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## A Trademark Justification for Design Patent Rights

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## **A TRADEMARK JUSTIFICATION FOR DESIGN PATENT RIGHTS**

**Dennis D. Crouch**

**24 HARVARD JOURNAL OF LAW & TECHNOLOGY  
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# A TRADEMARK JUSTIFICATION FOR DESIGN PATENT RIGHTS

DENNIS D. CROUCH\*

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\* Associate Professor of Law, University of Missouri Law School. I presented early versions of this work at Stanford, Washington University, University of Texas, University of Georgia, and University of Missouri. The faculty and guests at those discussions provided invaluable assistance for this project - as did my research assistant, Kevin Dothager.

## I. INTRODUCTION

In a series of cases spanning more than one hundred years, courts and the US patent office have made clear that design patents are not to be justified by a fact that the newly invented ornamental design aids in distinguishing a company's product from those of its competitors.<sup>1</sup> This article reverses that conclusion and argues instead that the trademark-like distinctiveness function that helps eliminate customer confusion is the most compelling policy justification for the continued protection of design patent rights in the US.<sup>2</sup>

The first volume of the Yale Law Journal (1892) includes an article on design patent protection.<sup>3</sup> Since then, the field of design patent law (and even that original Yale Law Journal article itself) has suffered from a dearth of theory.<sup>4</sup> In cursory language, a number of courts have suggested that the foundation of design patents policy follows the same incentive-to-create approach of copyright and utility patent law.<sup>5</sup> I reject this traditional incentive model

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<sup>1</sup> See, William L. Symons, *The Law of Patents for Designs* 48 (1914) (citing *Wright v. Lorenz*, 101 O.G. 664; 1902 C.D. 340); *Rove v. Blodgett & Clapp Co.*, 112 F. 61 (2nd Cir. 1901). William H. Browne, *A Treatise on the Law of Trade-Marks and Analogous Subjects* 77 (1873); Francis Upton, *A Treatise on the Law of Trade Marks*, 17-18 (Albany: Weare C. Little, 1860) (arguing that design patent rights are "in no sense a trade-mark property"); *Ex parte Weinberg*, Com. Dec. 244, reprinted in Hector T. Fenton, *The Law of Patents for Designs* 255 (1889) (distinguishing design patents from trade marks); Jay Dratler Jr., *Trademark Protections for Industrial Designs*, 1988 U. Ill. L. Rev. 887 (1988) (discussing the relative policy goals of design patents and trademarks).

<sup>2</sup> *Qualitex Co. v. Jacobson Products Co., Inc.*, 514 U.S. 159, 164-165 (1995) (trademark law "seeks to promote competition by protecting a firm's reputation"). William Landes & Richard A. Posner, *The Economic Structure of Intellectual Property law* 198-199 (2003).

<sup>3</sup> Frederic Betts, *Some Questions Under the Design Patent Act of 1887*, 1 Yale L.J. 181 (1892).

<sup>4</sup> The closest attempt to justify design patent law may be a recent article by Daniel Brean who argues that design patents serve no role other than what is already covered by the laws of copyright and trademark. Daniel H. Brean, *Enough is Enough: Time to Eliminate Design Patents and Rely on More Appropriate Copyright and Trademark Protection for Product Designs*, 16 Tex. Intell. Prop. L.J. 325 (2008). Although an important work, Brean incorrectly suggests that the Supreme Court expressed consumer protection concerns as the purpose for design patent rights in its famous 1871 design patent case of *Gorham Co. v. White*, 81 U.S. 511, 528 (1871). Rather, in *Gorham*, the court suggested that the *patentees* would be injured by competitors misleading products because "a market which the patent was granted to secure is destroyed." *Id.* In straightforward language, the *Gorham* court offers its one sentence account of the purposes of design rights as "plainly intended to given encouragement to the decorative arts." *Id.*

<sup>5</sup> See, for example, *Forestek Plating & Mfg. Co. v Knapp-Monarch Co.* 106 F2d 554 (6<sup>th</sup> Cir. 1939); *Robert W. Brown & Co. v De Bell*, 243 F2d 200 (9<sup>th</sup> Cir. 1957); *Hueter v Compco Corp.*, 179 F2d 416 (7<sup>th</sup> Cir. 1950) (Purpose of design patent law is to promote decorative arts and stimulate exercise of inventive faculty in improving appearance of articles of manufacture); *Hadco Products, Inc. v Walter Kidde & Co.* 462 F2d 1265 (3<sup>rd</sup> Cir. 1972), *cert den* 409 US 1023 (1972) (Purpose of design patent statute is to reward and thereby encourage creative artistic activity rather than mere changes of detail which may produce novelty but do not reflect invention, and while distinctions in detail may sustain design as novel, they lose significance in establishing nonobviousness.); *Avia Group International, Inc. v. L.A. Gear California, Inc.*, 853 F.2d 1557, 1563 (Fed. Cir. 1988) ("When function dictates a design, protection would not promote the decorative arts, a purpose of the design patent statute.").

as unlikely to be important in most situations involving ornamental designs. Rather, I suggest the better justification for design patent doctrine lies in the notion that design patent rights serve as an alternative rule of evidence for trade dress protection.<sup>6</sup> Along this line, design patents simultaneously (a) aid in helping a manufacturer avoid the harm of customer confusion and (b) serve as a bulwark against further expansion of trade dress rights.

Design patents fit into the competition law as a parallel to trade dress rights protectable under the Lanham Act.<sup>7</sup> Both regimes focus on the visual appearance of a product or its packaging and both regimes allow the rights-holder to exclude others from uses that lead to customer confusion.<sup>8</sup> However, design patents are not merely a parallel alternative to trade dress. Rather, the existence of some practical differences means that design patents rights are available in situations where trade dress protection is unavailable or uncertain. For manufacturers and merchants, the practical failings of trade dress law often arise because of underlying design functionality or when the claimant lacks proof of distinctiveness of the design -- both of which limit the availability of trade dress rights.<sup>9</sup> Trade dress doctrine has laudable pro-competitive justifications for avoiding overprotection of functional designs.<sup>10</sup>

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<sup>6</sup> Trade dress refers to trademark rights protecting the visual appearance of a product or its packaging. Once established, the trade dress right-holder may prevent unauthorized uses that are likely to cause confusion as to the origin, sponsorship, or approval of the goods. See Part III.A.1, *infra*.

<sup>7</sup> See 15 U.S.C. §1125; *Wal-Mart Stores v. Samara Bros.*, 529 U.S. 205 (2000) (discussing trade dress rights under the Lanham Act). State law trade dress rights also available. See, for example, *Swisher Mower & Mach. Co., Inc. v. Haban Mfg., Inc.*, 931 F.Supp. 645 (W.D. Mo. 1996)(discussing Missouri trade dress law).

<sup>8</sup>A design patent may be infringed under either Section 271 or 289 of the Patent Act. 35 U.S.C. § 271, 289. In *Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d 665 (Fed. Cir. 2008) (*en banc*), the Federal Circuit held that design patent infringement is proven with evidence that an ordinary customer familiar with the prior art would understand that the accused device "embodies the patented design or any colorable imitation thereof." *Id.* (following and modifying *Gorham Co. v. White*, 81 U.S. 511, 528 (1871)). The general test for trade dress infringement asks whether a "likelihood of confusion" exists between right-holder's trade dress and the accused trade dress. 15 U.S.C. §1125; see also Adam L. Brookman, *Trademark Law: Protection, Enforcement, and Licensing* 69 (Aspen 1999).

<sup>9</sup> See *Traffix Devices v. Mktg. Displays*, 532 U.S. 23 (2001) (functionality); *Wal-Mart Stores v. Samara Bros.*, 529 U.S. 205 (2000) (distinctiveness),

<sup>10</sup> *Qualitex Co. v. Jacobson Products Co., Inc.*, 514 U.S. 159, 164-165 (1995) ("The functionality doctrine prevents trademark law . . . [from] inhibiting legitimate competition by allowing a producer to control a useful product feature. . . . If a product's functional features could be used as trademarks, however, a monopoly over such features could be obtained without regard to whether they qualify as patents and could be extended forever."); *Traffix Devices v. Mktg. Displays*, 532 U.S. 23 (2001); *Wal-Mart Stores v. Samara Bros.*, 529 U.S. 205 (2000); Peter Mims, *Promotional Goods and the Functionality Doctrine: An Economic Model of Trademarks*, 63 Tex. L. Rev. 639 (1984) ("the [nonfunctionality] doctrine rests on the judgment that the benefits of preventing monopoly power in the production of useful goods outweigh the increased search costs caused by duplication of features that have secondary meaning"). Although more limited, some courts have extended the nonfunctionality doctrine to limit the protection of trade dress that offers aesthetic functionality. Peter K. Yu, *Intellectual Property and Informa-*

However, as a gap-filler, design patent law includes its own safeguards directed toward ensuring that the public is not unduly limited in its access to functional articles. The safeguards are largely orthogonal to trade dress limitations, thus facilitating the potential for gap-filling. Importantly, patented designs cannot be taken from the public domain.<sup>11</sup> Rather to be patentable, the design must be a demonstrable advance from the prior art.<sup>12</sup> Design patent protection is also limited by a functionality doctrine.<sup>13</sup> Although weak when compared to the functionality limits of trademark and copyright laws, the design patent functionality doctrine restricts the protection of designs that would block competition on functional aspects of an apparatus.<sup>14</sup> Perhaps the most important safeguard of design patent law is the narrow interpretation of design patent scope.<sup>15</sup> The narrow coverage of a design patent focuses attention tightly on follow-on designs that are confusingly similar to the patented design and operates to cabin the doctrine. It is not surprising then, that even though copying is not an element of

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*tion Wealth: Issues and Practices in the Digital Age*, 340 (2007) (when “the function of the features is to make the product aesthetically pleasing, and protecting them would hinder competition”).

The functionality doctrine has also been justified as a mechanism for separating trade dress doctrine from that of design patents and avoiding overlapping rights. Jay Dratler Jr., *Trademark Protections for Industrial Designs*, 1988 U. Ill. L. Rev. 887 (1988) (discussing the high standard for patentability of a design patent). C. Scott Hemphill and Jeannie Suk, *The Law, Culture, and Economics of Fashion*, 61 Stan. L. Rev. 1147, 1199 (2009) (“Design patents provide protection in a few cases, but their demanding standards for protection and long lead time make them of limited use for most fashion articles.”); I argue in part VI that courts likely over-emphasize the “problem” of overlapping intellectual property rights – especially in the area of design patent rights.

<sup>11</sup> See 35 U.S.C. §§ 171, 102, and 103(a) (patent may only be granted when design is new, novel, and nonobvious, respectively). The Patent Act allows an applicant a one-year grace period in filing its design patent application after a public disclosure or offer for sale of a product embodying the newly invented design. 35 U.S.C. § 102(b).

<sup>12</sup> This is a contrast to trademark and trade dress law, which allows business to claim rights over designs that were previously in the public domain. Trade-mark Cases, 100 U.S. 82, 94 (1879) (“The trade-mark may be, and generally is, the adoption of something already in existence as the distinctive symbol of the party using it.”).

<sup>13</sup> See, *Best Lock Corp. v. Ilco Unican Corp.*, 94 F.3d 1563 (Fed. Cir. 1996) (holding that design patent covering a particular key shape was impermissibly functional because it blocked all alternative designs that would perform the same function of opening a particular lock); Graeme B. Dinwoodie & Mark D. Janis, *Trade Dress & Design Law* ch. 5 (2010).

<sup>14</sup> *Best Lock Corp. v. Ilco Unican Corp.*, 94 F.3d 1563 (Fed. Cir. 1996).

<sup>15</sup> *In re Mann*, 861 F.2d 1581, 1582 (Fed. Cir. 1988) (“Design patents have almost no scope.”); *Elmer v. ICC Fabricating, Inc.*, 67 F.3d 1571, 1577 (Fed. Cir. 1995); *Brooks Furniture Mfg. v. Dutailier Int'l, Inc.*, 393 F.3d 1378, 1383 (Fed. Cir. 2005) (design patents are entitled to almost no scope beyond the precise content of the patent drawings); *Hartco Engineering, Inc. v. Wang's Intern., Inc.*, 142 Fed.Appx. 455 (Fed. Cir. 2005) (design patent given narrow interpretation). The scope of protection was expanded by the *en banc* Federal Circuit in *Egyptian Goddess, Inc. v. Swisa, Inc.*, 2008 U.S. App. LEXIS 20104 (Fed. Cir. Sept 22, 2008). Although expanded, the scope of design patent rights remain quite limited. See Dion Bergman & Elizabeth Morris, *Re-Designing Designs: The Recent Egyptian Goddess Case Has Brought a Relative Backwater of IP Protection into the Mainstream*, Intellectual Property Today, Feb. 25, 2009, at 4 (describing Egyptian Goddess’s pro-patentee holding as breathing new life into design law).

design patent infringement, a significant portion of design patent infringement litigation is directed toward stopping accused infringers from free-riding on the consumer appeal of the patented design.<sup>16</sup>

Along with these limits, design patent protection also offers the public benefit of explicit identification of the scope of protection and timing of rights.<sup>17</sup> This documentation helps avoid the potential problems of probabilistic gaming and creeping expansion of the scope of claimed rights that plague other doctrines - such as unregistered trade dress and copyrights.<sup>18</sup> Likewise the limit on duration means that administrative mistakes in over-granting rights are naturally self-correcting even when transaction costs are high.<sup>19</sup> Design patent law may offer a lower-transaction-cost mechanism for detangling the design creation process from the related endeavors of marketing and manufacturing by allowing “naked” assignment of design patent rights.<sup>20</sup> From a social-relations framework, this explicit delineation of rights in industrial design can serve to avoid the clash of multiple claimants especially in the employer-employee relationship.<sup>21</sup>

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<sup>16</sup> See Part II.C (providing an analysis of design patent infringement cases).

<sup>17</sup> C.f. James Bessen & Michael J. Meurer, *Patent Failure: How Judges, Bureaucrats, and Lawyers Put Innovators at Risk* 8-25 (2008) (arguing that utility patents fail to provide sufficient notice of rights).

To obtain design patent protection, an inventor must apply for and be granted protection. This initial hurdle appears to weed-out many potential problematic claimants. Jonathan S. Masur, *Process as Purpose: Administrative Procedure, Costly Screens, and Examination at the Patent Office* (U. Chi. John M. Olin Program in L. & Econ., Working Paper No. 393, 2008), available at <http://www.law.uchicago.edu/files/files/393.pdf>; William Patry, *Moral Panics and the Copyright Wars* 69 (2009) (discussing problems created by automatic copyright protection)

<sup>18</sup> See *Wal-Mart v. Samara Bros.*, 529 U.S. 205 (2000) (“We hold that, in an action for infringement of unregistered trade dress under section 43(a) of the Lanham Act, a product’s design is distinctive, and therefore protectible, only upon a showing of secondary meaning.”); But see Glenn Lunney, *The Trade Dress Emperor’s New Clothes: Why Trade Dress Does Not Belong on the Principal Register*, 51 *Hastings L.J.* 1131 (2000); Lisa H. Johnston, Note, *Drifting Toward Trademark Rights in Gross*, 85 *Trademark Rep.* 19 (1995) (illustrating four examples of how trademark protection has drifted toward allowing trademark rights in gross: “(1) trademark licensing, with particular regard to promotional trademark licensing, (2) protection for trade dress absent a showing of secondary meaning, (3) protection for trademarks with secondary meaning in the making, and (4) dilution protection accorded by state statutes”).

<sup>19</sup> R.H. Coase, *The Nature of the Firm*, 4 *Economica* (n.s.) 386, 404 (1937) (recognizing that high transaction costs can hinder transfer of resources to a higher valued user).

<sup>20</sup> As a general rule, trademark rights may not be assigned *in gross* without the associated goodwill of the product or service associated with the mark. See Allison Sell McDade, *Trading in Trademarks—Why the Anti-Assignment in Gross Doctrine Should be Abolished When Trademarks Are Used As Collateral*, 77 *Tex. L. Rev.* 465, 479 (1998).

<sup>21</sup> See Thornton Robison, *The Confidence Game: An Approach to the Law About Trade Secrets*, 25 *Ariz. L. Rev.* 347, 370 (1983) (noting problems with the lack of specificity of trade secret law).

If seen as a powerful tool, design patent law may also serve as a bulwark against further judicial and statutory expansion of trade dress and copyright laws into the realm of functional designs. This thesis is implicitly supported by the Supreme Court's 2000 trade-dress case involving *Wal-Mart* and *Samara Brothers*.<sup>22</sup> In *Wal-Mart*, the Court categorically rejected the suggestion that a product design may be inherently distinctive under the trademark laws and called upon the existence and availability of design patents as a partial justification for limiting trade dress availability.<sup>23</sup> A corollary to this bulwark thesis is that design patents might not forestall (and may even promote) potentially undesirable cross-expansion if design patent rights are seen as trivial, cumbersome, or too weak an alternative.<sup>24</sup> That result can be inferred from the generation-old 6<sup>th</sup> Circuit Court of Appeals decision that noted the comparative disadvantages of design patent procurement -- namely the time and expense required to obtain protection.<sup>25</sup> As explained in the following paragraph, I largely reject this conventional wisdom that the procurement process makes design patents far-inferior to trade dress rights.

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<sup>22</sup> *Wal-Mart Stores v. Samara Bros.*, 529 U.S. 205 (2000).

<sup>23</sup> *Wal-Mart Stores v. Samara Bros.*, 529 U.S. 205 (2000); See also *Qualitex Co. v. Jacobson Products Co., Inc.*, 514 U.S. 159, 164-165 (1995) (limiting the scope of trademark law based on the alternative potential design patent rights available); *Bretford Mfg. v. Smith Sys. Mfg. Corp.*, 419 F.3d 576, 580 (7th Cir. Ill. 2005) (denying trade dress rights and identifying the availability of design patent rights); *Incredible Techs., Inc. v. Virtual Techs., Inc.*, 400 F.3d 1007, 1012 (7th Cir. Ill. 2005); *ADA v. Delta Dental Plans Ass'n*, 126 F.3d 977 (7th Cir. Ill. 1997) (although item is not copyrightable, it may be protected under design patent laws); *Stormy Clime, Ltd. v. Progroup, Inc.*, 809 F.2d 971, 978-979 (2d Cir. N.Y. 1987) ("Courts must proceed with caution in assessing claims to unregistered trademark protection in the design of products so as not to undermine the objectives of the patent laws.").

<sup>24</sup> See, John H. Lewin, *The Associated Press Decision – An extension of the Sherman Act*, 13 U. Chi. L. Rev. 247, 262 n. 27 (1945-1946); *Jack Adelman, Inc. v. Sonners & Gordon, Inc.*, 112 F. Supp. 187, 190 (S.D.N.Y. 1934) (holding (1) that a copyright in the drawing of a dress did not protect the dress itself and (2) that the dress itself could be protected under design patent law – although that patent may well be worthless because of the delay in obtaining protection.); Jennifer L. Barwinski, Comment, *Trade Dress: Should Only the Secondary Meaning Trade Dress Standard Apply to Product Packaging? Or Should Courts Continue to Use the Inherently Distinctive Standard?*, 8 Marq. Intell. Prop. L. Rev. 119, 126 (2004) ("[T]he Court's solution [in *Wal-Mart*] may not be comforting to producers since patent and copyright protections are for [limited] terms, whereas trade dress protection is perpetual if renewed."). Jennifer A. Konefal, *Dastar: Federal Trademark Law in an Uncertain State*, 11 B.U. J. Sci. & Tech. L. 283 (2005) (noting that trademark protection is "usually seen as better suited than design patents for protecting the merchandising property ... because by the time a design patent is issued, usually between two and three years after date of filing, often the mark will have lost some of its popularity."). *Protection of Intellectual Property*, 35 Ill. L. Rev. 546, 548 n. 6 (1940-1941) (The "time, expense, and the ephemeral nature of dress designs make resort to [design] patent impractical, even though they may meet the test of attractiveness and novelty."). *Millinery Creator's Guild v. F.T.C.*, 109 F.2d 175, 177 (1940); 31 Col. L. Rev. 477 (1931).

<sup>25</sup> *Schnadig Corp. v. Gaines Mfg. Co.*, 620 F.2d 1166, 1168 n.2 (6th Cir. 1980) ("where copyright is available, it is more popular than the design patent largely because copyrights are far easier and less expensive to obtain than design patents."). *Schnadig* is but one example. The design patent process has been repeatedly described as both slow and cumbersome. See Thorvald Soldberg, *The Present Copyright Situation*, 40 Yale L. J. 184 (1930-1931).



