



Front Lines of Design

Spring 2017

A Design Patent and Trademark Newsletter

DESIGN PATENT NEWS

Design Day 2017 – April 25, 2017

The following is a summary of the proceedings which took place at Design Day 2017 at the U.S. Patent and Trademark Office

Welcome Speech - Andrew Hirshfeld and Karen Young

The Commissioner for Patents at the USPTO stated that there has been an increase in design patent filings overall (more than 39,000 in FY 2016) as well an increase in design applications that are filed and issued through the Hague system. He also mentioned that the USPTO has improved their imaging systems to provide for better quality images when patents are printed and reproduced. This may have a positive impact on design patents which include photographic drawing figures.

Karen Young was introduced as the new Director of Technology Center 2900 overseeing all design art units. She mentioned that all of the design examiners had training this year for the program PATH (Patents Training at Headquarters) and was proud to be overseeing 13 different art units. There is one director, 12 supervisory examiners, one design practice specialist and 187 examiners who are currently working on design applications. Ms. Young also echoed Commissioner Hirshfeld's statements regarding in increasing trend in design patent filings. According to Ms. Young, there are currently 44,500 U.S. design patent applications that are awaiting examination, with 37,200 applications receiving Office Actions in FY 2016.

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Ms. Young concluded that the annual workflow output of TC2900 still lags slightly behind the annual filings of design patent applications. However, the time from filing the design application until the first Office Action has improved to 12.9 months, with overall pendency also trending downward to 19.6 months.

International Developments in Design – David Gerk

David Gerk spoke about 3 different specific topics relating to international design patent developments: 1) Geneva Act of Hague Agreement (Trends and developments); 2) WIPO Developments; and 3) ID5.

Under the new Hague filing system there has been a 40% increase in Hague design applications filed each year in 2015 and 2016, based largely on the fact that the U.S., the Republic of Korea and Japan joined the Hague Convention. The United States is the 2nd most selected location under the Hague system behind the European Union. Turkey, Japan, and the Republic of Korea are also among the most frequently designated countries. The Hague express database makes it easy to search for applications online as they become public once registered. Mr. Gerk anticipated that Russia would join the Hague system this fall, followed by China, Canada and the United Kingdom.

The WIPO SCT committee discussed how to standardize design requirements and content to provide for consistency and ease of applicability amongst varying countries. They also issued WIPO SCT 36/2 REV survey in inquiring about protection of Graphical User Interfaces, Icons, typefaces and type fonts. Discussions are also continuing on a Design Law Treaty that would standardize the contents of design patent applications and set rules to harmonize the determination of a filing date, grace period, relief from deadlines and time limits, reinstatement of rights that may inadvertently become abandoned, and the correction or addition of claims of priority.

The ID5 group had their 2nd meeting in Beijing China where they discussed their projects. Here, the 5 largest industrial design offices get together to go over projects and discussions. The USPTO, EUIPO, JPO, KIPO, SIPO are members of the ID5 group, and WIPO joins as an observer. The United States is co-leading 4 of the ongoing 11 projects. The projects are provided on the website at: www.id-five.org.

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Designs North of the Border: Update on Canadian Practice – Todd Hunter

Todd Hunter discussed the similarities between the requirements of design patents between Canada and the United States. The CIPO is set up like the USPTO. Canada is also on its way to joining the Hague Agreement and is in the process of revising the Canadian regulations in order to make them compatible with the Hague system. Mr. Hunter indicated that Canada received 6,141 design patent applications, mostly from applicants in the United States, and then mostly from large, multinational corporations, such as Nike, Samsung, Procter & Gamble, Honda and Target Brands. In Canada, it may take on average of 9.8 months from the filing of a design application to its registration, and 3.5 months until a first examiner's report is received on formalities issues.

Canada also made changes in 2017 so that 1) color is now a claimable feature as part of an ornamental pattern; 2) animated designs may now be claimed as a single, continuous design, rather than each image being examined separately; and 3) accelerated examination has been improved in cases where the Applicant is able to present the certified priority document as proof of its claim of priority. Canada is also working on implementing digital access to service to exchange priority documents as well as approved methods for disclaiming color from a design claim.

