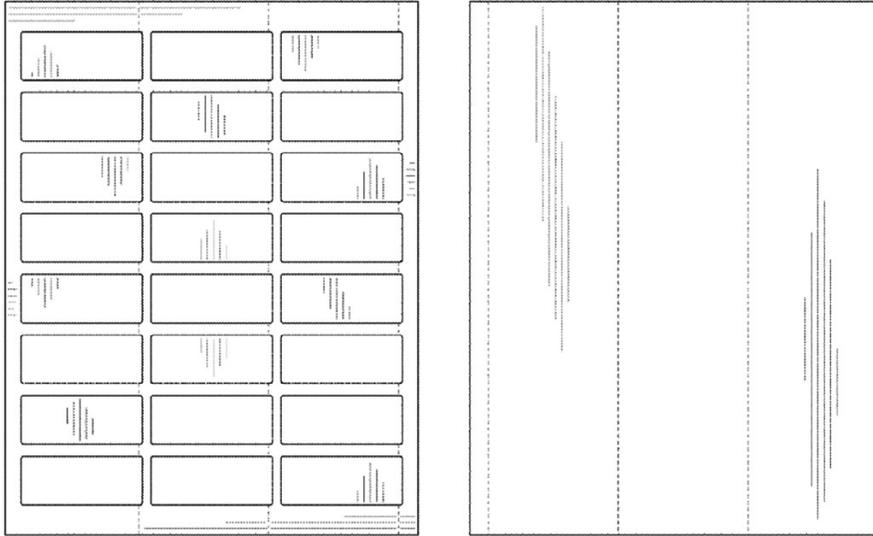
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I. INTRODUCTION

To be patentable, a design is supposed to be novel, nonobvious, and ornamental.¹ But every week, the U.S. Patent and Trademark Office (USPTO) issues patent for designs that seem to be none of the above.² For example, this recently-issued design patent claims a design for a sheet of labels:³

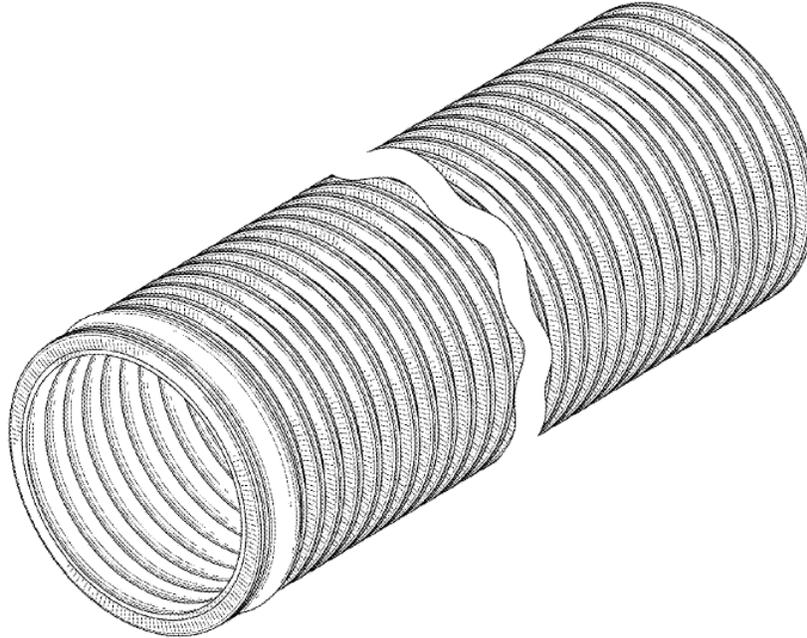


1. See 35 U.S.C. §§ 171(a)–(b) (Supp. I 2013).

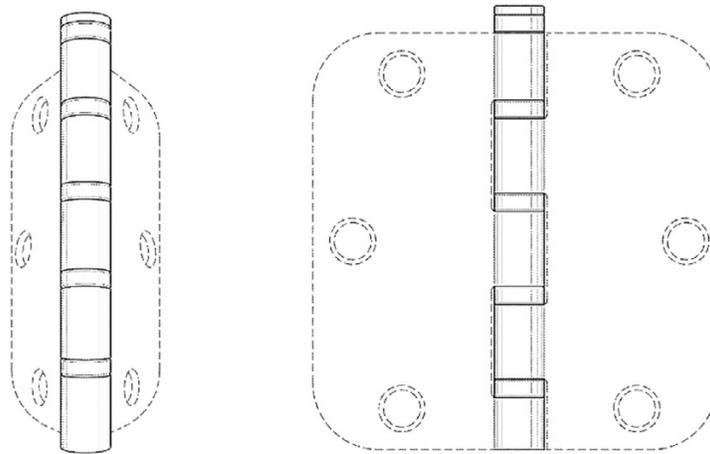
2. See Sarah Burstein, *Costly Designs*, 77 OHIO ST. L.J. 107, 125 (2016) (collecting examples); see also DESIGN LAW TUMBLR, <http://design-law.tumblr.com/tagged/seriously%3F> [<https://perma.cc/QDE3-J66G>] (last visited Oct. 24, 2018). Other commentators have expressed incredulity about the validity of other issued design patents. See, e.g., Hannah Brown, *Having Your Cake and Eating It Too: Intellectual Property Protection for Cake Design*, 56 IDEA 31, 83 (2016) (“It is difficult to believe that the patent examiners would see a circular design with simple strawberries on top as ‘non-obvious’ Yet the USPTO approved the design”) (referring to Combined Cake and Ice Cream Dessert, U.S. Patent No. D571,526 (claiming priority to an application filed June 23, 2004)).

3. Label Sheet Assembly, U.S. Patent No. D813,944, figs.2–3 (filed Mar. 13, 2017).

This one claims a design for an exhaust pipe:⁴



And this one claims a design for a door hinge:⁵



4. Exhaust Pipe for Water Heater, U.S. Patent No. D816,196 figs.1-2 (filed Sept. 26, 2016).

5. Door Hinge, U.S. Patent No. D816,460 fig.1 (filed Jul. 20, 2016).

While reasonable people might disagree about the qualitative merits of these designs, quantitative analyses show that there is a very high allowance rate for U.S. design patent applications. In a 2010 study, Professor Dennis Crouch found that “[f]or the past decade, the allowance rate for design patent applications has remained over 90%.”⁶ During the same period, the allowance rate for utility patents was reportedly 44%.⁷ In a random sampling of design patents issued in a single year, Professor Crouch calculated “a prior-art-based rejection rate of only 1.2%.”⁸ Instead, most of the rejections were based on drawing problems and other technical deficiencies.⁹

This state of affairs has led some commentators to argue that the USPTO is being too lax in examining design patent applications.¹⁰ Professor Crouch

6. Dennis D. Crouch, *A Trademark Justification for Design Patent Rights* 18 (Aug. 10, 2010) (unpublished manuscript) http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1656590 [<https://perma.cc/4VRB-H4HE>] (“For the past decade, the allowance rate for design patent applications has remained over 90%.”).