This article presents a new set of empirical results to support the theoretical construct that design patents fill a gap in trade dress law protection. Based on the data, I tentatively reject the oft-stated conventional wisdom that design patents are worthless for many because they are too slow, expensive, and difficult to obtain.<sup>26</sup> Rather, based on a first-of-its-kind analysis of the prosecution history files of a large sample of recently issued design patents,<sup>27</sup> I conclude that the current design patent examination system operates as a *de facto* registration system. Notably, more than ninety-eight percent (98%) of the patents in my study were issued without the Patent Office challenging their inventiveness.<sup>28</sup> The dramatic rise in the number of design patents being issued indicates that designers find value in design patent protection, and a study of parallel design patent and trade dress litigation suggests that design patents are serving as a back-up or replacement for trade dress rights.

Some critics of strong intellectual property rights have increasingly derided the hodgepodge relationship between various forms of intellectual property protection that often allow for extensive overlap of rights.<sup>29</sup> According to the theory, the successive layers of rights have a chilling effect on competition, and even when each layer of rights is relatively weak, a massive parallelism of rights may still be so overwhelming as to chill competition or culturally beneficial uses. The subject matter of a design patent is susceptible to overlapping protection and may well be simultaneously protectable through design patent, copyright, trade dress, utility patent, and trade secret laws.<sup>30</sup> Even further, a design patent can serve a key role in expanding the duration and quality of rights through a process that I term doctrinal

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<sup>26</sup> See Jay Dratler Jr., *Trademark Protections for Industrial Designs*, 1988 U. Ill. L. Rev. 887 (1988) (discussing the high standard for patentability of a design patent).

<sup>27</sup> The prosecution history includes the paperwork associated with every action by the USPTO and every filing by the patent applicants. See Lemley and Sampat, *Examining Patent Examination*, 2010 Stanford Tech. L. Rev. 2, 3 (discussing extraction of USPTO prosecution history data).

<sup>28</sup> A larger percentage of design patents were rejected during prosecution based on more clerical failures.

<sup>29</sup> Viva R. Moffat, *Mutant Copyrights and Backdoor Patents: The Problem of Overlapping Intellectual Property Protection*, 19 Berkeley Tech. L.J. 1473, 1493 (2004); Michael A. Heller, *The Boundaries of Private Property*, 108 Yale L.J. 1163, 1174-75 (1999) (describing how “the proliferation of intellectual property rights in upstream research may be stifling life-saving innovations further downstream in the course of research and product development”); Michael A. Heller & Rebecca S. Eisenberg, *Can Patents Deter Innovation? The Anticommons in Biomedical Research*, 280 SCIENCE 698, 700 (1998) (emphasizing fragmentation and arguing that it creates an anticommons in IP).

<sup>30</sup> See David W. Opderbeck, *Form and Function: Protecting Trade Dress Rights in Product Configurations*, 20 Seton Hall Legis. J. 1, 2 (1996) (raising the prospect of product design being protected through design patents, copyright, and trade dress).

bootstrapping.<sup>31</sup> I consider three mechanisms where doctrinal bootstrapping occurs in the dyad of design patent and trade dress rights: (1) By providing a significant period of exclusivity, design patents can aid in the process of developing an association in the eyes of customers between the design and its source. That association then serves as evidence to support trade dress protection. (2) Although the design patent functionality doctrine differs from that of trade dress, courts have also relied on design patents as evidence that the design (or at least aspects of the design) are non-functional. This might be termed the “reverse-*Traffix* doctrine.”<sup>32</sup> In the first two mechanisms, design patents operate by increasing the likelihood that trade dress rights are later recognized. (3) In the third mechanism, the design patents operate to extend the patent term at the front-end based on the relatively rapid grant of patent rights.

Although the concerns of harms associated with overlapping claims can be legitimate, overlapping claims occur in most areas of law, and the complexity here does not appear on any greater scale than a when criminal defendant faces multiple charges in multiple courts all based on a single action. I posit that the narrow scope of design patent protection additionally limits the potential overlapping rights problems.

At one level, the value of this project is largely self evident. Any government action needs to be justified -- especially a system such as design patent law where the government continues to grant exclusive rights to control the market for yet-to-be manufactured items. The sparse design patent statutes leave large gaps and little guidance for judicial interpretation, and an understanding of the purposes behind the design patent system is an important step in interpreting those statutes. The particular policy justification is important today on the legislative side as various interest groups lobby to modify rights in industrial design.<sup>33</sup> Internationally, Europe has a successful new design registration system and China reports a dramatic

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<sup>31</sup> Doctrinal bootstrapping is the process of using rights granted under a first doctrine to aid in procuring rights under a second doctrine. I argue that design patents are being used to help obtain trade dress protection over the same industrial design.

<sup>32</sup> *Traffix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23 (2001)(holding that the existence of a utility patent creates a presumption of design functionality). At a minimum, the existence of a design patent may at least counterbalance the parallel existence of a utility patent covering the same item.

<sup>33</sup> David Goldenberg, *The Long and Winding Road, A History of the Fight Over Industrial Design Protection in the United States*, 45 J. COPYRIGHT SOC'Y U.S.A. 21 (1997).

and rapid increase in design patent applications during the past few years.<sup>34</sup> As the law develops, it is important to have at least some grasp on the underlying purposes of the law.

*Structure of this Article.* Part II outlines current law and practice of design patent protection. This part includes a presentation of novel empirical results suggesting that the current design patent prosecution process is much more akin to a registration system than one involving substantive examination of patentability. Part II also presents evidence of the current use of design patents as complementary to trade dress rights. Part III attempts to rationalize a social policy of granting design patent rights by applying the justification models introduced above. Part IV extends the analysis of Part III by fitting design patents into the overall scheme of intellectual property protection. Notably, this part considers the impact of overlapping protection regimes. Part V presents a number of conclusions and recommendations for moving forward.

## II. CURRENT LAW AND PRACTICE OF DESIGN PATENT PROTECTION

U.S. design patents protect a category of intellectual innovation often termed “industrial design.”<sup>35</sup> A design patent is available to the inventor of “any new, original, and ornamental design for an article of manufacture”<sup>36</sup> and remains in force for fourteen years from the date of issue unless invalidated or abandoned.<sup>37</sup> The patentability requirements differ substantially

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<sup>34</sup> The European Union introduced a design right registration system in 2003. The system has been popular and in 2008, over 75,000 designs were registered. OHIM Annual Report 2008 at [http://oami.europa.eu/ows/rw/resource/documents/OHIM/OHIMPublications/2008\\_annual\\_report\\_en.pdf](http://oami.europa.eu/ows/rw/resource/documents/OHIM/OHIMPublications/2008_annual_report_en.pdf). In 2009, China granted over 200,000 design patents. See [http://www.sipo.gov.cn/sipo\\_English/statistics](http://www.sipo.gov.cn/sipo_English/statistics). Although important motivators for this article, a discussion of international design rights is beyond its scope.

<sup>35</sup> See, deNoblet, J., *Industrial Design*, Paris: A.F.A.A. (1993); Edward Lucie-Smith, *A History of Industrial Design* 7 (1983) (“it is the business of determining the form of objects which are to be made by machines, rather than produced by hand. . . . [i]ndustrial design can concern itself with everything from a teacup to a jet airplane.”). See U.S. Pat. Nos. D. 602,742 (claiming the ornamental design for an insulated paper cup) and D. 388,048 (claiming the ornamental design for a helicopter).

<sup>36</sup> 35 U.S.C. § 171. Section 171 is the design patent enabling statute and is roughly parallel to the much debated Section 101 of the Patent Act which defines the scope of patentable subject matter for utility patent protection. See, *Bilski v. Kappos*, \_\_\_ U.S. \_\_\_ (2010)(re-writing the law of subject matter eligibility for newly invented processes). Section 101 focuses on the requirements necessary for a utility patent and requires a “new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof.” Thus, to be eligible for a utility patent, an invention must meet the three basic elements of being (1) new; (2) useful; and (3) classifiable in one of the four statutory categories of inventions: process, machine, manufacture, or composition of matter. Following this in parallel, a patentable design must meet four basic elements of being (1) new; (2) original; (3) ornamental; and (4) a design for an article of manufacture.

<sup>37</sup> 35 U.S.C. § 173 (“Patents for designs shall be granted for the term of fourteen years from the date of grant.”). As with other forms of intellectual property, the term associated with design patent rights has in-

from the more well-known utility patents which protect useful advances in technology rather than ornamental designs.<sup>38</sup> However, both types of patents share core features relating to the processes of obtaining and enforcing patent rights.<sup>39</sup> Features of industrial designs are also protected through other forms of intellectual property and tort laws at both the state and national levels. A new design for an athletic shoe may, for instance, be protected by design patents,<sup>40</sup> trademark rights (trade dress),<sup>41</sup> copyrights,<sup>42</sup> and trade secrets.<sup>43</sup> Depending upon the circumstances, the rights-holder may also have causes of action for misappropriation or unfair competition.<sup>44</sup>

A significant number of US design patents are issued each year. In the fiscal-year 2009, for instance, over 23,000 design patents were issued – primarily covering commercial embodi-

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creased over the years. The original 1842 Act offered only seven years of protection for design patents. 5 Stat. 543 (1842).

<sup>38</sup> See Distinction Between Design and Utility Patents, Manual of Patent Examination Procedure (M.P.E.P.) § 1502.1 (2009).

<sup>39</sup> See 35 U.S.C. 171 ("The provisions of this title relating to patents for inventions shall apply to patents for designs, except as otherwise provided."). Like utility patents, design patent protection is under the exclusive jurisdiction of the Federal Government. See *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141 (1989) (holding that the power of states to create "patent-like rights" has been preempted by the federal government through the supremacy clause of the U.S. Constitution.); *Sash Controls, Inc. v. Talon, L.L.C.*, 185 F.3d 882 (Table) (Fed. Cir. 1999) (nonprecedential) ("Design patents must meet the same novelty and nonobvious requirements as utility patents.").

<sup>40</sup> About two percent of the design patents issued in 2009 were directed to some form of "shoe." These results are based on searches conducted on the USPTO.gov website. See also, Dennis Crouch, *Design Patent Litigation*, PATENTLY-O (Sept. 4, 2007) at <http://patentlyo.com/patent/2007/09/design-patent-1.html> (shoe-related patents are the most commonly litigated type of design patent).

Based on a search of USPTO assignment information, Nike, Inc. is the leading owner of shoe-related design patents. Nike has also been an aggressive enforcer of its design patent rights. See, *Nike, Inc. v. Wal-Mart Stores, Inc.*, Case No. 08-cv-5840 (N.D. Ill. 2008) (complaint filed October 13, 2008 alleging that Wal-Mart was selling infringing shoes); Dennis Crouch, *Protecting Design Patents on Shoes*, PATENTLY-O (Oct. 16, 2008) at <http://patentlyo.com/patent/2008/10/protecting-desi.html>.

<sup>41</sup> See cancelled U.S. Trademark Registration No. 1550230 (design of a K-Swiss tennis shoe).

<sup>42</sup> Copyright protection is available only when the original features sought to be protected are at least conceptually separable from the function of an object. See *Mazer v. Stein*, 347 U.S. 201, 216 (1954).

<sup>43</sup> See, William McCall, "Oregon man charged with trade secrets theft over 2008 Nike catalog", Associated Press Financial Wire, (November 10, 2007); Brent Hunsberger, "Columbia sues Crocs over trade secrets dispute", The Oregonian (December 8, 2009); *Easton Sports, Inc. v. Warrior Lacrosse, Inc.*, 2005 U.S. Dist. LEXIS 37050 (E.D. Mich. September 14, 2005).

<sup>44</sup> *Alpha Kappa Alpha Sorority, Inc. v. Converse Inc.*, 175 Fed. Appx. 672 (5th Cir. 2006) (reversing dismissal of unfair competition and dilution claims)

ments of consumer goods.<sup>45</sup> In addition to athletic shoes,<sup>46</sup> these include apparel,<sup>47</sup> eyeglasses and sunglasses,<sup>48</sup> automobile parts,<sup>49</sup> furniture,<sup>50</sup> lamps and light-bulbs,<sup>51</sup> medical devices,<sup>52</sup> handheld electronic devices,<sup>53</sup> sports equipment,<sup>54</sup> computer screen icons,<sup>55</sup> bottles,<sup>56</sup> etc.

The number of design patents issued each year has increased over time. The most dramatic rise has been over the past 25 years. Chart 1 shows the number of issued design patents each

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<sup>45</sup> As a comparison, during FY 2009, the USPTO granted 165,212 utility patents and issued 180,520 certificates of trademark registration. FY 2009 USPTO Performance and Accountability Report § 5.5, Tables 5 and 18 at <http://www.uspto.gov/about/stratplan/ar/2009/index.jsp>.

<sup>46</sup> See *Supra*, note 40.

<sup>47</sup> See U.S. Pat. No. D. 601,326 covering the ornamental design for a swimsuit.

<sup>48</sup> See, U.S. Design Pat. No. D. 470,176 covering the ornamental design for eyeglass components. Oakley, Inc., holds numerous patents related to sunglasses and, over the past several years, has filed over thirty lawsuits asserting design patent infringement against alleged counterfeiters. See, Dennis Crouch, *Oakley's Sunglasses and Design Patents*, PATENTLY-O (Mar. 23, 2008) available at <http://patentlyo.com/patent/2008/03/oakelys-sungla.html>.

<sup>49</sup> Dennis Crouch, *Auto Parts Designs*, PATENTLY-O (June 8, 2008) available at <http://patentlyo.com/patent/2008/06/ford-global-tec.html>.

<sup>50</sup> See Jake Wharton, *Innovation USA Files Design Patent Action Against Ido Furniture*, Furniture Law Blog (April 29, 2009) at <http://womblefurniturelaw.blogspot.com/2009/04/innovation-usa-files-design-patent.html>

<sup>51</sup> See, U.S. Design Pat No. D 170,445 covering the ornamental design of a base for a table lamp. The '445 patent was cited by the Supreme Court in *Mazer v. Stein*, 347 U.S. at 216 (1954) as evidence that the coverage of design patents overlaps with that of copyright. "Petitioner has furnished the Court a booklet of numerous design patents for statuettes, bases for table lamps and similar articles for manufacture, quite indistinguishable in type from the copyrighted statuettes here in issue." *Id.* In *Mazer*, the court held that the potential for overlap does not bar copyright of a work of art. *Id.* ("the patentability of the statuettes, fitted as lamps or unfitted, does not bar copyright as works of art").

<sup>52</sup> See, U.S. Design Pat. No. D. 583,928 for a Nebulizer and U.S. Design Pat. No. D. 583,949 covering the ornamental design of a sphygmomanometer.

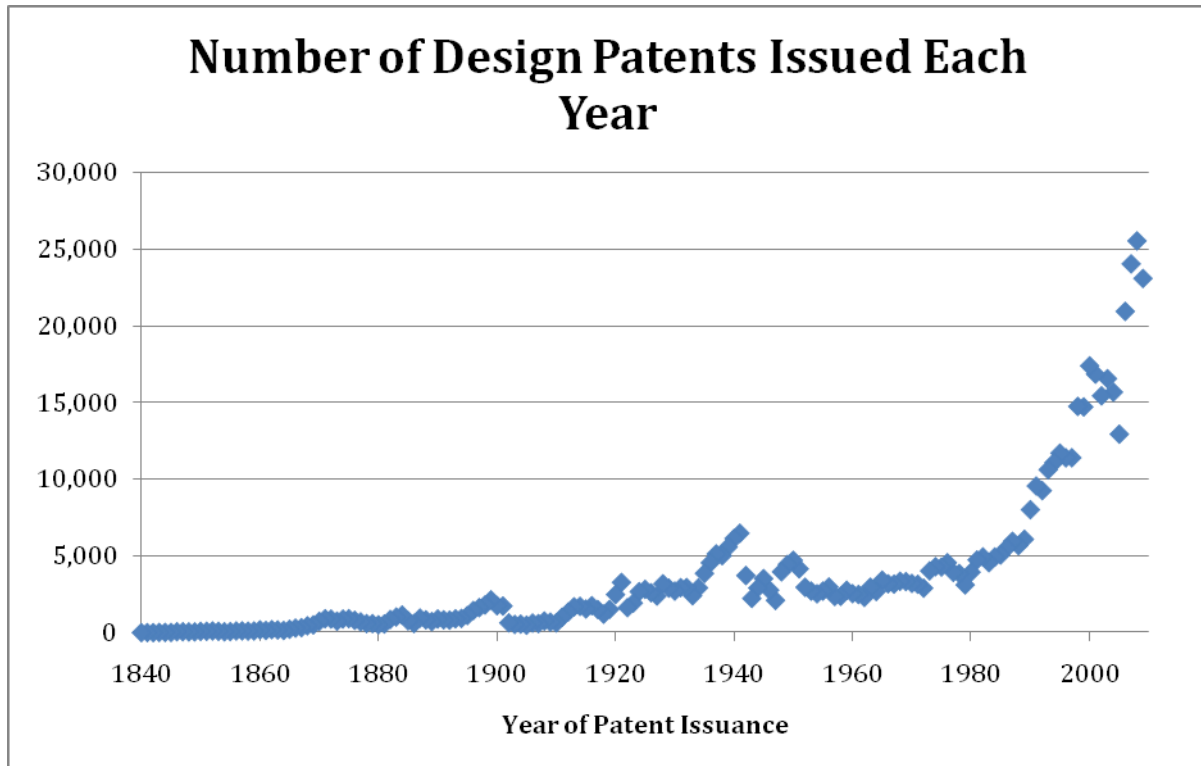
<sup>53</sup> U.S. Design Pat. No. D. 497,618 shows the familiar design of the Apple iPod. Dennis Crouch, *iPod Receives Design Patent*, PATENTLY-O (Oct. 27, 2004) available at [http://patentlyo.com/patent/2004/10/ipod\\_receives\\_d.html](http://patentlyo.com/patent/2004/10/ipod_receives_d.html). See also, Dennis Crouch, *Design Patents: Controlling Pendency*, PATENTLY-O (Dec. 28, 2007) (noting that one of Apple's "issued iPod design patents . . . appears identical to the company's trademark design application") at <http://www.patentlyo.com/patent/2007/12/design-patents.html>. Although design patent and trade dress rights may well overlap in coverage, the rights will often be staggered in time. In the case mentioned here, for instance, the design patent covering a commercial embodiment of an Apple iPod product issued well before trade dress rights have been registered. The design patent rights will eventually expire after fourteen years. However, by that time, the trade dress rights may be well established and may extend in perpetuity.

<sup>54</sup> See, U.S. Design Pat. No. D. 583,887 covering the ornamental design of a golf putter head.

<sup>55</sup> Microsoft Corporation holds over three hundred design patents directed to computer icons and icon groups. (Search of USPTO patent records).

<sup>56</sup> The Coca-Cola Company holds more than one hundred design patents on beverage bottle shapes, including U.S. Design Pat. No. D. 458,145 which covers the shape of the bottle used for by its subsidiary Simply Orange Juice Orange Company.

year since the first design patent issued in 1842.<sup>57</sup> One implication of the rise in design patents is simply that more designs are being created each year. However, the more likely conclusion is that designers have discovered that design patents hold some value that now outweighs the cost of pursuing protection.



#### A. Design Patents and Their Low Standard of Patentability: Doctrine

Although the doctrines differ in their fundamental subject matter scope, most design patent requirements and limitations track those of utility patent law.<sup>58</sup> One example of this parallel application is in the anticipation and nonobviousness requirement for both design and utility patents.<sup>59</sup> A design patent is anticipated – and thus invalid – when a “single prior art refer-

<sup>57</sup> See U.S. Patent Statistics Report at [http://uspto.gov/web/offices/ac/ido/oeip/taf/us\\_stat.htm](http://uspto.gov/web/offices/ac/ido/oeip/taf/us_stat.htm).

<sup>58</sup> The Patent Act includes a catch-all provision that “except as otherwise provided,” the statutes “relating to patents for inventions shall apply to patents for designs.” 5 U.S.C. § 171. The statute itself is rather enigmatic because it provides no guidance as to what may be “otherwise provided.” For further background, see Robert S. Katz, *Examination of Design Patents in the United States*, 10 U. Balt. Intell. Prop. L.J. 109, 116 (2002) (noting that the obviousness standard is *de facto* less stringent for design patents than for utility patents); See also Scott D. Locke, *Fifth Avenue and the Patent Lawyer: Strategies for Using Design Patents to Increase the Value of Fashion and Luxury Goods Companies*, 5 J. Marshall Rev. Intell. Prop. L. 40, 40 (2005); Ralph S. Brown, *Design Protection: An Overview*, 34 UCLA L. Rev. 1341, 1356 (1987).