Defending Design Litigations: if something is Amiss, Seek to Dismiss – Richard Stockton

Richard Stockton discussed how a preliminary motion to dismiss under the Federal Rules of Civil Procedure by means of a Rule 12(b)(6) [*failure to state a claim*] or Rule 12(c) [*judgement on the pleadings*] may be used to dismiss the case for design patent infringement at an early stage in the proceedings, where it is clear that the patented design and the accused infringing design are substantially different. Such a motion may be filed before substantial time and money have been spent on discovery, motions for summary judgment and trial.

A complaint for design patent infringement may be dismissed under Rule 12(b)(6) if “it appears beyond a doubt that plaintiff can prove no set of facts in support of his claim which would entitle him to relief.” *Hughes v. Rowe*, 559 U.S. 5, 10 (1980). Ordinarily, Rule 12(b)(6) does not permit “dismissal based on a judge’s disbelief of a complaint’s factual allegations.” *Nietzke v. Williams*, 490 U.S. 319, 326-27 (1989). However, the issue is not whether a plaintiff will ultimately prevail but whether the claimant is entitled to offer evidence to support the claims.” *Scheur v. Rhodes*, 416 U.S. 232, 236 (1974). This standard has evolved in recent years to require that more than mere notice pleading is required. Instead, the claim for design patent infringement that is pled in the complaint must be “plausible,” *Bell Atlantic v. Twombly*, 550 U.S. 544 (2007) in that the patented design and the accused infringing design must be “substantially the same to an ordinary observer.” *Egyptian Goddess, Inc. v. Swisa, Inc.* 543 F.3d 665 (Fed. Cir. 2008)(*en banc*). The more visual differences there are between the claimed design and the accused design, the more willing a federal court will be to dismiss the complaint, if the judge does not believe that there is a plausible case for infringement that can be proven.

Dismissal motions are a growing force to counter overzealous design patent enforcement. As of today, there is a 54% grant rate. Although it is not a fool-proof method for avoiding protracted and costly litigation of weak or frivolous claims of design patent infringement, it is being used more often as a standard tactic in design patent infringement litigation.

Patent Prosecution Best Practices Panel: Views from Examiners and Practitioners

A panel of senior design patent examiners and design patent attorneys discussed practical issues for the preparation and prosecution of design patent applications before the USPTO. When design applications are filed with the USPTO, examiners take a cursory look to make sure that the title, broken lines, and descriptive matter are all in accordance with standard practice. Examiners group designs together according to visual likeness to conduct a search of a group of similar designs and they do not examine applications in order based on their respective filing dates.

Interestingly, examiners provided that in order to perform an accurate search of the claim they need to know the function of the design, as the design patent classification system is based on the use and function of the design, not its ornamental appearance. Practitioners may not provide a sufficiently specific title in the application to enable a proper classification and searching of the design, and there seems to be some tension as to describing the functionality of the claim in terms of classification of the design. Therefore, examiners have suggested that including descriptive statements in the specification which describe the intended use and function of unique products may be particularly helpful in this regard.

Certain designs have dual purposes and therefore examiners suggested that providing an IDS with specific citations of special products and arts to search in dual purpose products will help to alleviate any possible confusion or concerns that may come up in prosecution.

Examiners provided that submitting photograph drawings in an appendix in addition to the black and white line drawings that define the claim help in understanding the drawings and to provide antecedent basis to make possible adjustments and clarifications in the application, or to support the filing of a future continuation application. Overall, the examiners preferred black & white line drawings to photographic drawings, in terms of their overall clarity and quality. However, the examiners acknowledged that the USPTO is making efforts to improve the image quality of the drawings printed in design patents, which may lessen the disfavor of using photographic drawings.

When photographic drawings are used, issues arise regarding how to show the unclaimed features of the design that is disclosed in them. The examiners suggested that the claimed portion should be shown using a sharp, high-resolution graphical image, and the unclaimed portion should be shown using a “ghosting” technique which increases the opacity of the image, and by surrounding the unclaimed portion with a dot-dash line in order to indicate a boundary of the claimed design.

Shading is also extremely important to the Examiners and should be provided to fully understand the shape and contours of a design. The Examiner’s expressed that without sufficient surface and contour shading on all claimed features, it is often not possible for them to fully understand what the claimed design is. Examiners welcome as much detail as an applicant can give.

The Examiners also commented favorably on the use of Preliminary Amendments to select particular embodiments of the design for prosecution before receiving a restriction requirement, and for changes to the the scope of the claim.