7. *Id.* (“The 90+% allowance rate for design patents can be contrasted with the reported 44% allowance rate for utility patent applications.”) (citing *American Innovation at Risk: The Case for Patent Reform Before the Subcomm. on Courts, the Internet, and Intellectual Property of the H. Comm. on the Judiciary*, 110th Cong. (2007) (statement of Jon W. Dudas, Undersecretary of Commerce for Intellectual Property and Director of the U.S. Patent and Trademark Office), <http://www.ogc.doc.gov/ogc/legreg/testimon/110s/Dudas022708.doc>; Shine Tu, Stephen B. Maebius, & Jonathan W. Dudas, *Squeezing More Patent Protection from a Smaller Budget Without Compromising Quality*, 2 LANDSLIDE 35, 37 (2009)).

8. *Id.* at 19.

9. *See id.* (The most common rejections were based on the doctrines of enablement, written description, and indefiniteness. These rejections—typically asserted collectively—were often overcome by a patentee’s ministerial clarification of aspects of the originally submitted drawings.”). Following the United States’ ratification of the Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs, the overall allowance rate is likely to go down because foreign applicants aren’t always familiar with the technical requirements, such the drawing rules, that apply to U.S. design patent applications. For more on the Hague Agreement, *see* Burstein, *supra* note 2, at 155.

10. *See, e.g.*, Michael Risch, *Functionality and Graphical User Interface Design Patents*, 17 STAN. TECH. L. REV. 53, 61–62 (2013) (stating that graphical user interface (GUI) design patents “are better examined than other design patents,” their examination is still lax); *id.* at 68 (“The PTO has no track record of rigorously examining images to determine whether they are novel or obvious.”); James Grimmelmann, *If Our Top Patent Court Screws up Slipper Patents, How Can It Rule Sensibly on Smartphones?*, WASH. POST (Sept. 24, 2013), <https://www.washingtonpost.com/news/the-switch/wp/2013/09/24/if-our-top-patent-court-screws-up-slipper-patents-how-can-it-rule-sensibly-on-smartphones/> [<https://perma.cc/DED6-K9X6>] (“Even a moment’s glance at the Snoozies design patent shows that someone was asleep on the job at the Patent Office when it was issued.”) (referring to Slipper, U.S. Patent No. D598,183 (issued 2009)); and *High Point Design LLC v. Buyer’s Direct, Inc.*, 730 F.3d 1301 (Fed. Cir. 2013)). Some commentators have argued the opposite, suggesting that the U.S. design patent examination system is actually rigorous. *See, e.g.*, Erica Pruetz, Note, *Protecting Car Design Internationally: A Comparison of British and American Design Laws*, 24 LOY. L.A. INT’L & COMP. L. REV. 475, 505 (2002) (“[D]esign patents are very . . . difficult for car designers to obtain

even argued that the USPTO's high allowance rates indicate that the agency has silently "abdicat[ed] . . . its gatekeeper function in the realm of design patents."¹¹

This Article offers an alternate explanation for the high allowance rate for U.S. design patent applications. It argues that the USPTO approves so many design patent applications not because it is shirking its duties, but because it has to.¹² Specifically, this Article argues that the U.S. Court of Appeals for the Federal Circuit has made it nearly impossible for the USPTO to reject any design patent claim—regardless of how ordinary, banal, or functional the claimed design might be.

This Article proceeds in three Parts. Part III provides a brief overview of U.S. design patent law and practice. Part IIII demonstrates how the Federal Circuit's case law on of novelty, nonobviousness, and ornamentality makes it extraordinarily difficult for the USPTO to reject design patent applications on those bases. Part IV explores some lessons that can be drawn from and implications of this analysis.

II. BACKGROUND

Section 171 of the Patent Act provides: "Whoever invents any new, original and ornamental design for an article of manufacture may obtain a patent therefor, subject to the conditions and requirements of this title."¹³

because design patents are examined by the U.S. Patent Office and often undergo the same rigorous analysis as normal patents. In addition, the U.S. examiner often seeks to invalidate design patents because they are too similar to protected designs.") (citing RICHARD G. GALLAFENT, *INTELLECTUAL PROPERTY LAW AND TAXATION* 31 (1998)). However, these arguments do not accurately reflect the realities of the current design patent examination process. *See* Crouch, *supra* note 6, at 18–19.

11. Crouch, *supra* note 6, at 19 ("The high-allowance rate appears to be primarily triggered by the USPTO's *sub silentio* abdication of its gatekeeper function in the realm of design patents."); *see also id.* at 17 ("Based on the data, I argue that the US design patent examination system is operating as a *de facto* registration system rather than as one based on a true examination."). Crouch does not, however, frame this as a criticism of the system. Instead, he argues the United States should lean into this "*sub silentio* abdication" and "consider switching from a *de facto* design patent registration system to one that is *de jure*." *Id.* at 49.

12. In prior work, Michael Risch acknowledged that design patent "examiners' hands are tied to some extent" by "the obviousness rules for design patents." Risch, *supra* note 10, at 70. In this Article, I argue that the Federal Circuit's section 103 case law binds examiner's hands to more than just "some extent." I also broaden the discussion to include the effects of the Federal Circuit's decisions about the separate requirements of novelty and ornamentality, topics I have touched on but not explored as deeply in prior work. *See* Burstein, *supra* note 2, at 139–40; Burstein, *infra* note 43.

13. 35 U.S.C. § 171(a) (2012).

Those other “conditions and requirements” include novelty and nonobviousness.¹⁴

A design patent gives its owner the right to prevent others from to making, using, selling, offering to sell, or importing the patented design.¹⁵ To prevail on a claim for infringement, the patent owner must prove that “an ordinary observer, taking into account the prior art, would believe the accused design to be the same as the patented design.”¹⁶ If “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.”¹⁷ If the claimed design and the relevant portion of the accused design are not plainly dissimilar, when considered in a vacuum, the prior art can be used “to identify differences that are not noticeable in the abstract but would be significant to the hypothetical ordinary observer familiar with the prior art.”¹⁸ Thus, the prior art does not have to be considered by the factfinder in every case. The use of the prior art in the design patent infringement analysis is a one-way ratchet—it can be used to narrow the presumptive scope of a claim but cannot be used to broaden it.¹⁹

14. *See id.* §§ 102, 103; *see also* *Int’l Seaway Trading Corp. v. Walgreens Corp.*, 589 F.3d 1233, 1238 (Fed. Cir. 2009) (“Section 171 requires that the ‘conditions and requirements of this title’ be applied to design patents, thus requiring application of the provisions of sections 102 (anticipation) and 103 (invalidity).”). These requirements will be discussed in more detail below. *See infra* Section III.

