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DESIGN PATENTS:

The Good, The Bad, and The Ugly

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I. THE GOOD

- A. High Point Design v. Buyers Direct, Inc.
 - 1. The Parties / Background

Buyer's Direct, Inc. ("BDI") is the owner of U.S. Design Patent No. D598,183 (the "183 patent") and manufacturer of slippers known as SNOOZIES®, an alleged embodiment of the disclosed design in the '183 patent. High Point Design LLC ("High Point") manufactures and distributes the accused FUZZY BABBA® slippers. Upon becoming aware of the sale of FUZZY BABBA® slippers, BDI sent High Point a cease and desist letter,

asserting infringement of the '183 patent.¹ High Point responded with a letter including a copy of a complaint for declaratory judgment it filed a few days prior.² In the complaint, High Point alleged that the manufacturing and sale of FUZZY BABBA® slippers did not infringe the '183 patent and that the '183 patent is invalid and/or unenforceable.³ BDI then asserted counterclaims for patent infringement.⁴

2. District Court Decision

The U.S. District Court for the Southern District of New York granted High Point's motion for summary judgment of invalidity and non-infringement.⁵ The district court held the '183 patent invalid in that the design claimed was: 1) obvious in light of prior art, specifically the Woolrich Penta and Laurel Hill slippers and other secondary references; and 2) primarily functional rather than primarily ornamental.⁶

With respect to the obviousness basis for invalidity, the district court employed an "ordinary observer" test, stating that the overall visual effect created by the Woolrich prior art is the same as the overall visual effect created by the '183 patent.⁷ The court noted that the only difference – relating to the sole of the sippers – was a minor one, and that the dot design on the sole in the '183 patent was anticipated by the dots on other prior art.⁸ Regarding the functionality basis for invalidity, the court stated that "all major characteristics" of the slipper in the '183 patent are functional – a slipper completely

¹ *High Point Design LLC v. Buyer's Direct, Inc.*, 730 F.3d 1301, 1306 (Fed. Cir. 2013).

² *Id.* at 1306-07.

³ *Id.* at 1307.

⁴ Id.

⁵ *Id*.

⁶ *Id.* at 1307-09.

⁷ *Id.* at 1310.

⁸ *Id*.

covering the foot provides warmth and protection, which is "the primary function of innumerable slippers." The court mentioned that the fuzzy interior could be characterized as ornamental but also functional, as the fuzz provides "an extra element of comfort." Because it could not be said that the slippers disclosed in the '183 patent were "primarily ornamental," the court held the claim invalid as primarily functional.¹¹

3. Federal Circuit Decision

BDI appealed the district court's decision of invalidity to the Federal Circuit. Regarding the issue of invalidity based on obviousness, the Federal Circuit reverted to its traditional standard, holding that the inquiry in an obviousness analysis is whether the claimed design would have been obvious to an ordinary designer skilled in designing "articles of the type involved." The Federal Circuit emphasized that the "ordinary designer" standard is consistent with the Federal Circuit's case law and that the district court erred in applying the "ordinary observer" standard to evaluate obviousness. Importantly, the Court minimized the importance of the oft-criticized *International Seaway* case (upon which the district court had relied) in which the Court had previously conflated the test for anticipation/obviousness with the ordinary observer test for infringement. This brought a sigh of relief from design patent practitioners (at least, from those who represent patentees).

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⁹ *Id.* at 1310-11.

¹⁰ *Id.* at 1311.

¹¹ *Id.* at 1311.

¹² *Id.* at 1311-12.

¹³ *Id*. at 1313.

¹⁴ Int'l Seaway Trading Corp. v. Walgreens Corp., 589 F.3d 1233 (Fed. Cir. 2014).





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