The Examiners also suggested that when a priority claim is made, any changes between the priority application and the child application should be discussed by the Applicant, including where the design claim in the child application is shown in the priority application. This will assist the examiners in approving the priority claim.

Evolving Design IP vs. Evolving Fashion Trends: Stitching it all Together

This panel discussed the integration of fashion and high tech product design. A designer dress was worn at the MET Gala in 2015 which included LED flowers that would change color based on the feedback that was received on social media. Fashion trends typically last for a 3 month period of time and therefore may not be feasible to seek a design patent, given the time required to examine the application and issue the design patent. More designer brands are obtaining design patents in the United States, registration of their designs internationally, and are seeking other intellectual property possibilities such as copyright, trademarks and trade dress. Often an interdisciplinary approach to intellectual property protection is required, based on the nature and shelf-life of the particular fashion item. Designers have increased their focus on core matters such as location and being more strategic in seeking out non-legal remedies as well. The use of social media has increased with brands seeking consumer help to protect their brands from counterfeiting. Fashion and hardware/technology sectors can learn from each other in applying creativity and functionality while making valuable products that form a hybrid of the two (intel and fashion).

How Prosecution Affects Claim Interpretation and Enforcement of Design Rights

This panel discussion focused on how events that take place during the prosecution of a design patent application may significantly affect the arguments that the patent owner and accused infringer make during a patent infringement litigation. The panel discussed two hypothetical cases which highlighted how certain routine actions taken by the examiner or the applicant during prosecution of a design patent application may result in a narrowed, limited interpretation of the design claim. Those actions include the following:

- Including reasons for allowance in the Notice of Allowance. If the Examiner describes the reasons for allowing the design claim, such as why the design claim is distinguishable from the prior art that is of record in the case, or why certain features make the claim enabled and/or definite, then a defendant in a patent infringement case may argue that the design claim is limited to the features of the design claim that were identified by the examiner, so that an accused infringing design that did not include those features would not infringe. However, it is unclear what effect the unilateral statements that are made by the examiner in a Notice of Allowance would have on a Court's interpretation of a design claim. Courts may disregard them, because those statements were not admissions made by the Applicant. However, care should be taken to review an examiner's reasons for allowance carefully, and to challenge any reason that is not accurate or which may result in an unusually narrow interpretation of the design claim if it were to be introduced later in a design patent infringement litigation.
- Claiming color. If an applicant represents to the examiner that a specific tone or shade of color is being claimed (*i.e.* lime green in the example used in the panel), the design patent claim may be

- interpreted later to be limited to that particular tone or shade of color, so that an accused infringing design that uses a similar but not identical tone or shade of the same color may be found not to infringe.
- If a design claim is amended in order to claim or disclaim a feature that is necessary to meet the written description requirement of 35 U.S.C. 112(a) or to make the design claim enabled and definite under Section 112(a) and (b), then the design claim may be interpreted later to be limited to a design which includes the additional feature or which excludes the feature that is disclaimed, so that any accused infringing design that either lacks the additional feature or includes the disclaimed feature will not be found to infringe.
- If arguments are made by the Applicant during prosecution in order to explain how the claimed design is different from the prior art that has been cited by the examiner against it, then the design claim will likely be limited to that narrowing description. Therefore, any accused infringing designs that do not include the features of the claimed design that distinguished that design from the prior art, may be found not to infringe the design patent. The same is true of any amendments to the design claim that are made to avoid the prior art. If the accused infringing design does not include the new features that were claimed to avoid the prior art, then it will likely be found not to infringe.

Design Patent Case Law Overview

Design Day concluded with the annual discussion of developments in design patent law. The discussion this year included updates and developments in the *Apple v. Samsung* design patent damages case, and decisions of the Patent Trial and Appeal Board. Because those topics are very important to design patent practice, we have included two separate articles in this newsletter which discuss those topics in greater depth than they were covered at Design Day.

UPDATE ON THE *APPLE V. SAMSUNG* DESIGN PATENT DAMAGES CASE

On December 6, 2016, the U.S. Supreme Court issued its landmark ruling in the pivotal case of *Apple Inc. v. Samsung Electronics Co., Ltd.* The Supreme Court was asked to decide whether the owner of valid U.S. design patents may collect, as the measure of its damages, the entire profit that the infringer of those patents earned from the sale of the entire assembled consumer product that incorporates the patented designs, or whether the amount of damages may be limited to the portion of that profit that is attributable to the individual components of that product that directly incorporate the patented designs, which may be substantially less than the total profit. A federal jury had awarded Apple \$399 million in damages for Samsung's infringement of three of Apple's design patents, which are directed to the design and shape of the front face and bezel of smartphones, as well as arrangement of graphical user interface icons on a display screen. That damage award was based on the total profits that Samsung had earned from the sale of the infringing smartphone products as a whole.