15. *See* 35 U.S.C. § 271(a). But “a design patent protects only the claimed design, not the general design concept.” Burstein, *supra* note 2, at 117; *see also* DESIGN LAW TUMBLR, *supra* note 2 (July 2, 2014), <http://design-law.tumblr.com/post/90571053836/does-this-reflector-for-use-in-golf-infringe> [<https://perma.cc/2AAX-23QX>] (discussing an example of “the ‘concept fallacy in design patent litigation—i.e., where the design patent owner (and/or the owner’s counsel) seems to be under the mistaken impression that design patents cover general design concepts instead of specific designs”).

16. *Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d 665, 682 (Fed. Cir. 2008) (en banc); *see also generally* Sarah Burstein, *The Patented Design*, 83 TENN. L. REV. 161, 174 (2015) (noting that “[t]he ordinary observer is a hypothetical person, like the ‘reasonable person’ in tort law”) (citing *Arminak & Assocs., Inc. v. Saint-Gobain Calmar, Inc.*, 501 F.3d 1314, 1321 (Fed. Cir. 2007), *overruled on other grounds by* *Egyptian Goddess*, 543 F.3d at 671). This is the only test for design patent infringement; “there is no separate test for infringement by equivalents.” Burstein, *supra* note 2, at 118.

17. *Ethicon Endo-Surgery, Inc. v. Covidien, Inc.*, 796 F.3d 1312, 1335 (Fed. Cir. 2015) (citing *Goddess*, 543 F.3d at 678).

18. *Id.*

19. *See id.* (rejecting Ethicon’s attempt to do just that); *see also* Sarah Burstein, *The “Article of Manufacture” in 1887*, 32 BERKELEY TECH. L.J. 1, 11 (2017) (“[I]n analyzing infringement, the fact finder must compare the claimed portion of the design—i.e., whatever is shown in solid lines in the patent drawings—to the corresponding portion of the accused design. If the relevant portion looks ‘the same,’ in light of the prior art, the patent is infringed.”).

Like other patents, design patents are granted following substantive examination by the USPTO.²⁰ Once issued, a design patent is presumed valid.²¹ Therefore, a party challenging the validity of a design patent must prove it is invalid “by clear and convincing evidence.”²² The U.S. Court of Appeals for the Federal Circuit has exclusive jurisdiction over appeals in design patent cases and from design patent decisions issued by the USPTO.²³

III. FEDERAL CIRCUIT CASE LAW

The three main substantive requirements for design patentability are novelty, nonobviousness, and ornamentality. This case will explain how the Federal Circuit’s case law on these issues makes it difficult, if not impossible, for the PTO to reject design patent applications on these bases.

A. NOVELTY

To be patentable, a design must be novel.²⁴ The familiar utility patent maxim, “[t]hat which infringes, if later, would anticipate, if earlier,” also applies to design patents.²⁵ Therefore, the same test is used for infringement and anticipation.²⁶ As noted above, a design patent is infringed when “an ordinary observer, taking into account the prior art, would believe the accused design to be the same as the patented design.”²⁷ Thus, a design patent is anticipated when an ordinary observer, familiar with the prior art, would believe that the claimed design is the same as the prior art design.²⁸ In other words, “[d]esign patent anticipation requires a showing that a single prior art reference is

20. See 35 U.S.C. § 131 (2012). Unlike the patent attorneys and agents who prosecute design patents, design patent examiners are required to have a background in art or design. See Sarah Burstein, *Design Patent Myths—On examiners and expertise*, FACULTY LOUNGE (Oct. 30, 2013), <http://www.thefacultylounge.org/2013/10/design-patent-examiners.html> [<https://perma.cc/C6ZL-L83V>] (reproducing a list of design patent qualifications from a recent USPTO job posting).

21. See *Ethicon*, 796 F.3d at 1328 (“Design patents enjoy the same presumption of validity as utility patents under 35 U.S.C. § 282.”) (citing *L.A. Gear, Inc. v. Thom McAn Shoe Co.*, 988 F.2d 1117, 1123 (Fed. Cir. 1993); 35 U.S.C. § 171).

22. *Id.*

23. 28 U.S.C. §§ 1295(a)(1), (a)(4) (2012).

24. 35 U.S.C. § 102.

25. *Int’l Seaway Trading Corp. v. Walgreens Corp.*, 589 F.3d 1233, 1239 (Fed. Cir. 2009) (quoting *Peters v. Active Mfg. Co.*, 129 U.S. 530, 537 (1889)).

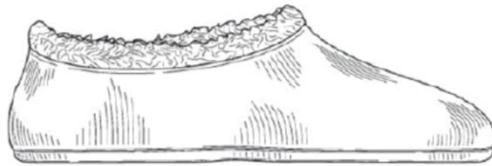
26. *See id.*

27. *Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d 665, 682 (Fed. Cir. 2008) (en banc); *see supra* Part II.

28. *See Int’l Seaway*, 589 F.3d at 1241 (holding that the *Egyptian Goddess* “ordinary observer” test is the test for design patent anticipation); *see also Egyptian Goddess*, 543 F.3d at 682.

‘identical in all material respects’ to the claimed invention.”²⁹ Like infringement, “[a]nticipation is a question of fact.”³⁰

The Federal Circuit’s recent decision in *High Point v. BDI* illustrates how close a reference must be to anticipate a claimed design under section 102. In that case, the accused infringer argued that this patented design below was anticipated by these two prior art references.³¹



**D’183 patent,
Figure 5**



**Laurel Hill
Prior Art**



**Penta
Prior Art**

The district judge agreed and granted summary judgment of invalidity:

[T]he district court first determined that the Laurel Hill anticipated because it also had “a structured body, a soft-looking fluff surrounding the opening of the slipper, and a sole that appears durable and fairly thick.” The district court then found that the Penta also anticipated, concluding that the Penta was even more similar to the D’183 patent than the Laurel Hill. The court found that the Penta

29. *High Point Design LLC v. Buyer’s Direct, Inc.*, 621 F. App’x 632, 638 (Fed. Cir. 2015) (quoting *Door-Master Corp. v. Yorktowne, Inc.*, 256 F.3d 1308, 1312 (Fed. Cir. 2001) (quotation marks omitted)).