<sup>59</sup> The provisions regarding novelty and non-obviousness are found in 35 U.S.C. § 102 (novelty) and 35 U.S.C. § 103(a) (non-obviousness) respectively.

ence” is shown to be “identical in all material respects to the claimed invention.”<sup>60</sup> A design patent is obvious – and likewise invalid – if, at the time of the invention, the claimed ornamental design considered as a whole “would have been obvious to one of ordinary skill in the art.”<sup>61</sup>

The doctrinal requirements of novelty and nonobviousness are seemingly in tension with the conventional wisdom that most new ornamental designs are created by combining old and familiar forms in some new way.<sup>62</sup> In an early 20<sup>th</sup> century light-fixture design patent case, Judge Augustus Hand recognized this combination phenomena and the result “that originality and aesthetic skill” is generally evidenced in the combination of elements rather than the newness of individual elements:

It is to be remembered that ornaments resulting from the varied juxtaposition of curves and angles, like the musical combinations resulting from the sequence of notes and chords, all contain certain intervals -- ornaments intervals of space, music intervals of sound -- which are traditional and well known. It is difficult, if not impossible, after years of development, to imagine any article of ornament or any production of music of which this is not true. It is in the arrangement, or, to use the technical term of the patent law, the combination, of elements, and probably at this late day in that alone, that originality and aesthetic skill may be evidenced.<sup>63</sup>

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<sup>60</sup> *Door-Master Corp. v. Yorktowne, Inc.*, 256 F.3d 1308 (Fed. Cir. 2001) (Quoting *Hupp v. Siroflex of Am., Inc.*, 122 F.3d 1456, 1461, 43 USPQ2d 1887, 1890 (Fed.Cir.1997)).

<sup>61</sup> The obviousness statute, 35 U.S.C. §103(a), reads as follows: “A patent may not be obtained ... if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.” For its application to design patents, see, *Avia Group Intern., Inc. v. L.A. Gear California, Inc.*, 853 F.2d 1557 (Fed. Cir. 2008) (affirming the lower court’s holding that an “ordinary designer would not have found the [asserted shoe] designs, considered as whole designs, obvious in light of the differences between the prior art and the claimed designs.”); *Litton Sys., Inc. v. Whirlpool Corp.*, 728 F.2d 1423, 1440-41, 221 USPQ 97, 108 (Fed.Cir.1984) (“In design patent case, the fictitious person of ordinary skill is the designer of ordinary capability who designs articles of the type presented in the application.”); *In re Nalbandian*, 661 F.2d 1214, 1215 (CCPA 1981).

<sup>62</sup> See Amicus Brief of the American Intellectual Property Law Association (AIPLA) in Support of the Petition for Rehearing in *Lawman Armor Corp. v. Winner Int’l, Inc.*, 2006 WL 1287642 (2006) (suggesting that most new ornamental designs are largely a reorganization and recombination of old and familiar forms).

<sup>63</sup> *Friedley-Voshardt Co. v. Reliance Metal Spinning Co.*, 238 F. 800 (S.D.N.Y. 1916); See also William L. Symons, *The Law of Patents for Designs* 14 (1914) (“But although it must be ‘a thing of beauty’ it is not necessary that it show any high degree of esthetic excellence.”).

Judge Hand's perspective on the general low inventive level of product design is common today even by industrial designers themselves. In his forward to the 1993 book *INDUSTRIAL DESIGN*, noted designer Sir Terence Conran defined design as "98 per cent common sense and 2 per cent aesthetics."<sup>64</sup> Sir Conran does highlight one process that is even quicker and easier than simple common sense: "It is always cheaper in the short term to copy somebody else's ideas and short termism is the curse of much of industry."<sup>65</sup>

Over the years, courts have regularly denounced combination patents as obvious.<sup>66</sup> In rejecting the patent on a then-modern supermarket check-out system, the 1950 Supreme Court indicated that courts should "scrutinize combination patent claims with a care proportioned to the difficulty and improbability of finding invention in an assembly of old elements."<sup>67</sup> Repeating that same mantra, the 2007 Supreme Court wrote in *KSR Int'l. v. Teleflex, Inc.*, that the "combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results."<sup>68</sup> In *KSR*, the Court faced an issue common to design patent litigation – determining obviousness when the patented invention is entirely composed of elements that are each individually found in the prior art.<sup>69</sup>

The A&P and *KSR* cases focused on utility patents, but they also impact design patent jurisprudence because the same obviousness statute – 35 U.S.C. § 103(a) – is applied to both patent types.<sup>70</sup>

There are many reasons to believe that design patent rights remain viable even in the face of the Court's seemingly tough stance against combination patents. First, a hard look at the

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<sup>64</sup> Sir Terrance Conran, *Forward: Industrial Design from 1851 into the 21st Century* in *INDUSTRIAL DESIGN REFLECTIONS OF A CENTURY* (Jocelyn de Noblet, ed. 1993).

<sup>65</sup> *Id.*

<sup>66</sup> See, for example, *Smith v. Whitman Saddle Co.*, 148 U.S. 674, 679 (1893); *Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp.*, 340 U.S. 147 (1950); *KSR Int'l Co. v. Teleflex, Inc.*, 550 U.S. 398 (2007).

<sup>67</sup> *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp.*, 340 U.S. 147 (1950).

<sup>68</sup> *KSR Int'l Co. v. Teleflex, Inc.*, 550 U.S. 398 (2007).

<sup>69</sup> *Id.* (holding that an endeavor that merely implements a predictable variation of already known work is likely unpatentable).

<sup>70</sup> See *Sash Controls, Inc. v. Talon, L.L.C.*, 185 F.3d 882 (Table) (Fed. Cir. 1999) (nonprecedential) ("Design patents must meet the same novelty and nonobvious requirements as utility patents."); In *Titan Tire Corp. v. Case New Holland, Inc.*, 2007 U.S. Dist. LEXIS 74173 (S.D. Iowa October 3, 2007), the district court applied *KSR* in denying a design patentee's motion for preliminary injunctive relief. In its decision, the court found a "substantial question of invalidity" because the claimed ornamental design may be "a predictable variation that could have been implemented by a person of ordinary skill."



innovative concept in many designs may well reveal that Judge Hand and Conran are wrong and that design innovations are typically more nuanced than simply a compilation of known design elements predictably assembled using common sense.<sup>71</sup> Second, courts have not truly settled on how the utility patent case law of *KSR* will apply to design patents.<sup>72</sup> This link between the law of utility patents and the law of design patents remains somewhat undeveloped. When a major case changes utility patent doctrine, there is often “resulting uncertainty” as courts and rights-holders struggle to understand whether the change will apply across the doctrinal gap.<sup>73</sup>

A comparatively low standard of patentability was recognized even before Judge Hand’s early 20th century decision. In his 1914 treatise, Symons noted that design patents are “often prosecuted as if it were not necessary that the design should be the result of *invention* in order to be patentable.”<sup>74</sup> In the 1889 case of *Untermeyer v. Freund*,<sup>75</sup> the New York court found itself “convinced that the courts, though applying the same rules, have looked with greater leniency upon design patents than patents for other inventions.”<sup>76</sup> And, in 1871 the commis-

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<sup>71</sup> Jason J. Du Mont, *A Non-Obvious Design: Rethinking the Origins of the Design Patent Standard* 64 (draft with author) (2009) (suggesting that the design process is more complex than the usual nonobviousness analysis would allow); Janice Mueller and Daniel Brean, Overcoming the 'Impossible Issue' of Nonobviousness in Design Patents, (November 12, 2009). U. of Pittsburgh Legal Studies Research Paper No. 2009-30. Available at SSRN: <http://ssrn.com/abstract=1505384>; Jay Dratler, Jr., *Trademark Protection for Industrial Designs*, 1988 U. Ill. L. Rev. 887, 892 (1988) (“The designer’s art focuses not on the creation of new and non-obvious techniques of this type, but on the use of old ones in well-known ways to develop useful products”).

<sup>72</sup> Janice Mueller and Daniel Brean, Overcoming the 'Impossible Issue' of Nonobviousness in Design Patents (November 12, 2009). U. of Pittsburgh Legal Studies Research Paper No. 2009-30. Available at SSRN: <http://ssrn.com/abstract=1505384> (suggesting that the USPTO and courts have “flexibility” in their application of the nonobviousness standards).

<sup>73</sup> Robert S. Katz, *Design Patents* in DRAFTING PATENTS FOR LITIGATION AND LICENSING 564 (ABA, Bradley C. Wright ed. 2008).

<sup>74</sup> William L. Symons, *The Law of Patents for Designs* 41 (1914).

<sup>75</sup> 37 F. 342 (S.D. New York 1889)(finding for the patentee).

<sup>76</sup> *Id.*; See also *Smith v. Stewart*, 55 F. 481 (E.D. Penn. 1893) (“The invention in a majority of patent designs is very small and of a lower order. All the statute, as commonly interpreted, requires is the production of a new and pleasing design which may add value to the object for which it is intended. The invention consists in the conception, and production of this, however simple it may be.”); but see *Ex parte Christopher M. Cordley*, 5 U.S.P.Q. (BNA) 11 (Pat. & Trademark Office Bd. App. Apr. 3, 1930) (requiring that a patentable design be based upon a “meritorious invention”). One explanation for the appearance of a lower *de facto* nonobviousness standard for designs as opposed to utility patents may be based on the “level of ordinary skill in the art” used as a frame of reference in determining nonobviousness. In design patents, the level of skill is typically an “ordinary designer” which courts may see as a lower level skill as compared to an ordinary engineer or scientist. According to the theory, a given design would be less likely to be seen as obvious in the eyes of a lesser skilled designer.

sioner of patents – in instituting a new set of more stringent rules – held out that up to then “[t]he practice of the Office in granting design patents ha[d] been not only liberal, but lax.”<sup>77</sup>

### B. Design Patents and Their Low Standard of Patentability: Empirical Results

More recent conventional wisdom has been somewhat mixed as to the USPTO's gatekeeper role in the area of design patents.<sup>78</sup> While some have agreed with the 19<sup>th</sup> Century patent office commissioners that the USPTO applies lax standards for granting design patent rights, others have identified the USPTO's "demanding standards for protection and long lead time."<sup>79</sup> To test the ongoing accuracy of this conventional wisdom, I created several unique data sets of design patent prosecution and litigation information. The multiple sources of data allowed me to consider the design patenting process from several angles.

<sup>77</sup> *Parkinson*, 251 C.D. 1871 (Pat. Off. Decision 1871); cited in William L. Symons, *The Law of Patents for Designs* 1 (1914) (“A few years later in discussing a question which was often raised in design cases, the Commissioner of Patents said: - ‘It is not to be denied that the record of the Office on this question is somewhat ragged.’” Quoting Shoemaker, 15 O.G. 384).

<sup>78</sup> For a general discussion of the gatekeeper role of the USPTO, see Mark A. Lemley, *Rational Ignorance at the Patent Office*, 95 Nw. U. L. REV. 1495, 1508-11 (2001) (“The strong implication ... is that society ought to resign itself to the fact that bad patents will issue, and attempt to deal with the problem ex post, if the patent is asserted in litigation.”). But see John R. Thomas, *The Responsibility of the Rulemaker: Comparative Approaches to Patent Administration Reform*, 17 Berkley Tech. L.J. 727, 730-40 (2002); Julie Cohen, *Reverse Engineering and the Rise of Electronic Vigilantism: Intellectual Property Implications of “Lock-Out” Programs*, 68 S. Cal. L. Rev. 1091 (1995) (arguing that the PTO had failed its gatekeeper role with respect to software patents). Discussion of the gatekeeper role in the trademark realm see Tammy J. Snyder, *Trademark Law Revision Act of 1988 and the Gatekeeper Role of the PTO: Heading Abuse off at the Pass*, 68 Wash. U. L.Q. 753 (1990).

<sup>79</sup> C. Scott Hemphill and Jennie Suk, *The Law, Culture, and Economics of Fashion*, 61 Stan. L. Rev. 1147, 1199 (2009) (“Design patents provide protection in a few cases, but their demanding standards for protection and long lead time make them of limited use for most fashion articles.”); Susan Scafidi, *Intellectual Property and Fashion Design*, in 1 *Intellectual Property and Information Wealth: Copyright and Related Rights* 115 (Peter K. Yu ed., 2006); Jennifer A. Konefal, *Dastar: Federal Trademark Law in an Uncertain State*, 11 B.U. J. Sci. & Tech. L. 283 (2005) (noting that trademark protection is “usually seen as better suited than design patents for protecting the merchandising property ... because by the time a design patent is issued, usually between two and three years after date of filing, often the mark will have lost some of its popularity.”). *Protection of Intellectual Property*, 35 Ill. L. Rev. 546, 548 n. 6 (1940-1941) (The “time, expense, and the ephemeral nature of dress designs make resort to [design] patent impractical, even though they may meet the test of attractiveness and novelty.”); *Chas. D. Bridgell, Inc. v. Alglobe Trading Corp.*, 194 F.2d 416 (2nd Cir. 1952) (“To obtain a valid design patent is exceedingly difficult. Probably that explains why plaintiff did not even apply for a patent.”); Peter Schalestock, *Forms of Redress for Design Piracy: How Victims Can Use Existing Copyright Law*, 21 SEATTLE U. L. REV. 113, 118 (1997) (administrative delays in obtaining rights make design patents impractical); Thomas M. Byron, *As Long as There's Another Way: Pivot Point v. Charlene Products as an Accidental Template for a Creativity-Driven Useful Articles Analysis*, 49 IDEA 147 (2009); Brandon Scruggs, *Should Fashion Design Be Copyrightable?*, 6 Nw. J. Tech. & Intell. Prop. 122, 134 (2007) (stating that design patents do no work to protect fashion); Joseph E. McNamara, *Modifying the Design Piracy Prohibition Act to Offer “Opt-Out” Protection for Fashion Designs*, 56 J. Copyright Soc'y U.S.A. 505, 517 (Winter/Spring 2009) (“Although much of fashion design is within the scope of design patent protection, obtaining a design patent can be expensive, and the requirements for protection are demanding relative to the requirements for copyright and to the requirements proposed in the DPPA.”).

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.<sup>80</sup> As described below, design patent prosecution is a relatively quick, inexpensive, and assured process without substantive examination as compared with either utility patent prosecution or trade dress registration.

### 1. Sources of Design Patent Data

For this study, I created a first dataset of over three hundred thousand design patents – including every design patent issued between January 1920<sup>81</sup> and January 2010.<sup>82</sup> The dataset includes information from the cover-sheet of each of these patents. The biographical information gleaned from the patent documents was correlated with a second dataset that includes more detailed information regarding each patent issued since 2004. In addition, I identified particular design patents that had been litigated since 1986. For lawsuits filed since 2000, I also used the Stanford’s IP Litigation Clearinghouse database and the Federal Courts docketing database PACER.<sup>83</sup> The Stanford data was correlated with pleadings downloaded from both LexisNexis and Westlaw.

### 2. Rising Numbers of Design Patent Applications

Patenting has been on the rise for two generations. Between 1963 and 2007, for instance, the number of patent application filings increased more than five-fold for both utility and design patents.<sup>84</sup> (See Chart 1). Most of this rise in patenting activity has occurred since the

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<sup>80</sup> Commissioner Leggett recommended in the early 1870s that the design patent system be modified to become a registry system. Annual Report to Congress of the United States Patent Office 17 (Gov’t Printing Office 1872); See C.C. Reif, *Mortimer D. Leggett*, 2 J. Pat. Office Society 534, 540 (1918) (noting that Leggett’s position continued to have “many” sympathizers in 1918). See also Thomas Ewbank, *Annual Report of the Commissioner of Patents*, S. Doc. No. 118, 16 (1852) (“It is believed that a registry law might be beneficially substituted for the law relating to designs. It would be more comprehensive, and better calculated to secure the objects sought, than the law at present in force.”);

<sup>81</sup> The patent with the lowest number in the dataset is U.S. Design Patent No. D. 242,700 for an “Automotive Vehicle” issued to Guillermo Viniegra of Mexico.

<sup>82</sup> The patent with the highest number in the dataset is U.S. Design Patent No. D 568,000 for a “Razor Handle” and assigned to American Safety Razor.

<sup>83</sup> See <http://lexmachina.com>.

<sup>84</sup> Data calculated from the USPTO Report, U.S. Patent Statistics Chart Calendar Years 1963 – 2007, available at [http://www.uspto.gov/go/taf/us\\_stat.htm](http://www.uspto.gov/go/taf/us_stat.htm) (accessed on May 30, 2008).

formation of the Court of Appeals for the Federal Circuit (CAFC) in 1982.<sup>85</sup> When established, the CAFC was seen as a mechanism for unifying as well as strengthening the patent laws.<sup>86</sup> However, it is unclear to what extent the CAFC has played a role in the increase in design patent protection. The most recent increase in design patenting also correlates with a tightening of trade dress doctrine exemplified by *Wal-Mart*<sup>87</sup>, *TrafFix*<sup>88</sup>, and *Dastar*.<sup>89</sup>

### 3. High Allowance Rate of Design Patent Applications

For the past decade, the allowance rate for design patent applications has remained over 90%. There are several methods of calculating patent application allowance rate.<sup>90</sup> However, because every patent application must eventually be disposed of either by (1) being allowed to issue or (2) being abandoned, the most straightforward calculation of the allowance rate is a simple calculation of the percentage of disposed-of applications that were allowed.<sup>91</sup> This information for design patents can be cumulatively found in the USPTO annual reports.<sup>92</sup>

The 90+% allowance rate for design patents can be contrasted with the reported 44% allowance rate for utility patent applications.<sup>93</sup> Although particular trade dress registration statistics for product designs are not available, the allowance rate for those registration applica-

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<sup>85</sup> 96 Stat. 25 (1982).

<sup>86</sup> See Craig Allen Nard & John F. Duffy, *Rethinking Patent Law's Uniformity Principle*, 101 NW. U. L. REV. 1619 (2007); Rochelle Cooper Dreyfuss, *The Federal Circuit: A Continuing Experiment in Specialization*, 54 Case. W. Res. L. Rev. 769, 770 (2004).

<sup>87</sup> *Wal-Mart Stores v. Samara Bros.*, 529 U.S. 205 (2000).

<sup>88</sup> *TrafFix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23 (2001).

<sup>89</sup> *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23 (2003).

<sup>90</sup> See Cecil D. Quillen, Jr., & Ogden H. Webster, *Continuing Patent Applications and Performance of the U.S. Patent and Trademark Office - One More Time*, 18 Fed. Cir. B.J. 379 (2009) (discussing methodologies for calculating allowance rates).

<sup>91</sup> This approach ignores patent application lineage. However, that approach is reasonable for design patents because relatively few continuation design patent applications are filed.

<sup>92</sup> FY 2009 USPTO Performance and Accountability Report § 5.5, Table I at [http://uspto.gov/web/offices/com/annual/2009/oai\\_05\\_wlt\\_01.html](http://uspto.gov/web/offices/com/annual/2009/oai_05_wlt_01.html).

<sup>93</sup> See 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), available at <http://www.ogc.doc.gov/ogc/legreg/testimon/110s/Dudas022708.doc> ("The allowance rate for patents is currently 44%. This is in contrast to allowance rates in excess of 70% just eight years ago."); Shine Tu, Stephen Maebius, and Jonathan W. Dudas, *Squeezing More Patent Protection from a Smaller Budget Without Compromising Quality*, 2 *Landslide* 37 (2009).

tions is clearly lower as well.<sup>94</sup> That sentiment is reflected in John Welch's description of administrative trademark appeals: "In the great majority of the trade dress cases decided by the [Trademark Trial and Appeal] Board since 2000, the applicant has failed to complete the course."<sup>95</sup> This difference between design patent prosecution and trade dress registration is especially apparent when considering that design patents receive the *least* scrutiny of any type of patent application examined on the patent-side of the USPTO while their parallel – product configuration trade dress registrations – receive the *most* scrutiny of any type of trademark registration application filed on the trademark-side of the USPTO.<sup>96</sup>

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. Before arriving at this conclusion, I combed through over one thousand file histories of randomly selected design patents that issued in 2009. Of those, only five had been rejected on novelty grounds and eight on obviousness grounds. This calculates to a prior-art-based rejection rate of only 1.2%.<sup>97</sup> The vast majority of the patents in my sample (81.6%) were never rejected during prosecution but rather received a notice of allowance in the USPTO's first substantive response to the application filing. The most common rejections were based on the doctrines of enablement, written description, and indefiniteness.<sup>98</sup> These rejections – typically asserted collectively – were often overcome by a patentee's ministerial clarification of aspects of the originally submitted drawings. For well drafted design patent applications, the prosecution process is largely defined by the length of the examiner's queue of pending cases. Again, this results contrasts with the ordinary course for utility patent applications – the vast majority of which are initially rejected based on prior art grounds.<sup>99</sup>

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<sup>94</sup> John Welch, *Trade Dress and the TTAB: If Functionality Don't Get You, Nondistinctiveness Will*, 18 Allen's Trademark Digest 5 (November 2004) at <http://ll-a.com/welch/tradeDressTTABOCT2004.pdf>.