The Supreme Court held squarely in favor of Samsung, and determined that an award of damages for infringing a design patent need not be the final, fully-assembled end product sold to the consumer but may be only a component of that product. The Supreme Court clarified that a damages award under § 289 involves two steps: (1) “identify the ‘article of manufacture’ to which the infringed design has been applied;” and (2) “calculate the infringer’s total profit made on that article of manufacture.” Although Apple and Samsung, along with the Solicitor General of the United States, advocated for particular tests and methods for identifying the article of manufacture, and for calculating the amount of total profits that should be awarded for design patent infringement, the Supreme Court declined to decide what the proper tests and methods should be. The Supreme Court instead remanded the case back to the United States Court of Appeals for the Federal Circuit for a determination of what the proper tests and methods should be for calculating damages for design patent infringement in light of the Court’s opinion.

Apple and Samsung then filed legal briefs with the Federal Circuit, advocating for how they believed the Federal Circuit should deal with the many issues relating to the calculating damages for design patent infringement that the Supreme Court’s declined to decide. Apple asked the Federal Circuit panel to retain the case and affirm the district court’s \$399M judgment. Apple argued that the issue of design patent damages could be decided by the appellate court, because the identity of the relevant “article of manufacture” (*i.e.*, Samsung’s entire smartphone devices) was never disputed at trial. Apple argued further that the evidence that was presented to the jury at the trial could not have supported an award of the infringer’s total profits on anything other than Samsung’s complete, fully-assembled smartphones. Because identification of the article of manufacture is a question of fact, and because, according to Apple, Samsung failed to offer evidence supporting any other determination of “article of manufacture” other than that it should be the entire smartphone, the Federal Circuit should affirm the jury’s verdict.

Samsung, on the other hand, urged the Federal Circuit not to affirm the original award and instead to remand the case back to the district court where the case was originally tried before a jury. In Samsung’s view, the Supreme Court’s ruling removes the legal foundation upon which the jury’s verdict was based, and undermines the factual basis for the \$399M award. At the Supreme Court, Samsung had argued that it was denied discovery from Apple of the cost and profits attributable to the components of the infringing devices in which the patented designs were embodied, and was denied the ability to present expert reports and testimony (and to cross-examine Apple’s experts) regarding the total profits attributable to those components at trial. As a result, Samsung argued to the Federal Circuit on remand that it is entitled to a new trial before a jury, where the jury has been properly instructed according to the legal standards now set by the Supreme Court, and the jury was presented with a full evidentiary picture, based on full discovery of the value of the components of the infringing products that embody the patented designs.

Samsung argued further that the new trial should take place *before* the Federal Circuit resolves any “open legal issues” from the Supreme Court’s decision, including the tests and methodology that should be used for identifying the article of manufacture and calculating the total profits that are attributable to the infringement. Samsung argued that if the district court is allowed to make the initial determination of these issues, then the Federal Circuit will have the benefit of a complete legal record before it that includes factual evidence that is directed to the value of the relevant components of the iPhone that was excluded from the original trial.

In the end, the Federal Circuit declined to follow either Apple's or Samsung's recommendation. Instead, the Federal Circuit remanded the case to the district court, because it believed that the district court was in a better position to evaluate the evidentiary record and determine whether a new trial on the issue of damages, or any other further proceedings were warranted. If the district court decided to grant a new trial, then the Federal Circuit believed that the district court should have the opportunity to determine what the proper standards, tests and methodologies are for identifying what the article of manufacture should be in this case, as well as how to properly calculate the total profit that is attributable to that article.

On April 4, 2017, the district court directed the parties to submit legal briefs on the issue of whether Samsung waived its arguments that the "article of manufacture" can be anything less than the fully-assembled product in this case. The Court's determination of this issue will most likely have a direct impact on whether Samsung will be entitled to a new trial on the issue of design patent damages in light of the Supreme Court's decision. If Samsung is determined to have waived its "article of manufacture" argument, then it is unlikely that the district court will grant a new trial on damages, and the \$399M jury verdict will be upheld.