30. *Id.* at 637 (citing *Int’l Seaway Trading Corp. v. Walgreens Corp.*, 589 F.3d 1233, 1237 (Fed. Cir. 2009)).

31. *See id.*

“conveys the visual effect of a slipper, the body and sole of which have some defined shape and solidity but which has a protrusion of fluff or fuzz emanating from the foot opening.” Although the district court noted that a close study of the patented and prior art designs revealed differences, those differences were “minor” and insufficient to defeat anticipation.³²

The Federal Circuit reversed, concluding that “the district court fundamentally erred in its analysis by analyzing the designs from ‘too high a level of abstraction’ and failing to focus ‘on the distinctive visual appearances of the reference and the claimed design.’”³³ The Federal Circuit found “meaningful differences between the curvatures of the slipper body designs,” “clear differences between the protruding fuzz of the claimed and prior art designs.”³⁴

In light of the narrow scope given to design patents in the infringement context, the Federal Circuit was correct in concluding neither the Penta nor the Laurel looked “the same” as the claimed design. If they had come later, neither the Penta nor the Laurel would have been deemed to infringe the claimed design. And that is a good thing—design patents should be given a narrow scope because even objectively “small” changes can have a big effect on the *gestalt* of the design as a whole. Consider, for example, how every faucet company seems to have its own version of a blocky, “modern” design. In any case, long as the infringement-anticipation symmetry is maintained and as long as courts (quite rightly) keep giving design patents a narrow scope, it will be very difficult for the USPTO to deny any design patent claims as anticipated.³⁵

32. *Id.* (internal citations omitted). In a prior decision in the same case, the district judge “found that the Penta ‘looks indistinguishable from the drawing shown in the ‘183 Patent,’ and that the Laurel Hill, ‘while having certain differences with the Penta slipper that are insubstantial and might be referred to as streamlining, nonetheless has the precise look that an ordinary observer would think of as a physical embodiment of the drawings shown on the ‘183 Patent.’” High Point Design LLC v. Buyer’s Direct, Inc., 730 F.3d 1301, 1309 (Fed. Cir. 2013) (quoting High Point Design LLC v. Buyer’s Direct, Inc., No. 1:11-cv-04530, 2012 WL 1820565, at *2 (S.D.N.Y. May 15, 2012)).

33. High Point Design, 621 F. App’x at 644 (quoting High Point Design, 730 F.3d at 1314).

34. *Id.* at 639.

35. Mueller and Brean have argued for an even more stringent anticipation standard, arguing that a design should only deem to be anticipated “only in instances where the design had been *exactly* disclosed in the prior art. Examples of such instances include prior publications, public uses, or sales of the identical, now-claimed design.” Janice M. Mueller & Daniel Harris Brean, *Overcoming the “Impossible Issue” of Nonobviousness in Design Patents*, 99 KY. L.J. 419, 543 (2011). That, of course, would make it even harder for the USPTO to reject design applications.

B. NONOBVIOUSNESS

In addition to being novel, a patentable design must not be obvious.³⁶ Under Federal Circuit case law, “the ultimate inquiry under section 103 is whether the claimed design would have been obvious to a designer of ordinary skill who designs articles of the type involved.”³⁷ To this end, the Federal Circuit has created a two-part test.³⁸ First, the court must identify a primary reference—“a something in existence, the design characteristics of which are basically the same as the claimed design.”³⁹ If there is a proper primary reference, then “other ‘secondary’ references may be used to modify it to create a design that has the same overall visual appearance as the claimed design.”⁴⁰ To qualify as a proper secondary reference, a design must be “so related [to the primary reference] that the appearance of certain ornamental features in one would suggest the application of those features to the other.”⁴¹ This “so related” language has a long pedigree but its meaning has never been particularly clear.⁴² In recent years, however, it has become rare for courts to even reach step two because the Federal Circuit has required such a high degree of similarity at step one.⁴³

36. 35 U.S.C. § 103 (2012).

37. *MRC Innovations, Inc. v. Hunter Mfg.*, 747 F.3d 1326, 1331 (Fed. Cir. 2014) (quoting *Titan Tire Corp. v. Case New Holland, Inc.*, 566 F.3d 1372, 1380–81 (Fed. Cir. 2009)) (internal quotation marks omitted).

38. For more on this test, see generally Sarah Burstein, *Visual Invention*, 16 LEWIS & CLARK L. REV. 169 (2012).

39. *MRC Innovations*, 747 F.3d at 1331. This requirement can be traced back to the CCPA’s 1982 decision in *In re Rosen*. See 673 F.2d 388, 391 (C.C.P.A. 1982). Therefore, the primary reference is sometimes referred to as a “*Rosen* reference.” See, e.g., *Campbell Soup Co. v. Gamon Plus Inc.*, 2018 WL 1582295, at *2 (PTAB Mar. 27, 2018).

40. *MRC Innovations*, 747 F.3d at 1331. Secondary considerations of nonobviousness may also be used if the patent owner can “demonstrate a nexus between the claimed design and the secondary considerations.” *Id.* at 1336.

41. *Id.* at 1331.

42. See Burstein, *supra* note 38, at 183–91. One commentator recently called the “so related” standard “eerily similar to the TSM standard that the Supreme Court rejected in *KSR*.” Scott D. Locke, *Design Patent Litigation: Is “Obvious to Try” Unavailable for Validity Challenges Under 35 U.S.C. § 103?*, 16 J. MARSHALL REV. INTELL. PROP. L. 173, 184 (2017).

43. See Sarah Burstein, *Moving Beyond the Standard Criticisms of Design Patents*, 17 STAN. TECH. L. REV. 305, 326 (2013) [hereinafter Burstein, *Standard Criticisms*] (“[U]nder the current law, the bar for invalidating a design patent under § 103 is quite high. If the Federal Circuit continues to require such a high degree of similarity between claimed designs and primary references, § 103 will bar few—if any—designs from patentability.”); see also generally Locke, *supra* note 42, at 181 (“For the USPTO and challengers to the validity of a design patent, the ‘basically the same test’ presents a high hurdle.”); Maureen Long, *The Nonobviousness Requirement for Design Patent: What Is the Standard and Why Shouldn’t It Obviously Be Modified After KSR?*, 45 AIPLA Q. J. 193, 213 (2017) (“The Federal Circuit adopted the *Rosen* Reference standard as step one in the design patent nonobviousness analysis and has continued to use it as a barricade

In theory, there should be some blue sky between a design that is “basically the same” as a claimed design (and thus qualifies as a proper primary reference) and a design that is “the same” as a claimed design (and thus anticipates that design).⁴⁴ But in practice, it’s difficult to see much difference in how these standards are applied.⁴⁵ As long as the Federal Circuit keeps requiring such a high degree of visual similarity for primary references, it will be difficult for the USPTO to reject design patent claims as obvious.