<sup>95</sup> *Id.*

<sup>96</sup> Helen Hill Minsker, *Navigating Trademark Practice before the PTO: Ex Parte Appeals*, 855 PLI/PAT 283 (2006) ("Assume that any non-traditional trademark [such as product configuration] automatically will face a higher standard of scrutiny, and prepare your evidentiary record accordingly.").

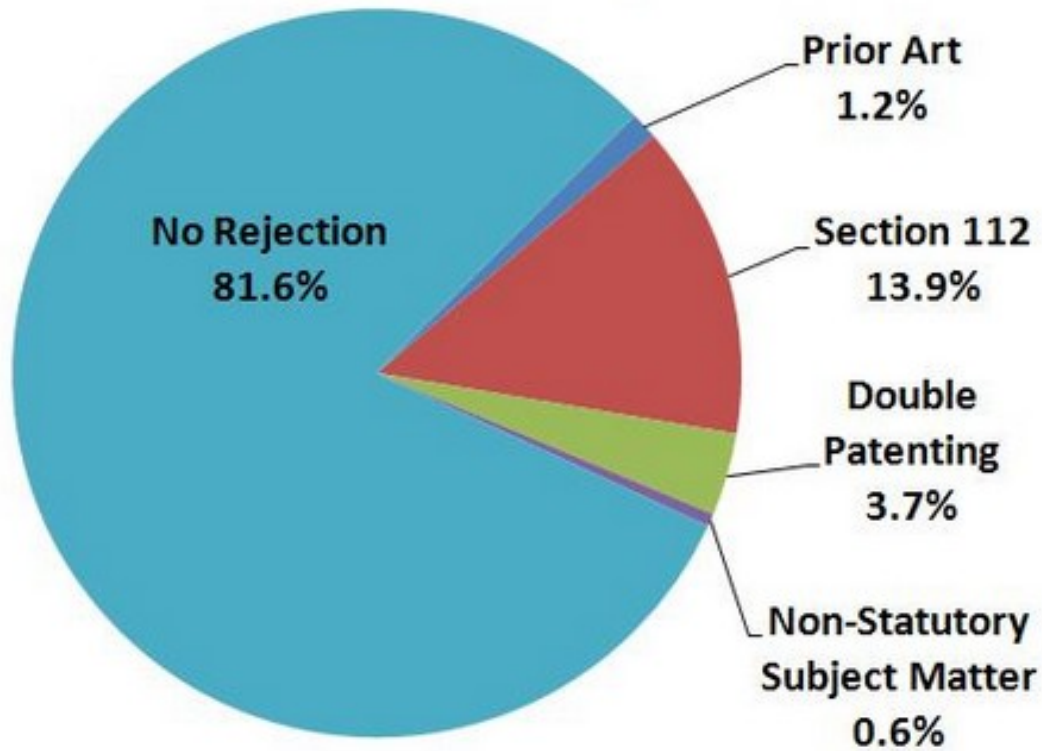
<sup>97</sup> 95% CI range of 0.7% – 2.1% based on an assumed Poisson distribution of the mean.

<sup>98</sup> 35 U.S.C. 112, paragraphs 1 and 2.

<sup>99</sup> Lemley and Sampat, *Examining Patent Examination*, 2010 Stanford Tech. L. Rev. 2 (reporting that 85% of a sample of 10,000 utility patent applications had been initially rejected).

Chart 2 shows the distribution of design patent rejections based on the results of this study.<sup>100</sup>

### Distribution of Design Patent Rejections



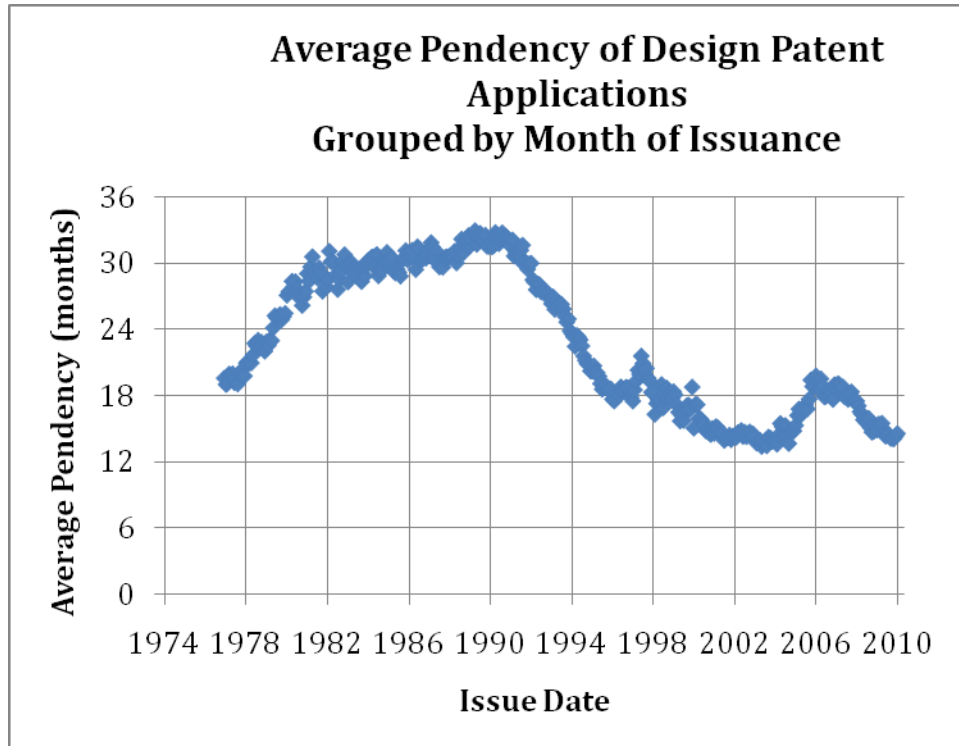
#### 4. Rapid Issuance of Design Patent Applications

Coupled with the high allowance rate of design patents is the reality that design patent prosecution is relatively rapid. Over the past decade, in particular, the prosecution timeline has been dramatically reduced from an average pendency of over two years in the 1980's to less than 15 months for patents of more recent vintage.<sup>101</sup> More than 45% of design patents issued in 2009 had a pendency of less than one year. One way that the Patent Office has controlled pendency is by reducing outliers – those patents with exceedingly long pendency. The effect of this change is revealed in a dramatic decrease in the standard deviation of the pen-

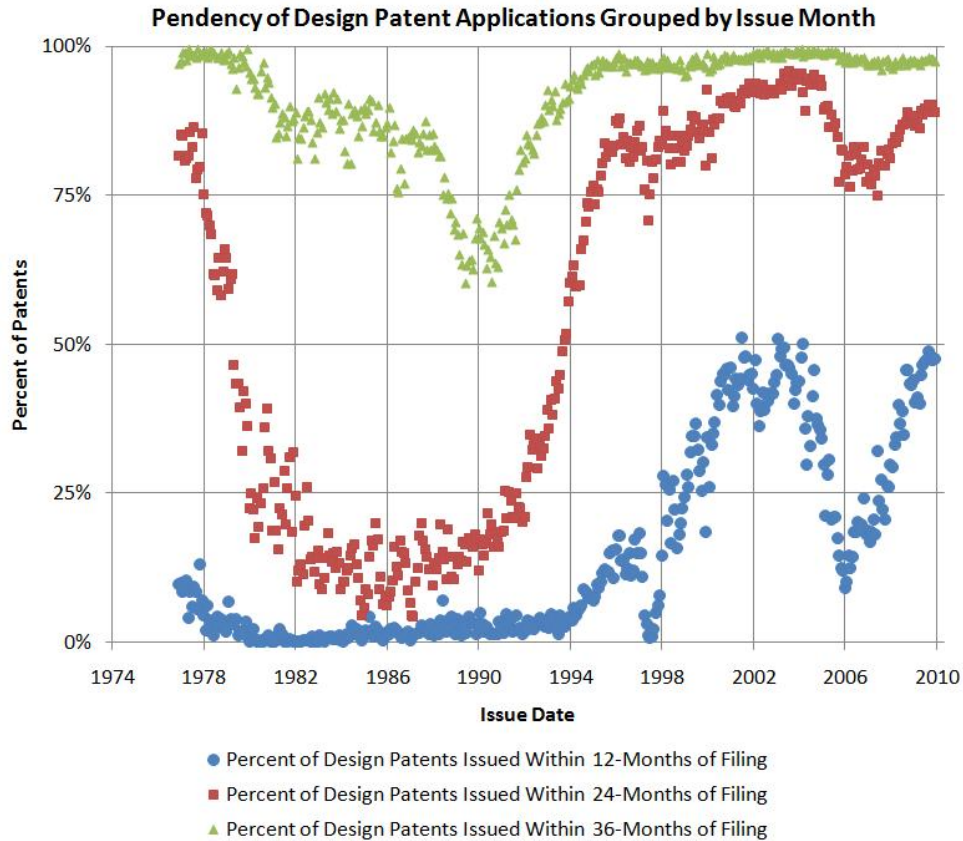
<sup>100</sup> [Note: This chart will be re-worked for publication]

<sup>101</sup> These figures are based on the year of issuance. I.e., design patents issued in 2001 had an average pendency of less than 15 months. This data was obtained by comparing the issue date with the filing date for all issued design patents during the stated period. The large amount of data allows us to easily reject the null hypothesis that the means time in prosecution did not vary in the two samples at a 99% CI.

dency time. In particular, the standard deviation of the of the pendency time that had steady at around 30 months during the 1980's and 1990's dropped to below 8 months during the past seven or so years (January 1, 2000 – May 1, 2008). Chart 3 shows the average pendency of design patent applications grouped by month of issuance through January 2010.<sup>102</sup> The pendency distribution may be better described in Chart 4.



<sup>102</sup> [NOTE: I WILL BE ABLE TO UPDATE THIS JUST BEFORE PUBLICATION.]



Despite the already rapid prosecution timeline, the USPTO has created two additional mechanisms for a design patent applicant to request that the Office speed its examination process. Both avenues serve the same purpose and their descriptive names are almost confusingly similar. The first avenue is termed *expedited examination* and the second is termed *accelerated examination*. The more popular of these processes, expedited examination, has officially been nicknamed the “rocket docket”<sup>103</sup> and is only available for design patent applicants. Accelerated examination is available to utility patent applicants as well, but is less popular – presumably because of the set of additional burdens placed on applicants who wish to take part in the accelerated examination process. In addition to the two avenues open to all applicants, the PTO will also speed examination of certain applications after granting a “petition to make special.”<sup>104</sup> Most notable of the “make special” categories is for the applicant’s age or health.

<sup>103</sup> M.P.E.P. § 501.

<sup>104</sup> See 37 C.F.R. § 1.102 and MPEP 708.02; Robert S. Katz, *Examination of Design Patents in the United States*, 10 U. BALT. INTELL. PROP. L.J. 109, 116 (2002).



For design patents, the rocket docket has become popular because it does not require any particular statements or additional burdens beyond the payment of a fee and “a pre-examination search” of prior art.<sup>105</sup> According to USPTO statistics, in 2007, 478 design patents issued through the rocket docket program. Amongst those, the average pendency was approximately 9.2 months.<sup>106</sup> For narrowly drafted designs that issued without rejection from the PTO, the average pendency on the rocket docket was 8.0 months.<sup>107</sup>

*Timing of Filing.* In addition to short pendency, it is also important to consider timing of the actual application filing. With little exception, design patent applications are kept in confidence by the USPTO until their issuance.<sup>108</sup> This allows a manufacturer to file for design patent protection as early as the market-design is known with the hope that prosecution will be substantially complete by the product release. That result contrasts with product-design trade dress rights that cannot be established until the product is already in the hands of consumers.

### C. Design Patents and the Overlap of Trade Dress Rights

This section does not provide comprehensive empirical results, but rather focuses on the phenomenon of patentees simultaneously claiming both design patent and trade dress rights. This layered approach was taken by Apple with its famous iPod Nano design. The iPod Nano design patent application was filed first, in August 2005, a few weeks before its September 2005 public release date.<sup>109</sup> The subsequent trademark design registration application appears identical to the patented design.<sup>110</sup> The trademark registration application was filed in

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<sup>105</sup> 37 C.F.R. § 1.155.

<sup>106</sup> Robert M. Spear, “Get Your Design Patent Fast! Accelerated Examination And Expedited Examination” presented at USPTO Design Day 2008. [http://www.aipla.org/Content/Microsites150/Industrial\\_Designs/Industrial\\_Designs\\_Articles\\_and\\_Presentations/Design\\_Day\\_2008/Design\\_Day\\_2008\\_AcceleratedandExpeditedExamination-RobSpear.pdf](http://www.aipla.org/Content/Microsites150/Industrial_Designs/Industrial_Designs_Articles_and_Presentations/Design_Day_2008/Design_Day_2008_AcceleratedandExpeditedExamination-RobSpear.pdf).

<sup>107</sup> *Id.* See Perry Saidman, *The Crisis in the Law of Designs*, 89 J. Pat. & Trademark Off. Soc’y 301, 320 (2007) (describing a successful three-month rocket-docket process). Hugh Hansen (Moderator), Glenn Mitchell, Inna Fayenson, Perry Saidman (Panelists), *2001 Panel Discussion on Current Issues in Trademark Law-I’ll See Your Two Pesos and Raise You . . . Two Pesos, Wal-Mart . . . and Traffix: Where Is U.S. Supreme Court Jurisprudence Heading, and How Will It Affect Trademark Practitioners?*, 11 Fordham Intell. Prop. Media & Ent. L.J. 509 (2001) (“It is possible to get design patents very, very quickly.”).

<sup>108</sup> 35 U.S.C. § 122(a), 122(b)(2)(iv) (design patent applications are kept in confidence and are not published).

<sup>109</sup> US Design Patent No. D 549,237.

<sup>110</sup> Trademark Registration No. 3365816.

July 2006 and received a registration certificate in January 2008 after Apple presented substantial evidence of acquired distinctiveness.<sup>111</sup>

The pre-release design patent application filing allowed Apple to make an early claim for rights without publicly releasing any information regarding the design. The later-filed trademark claim offers an additional layer of protection with a potentially longer duration.

In litigation, it common for patentees to simultaneously assert design patent and trade dress rights.<sup>112</sup> In a recent case involving Mary Jane style shoes,<sup>113</sup> for instance, Sketchers sued Renaissance Imports and several John Doe importers for infringement of its design patent covering the shoe design<sup>114</sup> as well as for interference with Sketchers' unregistered trade dress in a way that would "cause confusion, mistake and deception among the general purchasing public and interfere with Sketchers' ability to use its ... trade dress to indicate a single quality controlled source of goods and services."<sup>115</sup> In addition, Sketchers asserted trade dress dilution<sup>116</sup> and unfair competition.<sup>117</sup> In response, Renaissance suggested that it was legitimately competing. As is typical, this case quickly settled.<sup>118</sup>

A review of twenty-seven recent lawsuits involving assertion of both design patent and trade dress rights reveals that Sketcher's approach of suing on unregistered trade dress rights is the more typical approach. In particular, none of the twenty-seven cases reviewed asserted "registered" trade dress rights but instead each claimed only unregistered trade dress.<sup>119</sup>

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<sup>111</sup> *Id.*

<sup>112</sup> See **Appendix I** for a non-exhaustive list of recently filed lawsuits where the plaintiff asserted both design patent and trade dress rights against a defendant's use of a device.

<sup>113</sup> Mary Jane shoes are named after the comic strip character Buster Brown's sister Mary Jane. In the early 20<sup>th</sup> century comic strip, she wore the shoes. *Fashion 101: the quiz*, *The News & Observer* (Raleigh, North Carolina) May 19, 2008.

<sup>114</sup> U.S. Design Patent No. D. 547,935 issued on August 7, 2007 claiming the "ornamental design for a shoe upper as shown and described."

<sup>115</sup> *Sketchers U.S.A., Inc., v. Renaissance Imports, Inc.*, 07-cv-07341 (C.D.Cal. 2007) (claiming rights under Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a)).

<sup>116</sup> U.S.C. § 1125(c) and Cal. Bus. & Prof. Code § 14330.

<sup>117</sup> Cal. Bus. and Prof. Code § 17200.

<sup>118</sup> In a filing 155 days after the original complaint was filed, the parties stipulated to a consent judgment under which the defendant agreed to stop selling a particular model of shoes that had been accused of infringement. <http://docs.lexmachina.stanford.edu/cases/21935/documents/228022.pdf>

<sup>119</sup> See Appendix I.B (listing cases). See also *Wal-Mart Stores Inc. v. Samara Bros. Inc.*, 529 U.S. 205 (2000) (explaining protection of unregistered trade dress).

These results suggest that businesses and practicing lawyers are regularly considering design patents and trade dress rights as overlapping tools. Part III of this article takes that reality as a starting point and considers whether the policies that justify trade dress rights might also be useful in shaping design patent policy.

*Copying.* Although I only used a small sample size, a similar review of thirty five filed design patent complaints shows that the vast majority of design patent litigations involve a manufacturer-plaintiff suing the maker of a competing version of a product.<sup>120</sup> This results contrasts with the conventional wisdom for utility patents that most infringers are *mens rea* “innocent.”<sup>121</sup> That design patent plaintiffs are usually manufacturers working to protect market-share is important for design patent policy because it suggests that contentious controversies involving non-practicing patent holders in the utility patent sphere are not a major concern with regard to design patents.

### III. JUSTIFYING A POLICY OF DESIGN PATENT RIGHTS

#### A. Trademark Function of Design Patent Protection

This section begins with an introductory discussion of trademark theory and the practical limits of trade dress law. It then moves to a discussion of the modern role of design patent as driven by trademark theory in filling gaps in trade dress protection.

##### 1. Background of Trademark Theory

Trademark law is commonly premised on a theory of consumer protection.<sup>122</sup> Trademarks help consumers avoid confusion in the market place and – in turn – lower search costs and

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<sup>120</sup> Although not required to state a cause of action for design patent infringement, over 77% of the complainants in my sample self-identified as the manufacturer of a product covered by the asserted design patent and also asserted that the infringement was “willful.” Slightly less than half specifically accused the defendant of copying or creating a knock-off product. Since an allegation of copying is not required to state a cause of action, its absence from the complaint does not necessarily indicate anything. For a sampling of cases claiming copying, see, *Nufix, Inc. v. Bacterin Int'l, Inc.*, 09-CV-93 (N.D. Ala.); *Shop\*TV, Inc. v. Bed Bath & Beyond, Inc.*, (D.Co); *Oakley, Inc. v. Beretta U.S.A. Corp.*, 09-cv-33 (C.D. Cal.); *Deckers Outdoor Corp. v. Bon-Ton-Stores, Inc.*, 08-CV-8074 (C.D. Cal.). See also Bruce A. Kugler & Craig W. Mueller, *A Fresh Perspective on Design Patents*, Colorado Lawyer (2009) (“Design patents are cost-effective deterrents to protect against direct knockoffs.”).

<sup>121</sup> Christopher A. Cotropia & Mark A. Lemley, *Copying in Patent Law*, 87 N.C. L. REV. 1421, 1423 (2009).