In its legal brief, Apple argued that no further proceedings are needed with respect to the jury's previous award of \$399M in damages for Samsung's infringement of Apple's design patents, because Samsung has waived its argument that the article of manufacture can be anything other than the entire, fully-assembled smart phone product. Apple argues that Samsung never raised before the district court or the Federal Circuit its argument that the article of manufacture can be a component part of the assembled product, rather than the entire assembled product as a whole. Apple asserts that this argument was presented for the first time to the Supreme Court.

According to Apple, Samsung conceded at trial that the article of manufacture was the entire, fully assembled product, and instead argued that the total profit earned from that article of manufacture should be "apportioned" between the value of its design elements and the value of its technical or functional elements, so that only the value of the design elements could be recovered as the measure of damages for design patent infringement. Because Section 289 of the Patent Act, which governs design patent damages, does not allow for "apportionment" of damages for design patent infringement in the way that Samsung requests, Apple contends that the district court properly denied Samsung's repeated requests for discovery of "apportionment" evidence, and properly excluded the testimony of Samsung's experts regarding "apportionment" of damages. Since Samsung only advocated at trial for an "apportionment" of damages, and never argued for definition of "article of manufacture" as a component of the total product, Apple contends that Samsung has waived its ability to overturn the jury's verdict on remand based on the Supreme Court's definition of "article of manufacture."

Samsung, of course, disagrees, arguing that the existing \$399M judgment cannot simply remain in place even though the Supreme Court has now reversed the district court's and the Federal Circuit's interpretation of Section 289 of the Patent Act. According to Samsung, Apple tried the entire design-patent portion of its case in this Court on the theory that a finding of design-patent infringement entitled it under Section 289 to Samsung's total profit on the accused smartphones *as a matter of law*, even if the patented designs were applied only to narrow portion of the phones. Samsung contends that it consistently argued for the opposite

interpretation of Section 289—namely, that total profit under Section 289 may be *less than* the profit on the entire phones where the patented designs apply only to portions of the phones. In its brief, Samsung asserted that it repeatedly argued in the alternative for either of two possible rules that might be used to implement this interpretation of Section 289: (1) that total profit under Section 289 should be apportioned to limit recovery to profit attributable to the patented design; or (2) that total profit under Section 289 should be limited to profit from the “articles of manufacture” to which Apple’s designs had been applied—namely, in this case, to profit from components that are less than the entire phone.

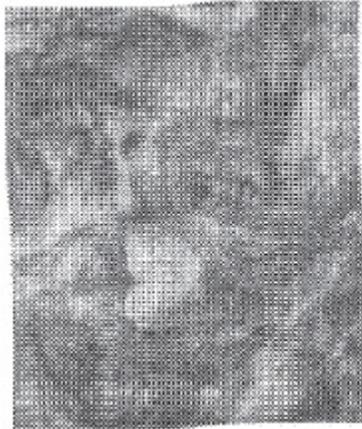
While Apple sought to combine these two proposed rules as both forbidden “apportionment” arguments, Samsung repeatedly argued for the “article of manufacture” rule as an alternative rule distinct and separate from an “apportionment” rule. For example, at trial Samsung requested that the district court agree to its proposed jury instruction embodying the “article of manufacture” rule that the jury “should award only those profits which were derived from the article of manufacture to which Apple’s patented design was applied” and that “[t]he article of manufacture to which a design has been applied is the part or portion of the product as sold that incorporates or embodies the subject matter of the patent.” Samsung argued further that the district court’s choice of Apple’s jury instructions over Samsung’s, and its ruling that the “article of manufacture” must be the entire assembled product, does not mean that Samsung waived its “article of manufacture” argument at trial. Since the Supreme Court’s new rule invalidates the legal premise on which design-patent damages were tried in the earlier trials, renders erroneous the district court’s instructions to the jury, and eliminates any legal basis for the \$399 million design-patent award amounting to Samsung’s total profit on its entire phones, Samsung argues that it is entitled to a new trial on the damages for design patent infringement. Samsung concludes by arguing that there was substantial evidence entered at trial that the article of manufacture infringing were particular individual components of the Samsung smartphones.