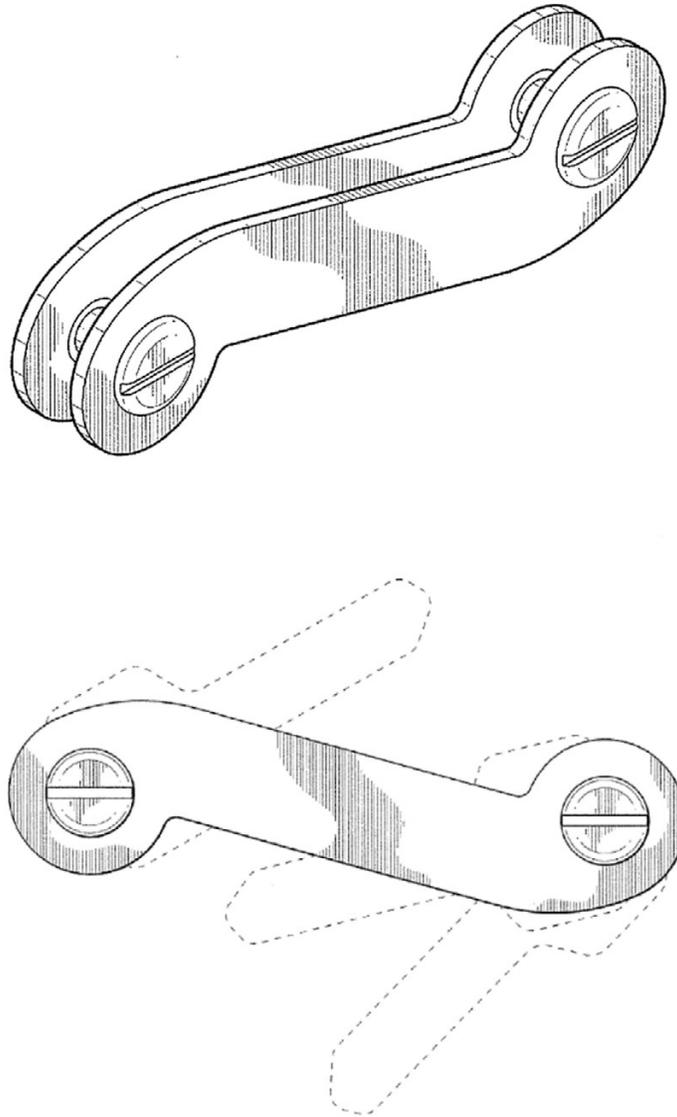
The PTAB’s recent decision denying institution of post-grant review in *Key-Bar, LLC v. Curv Brands, LLC*, illustrates how difficult it is to invalidate a design claim as obvious. In *Key-Bar*, the challenged patent claimed a design for a “Pocket Key Organizer”:⁴⁶

to continuing the analysis.”). After a period of some doubt, *MRC v. Hunter* proved that it is still possible for the Federal Circuit to bless a primary reference. See Sarah Burstein, *Design Patent Nonobviousness Jurisprudence-Going to the Dogs?*, PATENTLY-O (Apr. 3, 2014), <http://patentlyo.com/patent/2014/04/design-nonobviousness-jurisprudence.html> [<https://perma.cc/APM4-B36T>] (“For a while there, it looked like it was becoming practically impossible to invalidate any design patents under § 103. Now we at least know that it’s still possible.” (discussing *MRC Innovations*, 747 F.3d)). However, from listening to the oral arguments, one also gets the distinct impression that the judges—or at least former Chief Judge Rader—thought making sports jerseys for dogs just wasn’t that creative. See generally Oral Argument, *MRC Innovations, Inc. v. Hunter Mfg., LLP*, 747 F.3d 1326, No. 2013-1433, <http://oralarguments.cafc.uscourts.gov/default.aspx?f=2013-1433.mp3> [<https://perma.cc/V4N5-QE42>].

44. See Burstein, *Standard Criticisms*, *supra* note 43, at 325 n.115 (“It has never been precisely clear how similar a reference must be to be deemed to be ‘basically the same’ as the claimed design—i.e., how similar it must be do [sic] be deemed a proper primary reference. But it is clear that ‘basically the same’ must be different—and, specifically, less similar—than ‘substantially the same.’ If a prior design is ‘substantially the same’ as a claimed design, the claimed design will be anticipated.”).

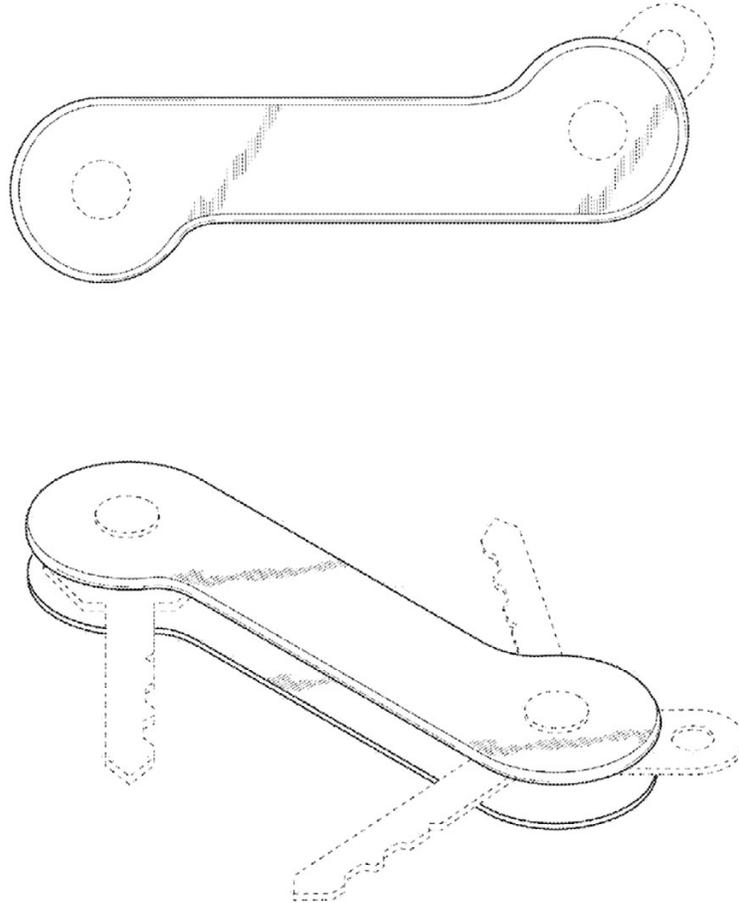
45. See, e.g., Burstein, *supra* note 38, at 202 (discussing Vanguard Identification Sys., Inc. v. Kappos (Vanguard III), 407 F. App’x 479, 480 (Fed. Cir. 2011) (per curiam)); Burstein, *Standard Criticisms*, *supra* note 43, at 325 (discussing Apple, Inc. v. Samsung Elecs. Co., 678 F.3d 1314, 1330 (Fed. Cir. 2012)).