<sup>122</sup> William M. Landes & Richard A. Posner, *Trademark Law: An Economic Perspective*, 30 J. L. & Econ. 265 (1987); Stacey L. Dogan & Mark A. Lemley, *A Search-Costs Theory of Limiting Doctrines in Trademark Law*, 97 Trademark Rep. 1223 (2007); Glynn S. Lunney, Jr., *Trademark Monopolies*, 48 Emory L.J. 367, 417 (1999); but see Mark McKenna, *The Normative Foundations of Trademark Law*, 82 Notre Dame Law Review 1839 (2007) (“Trademark law was not traditionally intended to protect consumers. Instead, trademark law, like all

avoid unwanted transactions.<sup>123</sup> These tendencies have the “corollary effect of preventing the appropriation of a producer’s goodwill.”<sup>124</sup> Consumers rely on trademarks as “short-hand” indicators of intrinsic qualities and the origin of goods.<sup>125</sup> Although this overall trademark benefit is seen generally by consumers, the trademark right is actually given to the producer to manage as a private right. And, as private rights, trademarks have been a boon for producers. Despite this positive story, trademark laws – especially more recent expansions of trademark doctrines – have been criticized (1) as entrenchment of major right-holders and (2) because of the potential and growing disconnect between the interests of the right holder and the interests of consumers generally.<sup>126</sup>

The Supreme Court has repeatedly held that trademark protection is available for the design of a product if the design has acquired secondary meaning in the eyes of consumers “which serves to identify the product with its manufacturer or source.”<sup>127</sup> Trademark rights protecting the visual appearance of a product or its packaging are typically referred to as trade dress rights. Once established, the trade dress right-holder may prevent unauthorized uses that are “likely to cause confusion as to the origin, sponsorship, or approval of the goods. In these respects protection for trade dress exists to promote competition.”<sup>128</sup>

## 2. Limits of Trade Dress Law

There are a number of legal limits on trademark and trade dress protection. Here, I focus on two specific limitations – proof of acquired distinctiveness and non-functionality. These

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unfair competition law, sought to protect producers from illegitimate diversions of their trade by competitors.”).

<sup>123</sup> See note 122, *supra*.

<sup>124</sup> Stacey L. Dogan & Mark A. Lemley, *A Search-Costs Theory of Limiting Doctrines in Trademark Law*, 97 *Trademark Rep.* 1223 (2007); See *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 197-98 (1985) (noting that the goal of trademark protection is to protect the consumer’s ability “to distinguish among competing producers”); *Ty Inc. v. Perryman*, 306 F.3d 509, 510 (7th Cir. 2002) (noting that the central concern of trademark law is to provide consumers with “a concise and unequivocal identifier of the particular source of particular goods”).

<sup>125</sup> Stacey L. Dogan & Mark A. Lemley, *A Search-Costs Theory of Limiting Doctrines in Trademark Law*, 97 *Trademark Rep.* 1223 (2007).

<sup>126</sup> *Id.* Mark Lemley and Mark McKenna, *Irrelevant Confusion*, 62 *Stanford L. Rev.* 413 (2010) (noting the unwarranted expansion of trademark doctrines).

<sup>127</sup> *TrafFix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23 (2001); *In re Slokevage*, 441 F.3d 957 (Fed. Cir. 2006) (product design and thus not protectable with trade dress rights without evidence of secondary meaning).

<sup>128</sup> *TrafFix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23 (2001).

two limitations are important because they lead to major gaps in potential rights – gaps that I argue are largely filled by design patents.

In *Wal-Mart Stores v. Samara Brothers*, the Supreme Court held that unregistered trade dress deemed to be product configuration must first acquire distinctiveness to be protectable under the Lanham Act, whereas trade dress deemed to be product packaging may be found “inherently distinctive.”<sup>129</sup> The *Wal-Mart* court based its decision on the alignment of three factors: (1) a perceived unlikely prospect that a product’s design would acquire distinctiveness; (2) the potential harm of chilling competition through trademark litigation – even if unsuccessful; and (3) the availability of alternative forms of protection for the product configuration such as design patent or copyright.<sup>130</sup>

As a result of *Wal-Mart*, the USPTO began to require evidence of acquired distinctiveness before registering any product configuration trade dress on the Principle Register.<sup>131</sup> Typically the USPTO will find acquired distinctiveness of a product configuration based on at least five years of continuous and exclusive use of the mark or actual evidence of acquired distinctiveness.<sup>132</sup> Under this rubric, the delayed process of registering trade dress rights serves as an example of an additional practical limitation of trade dress rights. Certainly, trade dress rights may be enforced without federal registration under both the Lanham Act and State Law.<sup>133</sup> However, unregistered rights are still contingent upon proof that the trade dress has obtained secondary meaning.<sup>134</sup> Unregistered rights additionally lack the adminis-

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<sup>129</sup> *Wal-Mart Stores Inc. v. Samara Bros. Inc.*, 529 U.S. 205 (2000); Jeffrey M. Samuels and Linda B. Samuels, *Trade Dress Undressed: Wal-Mart v. Samara*, 29 AIPLA Quarterly Journal 43 (2001).

<sup>130</sup> *Wal-Mart Stores Inc. v. Samara Bros. Inc.*, 529 U.S. 205 (2000) (“[T]he producer can ordinarily obtain protection for a design that is inherently source identifying (if any such exists), but that does not yet have secondary meaning, by securing a design patent or a copyright for the design—as, indeed, respondent did for certain elements of the designs in this case.”).

<sup>131</sup> Trademark Manual of Examining Procedure (TMPE) Section 1202.02(b).

<sup>132</sup> TMPE § 1212. See Feisthamel, Kelly, and Sisteck, Trade Dress 101: Best Practices for the Registration of Product Configuration Trade Dress with the USPTO, 95 Trademark Reporter 1374 (November-December 2005) at <http://home.comcast.net/~jlw28129/TradeDress101.pdf>; John Welch, *Trade Dress and the TTAB: If Functionality Don't Get You, Nondistinctiveness Will*, 18 Allen's Trademark Digest 5 (November 2004) at <http://www.ll-a.com/welch/tradeDressTTABOCT2004.pdf>.

<sup>133</sup> *Gray v. Meijer, Inc.*, 295 F.3d 641 (6th Cir. 2002) (“The Lanham Act’s protection of registered trademarks also extends to unregistered trade dress.”).

<sup>134</sup> *Gray v. Meijer, Inc.*, 295 F.3d 641 (6th Cir. 2002) (“To recover for trade dress infringement under § 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), a plaintiff must prove by a preponderance of the evidence: (1) that its trade dress has obtained “secondary meaning” in the marketplace; (2) that the trade dress of the two competing

trative imprimatur tied to registration<sup>135</sup> or the incontestability status of long-term registered marks.<sup>136</sup>

Trade dress protection is also unavailable for product features that are “functional.”<sup>137</sup> For many years, the functionality test looked primarily to competitive needs – i.e., whether excluding others “from using this trade dress will hinder competition or impinge upon the rights of others to compete effectively[.]”<sup>138</sup> In the 1982 *Morton-Norwich* case, the CCPA created four factors to help determine whether the trade dress was impermissibly functional. These factors include “(1) the existence of a utility patent that discloses the utilitarian advantages of the design sought to be registered; (2) advertising by the applicant that touts the utilitarian advantages of the design; (3) facts pertaining to the availability of alternative designs; and (4) facts pertaining to whether the design results from a comparatively simple or inexpensive method of manufacture.”<sup>139</sup> Later, in the 2001 *TrafFix* case, the Supreme Court added a wrinkle to the analysis of improper functionality— holding that a design will also be considered improperly functional for trade dress protection if “it is essential to the use or purpose of the article or if it affects the cost or quality of the article.”<sup>140</sup> A product configuration will be found functional and not eligible for trade dress protection if it satisfies either the *Morton-Norwich* or the *TrafFix* test.<sup>141</sup>

The purposes of the trade dress functionality limitation also sound in competition and the “very serious” consequences of a perpetual monopoly.

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products is confusingly similar; and (3) that the appropriated features of the trade dress are primarily nonfunctional.”).

<sup>135</sup> Llewellyn Gibbons, *Semiotics of the Scandalous and the Immoral and the Disparaging: Section 2(a) Trademark Law After Lawrence v. Texas*, 9 Marq. Intell. Prop. L. Rev. 187, 247 (2005) (“The USPTO rejects the contention that by registering a mark, it is granting the U.S. government’s imprimatur to either the mark or the quality of the goods or services associated with that mark. Nonetheless, granting a mark registration is not the same as barring a mark from registration.”); Overview of Basic Principles of Trademark Law and Unfair Competition, 973 PLI/Pat 49, 53 (2009).

<sup>136</sup> 15 U.S.C. § 1065.

<sup>137</sup> *TrafFix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23 (2001). Of note, in *TrafFix*, Chief Justice Roberts, then a private attorney, represented the successful petitioner.

<sup>138</sup> *In re Morton-Norwich Prods., Inc.*, 213 USPQ 9 (CCPA 1982).

<sup>139</sup> *Id.*

<sup>140</sup> *TrafFix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23 (2001); *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 851 n.10, 102 S. Ct. 2182, 72 L. Ed. 2d 606 (1982) (“In general terms, a product feature is functional if it is essential to the use or purpose of the article or if it affects the cost or quality of the article.”).

<sup>141</sup> See *Valu Engineering, Inc. v. Rexnord Corp.*, 61 USPQ2d 1422 (Fed. Cir. 2002).

Were the law otherwise, it would be possible for a manufacturer or dealer, who is unable to secure a patent on his product or on his design, to obtain a monopoly on an unpatentable device by registering it as a trade-mark. The potential consequences to the public might be very serious, because while a patent is issued for only a limited term, a trade-mark becomes the permanent property of its owner and secures for him a monopoly in perpetuity.<sup>142</sup>

In analyzing the results of both *Wal-Mart* and *Traffix* on trade dress registration, noted trademark law commentator John Welch found that the hurdles were insurmountable for many hopeful trade dress registration applicants.<sup>143</sup> Welch writes that “[i]n the great majority of the trade dress cases decided by the Board since 2000, the applicant has failed to complete the course.”<sup>144</sup>

This sentiment has been confirmed by noted design-rights proponent Perry Saidman in his 2007 article declaring a "crisis in the law of designs."<sup>145</sup> Lower courts have also been wary of extending trademark protection to product design.<sup>146</sup>

Using these limits of trademark protection as a jumping-off point, the next section considers how design patent rights work to fulfill trademark goals – especially in areas where trade dress law is limited.

### 3. Design Patents as an Alternative Rule of Evidence for Trade Dress

Design patent rights regularly overlap with trade dress rights.<sup>147</sup> It makes sense then that the two regimes may also serve overlapping public purposes.<sup>148</sup> Although design patent law

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<sup>142</sup> *Traffix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23 (2001).

<sup>143</sup> John Welch, *Trade Dress and the TTAB: If Functionality Don't Get You, Nondistinctiveness Will*, 18 Allen's Trade-mark Digest 5 (November 2004) at <http://www.ll-a.com/welch/tradeDressTTABOCT2004.pdf> (.).

<sup>144</sup> *Id.*

<sup>145</sup> Saidman, *The Crisis in the Law of Designs*, 89 J. Pat. & Trademark Off. Soc'y 301 (2007) (“Trade dress law, a branch of traditional trademark law, was not always un-friendly to product designs. . . . However, the two Supreme Court decisions in *Wal-Mart* and *Traffix* changed the landscape significantly, to the point where only the rare design will qualify for trade dress protection.”).

<sup>146</sup> See, for example, *Landscape Forms, Inc. v. Columbia Cascade Co.*, 113 F.3d 373, 377 (2d Cir. 1997) (courts should exercise “particular caution”); *Jeffrey Milstein, Inc. v. Greger, Lawlor, Roth, Inc.*, 58 F.3d 27, 32-34 (2d Cir. 1995) (same);

<sup>147</sup> See notes accompanying Section II.C, *supra*.

does not require the condition precedent of trademark distinctiveness in the minds of consumers before granting rights, the regime does require the patented design to be distinctive from the prior art.<sup>149</sup> Similarly, while trademark law directly protects against customer confusion between products on the market, design patent infringement considers the potential for confusion "in the eye of an ordinary observer" between the patented design and the accused design.<sup>150</sup> The minute distinction between design patent distinctiveness and trademark distinctiveness may be that "a trademark functions to indicate the source of goods" while a design patent focuses on the appearance of goods themselves.<sup>151</sup> These two forms of distinctiveness are, of course, largely overlapping. It would seem almost unworkable to truly separate the two.<sup>152</sup>

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<sup>148</sup> Many commentators have recognized that the regimes overlap. However, few have recognized that the purposes may overlap. See, for example, Moshe H. Bonder, *Patent & Lanham Acts: Serving Two Legitimate Purposes or Providing an Indefinite Monopoly?*, 15 Alb. L.J. Sci. & Tech. 1, 7-8 (2004).

<sup>149</sup> See 35 U.S.C. §§ 102 and 103(a).

<sup>150</sup> Michael S. Perez, *Reconciling the Patent Act and the Lanham Act: Should Product Configurations Be Entitled to Trade Dress Protection After the Expiration of a Utility or Design Patent?*, 4 Tex. Intell. Prop. L.J. 383, 392 (1996) (distinguishing between trademark and design patent infringement doctrines); but see, *A Review of Recent Decisions of the United States Court of Appeals for the Federal Circuit*, 58 Am. U.L. Rev. 747, 755 (2009) ("The 'ordinary observer' test thus establishes a standard for design patent infringement similar to the 'likelihood of confusion' standard for trademark-infringement cases.") and *Unette Corp. v. Unit Pack Co.*, 785 F.2d 1026, 1029 (Fed. Cir. 1986) (holding district court references to "likelihood of confusion" in design patent infringement analysis to be harmless error).

<sup>151</sup> *In re DC Comics, Inc.*, 689 F.2d 1042, 1053 (C.C.P.A. 1982) (Nies, J., concurring "Moreover, the existence of copyright or patent protection in a product design does not insure the acquisition of any trademark rights. Only public reaction to one's actual use of the design can lead to protection as a trademark, a factual question that remains despite the right to keep others from using one's design which may be granted under the copyright or patent statutes.")

<sup>152</sup> In a 1986 case, the Federal Circuit distinguished the two, but only on narrow grounds. *Unette Corp. v. Unit Pack Co.*, 785 F.2d 1026, 1029, (Fed. Cir. 1986) ("A determination that the shape of the alleged infringing concentrate package is not visible to the consumer at the time of sale and, therefore, the consumer is unlikely to be confused by the similarity in a competitor's product is inapposite. Concluding that a purchaser is unlikely to be confused by any similarity in a competitor's product only serves to blur the otherwise clear line that exists between the test for infringement of a design patent and the "likelihood of confusion" test for infringement of a trademark."). *Dominick & Hall v. R. Wallace & Sons Mfg.* (design patent infringement "aggravated" by the fact that the infringing spoon-maker used lower quality silver plating rather than sterling silver.). Debra D. Peterson, *Seizing Infringing Imports of Cinderella's Slippers: How Egyptian Goddess Supports U.S. Customs and Border Protection's Enforcement of Design Patents*, 90 J. Pat. & Trademark Off. Soc'y. 888, 890 (2008) (Noting that the similarity in the infringement analysis between design patents and trademarks suggests that customs officials should be granted authority to enforce design patents without an order from the International Trade Commission (ITC)). A more substantial difference between the two infringement doctrines involves the ordinary trademark limitations that require confusion in a similar market area. Design patents can be bought and sold on their own, and infringement is not limited by law to a particular market area – in fact, the patent may be enforced even if the patentee is a 'non-practicing entity' without any product line at all. However, with the expansion of the doctrine of trademark dilution, this distinction is also blurred.



I argue that these close similarities allow design patents to serve as proxies for trade dress rights – although provable through an alternative rule of evidence.<sup>153</sup> In the same way that circumstantial evidence can be used to as a proxy of an ultimate fact in question, design patents can serve as a proxy for achieving the consumer protection goals of trademark law. The alternate approach offered by design patent protection has a pattern of focusing on qualities of the claimed design that may often be simpler than the trademark focus of attempting to understand consumer-associations with the design. The design patent distinctiveness measures of novelty and nonobviousness are also ascertainable *ex ante* (even before any product reaches the hands of a consumer) as opposed to the *ex post* creation of trade dress rights.<sup>154</sup> In this sense, design patents could be seen as filling the position of inherently distinctive trade dress that was eliminated in *Wal-Mart*.<sup>155</sup> Using proxies are not unique in the law. In fact, trade dress law already provides several proxies that serve as circumstantial evidence of distinctiveness. Factors often applied include the length of time that the trade dress has been in use, sales revenue, advertising expenditures, and similarity of design.<sup>156</sup>

Assuming that remedies are not cumulative, the more important trademark-like function of design patents is realized when traditional trade dress protection is unavailable, uncertain, or unduly expensive to pursue. Even in the ordinary case, the additional layer of protection provides greater certainty of rights and may lead to greater investment in the source-identifying function of the design. The trade dress limits of functionality and distinctiveness help identify particular situations where trade dress rights are unlikely to be available. In those cases, design patents serve the role of a gap-filler by providing rights that might not have otherwise been available. Under the umbrella of the mechanism that I term doctrinal

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<sup>153</sup> See generally Douglas Lichtman, *Copyright as a Rule of Evidence*, 52 Duke L. J. 683 (2003) (discussing copyright law as serving as a proxy for social goals).

<sup>154</sup> In the US, novelty and nonobviousness are judged as of the time of the invention. See, for example, 35 U.S.C. § 103(a) (asking whether the invention “would have been obvious at the time the invention was made”). See *Swift v. Dey*, 4 Robertson, 611 (N.Y. Superior Ct. 1865) (distinguishing between design patent infringement based on “imitating the design” and trade-mark infringement based on “passing off”).

<sup>155</sup> *Wal-Mart Stores Inc. v. Samara Bros. Inc.*, 529 U.S. 205 (2000).

<sup>156</sup> Xuan-Thao N. Nguyen, *Shifting the Paradigm in E-Commerce: Move Over Inherently Distinctive Trademarks – The E-Brand, I-Brand and Generic Domain Names Ascending to Power?*, 50 Am. U.L. Rev. 937, 954, 954 n.113 (2001) (“marketing, sales, usage, and passage of time”). See also, Suman Naresh, *Incontestability and Rights in Descriptive Trademarks*, 53 U. Chi. L. Rev. 953, 991 (1986) (suggesting that “incontestability is simply a new statutory method of proving distinctiveness in certain specified circumstances”); *In re Pacer Technology*, 338 F.3d 1348 (Fed. Cir. 2003) (similarity to other designs).

bootstrapping, design patents can have a synergistic effect on parallel trade dress rights and actually operate to reinforce and extend those rights. In the doctrinal bootstrapping scenario, design patent rights could be identified as a procedural pathway to eventually achieving trade dress rights.

It is proper to pause here to consider (or even balk at) the notion that design patent rights can serve a trademark purpose when the design lacks distinctiveness, the *sine qua non* of trademark law. However, that caution is not entirely applicable. Design patent law does not reject the notion of distinctiveness but rather uses a proxy to reach a conclusion that roughly approximates trademark distinctiveness. Patented designs may well have acquired secondary meaning in the eyes of consumers, but the proof of such distinctiveness may be delayed, unreliable, or expensive. Newly created designs may not yet exhibit secondary meaning. However, early design patent protection may still be justified as part of the pathway to establishing rights so long as the grant does not create problems of over-privatization.

#### 4. Limits on Design Patent Rights Protect Against Monopoly Problems

It would not make sense to simply run roughshod over the legal limitations of distinctiveness and nonfunctionality as they are found in trade dress law. Those limitations have the pro-competitive justification of avoiding over-privatization of functional design rights.<sup>157</sup> Such over-privatization has been identified with monopoly-type commercial problems and with a potential chilling effect on follow-on innovation and speech.<sup>158</sup> Of course, design patent doctrine does not ignore these legitimate concerns. Rather, the design patent laws include particular safeguards directed toward ensuring that the public is not unduly limited in its access to functional articles. For the gap-filling theory to work well, it is important that the design patent law safeguards be different from the trade dress safeguards. In that way, gaps in trade dress law can be filled by design patent protections and *vice-versa*.

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<sup>157</sup> *Qualitex Co. v. Jacobson Products Co., Inc.*, 514 U.S. 159, 164-165 (1995) (“The functionality doctrine prevents trademark law . . . [from] inhibiting legitimate competition by allowing a producer to control a useful product feature. . . . If a product’s functional features could be used as trademarks, however, a monopoly over such features could be obtained without regard to whether they qualify as patents and could be extended forever.”); *Traffix Devices v. Mktg. Displays*, 532 U.S. 23 (2001); *Wal-Mart Stores v. Samara Bros.*, 529 U.S. 205 (2000); *Promotional Goods and the Functionality Doctrine: An Economic Model of Trademarks*, 63 Tex. L. Rev. 639 (1984) (“the [non-functionality] doctrine rests on the judgment that the benefits of preventing monopoly power in the production of useful goods outweigh the increased search costs caused by duplication of features that have secondary meaning”).