Based on Samsung’s arguments, it appears likely that the district court will reopen the case and order a new trial on the issue of design patent damages in light of the interpretation of “article of manufacture” that was entered by the Supreme Court. The district court may also allow Samsung limited fact and expert discovery regarding the dollar amount of the total profit that is attributable to the relevant components of the Samsung smartphones that embody the patented designs that Samsung was not able to obtain before the original trial. The district court may decide whether to grant a new trial by early summer.

PATENT TRIAL AND APPEAL BOARD DISCUSSES CLAIM CONSTRUCTION, ANTICIPATION AND OBVIOUSNESS OF DESIGN PATENT CLAIMS

The Patent Trial and Appeal Board (“the Board”) of the USPTO recently decided the case of *Johns Manville Corp. v. Knauf Insulation, Inc.*, in which it discussed issues relating to claim construction, anticipation and obviousness as they pertain to design patent claims. *Johns Manville* is notable not only for the detailed, comprehensive and insightful discussion of the law on these topics that was provided, but also because this is one of the first decisions of the PTAB that was rendered in a design patent case after a full evidentiary trial on the merits of the parties’ claims.

Johns Manville involved the *inter partes* review of the sole design claim in U.S. Patent No. D631,670 (“the ‘670 Patent”), which is directed to the design for “insulation material” that relates to mineral fiber insulation, such as glass mineral wool insulation, which may be used in commercial and residential construction applications. Color and black & white photographic drawings of the claimed design were reproduced in the Board’s decision.



The Board’s analysis began with a discussion of design patent claim construction. The Board acknowledged the general principle that during *inter partes* review, a claim will be given its broadest reasonable construction in light of the specification of the patent in which it appears, just like it is during the prosecution of the original design patent application. With respect to design patents, the Board acknowledged that a design is better represented by an illustration than by a verbal description, although “it may be helpful to point out various features of the claimed design as they relate to the prior art.” The Board was concerned about whether it would be appropriate to provide a verbal construction of the design claim in this case.

However, the Board ultimately decided that simply stating that the design claim covers “insulation material as shown in the sole figure of the ‘670 Patent” would not provide a substantive factual or evidentiary basis for comparison with the prior art, since the single photographic drawing figure that is provided in the patent was “on its face, visually amorphous, lacking clear structure, form and environment in which to give context to the design.” Therefore, the Board construed the design claim to include “a random swirl pattern” that has “a cloud-like appearance,” where the insulation material includes “a waffle pattern.” The Board considered the particular color shown in the sole figure as being ornamentation that plays a role in the patentability of the design, but which cannot be the sole basis for patentability. The Board found that the design claim displays colors “that sufficiently impart or convey a variation of distinct hues, including brown and cream.” The Board rejected as unnecessary several other proposed claim construction elements that were suggested by the patent owner.

The Board then discussed whether the ‘670 Patent was anticipated by the cited prior art. The Board discussed the controlling Federal Circuit case law (*Int’l Seaway Trading Corp. v. Walgreens Corp.*, *Goodyear Tire & Rubber Co. v. Hercules Tire & Rubber Co.*, *Crocs v. Int’l Trade Comm’n*, and *Egyptian Goddess v. Swisa*). The Board applied the standard ordinary observer test to determine whether the 670 Patent’s claim was

anticipated. Under the ordinary observer test, a design patent claim is anticipated if an ordinary observer, considering a product in the ordinary course of its business, would have been deceived into believing that the patented design was actually the prior art design. Such an ordinary observer would be familiar with prior art designs, and he or she would compare all the ornamental features of the claimed design to the prior art, so that the designs are considered as a whole. According to the Federal Circuit, this comparison takes into account only significant differences between the two designs, and minor differences cannot prevent a finding of anticipation. For purposes of this case, the Board defined the ordinary observer of insulation material as “the people who install such products in homes or other buildings, such as contractors and do-it-yourself homeowners.”