46. *Key-Bar, LLC v. Curv Brands, LLC*, 2017 WL 1096586, at *1 (Mar. 22, 2017) (denying post-grant review); U.S. Patent No. D754,427 figs.1, 12. The portions shown in dotted lines “form no part of the claimed design.” U.S. Patent No. D754,427 (description of the drawings); see also U.S. PATENT & TRADEMARK OFFICE, MANUAL OF PATENT EXAMINING PROCEDURE § 1503-02(III) (9th ed. 7th rev., Nov. 2015) [hereinafter MPEP] (discussing when and how an applicant can use broken lines in a design patent drawing).



The challenger argued that the design was obvious and that an earlier design patent, Taylor, was a proper primary reference:⁴⁷

47. See Key-Bar, 2017 WL 1096586, at *3 (discussing U.S. Patent No. 728,922); U.S. Patent No. 728,922 figs.2, 8.



The Board did not agree. It concluded “that Taylor’s overall design differs from that of the claimed design” but avoided ruling on whether Taylor actually qualified as a proper primary reference.⁴⁸ According to the Board, “[E]ven assuming it does, we are not persuaded that the modifications proposed by Petitioner would result in “the same overall visual appearance as the claimed design.”⁴⁹ The Board explained:

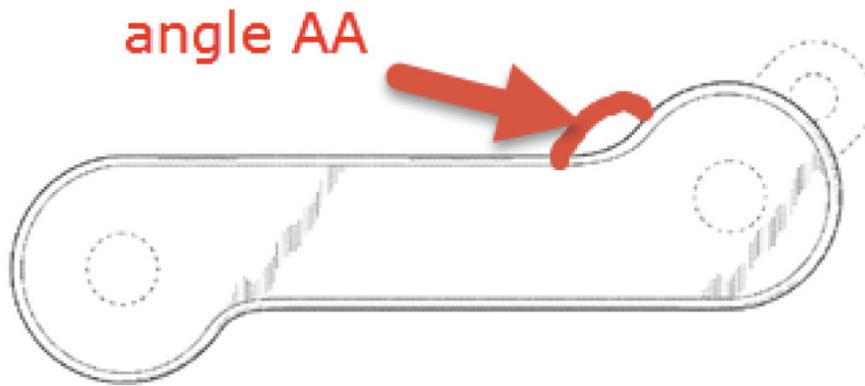
Petitioner simply states that “the 18° difference in angle size between the ‘427 patent design and that of Taylor has no real effect.” Petitioner, however, does not address Taylor’s lack of a transition

48. *Id.* at *4 (Mar. 22, 2017).

49. *Id.* (quoting *High Point Design, LLC v. Buyers Direct, Inc.*, 730 F.3d 1301, 1311 (Fed. Cir. 2013)).

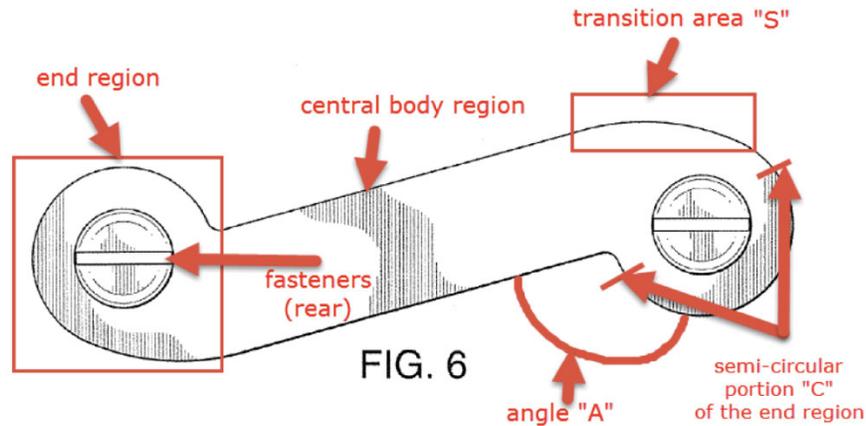
area S. Nor does Petitioner address how or why a designer of ordinary skill would modify Taylor's gradual angle AA to result in the claimed design's sharp angle A. It is unclear, for example, if Petitioner is proposing that an ordinary designer would bend the side of the end regions opposite angle AA, thereby creating a transition area to change angle AA, or would an ordinary designer change the shape of the end region, itself to accomplish the same result. Further, Petitioner also does not address why an ordinary designer would modify Taylor's fasteners, which are shown as small circles in the end regions, with no detail, by creating the larger fasteners of the claimed design, which have an elongated slot on the rear and a small inner circle on the front.⁵⁰

Here are the illustrations the Board used to identify the aforementioned "angle AA" and "area S":⁵¹



50. *Id.* (internal citation omitted).

51. *Id.* at *2-3.



As long as the Federal Circuit keeps applying such stringent and rigid standards, it will remain difficult for the USPTO to reject design patent applications under section 103—no matter how obvious the claimed designs might seem to be.

C. ORNAMENTALITY

A patentable design must also be “ornamental.”⁵² The Federal Circuit will deem a design to be “ornamental” unless: (1) it is not a “matter of concern;” or (2) it is “dictated by function.”⁵³ The Federal Circuit appears to assume that a design is “a matter of concern” unless it is “concealed in its normal and intended use.”⁵⁴ The court has taken a cradle-to-grave view of such use, ruling that “the ‘normal and intended use’ of an article . . . begin[s] after completion of manufacture or assembly and end[s] with the ultimate destruction, loss, or disappearance of the article.”⁵⁵ For example, in *In re Webb*, the court ruled that because a particular model of hip implant was seen by doctors prior to implantation and advertised using pictures, the Board could not assume that a design patent claim for the configuration of that implant was invalid for lack of ornamentality.⁵⁶ Therefore, today, it is very difficult for the USPTO to reject a design patent claim on the basis that it is not a “matter of concern.”⁵⁷

52. 35 U.S.C. § 171(a) (2012).