<sup>158</sup> See generally articles cited in note 29.

a) Distinctive from the Prior Art

In design patent law, the distinctiveness question focuses on a comparison with the prior state-of-the-art (“prior art”).<sup>159</sup> Design patents must be distinctive from the prior art and cannot be taken from the public domain. Along this line, an application for patent must be made within a limited amount of time from the first public use or disclosure. These limitations are not found in trade dress law. Thus, in 2004, Stella D’Oro Biscuit Co. finally registered its “S-shaped” cookie design – more than forty-five years after initially selling the cookie in commerce.<sup>160</sup> In this way, the distinctiveness limitation of design patents operates to limit anti-competitive rights to after-arising product lines in a manner orthogonal to the similarly purposed distinctiveness limits of trade dress law. In the case of Stella D’Oro Biscuits, trade dress protection was available even though the shape certainly lacked design patent distinctiveness. In other situations, a design may satisfy the design patent distinctiveness requirements but lack distinctiveness in the eyes of consumers.<sup>161</sup>

b) Design Patent Functionality Doctrine

Rather than being orthogonal, the functionality limits of design patent and trade dress appear concentric. Virtually without exception, the functionality limitation of design patent doctrine is substantially attenuated as compared with its trade-dress parallel:

[A]lthough the general considerations of functionality are of course similar, the functionality doctrine in trademark law is quite distinct from the functionality determination in design patents. Although functionality will invalidate a design patent only when the design is *dictated* by the function, a lesser showing of functionality is necessary to invalidate trademarks. Functionality will invalidate a trademark if it is essential to the use or purpose of the article or if it affects the cost or quality of the article.<sup>162</sup>

A 1996 Federal Circuit case is useful for illustrating how functionality can occasionally limit the potential coverage of a design patent.<sup>163</sup> In *Best Lock*, the appellate court was asked to

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<sup>159</sup> Design patent doctrine does not ordinarily use “distinctive over the prior art” as a term of art. Here, I intend the term to mean that the claimed design is novel and nonobvious.

<sup>160</sup> See U.S. Trademark Reg. No. 2,904,812.

<sup>161</sup> The iPod Nano design discussed in Part II.C may be a case-in-point. The design patent was filed before the public release. At that point, Apple would not have been able to show acquired distinctiveness as required to register product design trade dress.

<sup>162</sup> *Spotless Enters. v. A & E Prods. Group*, 294 F. Supp. 2d 322 (E.D.N.Y. 2003).

<sup>163</sup> *Best Lock Corp. v. Ilco Unican Corp.*, 94 F.3d 1563 (Fed. Cir. 1996); Christopher J. Gaspar, *The Federal Circuit Locks Down the Ornamentality Requirement: Best Lock v. Ilco Unican*, 23 Iowa J. Corp. L. 179 (1997).

considered Best Lock's replacement key design patent.<sup>164</sup> Best Lock's design patent claimed the shape of a key blade blank and helped the company control the aftermarket in replacement keys. The diagrams in the asserted design patent – and thus the claims – cover the cross-sectional shape of the key blank including the keyway design that determines whether a particular key could fit in a corresponding lock. On appeal, the Federal Circuit majority panel held that the key blade design was invalid because it was dictated by function. In particular, the court noted that the patented keyway shape was the *only shape* that would fit the corresponding lock sold by the patentee. “An attempt to create a key blade with a different design would necessarily fail because no alternative blank key blade would fit the corresponding lock.”<sup>165</sup> Because the patented design shape was primarily functional, it was also invalid.<sup>166</sup> Restating the rule of law in a later case, the Federal Circuit saw invalidating functionality only when the claimed design is “the only possible form of the article that could perform its function.”<sup>167</sup>

The *Best Lock* holding could be seen as a way of ensuring access to up-stream technologies – except for the fact that the corresponding lock had been designed contemporaneously with the key. Picking upon this issue, Judge Newman filed a dissenting opinion in which she argued that a patent covering an arbitrary design should not be invalid simply because it closely “interacts with an article of complementary design.”<sup>168</sup> “[T]he fact that the key blade is the mate of a keyway does not convert the arbitrary key profile into a primarily functional design.”<sup>169</sup>

Although Judge Newman's attempt to cabin in the functionality limitation holds theoretical promise, at the end of the day the court chose an alternative route. Thus, the doctrinal law emerging from *Best Lock* is that the functionality doctrine blocks design patent protection

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<sup>164</sup> Best Lock had asserted U.S. Utility Patent No. 5,136,869 and Design Patent No. D. 327,636.

<sup>165</sup> *Best Lock Corp. v. Ico Unican Corp.*, 94 F.3d 1563 (Fed. Cir. 1996).

<sup>166</sup> Id.; Ryan Vacca, *Design Patents: An Alternative When the Low Standards of Copyright Are Too High?*, 31 S. Ill. U. L.J. 325, 348 (2007) (noting that the test here is similar to that of copyright).

<sup>167</sup> *Seiko Epson Corp. v. Nu-Kote Int'l, Inc.*, 190 F.3d 1360 (Fed. Cir. 1999).

<sup>168</sup> *Best Lock Corp. v. Ico Unican Corp.*, 94 F.3d 1563 (Fed. Cir. 1996)(Newman, J. in dissent). Judge Pauline Newman – longtime patent director for FMC Corporation – is widely seen as one of the most pro-patent judges on the Federal Circuit. See, John R. Allison and Mark Lemley, *How Federal Circuit Judges Vote in Patent Validity Cases*, 27 FLA ST. L. REV. 745 (2000).

<sup>169</sup> *Best Lock Corp. v. Ico Unican Corp.*, 94 F.3d 1563 (Fed. Cir. 1996)(Newman, J. in dissent).

where patent rights would block access to the only possible mechanism for performing a particular function.

In design patent law, the non-functionality doctrine has been grounded in the ornamental requirement of 35 U.S.C. § 171. From an historic perspective, it is interesting to note that the original 1842 design patent statute did not include the ornamental requirement. Rather, the statute called allowed a design patent for “any new and original design for a manufacture.”<sup>170</sup> The 1842 statute additionally provides for, *inter alia*, patents on designs for printing of fabrics; designs for busts and statues; and “impression[s].” An 1870 change in the law added the confusing requirement that the designs for articles of manufacture also be “useful.”<sup>171</sup> Eventually, however, the courts settled on the conclusion that a useful design should be defined as an ornamental design. Writing in 1914, Symons noted that “A majority of the courts which have decided what meaning should be given to this word ‘useful’ as used in the Act of 1870 . . . have held that it referred to the usefulness resulting from creating an ornamental or beautiful thing.”<sup>172</sup> In 1902, the word “useful” was eliminated from the statute and replaced with the current requirement that the design be “ornamental.”<sup>173</sup>

### c) Explicit and Narrow Claim Scope

Design patents are quite narrow in scope and cover only what is shown by the drawings in the patent.<sup>174</sup> Any potential monopoly power given to the rights-holder has been characterized as “very weak”<sup>175</sup> A design’s attractiveness over other designs has historically been seen as “not a very important margin of advantage.”<sup>176</sup> In addition, alternative designs are often quite easy to alter – especially when the operation involves modifying an existing popular design in a way that does not infringe. As Judge Hand wrote in his 1940 *Fashion Originators’*

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<sup>170</sup> 5 Stat. 543 (1842).

<sup>171</sup> William L. Symons, *The Law of Patents for Designs* 18-20 (1914).

<sup>172</sup> *Id.* at 19.

<sup>173</sup> *Id.* at 13-14; Patent Act of May 1902, ch. 783, § 4929, 32 Stat. 193.

<sup>174</sup> *In re Mann*, 861 F.2d 1581, 1582 (Fed.Cir.1988) (“Design patents have almost no scope”); see also *Elmer v. ICC Fabricating*, 67 F.3d 1571, 1577 (Fed.Cir.1995); Karl G. Hanson, *Intellectual Property Strategies for Protecting the Looks of a New Product*, 81 J. Pat. & Trademark Off. Soc’y. 887, 901 (1999) (“[E]ach solid line [in the drawings] can be another limitation that effectively narrows the scope of the claim.”).

<sup>175</sup> John H. Lewin, *The Associated Press Decision – An extension of the Sherman Act*, 13 U. Chi. L. Rev. 247, 262 n. 27 (1945-1946) (discussing *Fashion Originators’ Guild of Am. v. Federal Trade Comm’n*, 114 F.2d 80 (2nd Cir. 1940), *aff’d*, 312 U.S. 457 (1941));

<sup>176</sup> *Id.*

*Guild* opinion, “there are substitutes for most goods.”<sup>177</sup> In addition to having a narrow scope, design patent rights are explicitly delineated in the publicly available patent document and the right-holder is typically easily identifiable via the USPTO assignment records. These limitations are absent in trade dress law -- especially that of unregistered trade dress -- because trade dress rights are traditionally created through use of a mark in commerce rather than explicitly delineating the scope of rights.<sup>178</sup>

d) The Self Annealing Nature of Design Patents

The Coase Theorem suggests that, in a world without transaction costs, bargaining between interested parties will lead to an efficient outcome regardless of the initial allocation of property rights.<sup>179</sup> Traditionally, trademark rights have not been considered a property right.<sup>180</sup> Instead, trademarks were asserted as reactive torts in order to prevent unfair competition. Judge Winter briefly explained this distinction in the Second Circuit *Coach Leatherware v. AnnTaylor* case:

Unlike a design patent or copyright owner, a trademark claimant does not have an exclusive right to a design; its right is solely in protecting its identity as the source of its product. Ann Taylor thus has every right to copy Coach's bags so long as consumers know they are buying Ann Taylor bags.<sup>181</sup>

Because trademarks are not self-sustaining property rights, they cannot ordinarily be bought and sold apart from their associated goodwill.<sup>182</sup> This traditional treatment of trademark rights has shifted toward a property theory.<sup>183</sup> Yet, even proponents of the Coase Theorem dismiss its applicability to trademark law because of the complex transaction costs.<sup>184</sup> As a

<sup>177</sup> Fashion Originators' Guild 114 F. 2d 80 (2nd Cir. 1940).

<sup>178</sup> Consider Jeanne C. Fromer, *Claiming Intellectual Property*, 76 U. Chi. L. Rev. 719 (2009).

<sup>179</sup> See, e.g., R.H. Coase, *The Problem of Social Cost*, 3 J.L. & Econ. 1 (1960); F. Scott Kieff, *Coordination, Property, and Intellectual Property: An Unconventional Approach to Anticompetitive Effects and Downstream Access*, 56 Emory L.J. 327 (2006).

<sup>180</sup> William H. Browne, *A Treatise on the Law of Trade-Marks: and Analogous Subjects* 524 (1873) (Naked transfer of trademark rights has long been called a “fraud upon the public.”).

<sup>181</sup> *Coach Leatherware Co. v. AnnTaylor, Inc.*, 933 F.2d 162 (2nd Cir. 1991).

<sup>182</sup> *Id.*

<sup>183</sup> Mark Lemley, *The Modern Lanham Act and the Death of Common Sense*, 108 Yale L.J. 1687 (1999).

<sup>184</sup> William M. Landes & Richard A. Posner, *Trademark Law: An Economic Perspective*, 30 J.L. & Econ. 265, 275 (1987)

well defined and easily transferrable right,<sup>185</sup> design patents offer some hope of lowering these transaction costs especially when allocating rights as between creators (inventors) and manufacturers.<sup>186</sup> Professor Reichman saw transaction-aiding mechanism as essentially the *only* function of design rights prior to 1975. “[D]esign patent law, while not inoperative, served ancillary commercial functions, such as establishing ownership, title and priority in order to facilitate transfers and to permit registration abroad.”<sup>187</sup> Thus, for instance, a stand-alone designer may create a design and apply for design patent rights without prior contracting or even contacting potential manufacturing or “brand name” companies that could eventually deliver the product to market. The patent right forms an easily transferable property interest to facilitate the movement of rights from the designer to the producer.<sup>188</sup> Thus, the defined right allows Coasean bargaining to determine the best innovators and best managers of intellectual property rights.<sup>189</sup> Trademark law does not offer this potential option because, *inter alia*, trademark does not reward innovation.

Beyond the potentially reduced transaction costs, design patents offer a self-annealing potential based on their limited fourteen year term.<sup>190</sup> This limited duration means that the administrative over-granting of rights is naturally self-correcting because the rights will eventually cease. The fourteen year term is arguably too long of a time to wait for such a self-correction since many designs will have a shorter market lifespan. However, the fourteen year term may be seen as short when compared to rights in trademark (indefinite), trade se-

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<sup>185</sup> 35 U.S.C. § 261 (“patents . . . shall be assignable in law by an instrument in writing.”).

<sup>186</sup> *Schrauder v. Beresford & Co.*, PTO Trademark Interference Case reprinted in William H. Browne, *A treatise on the law of trade-marks: and analogous subjects* 521 (1873) (available via Google Books) (“Another expressive evidence of [trade mark’s] radical difference from even a design-patent is that, whereas in such patent the recipient must either be the designer, or hold by assignment from him, ownership in a trade-mark is created by simple adoption and use,— and in fact in the present case neither party claims to have taken any part in getting up the design.”); Robert S. Katz, Design Patents in DRAFTING PATENTS FOR LITIGATION AND LICENSING 563 (ABA, Bradley C. Wright ed. 2008) (“The more typical situation involves a manufacturing company hiring a design firm to help produce aesthetically pleasing industrial designs. In these situations, the manufacturer commonly requires assignment of all intellectual property created as part of the contractual relationship between the manufacturer and designer.”)

<sup>187</sup> J.H. Reichman, *Design Protection After the Copyright Act of 1976: A Comparative View of the Emerging Interim Models*, 31 J. Copr. Soc’y 267, 276 (1983) (noting that between 1922 and 1974, “the Second Circuit upheld the validity of only two design patents”).

<sup>188</sup> See Henry E. Smith, *Intellectual Property as Property: Delineating Entitlements in Information*, 116 Yale L.J. 1742 (2007).

<sup>189</sup> See, F. Scott Kieff, *Coordination, Property, and Intellectual Property: An Unconventional Approach to Anticompetitive Effects and Downstream Access*, 56 Emory L.J. 327 (2006).

<sup>190</sup> 35 U.S.C. § 173.

cret (indefinite), copyright (life of the author + seventy years), and utility patent (twenty years from filing).

### B. Doctrinal Bootstrapping Role of Design Patents

In the 1940 and 1950's Honeywell designed its now ubiquitous round wall-attached thermostat and obtained both a utility patent on the control mechanism<sup>191</sup> and a design patent covering visible shape of the thermostat.<sup>192</sup> After those patents expired and after some initial setbacks, Honeywell was able to convince the USPTO to register the shape as trade dress.<sup>193</sup> Although Honeywell's competitor Emerson Electric initially objected the two reached a settlement and the trade dress was eventually registered in 1990.<sup>194</sup>

In this example, Honeywell leveraged its period of exclusivity guaranteed by design patent rights to facilitate registration of its trade dress.<sup>195</sup> Following the process of doctrinal bootstrapping, design patent rights do more than simply fill a gap in the trade dress protection regime. Rather, design patents can play a synergistic role by extending the functional duration and quality of trade dress rights available. In this section, I discuss three mechanisms of doctrinal bootstrapping.<sup>196</sup>

#### 1. Using Design Patent Rights as Evidence of Non-Functionality

The first form of doctrinal bootstrapping is based on what I term the "anti-*Traffix* doctrine." In *Traffix*, the Supreme Court held that the existence of a utility patent covering a particular design creates a presumption that the patented design is functional.<sup>197</sup> Because design patents lack functionality, the anti-*Traffix* doctrine would suggest that a prior design patent covering a design provides evidence that the design is non-functional.

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<sup>191</sup> U.S. Patent No. 2,394,920 issued February 12, 1946.

<sup>192</sup> U.S. Design Patent No. D176,657 issue Jan. 17, 1956.

<sup>193</sup> *In re Honeywell Inc.*, 8 U.S.P.Q.2d 1600, 1988 WL 252417 (T.T.A.B.1988).

<sup>194</sup> U.S. Trademark Registration No. 1,622,108.

<sup>195</sup> See also *Fuji Kogyo Co., Ltd. v. Pacific Bay Intern., Inc.*, 461 F.3d 675 (6th Cir. 2006) ("As its utility and design patents began to expire, the company learned of a competitor using trademark law to protect its designs.").

<sup>196</sup> These mechanisms sit in some tension with cases involving overlapping intellectual property rights such as *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23 (2003), *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 230 (1964), *Kellogg Co. v. National Biscuit Co.*, 305 U.S. 111, 121-122 (1938), and *Singer Mfg. Co. v. June Mfg. Co.*, 163 U.S. 169 (1896). These issues are discussed in Part IV.

<sup>197</sup> *Traffix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23 (2001).



The court in *Keystone Mfg. Co., Inc. v. Jaccard Corp.*<sup>198</sup> has probably written the best description of an anti-*TraFFix* doctrine that allows design patent rights to serve as evidence supporting the non-functionality of asserted trade dress rights.<sup>199</sup> Jaccard's hand-held meat tenderizer is covered by an expired design patent – seemingly leaving an open avenue for direct copycat competition. As part of a larger lawsuit, however, Jaccard asserted trade dress rights over the shape of the device. In its decision, the district court agreed that trade dress rights may protect the subject matter of an expired design patent.<sup>200</sup> The district court rejected the suggestion that the design patent creates a presumption of non-functionality. Instead, the court held that the design patent simply serves as another piece of evidence to be used by the jury in determining non-functionality.<sup>201</sup>

The conclusions in *Keystone* are widely supported by case law.<sup>202</sup> The leading cases are also clear, however, that – because of differences in the functionality limitations of the two doctrines – that the design patent cannot serve as conclusive proof of trademark nonfunctionality.<sup>203</sup>

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<sup>198</sup> 2007 WL 655758 (W.D.N.Y. 2007).

<sup>199</sup> *TraFFix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23 (2001)(holding that the existence of a utility patent creates a presumption of design functionality).

<sup>200</sup> 2007 WL 655758 (W.D.N.Y. 2007).

<sup>201</sup> *Id.*

<sup>202</sup> See, for example, *Fuji Kogyo Co., Ltd. v. Pacific Bay Intern., Inc.*, 461 F.3d 675 (6th Cir. 2006) (indicating that design patent creates a presumption of non-functionality); *Levenger Co. v. Feldman*, 516 F.Supp.2d 1272 (S.D.Fla. 2007) (prior design patent can rebut a defense of improper functionality of trade dress); *Aadventure Products, Inc. v. Simply Smashing, Inc.*, 2007 WL 2775128 (S.D. Cal. 2007) (“Although Plaintiff does not explicitly state that its claimed dress is nonfunctional, that fact can be implied by the existence of the design patents.”); *Global Mfg. Group, LLC v. Gadget Universe.Com*, 417 F.Supp.2d 1161 (S.D. Cal. 2006) (in case involving an assertion of unregistered trade dress rights for an electric scooter, the court held that the plaintiff's design patent covering the features of the scooter served as evidence of non-functionality); *Krueger Int'l v. Nightingale Inc.*, 915 F. Supp. 595, 605, 40 U.S.P.Q.2d 1334 (S.D.N.Y. 1996) (“Because a design patent is granted only for nonfunctional designs, it can serve as evidence that a plaintiff's trade dress is not functional.”); *In re R. M. Smith, Inc.*, 219 U.S.P.Q. 629 (T.T.A.B. 1983), *aff'd*, 734 F.2d 1482, 222 U.S.P.Q. 1 (Fed. Cir. 1984) (the existence of a design patent, while some evidence of nonfunctionality, is not alone sufficient evidence); *Topps Co. v. Gerrit J. Verburg Co.*, 41 U.S.P.Q.2d 1412, 1417 (S.D.N.Y. 1996) (an expired design patent of plaintiff “is presumptive evidence of non-functionality”); *McCarthy on Trademarks* § 7.93 (“A design patent, rather than detracting from a claim of nonfunctional trade dress or trademark, may support such a claim.”)

<sup>203</sup> *In re American National Can Co.*, 41 U.S.P.Q.2d 1841 (T.T.A.B. 1997); *In re Caterpillar Inc.*, 43 U.S.P.Q.2d 1335 (T.T.A.B. 1997) (“The fact that a configuration design is the subject of a design patent, as in this case, does not, without more, establish that the design is nonutilitarian and serves as a trademark.”).