Johns Manville had alleged that the ‘670 Patent was anticipated by the OC PROPINK reference because it “discloses the same overall appearance as the claimed design of the ‘670 Patent”, as shown in the following comparison:

Jackson ‘670



Based on this comparison, the Board found that an ordinary observer would not be deceived into believing that the claimed design was actually the prior art design. Most noticeably, the Board found that the ordinary observer would have perceived a material color difference between the brown and cream color of the design claim and the pink color shown in the OC PROPINK reference. Since a significant element of the design claim was missing from the reference, no anticipation could be found. The Board relied on expert testimony from both parties in making its decision

The Board then proceeded to discuss whether the design claim of the ‘670 Patent was rendered obvious by the cited prior art. The Board discussed the legal standards set by the Federal Circuit for selecting and combining a primary reference and a secondary reference in order to render a design claim “obvious to a designer of ordinary skill who designs articles of the type involved.” A primary reference must have design characteristics which are “basically the same as” the claimed design, based on the correct visual impression created by the patented design as a whole, and whether the single primary reference creates “basically the same visual impression.” The primary reference may then be modified by the disclosure of the design found in a secondary reference, but only if the two references are so related “that the appearance

of certain ornamental features in one would suggest the application of the features in the other.” For purposes of this case, the Board defined the designer of ordinary skill in the art of the insulation material covered by the patent as “a product manager in the insulation manufacturing industry who has a technical (*i.e.*, engineering) background and who, on issues relating to color, may consult with a person such as a pigment specialist and/or binder chemist having background and training pertaining to color.

Johns Manville alleged that the ‘670 Patent was invalid for obviousness based on several combinations of cited primary and secondary prior art references. The Board disagreed that *any* of the combinations of prior art relied upon by Johns Manville rendered the sole claim of the ‘670 Patent unpatentable for obviousness. Among the reasons offered by the Board for rejecting particular prior art references as being sufficient to render the design claim obvious are:

- The photograph of the prior art JM Spin-Glas fiberglass insulation material shows the article too far away, so that the Board could not visually confirm that there was sufficient contrast in color to provide “a cloud-like appearance with variations in a swirl pattern” as the construction of the design claim requires.
- There were significant differences in colors between the claimed design and all of the prior art designs, so that the prior art falls outside of the color range covered by the design claim. The particular brown and cream colors shown in the ‘670 Patent, and their contrasting, swirling tones, were elements in the construction of the design claim. In one instance, the Board did not allow Johns Manville to use a secondary reference to supply brown or cream colors within the claimed color range, because no color within that range was disclosed by the primary reference.
- Color alone was not sufficient to disqualify a prior art reference as a primary reference.
- The cited prior art references did not disclose a “waffle pattern on the surface” of the insulation material, which was also required by the construction of the ‘670 Patent’s claim. However, the Board noted that slight differences in the appearance of the “waffle pattern” are not sufficient to disqualify the reference, because they may be inherent in the manufacturing process.
- The modifications to the primary references that were proposed by Johns Manville in light of the secondary references would not have resulted in the same overall visual appearance as the claimed design. Primarily, the Board found that the combined designs would result in colors (or variations in colors) that were different from the range of brown and cream colors that were claimed by the ‘670 Patent, or that the references did not provide a clear disclosure of the “cloud-like appearance” and “variations in a swirl pattern” that are claimed.

The Board also noted that it did not believe that the Supreme Court’s decision in *KSR International Co. v. Teleflex, Inc.*, applied to design patent cases, so that no specific explanation of “why” particular primary and secondary references should be combined needed to be given. According to the Board, all that is

required under a proper obviousness analysis for design patents is that the “suggestion” to modify the primary reference be found in the ornamental design relationship between the two references, *i.e.*, in the closeness of the relative ornamental appearance between the design disclosed the primary reference and the design disclosed in the secondary reference. However, the Board acknowledged that the Petitioner, Johns Manville, had the burden to compare and explain, with some level of detail, the relatedness of ornamental features in the primary and secondary references, so that there was a sufficient suggestion to combine references.

The Board in *Johns Manville* provided a principled analysis of the claim construction, anticipation and obviousness issues that may arise in any design patent case. Its decision provides insight into the Board’s current thinking about the role of claim construction in design patent cases, how a verbal claim construction of an ornamental design is determined, the significance of the differences that must be present between the claim and a reference before anticipation will not be found. The Board’s decision also provides a detailed discussion of the factors to be considered when determining whether a prior art reference is a proper primary reference, and when it can be properly modified by the disclosure of a secondary reference in order to render a design claim obvious. Therefore, *Johns Manville* should provide a clear roadmap for addressing these issues for litigants in future design patent cases before the Board.

The contents of this newsletter are for general informational purposes only, and do not serve as legal advice related to individual situations or as legal opinions concerning any situations. Counsel should be consulted for legal planning and advice before taking any action.

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