53. Sarah Burstein, *Commentary: Faux Amis in Design Law*, 105 TRADEMARK REP. 1455, 1457 (2015).

54. *In re Webb*, 916 F.2d 1553, 1557 (Fed. Cir. 1990).

55. *Id.* at 1557–58.

56. *See id.* at 1557–58.

57. Indeed, the USPTO regularly grants design patents for implants and other things that are not visible except when they are installed, repaired, etc. *See, e.g.*, DESIGN LAW TUMBLR, *supra* note 2, <http://design-law.tumblr.com/search/implants> [<https://perma.cc/7LZH-J24N>]

As to functionality, the Federal Circuit has ruled “that the overall appearance of the article—the claimed design viewed in its entirety—is the basis of the relevant inquiry, not the functionality of elements of the claimed design viewed in isolation.”⁵⁸ Therefore, the USPTO cannot reject a design (and a court cannot invalidate a patented design) based on a dissection of its parts. The Federal Circuit has also announced a “general rule that a design is ‘ornamental’ for purposes of 35 U.S.C. § 171 when it is not primarily functional.”⁵⁹ In other words, a patentable design must not be “dictated by the function performed by the article of manufacture.”⁶⁰ In determining whether a design is dictated by its function, it has long been clear that “the availability of alternative designs as an important—if not dispositive—factor in evaluating the legal functionality of a claimed design.”⁶¹ In this context, “to be considered an alternative, the alternative design must simply provide ‘the same or similar functional capabilities.’”⁶² So, if there are alternatives, the Federal Circuit will not deem the design to be unpatentable (or invalid) as functional.⁶³

(collecting just a few examples of design patents for implants).

58. *Ethicon Endo-Surgery, Inc. v. Covidien, Inc.*, 796 F.3d 1312, 1329 (Fed. Cir. 2015).

59. *Best Lock Corp. v. Ilco Uican Corp.*, 94 F.3d 1563, 1567 (Fed. Cir. 1996).

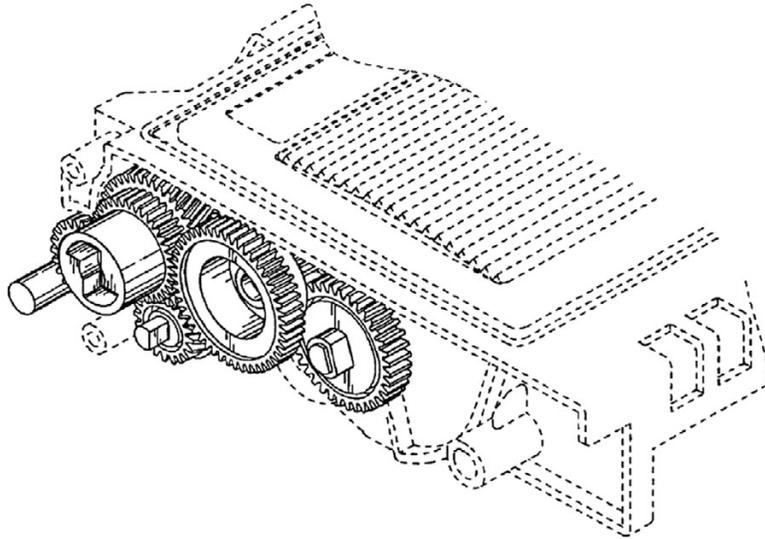
60. *Id.* (citing *Power Controls Corp. v. Hybrinetics, Inc.*, 806 F.2d 234, 238, 231 USPQ 774, 777 (Fed. Cir. 1986)); *see also* *Ethicon*, 796 F.3d at 1328 (“We have found designs to be essential to the use of an article when the claimed design is ‘dictated by’ the use or purpose of the article . . . Design patents on such primarily functional rather than ornamental designs are invalid.”).

61. *Ethicon*, 796 F.3d at 1329–30. *See Best Lock*, 94 F.3d at 1566 (“A design is not dictated solely by its function when alternative designs for the article of manufacture are available.”). In *Ethicon*, in an apparent attempt to reconcile some past decisions, the court suggested that there may be some instances “where the existence of alternative designs is not dispositive of the invalidity inquiry” and that, in such cases, a court “may” consider the factors announced in *Berry Sterling Corp. v. Pescor Plastics, Inc.* *Ethicon*, 796 F.3d at 1330; *see also* Burstein, *supra* note 53, at 1456 n.13 (“There are a few Federal Circuit cases that state that functionality should be decided using a multi-factor approach wherein the availability of alternatives is merely one factor, following *dicta* from *Berry Sterling Corp. v. Pescor Plastics, Inc.*”) (referring to 122 F.3d 1452, 1456 (Fed. Cir. 1997)) (citing *PHG Techs., LLC v. St. John Cos., Inc.*, 469 F.3d 1361, 1366–67 (Fed. Cir. 2006)). But the court did not explain where or how the existence of alternative designs would *not* be dispositive, especially in light of the rest of its analysis. *See id.* For example, the court concluded that Covidien had “not met its burden of showing that the Design Patents are invalid as functional” because it had “not shown by clear and convincing evidence that no designs other than those claimed in the Design Patents allow the underlying ultrasonic shears to perform their intended function.” *Id.* at 1332. It’s difficult to see any role for the *Berry* factors when the issue is framed in that way. In any case, the court ultimately re-affirmed the primacy of alternative designs in the functionality analysis. *See id.* at 1330.

62. *Ethicon*, 796 F.3d at 1331 (Fed. Cir. 2015) (quoting *Rosco, Inc. v. Mirror Lite Co.*, 304 F.3d 1373, 1378 (Fed. Cir. 2002)).

63. *See generally* Burstein, *supra* note 53, 1457 (2015) (“[I]n design patent law, ‘functional’ essentially means ‘the only configuration that is fit for a particular purpose.’”).