## 2. Using Design Patent Exclusivity to Facilitate the Acquisition of Distinctiveness

A design patent alone does not prove secondary meaning.<sup>204</sup> In fact, the design patent itself offers no direct evidence of secondary meaning.<sup>205</sup> However, the significant period of exclusivity offered by a design patents can aid in the process of developing a consumer association between the design and its source.<sup>206</sup> That association then serves as evidence to support trade dress rights. This is the approach used by Honeywell and Apple, *supra*, and may be especially important for product designs that are likely to be copied quickly.<sup>207</sup>

## 3. Using Design Patent Rights to Substitute for Delay in Trade Dress Registration

Although trade dress rights are potentially perpetual, their start-up is not instantaneous. Rather, the establishment of trade dress rights and their potential registration is a time consuming process that could be derailed by intervening knock-off competitors. Under certain circumstances, design patents can offer an earlier establishment of rights and in that way extend the overall duration rights by adding time at the front-end.

### C. Design Patents As a Bulwark against Trademark Doctrinal Creep:

Scholars have noted a dramatic expansion of both trademark and copyright doctrines.<sup>208</sup> In the face of this expansion, even those whose political bent leans away from granting protec-

<sup>204</sup> *Goodyear Tire & Rubber Co. v. Intervo Tire Corp.*, 49 U.S.P.Q.2d 1705, 1722 (I.T.A.B. 1998) (design patent on tire tread does not prove that the design has acquired secondary meaning).

<sup>205</sup> *In re DC Comics, Inc.*, 689 F.2d 1042, 1053 (C.C.P.A. 1982) (Nies, J., concurring “Moreover, the existence of copyright or patent protection in a product design does not insure the acquisition of any trademark rights. Only public reaction to one’s actual use of the design can lead to protection as a trademark, a factual question that remains despite the right to keep others from using one’s design which may be granted under the copyright or patent statutes.”)

<sup>206</sup> Julia Matheson and Stephen Peterson, *Combine and Conquer: How the Synthesis of Design Patent and Trade Dress Achieve Maximum Protection for Your Product Design* (May 2009) available at <http://finnegan.com/resources/articles/articlesdetail.aspx?news=74f843be-c63a-40cc-8ae0-007bc50fdd99>.

<sup>207</sup> One commentator labeled this reliance on design patents for a period exclusivity as “cheating the trademark system.” Daniel H. Brean, *Enough is Enough: Time to Eliminate Design Patents and Rely on More Appropriate Copyright and Trademark Protection for Product Designs*, 16 *Tex. Intell. Prop. L.J.* 325, 364 (2008). As discussed in Part IV, it is unclear why a pejorative should be applied to this practice.

<sup>208</sup> Mark Lemley, *The Modern Lanham Act and the Death of Common Sense*, 108 *Yale L.J.* 1687 (1999); Mark McKenna, *The Normative Foundations of Trademark Law*, 82 *Notre Dame Law Review* 1839 (2007). Frank I. Schechter, *The Rational Basis of Trademark Protection*, 60 *Harvard L. Rev.* 813 (1925) (“there is no part of the law which is more plastic than unfair competition”).

tions for functional designs may prefer design patents as a stable middle-ground with the substantive limitations discussed in Part III.A.4. The idea here is that the existence of a strong design patent regime provides a bulwark against further expansion of other doctrines lest the “careful balance” of rights be upset.<sup>209</sup> The concern is especially true for Lanham Act § 43(a) actions because the statute is so broadly written. “Courts must proceed with caution in assessing claims to unregistered trademark protection in the design of products so as not to undermine the objectives of the patent laws.”<sup>210</sup> In *Wal-Mart Stores v. Samara Bros.*, the Supreme Court rejected the notion that a product design may be inherently distinctive under the trademark laws and called upon the existence and availability of design patents as partial justification for limiting trade dress availability.<sup>211</sup> In *Bretford Mfg.*, the Seventh Circuit noted this same potential in finding that the impact of limitations on trade dress protection for product design are muted by the additional availability of design patent and copyright protection.<sup>212</sup> In this way, even if design patent doctrine is not justified on any positive grounds, its existence serves an inverse role of cabin-in the potential growth of other doctrines. As a traditionally much narrower right, design patent law itself is likely less susceptible to expansion pressure.<sup>213</sup>

#### D. Rejecting the Incentive Model as the Primary Justification for Design Patents

##### 1. Traditional Justification of Design Patents as Promoting Innovation

In testifying in support of the Patent Act of 1902, the then Commissioner of Patents reported a narrow gap-filling role for design patents – fitting tightly between utility patents and copyright law.<sup>214</sup> The Commissioner noted that this narrow role was the *only* defined position for design patent law and was its “proper philosophical position”: “If the design patent

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<sup>209</sup> *Bonito Boats v. Thunder Craft Boats*, 489 U.S. 141, 168 (U.S. 1989).

<sup>210</sup> *Stormy Clime, Ltd. v. Progroup, Inc.*, 809 F.2d 971, 978-979 (2d Cir. N.Y. 1987).

<sup>211</sup> *Wal-Mart Stores v. Samara Bros.*, 529 U.S. 205 (2000). *See also, I.P. Lund Trading ApS v. Kobler Co.*, 163 F.3d 27, 50 (1st Cir. 1998) (reasoning that anti-dilution remedies for trade dress would award an enduring degree of protection that is specifically for design patents without forcing trademark owners to clear the hurdles required for patent protection).

<sup>212</sup> *Bretford Mfg. v. Smith Sys. Mfg. Corp.*, 419 F.3d 576 (7th Cir. 2005) (“Bretford did not obtain patent or copyright protection, so it cannot block Smith System's copy-cat tables.”).

<sup>213</sup> See Jerome Reichman, Design Protection After the Copyright Act of 1976: A Comparative View of the Emerging Interim Models, 31 J. Copr. Soc’y 267, 276 (1983);

<sup>214</sup> Quoted in *Scientific American*, Vol. 86, No. 21, p. 361.

does not occupy this position there is not other well-defined position for it to take.”<sup>215</sup> The Commissioner’s position continues to hold sway even today. Courts regularly refuse to consider that the design patent regime may have any other purpose than the stated proposition of encouraging more designs.<sup>216</sup> In the probably most on-point case of *Mogen David Wine Corp.*, the appellate court again recognized that a design patent is something of a hybrid between the incentive schemes of utility patent and copyright law.<sup>217</sup> “A design patent is a hybrid which combines in itself features of both a patent and a copyright.”<sup>218</sup> Likewise, TRIPS indicates that industrial design protection may be captured by either design rights or copyrights, but leaves out the potential for trade dress protection. These pronouncements about design patent law all share the common theme that design patent law is supposed to serve as a backstop to protect rights when the primary lines of protection – patent and copyright – fail. More recent commentary on the purposes of design patent law has largely followed the same trend.<sup>219</sup>

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<sup>215</sup> *Id.* The 1902 amendment removed the word “useful” from the design patent requirements in an attempt to further separate design patent law from the space occupied by utility patent protection. As the Commissioner noted, design patent law “has been treated of late years as an annex to the statute covering mechanical cases, since the introduction of the word ‘useful’ into it. It is thought that this practice should no longer continue.” *Id.* When academics later re-traced the development of design patent law they found that the “fact that the law of design patents is following the precedent of mechanical patents rather than copyrights is an accident of administration. It is due to their name and to their subjection to the jurisdiction of the Patent Office.” Kenneth B. Umbreit, *Consideration of Copyright*, 87 U. Pa. L. Rev. 932 (1938-1939); John Wolff, *Copyright Law and Patent Law: A Comparison*, 27 Iowa L. Rev. 250 (1941-1942) (“Design patents form a connecting link between the subject matter of ordinary (utility) patents and that of copyright.”).

<sup>216</sup> *See In re Honeywell, Inc.*, 497 F.2d 1344 (C.C.P.A. 1974) (“Federal design patent laws were created to encourage the invention of ornamental designs. Federal trademark laws, which are independent in origin from the design patent laws, seek to prevent the public from encountering confusion, mistake, and deception in the purchase of goods and services and to protect the integrity of the trademark owner’s product identity.”); *Mazer v. Stein*, 347 U.S. 201 (U.S. 1954); *In re Mogen David Wine Corp.*, 328 F.2d 925 (C.C.P.A. 1964) (design patents and trade dress protection could sequentially co-exist – because the two serve different purposes); *Forestek Plating & Mfg. Co. v Knapp-Monarch Co.* (1939, CA6 Ohio) 106 F.2d 554, 43 USPQ 39; *Robert W. Brown & Co. v De Bell* (1957, CA9 Cal) 243 F.2d 200, 113 USPQ 172; *Hueter v Compco Corp.* (1950, CA7 Ill) 179 F.2d 416, 84 USPQ 312 (Purpose of design patent law is to promote decorative arts and stimulate exercise of inventive faculty in improving appearance of articles of manufacture); *Hadco Products, Inc. v Walter Kidde & Co.* (1972, CA3 Pa) 462 F.2d 1265, 174 USPQ 358, cert den (1972) 409 US 1023, 34 L Ed 2d 315, 93 S Ct 464, 175 USPQ 678 (Purpose of design patent statute is to reward and thereby encourage creative artistic activity rather than mere changes of detail which may produce novelty but do not reflect invention, and while distinctions in detail may sustain design as novel, they lose significance in establishing nonobviousness.); *Avia Group International, Inc. v L.A. Gear California, Inc.*, 853 F.2d 1557, 1563, 7 U.S.P.Q.2d 1548 (Fed. Cir. 1988) (“When function dictates a design, protection would not promote the decorative arts, a purpose of the design patent statute.”).

<sup>217</sup> *In re Mogen David Wine Corp.*, 328 F.2d 925 (C.C.P.A. 1964).

<sup>218</sup> *Id.*

<sup>219</sup> Amir Khoury, *Three-Dimensional Objects as Marks: Does a “Dark Shadow” Loom over Trademark Theory?*, 26 *Cardozo Arts & Ent. L.J.* 335 (2008) (“design patents resemble copyrights because both are in-

Underlying the institutions of U.S. utility patent and copyright law is the U.S. Constitution, which provides congress with the power: “To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.”<sup>220</sup> The theory explicit in the constitutional grant of authority is to provide an incentive structure offering temporary exclusive rights in exchange for new creations.<sup>221</sup> Design patents arguably fill a gap because neither utility patents nor copyright protect ornamental designs inseparably incorporated into an article of manufacture.<sup>222</sup>

## 2. Tentatively Rejecting the Incentive Justification for Design Patents

Despite the intuitive appeal of the incentive justification, I tentatively reject the model as the primary justification for design patent doctrine. The prospect of design patent rights almost certainly provides some incremental incentive to create new designs. However, for the vast majority of cases, it is unlikely that this design-patent originated incentive is the driving-force behind new design innovations. Because we lack genuine empirical support for these conclusions, I offer a framework for analyzing this issue and tentative conclusions based upon anecdotal understanding of these underlying inputs and a tentative conclusion.

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tended to reward creativity and originality”); Article: Enough is Enough: Time to Eliminate Design Patents and Rely on More Appropriate Copyright and Trademark Protection for Product Designs, 16 Tex. Intell. Prop. L.J. 325 (2008); Design Protection - Time to Replace the Design Patent, 51 Minn. L. Rev. 942, 952-53 (1967); Michael Grynberg, Things Are Worse than We Think: Trademark Defenses in a “Formalist” Age, 24 Berkeley Tech. L.J. 897, 970 (2009) (criticizing the creation-incentive argument for trademarks and indicating that such incentives are more the concern of copyright or design patent law); Lindgren, The Sanctity of the Design Patent: Illusion or Reality?, 10 Okla. City L. Rev. 195 (1985); Brown, Design Protection: An Overview, 34 UCLA L. Rev. 1341 (1987).

<sup>220</sup> Article I, Section 8, Clause 8 of the United States Constitution. In the language of the courts, the potential rights “promote the decorative arts.” *Avia Group International, Inc. v. L.A. Gear California, Inc.*, 853 F.2d 1557, 1563, 7 U.S.P.Q.2d 1548 (Fed. Cir. 1988) (“When function dictates a design, protection would not promote the decorative arts, a purpose of the design patent statute.”). See Edmund Kitch, *The Nature and Function of the Patent System*, 20 J.L. & Econ. 265 (1977); R. Merges and R. Nelson, *On the Complex Economics of Patent Scope*, 90 Columbia L.R. \_\_\_\_ (1990). Patents may have some limited value in the absence of a link to a current or potential commercial market. Some inventors and companies may value the “resume effect” of holding a patent regardless of whether the patent actually covers anything relevant to a commercial market. In this sense, the patent may signal that the entity is especially innovative. See Clarissa Long, *Patent Signals*, 69 U Chi. L.R. \_\_\_\_ (2002). See *Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 349-50 (1991) (noting that copyright laws exist to promote the progress of the arts).

<sup>221</sup> See Peter Menell & Suzanne Scotchmer, *Intellectual Property* in *HANDBOOK OF LAW AND ECONOMICS* (Polinsky and Shavell, eds).

<sup>222</sup> Academics have argued that utility patents do create this type of incentive to commercialize. See, F. Scott Kieff, *Facilitating Scientific Research: Intellectual Property Rights and the Norms of Science--A Response to Rai and Eisenberg*, 95 Nw. U. L. Rev. 691, 695 (2001).

Three interrelated factors aid in the conclusion that design patents do not drive an incentive to innovate new designs. First, the business need and consumer demand for good design is so great that products and articles of manufacture will likely be well designed even without design patent protection – especially when the design investment is relatively small.<sup>223</sup> Second, typical design patents cover small advances in the art and require only relatively small investment.<sup>224</sup> These small innovations needing only small investment are likely to occur even in the absence of protection.<sup>225</sup> Finally, the narrow scope of protection offered by design patents means that truly groundbreaking or pioneering designs will be difficult to fully protect with design patents. Rather, design patents can almost always be designed around because the patent rights cannot fully capture the underlying functionality of a design. Further, because design patent scope is tied to a specific embodiment of a specific article of manufacture, design patents are not useful to control the flow of design ideas as they are adapted for use in other markets. Thus, the intuition here is that there is little need to provide exclusive rights to incentivize relatively small advances, and design patents are not broad enough to provide an incentive for more investment-intensive innovations.

When the market already supplies the incentive for good design, further rights may disrupt an otherwise competitive market. This argument is presented by Professors Kal Raustiala

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<sup>223</sup> Kevin Lane Keller, Conceptualizing, Measuring, and Managing Customer-Based Brand Equity, 57 J. MARKETING 1, 4 (1993)(placing product shape and other attributes as components of brand equity). Perry Saidman, *A Manifesto on Industrial Design Protection: Resurrecting the Design Registration League* (Spring, 2007) at <http://www.protectdesigns.org/images/Manifesto.pdf> (although writing in favor of stronger design rights, Saidman notes the positive correlation between good product design and corporate profits); See also Julie H. Hertenstein et al., *The Impact of Industrial Design Effectiveness on Corporate Financial Performance*, 22 THE JOURNAL OF PRODUCT INNOVATION MANAGEMENT 3, (2005); Gerda Gemser & Mark A. A. M. Leenders, *How integrating industrial design in the product development process impacts on company performance*, 18 THE JOURNAL OF PRODUCT INNOVATION MANAGEMENT 28 (2001); Julie H. Hertenstein, *Valuing design: Enhancing corporate performance through design effectiveness*, 12 DESIGN MANAGEMENT JOURNAL 10 (2001).

<sup>224</sup> Although good design of consumer products typically requires highly skilled designers, design of the ornamental feature does not typically require the type of research investment necessary for many technological innovations. See Julie H. Hertenstein, *Valuing design: Enhancing corporate performance through design effectiveness*, 12 DESIGN MANAGEMENT JOURNAL 10 (2001).

<sup>225</sup> Patenting Medical Procedures: *A Search for a Compromise between Ethics and Economics*, 18 Cardozo L. Rev. 1527 (1997) (distinguishing between the incentives for high-development-cost and low-development-cost innovations); Katherine J. Strandburg, *Users as Innovators: Implications for Patent Doctrine*, 79 U. Colo. L. Rev. 467 (2008); Jared Earl Grusd, *Internet Business Methods: What Role Does and Should Patent Law Play?*, 4 Va. J.L. & Tech. 9 (1999) (providing an example of one industry, Internet business methods, that does not need patents to create an incentive to innovate).

and Christopher Sprigman in their Virginia Law Review article on the “Patent Paradox.”<sup>226</sup> Raustiala and Sprigman examine the case study of high fashion design – an area traditionally difficult to protect with any traditional form of intellectual property. The pair concludes that the current fashion design industry appears already prosperous.<sup>227</sup> The article admits that a lack of valuable rights results in massive knock-off producers and counterfeiting. However, the article proposes that in some cases, the existence of knock-off producers creates a greater demand for the “real thing.”<sup>228</sup>

#### IV. THE PROBLEM OF OVERLAPPING RIGHTS

Design patent litigation often includes allegations of utility patent infringement, copyright infringement, trade dress violations, and charges of unfair competition as well. Thus, the introductory language of the following district court summary judgment order is not altogether uncommon: “On February 16, 2007, [the plaintiff] filed suit against defendants, asserting claims for copyright, trade dress, design patent, and trademark infringement, as well as claims for false designation of origin, unfair competition, and deceptive trade practices.”<sup>229</sup>

There are extensive differences between each of these rights formulations. However, the similarities and overlaps cannot go unnoticed. For any given consumer device, the innovative inner workings may be protected by one or more utility patents; the outward shape (or portion of the shape) that is recognizable to consumers protected by trade dress laws; a separable portion of the shape may also fall under copyright protection; the exact manufacturing and distribution process is no doubt a trade secret with outsourced manufacturers bound by contractual confidentiality and non-compete agreements. In some cases, consumers may

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<sup>226</sup> Kal Raustiala & Christopher Sprigman, *The Piracy Paradox: Innovation and Intellectual Property in Fashion Design*, 92 Va. L. Rev. 1687, 1693, 1699 (2006); *Should Fashion Design Be Copyrightable?*, 6 Nw. J. Tech. & Intell. Prop. 122 (2007) (arguing that US copyright law should be modified to accommodate fashion design). This same argument could be made for unlawful digital file sharing – that those unauthorized copies actually boost the lawful demand for the underlying content.

<sup>227</sup> Piracy Paradox, Supra Note **Error! Bookmark not defined.**

<sup>228</sup> *Id.*; Orit Fischman Afori, *Reconceptualizing Property in Designs*, 25 Cardozo Arts & Ent LJ 1105 (2008).