For example, in *Ex Parte Ishii*, the Board of Patent Appeals and Interferences considered this claimed design for a toner cartridge:⁶⁴



The examiner rejected the claim as not ornamental because “each element of the claimed design has been positioned and shaped in order to fit within the functional constraints of causing elements of the toner cartridge to work in conjunction with one another and with the machine to which it is connected.”⁶⁵ The Board reversed, stating:

We will not sustain the Examiner’s rejection because the claimed design of the toner cartridge as a whole is not dictated by function alone. The design of the toner cartridge could be changed, for instance, by making a gear cylinder hollow or not hollow or by changing the shape of projections or recesses on a gear cylinder and not affect the function of the toner cartridge. Therefore, the design is not dictated by function alone. . . . In this case, as the design of the gear cylinders could be changed without affecting the functionality of the gear cylinders, we hold that the design of the gears is not dictated by function alone.⁶⁶

64. See *Ex Parte Makoto Ishii*, No. 2008-2254, 2008 WL 6678012, at *3 (Nov. 26, B.P.A.I. 2008) (involving U.S. Patent Application No. 29/222,088); Toner Cartridge, U.S. Patent No. D590,992 fig.7 (issued Apr. 21, 2009 from U.S. Patent Application No. 29/222,088).

65. *Id.* at *1.

66. *Id.* at *2.

Thus, because there were alternative designs available for the gear arrangement, considered as a whole, the design was deemed to be “ornamental.”

Because there are almost always alternatives, Federal Circuit case law makes it incredibly difficult—if not practically impossible—for the USPTO to reject any designs for a lack of ornamentality.⁶⁷

IV. LESSONS & IMPLICATIONS

As this essay has demonstrated, current Federal Circuit law makes it nearly impossible for the USPTO to reject most design patent claims—no matter how banal, trivial, or uncreative. This, not some “*sub silentio* abdication of its gatekeeper function,” would seem to be the most likely explanation for the USPTO’s high design patent allowance rate.⁶⁸ So we shouldn’t blame the USPTO for (all) bad design patents.⁶⁹

This analysis also suggests that supplying examiners with more prior art won’t—in and of itself—significantly improve design patent quality. Janice Mueller and Daniel Brean have suggested that one main reason for “the very low incidence of USPTO rejections in design patent applications . . . for obviousness” is “the examiners’ inability to consistently access the most pertinent prior art designs.”⁷⁰ They argue that if examiners had access to “more and better design prior art,” that would “improve the quality of design patent examination.”⁷¹ Specifically, they recommend that: (1) the USPTO invest in “[m]ore comprehensive and sophisticated databases with advanced image-based search functionality;” (2) examiners make more frequent requests for information under 37 C.F.R. § 1.105 in order to request “information about any particularly relevant commercial databases, copies of non-patent literature authored by the design applicant, information the applicant knows about related art, and any other known factual information pertinent to

67. See generally DESIGN LAW TUMBLR, *supra* note 2 (collecting examples).

68. But see Crouch, *supra* note 6, at 19 (“The high-allowance rate appears to be primarily triggered by the USPTO’s *sub silentio* abdication of its gatekeeper function in the realm of design patents.”).

69. Of course, where problems have arisen from its own policies and interpretations, the blame can be laid squarely at the feet of the USPTO. See, e.g., Burstein, *supra* note 18, at 14 (discussing the USPTO’s rules regarding graphical user interface (GUI) design patents).

70. See Mueller & Brean, *supra* note 35, at 549. Mueller and Brean also suggest that “[e]xaminers may understandably hesitate to make inherently subjective determinations about the extent of a claimed design’s advance over prior art designs.” *Id.*

71. *Id.* at 433; see also *id.* at 549 (“[W]e recommend three ways in which the USPTO could enhance its access to pertinent design prior art. Implementing these measures would facilitate more meaningful patent examination and generate a more robust jurisprudence on the difficult issue of design patent nonobviousness.”).

patentability;” and (3) Congress amend the Patent Act to provide for the publication of design patent applications “immediately upon . . . filing” so that third parties could submit potentially relevant art for the examiner’s consideration.⁷²

While it certainly makes sense to take steps to make sure that design patent examiners have access to the most and best prior art possible,⁷³ the legal rules discussed above make it unlikely that doing so would actually have a significant effect on the design patent allowance rate.⁷⁴ Getting more art in front of the examiners is, however, still a good idea. If more and better prior art is cited in design patents, that may help accused infringers get a better idea of the actual scope of any asserted design patents. As discussed above, the prior art can be used to narrow a design patent claim’s presumptive scope. If there is a large body of close prior art for a particular design, that should be reflected in the patent document itself to save competitors from (at least some of) the burden of doing costly prior art searches of their own.

For similar reasons, publishing design patent applications is unlikely to garner much, if any, patent-seeking third-party prior art submissions. But it would also be advisable for other reasons. Publishing design patent applications would provide better public notice about how the USPTO is handling design patent applications and how often applications are being actually rejected, as opposed to abandoned. This would provide valuable information for both applicants and academics.

This analysis further suggests that the Federal Circuit should reconsider its tests for ornamentality and nonobviousness. As discussed above, having a high novelty bar makes sense in light of the (appropriately) narrow scope of design

72. *See id.* at 549–52. Gary Griswold has also called for the publication of design patent applications in order to improve design patent examination. *See* Gary L. Griswold, *Publishing Design Patent Applications: Time to Act*, PATENTLY-O (May 8, 2015), <https://patentlyo.com/patent/2015/05/publishing-design-patent-applications.html> [<https://perma.cc/5PME-FB7L>].

73. *See* Burstein, *supra* note 2, at 157 (suggesting that USPTO fee increases “could also help strengthen the . . . substantive screen by raising funds to purchase, develop or commission the development of better image-search technology for design patent examiners.”); *see also id.* at 139 (“[A]s discussed above, it is particularly difficult to locate and search for design patent prior art. However, the PTO appears to have done little to address this problem. The PTO could, for example, invest in better image search technology. It could also use a different system for coding and classifying designs, akin to how it classifies design trademarks.”).

74. *See supra* Section III; *see also* Burstein, *supra* note 2, at 139 (noting that “even if the PTO got better at finding prior art, the second problem would remain—Federal Circuit case law.”).

patents. But the Federal Circuit's interpretation of the statutory requirement of ornamentality and its test for nonobviousness are ripe for reconsideration.⁷⁵

Finally, in light of the USPTO's very high allowance rate, some might be tempted to conclude that design patent examination doesn't work and, perhaps, should be abolished. But, if the real problem is not the examination model but the controlling Federal Circuit case law, then we shouldn't give up on the examination model quite yet.⁷⁶

75. For more detailed analysis and suggestions on the issue of nonobviousness, *see* Burstein, *supra* note 38, at 172–76.

76. Indeed, the cost of the U.S. design patent application process has significant benefits separate and apart from any substantive screening function. *See* Burstein, *supra* note 2, at 109.