<sup>229</sup> *Yurman Studio, Inc. v. Castaneda*, 2008 U.S. Dist. LEXIS 63158 (S.D.N.Y., August 19, 2008); 16 Tex. Intell. Prop. L.J. 325, 328 (“the federal trademark and copyright laws have since evolved to the point where they now cover essentially the same subject matter as design patents.”).

also be bound by point-of-purchase agreements not to reverse engineer the product, which may also include extra legal copy protections – such as “break if opened” seals.<sup>230</sup>

In Part III.B, I discuss the concept of doctrinal bootstrapping in a positive light. However, many legal academics have identified overlapping rights regimes as problematic. For instance, Michael Heller and others have suggested a potential anti-commons effect of “the proliferation of intellectual property rights.”<sup>231</sup> In a number of cases, the Supreme Court has

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<sup>230</sup> Important articles discussing the interplay between the various rights regimes: Jane Ginsburg, *Of Mutant Copyrights, Mangled Trademarks, and Barbie's Beneficence: The Influence of Copyright on Trademark Law*, *Trademark Law and Theory: A Handbook of Contemporary Research* (Dinwoodie & Janis, Eds. 2008); Richard G. Frenkel, *Intellectual Property in the Balance: Proposals for Improving Industrial Design Protection in the Post-TRIPS Era*, 32 *Loy. L.A. L. Rev.* 531 (1999) (proposing expanding copyright to cover industrial designs by elimination of the separability test); Andrew Beckerman-Rodau, *The Choice Between Patent Protection and Trade Secret Protection: A Legal and Business Decision*, 84 *J. Pat. & Trademark Off. Soc'y* 371, 377 (2002). Friouf, *Simultaneous Copyright and Patent Protection*, 23 *COPYRIGHT L. SYMP. (ASCAP)* 99, 113-14 (1977); Steve W. Ackerman, *Protection of the Design of Useful Articles: Current Inadequacies and Proposed Solutions*, 11 *Hofstra L. Rev.* 1043 (1983); J.H. REICHMAN, *Design Protection in Domestic and Foreign Copyright Law: From the Berne Revision of 1948 to the Copyright Act of 1976*, 1983 *Duke L.J.* 1143 (1983); J.H. Reichman, *Design Protection After the Copyright Act of 1976: A Comparative View of the Emerging Interim Models*, 31 *J. Copr. Soc'y* 267, 311 (1983); Anne Theodore Briggs, *Hung Out to Dry: Clothing Design Protection Pitfalls in United States Law*, 24 *HASTINGS COMM. & ENT. L.J.*, 169, 173 (2002) (“Design patents are a strange compromise between copyright, trademark and patent protections.”); Afori, *Reconceptualizing Property in Designs*, 25 *Cardozo Arts & Ent L.J.* 1105 (2008); Gerard N. Magliocca, *Ornamental Design and Incremental Innovation*, 86 *Marq. L. Rev.* 845 (2003); *Applied Art and Industrial Design: A Suggested Approach to Copyright in Useful Articles*, 67 *Minn. L. Rev.* 707 (1983); *Protecting the Right to Copy: Trade Dress Claims for Configurations in Expired Utility Patents* Todd R. Geremia, 92 *Nw. U.L. Rev.* 779 (1998); *The Trademark/Copyright Divide*, 60 *SMU L. Rev.* 55 (2007); *TOWARDS AN INTEGRATED THEORY OF INTELLECTUAL PROPERTY*, 88 *Va. L. Rev.* 1455 (2002); Raphael Winick, *Copyright Protection for Architecture after the Architectural Works Copyright Protection Act of 1990*, 41 *DUKE L.J.* 1598, 619-20 (1992) (overlap between design patents, copyrights and trademarks). See also Lionel M. Lavenue, *Intellectual Property for the Protection of Databases*, 38 *SANTA CLARA L. REV.* 1, 24 & n.113 (1997) (software may be protectible via patent, copyright and trade secret law); Michael J. Schallop, *Protecting User Interfaces: Not as Easy as 1-2-3*, 45 *EMORY L. J.* 1533, 1535 (1996) (computer software user interface may be protectible via patent, copyright and trademark law). See also Shubha Ghosh, *The Morphing of Property Rules and Liability Rules: An Intellectual Property Optimist Examines Article 9 and Bankruptcy*, 8 *FORDHAM I.P., MEDIA & ENT. L. J.* 99, 111 (1997) (overlap exists between copyright and trademark law which can each protect different aspects of same product); Moffat, *"Mutant Copyrights and Backdoor Patents: The Problem of Overlapping Intellectual Property Protection"*, 19 *Berkeley Tech. L.J.* 1473 (2004) (noting the “problem” of overlapping intellectual property rights); Pogue, *Borderland -- Where Copyright and Design Patent Meet*, 52 *Mich. L. Rev.* 33 (Cited by the Supreme Court for the proposition that design patent and copyright laws may be overlapping); J.H. Reichman, *Past and Current Trends in the Evolution of Design Protection Law - A Comment*, 4 *Fordham Intell. Prop. Media & Ent. L.J.* 387, 403 (1993); Robert C. Denicola, *Applied Art and Industrial Design: A Suggested Approach to Copyright in Useful Articles*, 67 *Minn. L. Rev.* 707, 707 (1983); *Intellectual Property and the Protection of Industrial Design: Are Sui Generis Protection Measures the Answer to Vocal Opponents and a Reluctant Congress?*, 13 *J. Intell. Prop. L.* 255 (2005); Reichman, *Toward an American Regime of Sui Generis Protection* CITE; Shira Perlmutter, *Conceptual Separability and Copyright in the Designs of Useful Articles*, 37 *J. Copyright Soc'y U.S.A.* 339, 339 (1990); Van Nieuwenhoven Helbach, *Design Protection and Patent Law, Trademark Law, and the Law of Article 1401 Civil Code, in Benelux and Dutch Law*, reprinted in *Design Protection* 5-8, 15-18 (H. Cohen Jehoram, ed. 1976).

<sup>231</sup> Michael A. Heller, *The Boundaries of Private Property*, 108 *YALE L.J.* 1163, 1174-75 (1999) (describing how “the proliferation of intellectual property rights in upstream research may be stifling life-saving innovations further downstream in the course of research and product development”); Michael A. Heller & Rebecca S.



offered its reservations regarding overlapping rights.<sup>232</sup> In *Sears, Roebuck & Co. v. Stiffel Co.*,<sup>233</sup> for example, the Court wrote in dicta that “when [a] patent expires, the monopoly created by it expires, too, and the right to make the article -- including the right to make it in precisely the shape it carried when patented -- passes to the public.”<sup>234</sup>

This reluctance to allow overlapping rights stems from a commonly held belief “that intellectual property owners should not be permitted to re-categorize one form of intellectual property as another, thereby extending the duration of protection beyond that which Congress deemed appropriate for their actual creative efforts.”<sup>235</sup> However, when the Court directly addressed the issue of the effect of a prior patent in *TrafFix Devices, Inc. v. Marketing Displays, Inc.*,<sup>236</sup> it found that a prior utility patent did not categorically bar parallel trade dress claims.<sup>237</sup> Instead, the prior utility patent served as “strong evidence” that the design features were functional – “add[ing] great weight to the statutory presumption that features are deemed functional [for trademark purposes] until proved otherwise.”<sup>238</sup> Writing in agreement, McCarthy opines that “[a]lthough the Patent Office, in the early years of the Lanham Act, held that a configuration covered by a design patent was unregistrable as a trademark, this is clearly not the law today.”<sup>239</sup>

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Eisenberg, *Can Patents Deter Innovation? The Anticommons in Biomedical Research*, 280 *SCIENCE* 698, 700 (1998) (emphasizing fragmentation and arguing that it creates an anticommons in IP).

<sup>232</sup> See *Dastar Corp. v. Twentieth Century Fox Film Corp.* 539 U.S. 23 (2003); *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225 (1964); *Kellogg Co. v. National Biscuit Co.*, 376 U.S. 225 (1938), and *Singer Mfg. Co. v. June Mfg. Co.*, 163 U.S. 169 (1896).

<sup>233</sup> 376 U.S. 225 (1964)

<sup>234</sup> *Id.*; citing *Kellogg Co. v. National Biscuit Co.*, 305 U.S. 111, 120-122 (1938) and *Singer Mfg. Co. v. June Mfg. Co.*, 163 U.S. 169, 185 (1896).

<sup>235</sup> *Chosun Int'l, Inc. v. Chrisha Creations, Ltd.*, 413 F.3d 324, 328 n. 2 (2d Cir. 2005).

<sup>236</sup> 532 U.S. 23 (2001).

<sup>237</sup> *Id.*

<sup>238</sup> *Id.* (“Where the expired patent claimed the features in question, one who seeks to establish trade dress protection must carry the heavy burden of showing that the feature is not functional, for instance by showing that it is merely an ornamental, incidental, or arbitrary aspect of the device.”).

<sup>239</sup> McCarthy on Trademarks § 7.91 (2010); citing *In re Mogen David Wine Corp.*, 328 F.2d 925, 140 U.S.P.Q. 575 (C.C.P.A. 1964); *Mine Safety Appliances Co. v. Electric Storage Battery Co.*, 405 F.2d 901, 160 U.S.P.Q. 413 (C.C.P.A. 1969); *In re World's Finest Chocolate, Inc.*, 474 F.2d 1012, 177 U.S.P.Q. 205 (C.C.P.A. 1973); *In re Honeywell, Inc.*, 497 F.2d 1344, 181 U.S.P.Q. 821 (C.C.P.A. 1974), cert. denied, 419 U.S. 1080, 42 L. Ed. 2d 674, 95 S. Ct. 669, 184 U.S.P.Q. 129 (1974). For a historical perspective see William L. Symons, *The Law of Patents for Designs* 35 (1914).

Although concerns regarding overlapping rights are legitimate, I suggest that the problems associated with overlapping design patent rights are unlikely to cause harms or lead to the type of dire negative impacts proposed by Heller. Simply put, the narrow scope of design patents and – by definition – their inability to block functionally equivalent work-around designs alleviate the downstream multiplier or spillover effects that most concern IPR detractors.<sup>240</sup> It is important to recognize Heller and other theorists have not raised any specific concerns associated with overlapping *design patent* problems, but rather have focused their attention on other forms of intellectual property that tend to have broader scope.<sup>241</sup>

More generally, the proactive stance of some courts against overlapping intellectual property rights appears misplaced. Overlapping claims occur in most areas of law. It is well known that a single transaction can result in multiple claims or counts, and the complexity here does not appear on any greater scale than a criminal defendant facing multiple charges in multiple courts all based on a single action. In this context, the obsessive nature of some commentators and courts to “avoid undermining the carefully circumscribed statutory [intellectual property] regimes” appears to overshoot their goals.<sup>242</sup>

## V. CONCLUSIONS AND SUGGESTIONS

The focus of this article has been on explaining a justification for our current design patent law. I argue that the best justification today likely falls under trademark theory – seeing design patent law as creating an alternative rule of evidence for trade dress protection. Although this ultimate conclusion would depend largely on empirical results, even without those results the article is important because of the longstanding conventional wisdom that design patents must be justified based upon their associated innovation incentive. The article also recognizes that a well crafted trade dress law can still leave room for a separate form of protection that uses orthogonal limits to fill-in gaps of protection.

The recognition of shared goals between design patent and trademark laws has many policy implications. From a process standpoint the interrelation of goals suggests potential benefits

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<sup>240</sup> The additional requirement of newness and the limited term of enforceability likewise limit the potential harm. See Part III.A, *supra*.

<sup>241</sup> See articles cited in Note 231, *supra*.

<sup>242</sup> See Restatement (Third) of Unfair Comp. 16 cmt. b (1993)

from easing our current strict personnel separations. Notably, (1) a company's trademark counsel is typically not allowed to prosecute design patents unless that individual is also a patent attorney; (2) within the Patent & Trademark Office, design patent examiners are entirely separated from those handling trade dress registrations; and (3) appeals of trade dress cases are handled by the regional circuits while design patent cases are appealed to the Federal Circuit. Integrating these now separate institutions has the potential of aiding the understanding and development of the scope and limits of the complementary rights.<sup>243</sup>

If design patents are to remain an important first-step in protecting rights, the US should consider switching from a *de facto* design patent registration system to one that is *de jure*. This change could further increase the speed and reduce the cost of design patent issuance. Perhaps more importantly, the change may help restore dignity to the utility patent examination process. If examination is eliminated for design patents, the typical strong presumption of validity associated with patent rights may be adjusted downward.<sup>244</sup>

Finally, many discussions of industrial design rights begin and end with the suggestion of a *sui generis* regime of protection. I am convinced that many (but certainly not all) of those commentators have not fully considered the current design patent prosecution process and its potential uses. Apart from the political difficulty in making such a change, I suggest that an incremental move toward registration of design patent rights is a more prudent approach. Design patent law is known and fairly well settled. Over the years there have been few over-propertization concerns with design patent rights and there are real concerns that any new regime could be over-broad. Of course, this policy suggestion loses weight if a *sui generis* law is constructed with the purpose of promoting design innovation – the oft-stated but unmet goal of today's design patent regime.

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<sup>243</sup> For instance, acquired trademark distinctiveness could conceivably be asserted as a secondary indicia supporting nonobviousness – an idea that has long been rejected doctrinally. *Rowe v. Blodgett & Clapp Co.*, 112 F. 61 (2nd Cir. 1901)(rejecting the patentee's attempt to "justify the issuance" of the design patent on a trademark theory).

<sup>244</sup> See Douglas Lichtman and Mark Lemley, *Rethinking Patent Law's Presumption of Validity*, 60 Stanford Law Review 45 (2007).

## VI.APPENDIX I

## List of Recent Cases Where an Accused Product was Accused of both Design Patent and Trade Dress Infringement

A. Court decisions involving combined accusations of design patent and trade dress infringement.

- *Levenger Co. v. Feldman*, 516 F.Supp.2d 1272 (S.D.Fla. 2007) (stitching around binder).
- *Adventure Products, Inc. v. Simply Smashing, Inc.*, 2007 WL 2775128 (S.D. Cal. 2007) (compressed t-shirt shapes).
- *Genender Intern., Inc. v. Skagen Designs, Ltd.*, 2008 WL 2521894 (N.D.Ill. 2008) (watch).
- *Hammerton, Inc. v. Heisterman*, 2008 WL 2004327 (D.Utah 2008) (light fixture).
- *American Custom Golf Cars, Inc. v. Ecoblue Corp.*, 2006 WL 4704619 (C.D. Cal. 2006)(golf cart design).
- *Global Mfg. Group, LLC v. Gadget Universe.Com*, 417 F.Supp.2d 1161 (S.D. Cal. 2006) (electric scooter).
- *Fuji Kogyo Co., Ltd. v. Pac. Bay Int'l, Inc.*, 461 F.3d 675, 683 (6th Cir. 2006).
- *Keystone Mfg. Co., Inc. v. Jaccard Corp.*, 2007 WL 655758 (W.D.N.Y. 2007) (meat tenderizer).
- *In re Slokevage*, 441 F.3d 957 (Fed. Cir. 2006) (clothing design).
- *Hartco Engineering, Inc. v. Wang's Intern., Inc.*, 142 Fed.Appx. 455 (Fed. Cir. 2005) (hitch cover).
- *Decorations for Generations, Inc. v. Home Depot USA, Inc.*, 128 Fed.Appx. 133 (Fed. Cir. 2005) (Christmas tree stand).
- *Bionix Development Corp. v. Sklar Corp.*, 2009 WL 3353154 (E.D.Pa. 2009) (ear cutters).
- *Professional Product Research Inc. v. General Star Indem. Co.*, 623 F.Supp.2d 438 (S.D.N.Y. 2008).
- *E-Z Bowz, L.L.C. v. Professional Product Research Co., Inc.*, 2005 WL 535065 (S.D.N.Y. 2005) (bow-making apparatus).

B. Recent complaints filed involving combined accusations of design patent and trade dress infringement.

- *180S, Inc. Et Al V Gordini U.S.A., Inc.*, Case No: 1:08-cv-00177-JFM, (U.S. District Court for the District of Maryland (MDD), Filed 01/22/2008)(ear warmer).

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- Ameribag, Inc. Et Al v. Mascorro Leather, Inc., Case No: 1:09-cv-08917-JFK, (S.D.N.Y. Filed 10/21/2009)(leather shoulder bag).
  - Bell Helicopter Textron Inc. Et Al v. Islamic Republic Of Iran Et Al, Case No: 1:06-cv-01694-RMU, (D.D.C., Filed 9/29/2006)( helicopter).
  - Cartier Et Al v. Geneve Collections, Inc. Et Al, Case No: 1:07-cv-00201-DLI-MDG, (U.S. District Court for the Eastern District of New York (NYED), Filed 01/16/2007)(tank watch face).
  - Columbia Insurance Company Et Al v. National Fashions Imports, Inc., Case No: 1:05-cv-10191-RCC, (U.S. District Court for the Southern District of New York (NYSD), Filed 12/05/2005)(shoes).
  - David Sutherland, Inc v. Teak Only, LLC, Case No: 3:06-cv-02265-D , (U.S. District Court for the Northern District of Texas (TXND), Filed 12/08/2006)(pool chair furniture).
  - Extreme Cctv, Inc. Et Al v. Say Security Group Usa, Case No: 4:07-cv-04819-CW, (U.S. District Court for the Northern District of California (CAND), Filed 09/19/2007)(mounting for a camera).
  - Hubbell Incorporated Et Al v. Sun Valley Lighting Standards, Inc., Case No: 2:08-cv-04651-PSG-FFM, (U.S. District Court for the Central District of California (CACD), Filed 07/16/2008)(light fixture design).
  - In Zone, Inc. v. Das Distributors Et Al, Case No: 2:08-cv-00376-TJW-CE, (U.S. District Court for the Eastern District of Texas (TXED), Filed 10/03/2008)(travel mug).
  - Monster Cable Products, Inc. v. Timex Corporation, Case No: 2:08-cv-00238-TJW, (U.S. District Court for the Eastern District of Texas (TXED), Filed 06/11/2008)(packaging for cables).
  - Parfums Nina Ricci v. National Entertainment Collectibles Association, Inc. Et Al, Case No: 2:09-cv-01177-DMC-MF, (U.S. District Court for the District of New Jersey (NJJD), Filed 03/16/2009)(red apple perfume bottle).
  - Phoenix International Inc v. Robinson Technical Southeast Inc, Case No: 2:08-cv-00709-PJG, (U.S. District Court for the Eastern District of Wisconsin (WIED), Filed 08/19/2008)(industrial oven).
  - Simply Orange Juice Company Et Al v. Resilux America, Llc Et Al, Case No: 1:08-cv-02333-JEC, (U.S. District Court for the Northern District of Georgia (GAND), Filed 07/18/2008)(Simply Orange juice bottle).
  - Sterilite Corporation v. Centrex Plastics, Inc., Case No: 1:07-cv-11827-RCL, (U.S. District Court for the District of Massachusetts (MAD), Filed 09/27/2007)(hinged lid storage box).
  - Umbra, Inc. v. Elsa L, Inc., 03-cv-1921 (N.D. Cal. 2003) (asserting both design patent and trade dress rights in a picture frame) (case settled after 310 days).

- David Sutherland Inc v. J Alexander Collection Inc, Case No: 3:05-cv-01103, (N.D. Tex. 2005) (asserting design patent, trade dress, and copyright infringement in furniture design) (case settled after 143 days).
- BLUMBERG INDUSTRIES, INC., d/b/a Fine Art Lamps, v. THE JOHN RICHARD, 2008 WL 4403290 (asserting both design patent trade dress and copyright infringement).
- Monster Cable Products, Inc. v. Accell Corp., No. 2008 CV 00230 (E.D. Tex. 2008), 2008 WL 2772464 (asserting both design patent and trade dress infringement).
- GENENDER v. SKAGEN, No. 07 C 5993, (N.D. Ill., 2008)(declaratory judgment complaint alleging non-infringement and invalidity of design patent and trade dress).
- BELK v. MEYER CORP., 2007 U.S. Dist. Ct. Pleadings 481090 (declaratory judgment complaint alleging non-infringement and invalidity of design patents and trade dress). The Procter & Gamble Co., v. Blue Cross Labs., 2008 WL 2515631 (S.D. Ohio 2008)(asserting both design patent and unregistered trade dress rights in a shampoo bottle shape).
- Mobile Hi-Tech Wheels v. Custom Wheels Unlimited, Inc., 2008 WL 2127507 (C.D. Cal. 2008)(asserting both design patent and unregistered trade dress rights in a vehicle wheel design).
- Nike, Inc. v. Not for Noth'n LLC, 2008 WL 2127671 (C.D. Cal. 2008)(asserting both design patent and unregistered trade dress rights in Nike's Air Jordan shoes).
- Kai USA Ltd. v. Master Cutlery Inc, Case No: 3:01-cv-00616-JE (D. Ore. 2001) (Kai asserted both design patent and trade dress infringement).
- Maxima Technologies & Systems, LLC v. Auto Meter Products, Inc., Case No: 2:05-cv-05392-JKG (E.D. Pa. 2005) (alleging both trade dress and design patent infringement for a speedometer).
- Sketchers U.S.A., Inc., v. Renaissance Imports, Inc., 07-cv-07341 (C.D.Cal. 2007).
- Columbia Ins. Co., v. Wanted Shoes, Inc., Case No: 3:05-cv-00583-JBA (D. Conn. 2005)(asserting design patent and unregistered trade dress infringement) (settled after 90 days).
- Unique Functional Products, Inc. v. Mastercraft Boat Co., Inc., 82 Fed. Appx. 683 (Fed. Cir. 2003) (vacating preliminary injunction on design patent claim plaintiff had alleged both design patent and trade dress claims).
- Talking Rain Beverage Co. Inc. v. South Beach Beverage Co.. 349 F.3d 601 (9th Cir. 2003) (affirming lower court's finding that trade dress was invalid as functional parties settled design patent claim out of court).
- Hammerton, Inc. v. Heisterman, 2008 WL 2004327 (D.Utah, 2008) (holding that generalized claims of knocking off are not cognizable).
- Cartier v. D & D Jewelry Imports, 510 F.Supp.2d 344 (S.D.N.Y., 2007).