DESIGN PATENTS: IN ANTICIPATION OF FUNCTIONALITY
&
35 U.S.C. § 289's "TOTAL PROFIT" AWARD

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ANTICIPATION

I. Black Letter Law – Utility and Design Patent Anticipation

- **Utility Patents**
  - Invention is anticipated if the "same device, including all the claim limitations, is shown in a single prior art reference." *Richardson v. Suzuki Motor Co., Ltd.*, 868 F.2d 1226, 1236 (Fed. Cir. 1989).
  - "Claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." *Verdegaal Bros., Inc. v. Union Oil Co. of Cal.*, 814 F.2d 628 (Fed. Cir. 1987).
  - MPEP § 2131 – "A claimed invention may be rejected under 35 U.S.C. 102 when the invention is anticipated over a disclosure that is available as prior art. [T]o anticipate a claim, the disclosure must teach every element of the claim."

- **Design Patents**
    - *Hupp v. Siroflex of America, Inc.*, 122 F.3d 1456 (Fed. Cir. 1997) – held that prior art must show the same subject matter as the patent, and prior art must be "identical" to the claimed design in all material respects.
    - "The ordinary observer test must be sole test for anticipation." *International Seaway Trading Corp. v. Walgreens Corp.*, 589 F.3d 1233, 1240 (Fed. Cir. 2009)
    - Seaway test for anticipation relies heavily on outdated so-called "maxim" – "That which infringes, if later, anticipates, if earlier." *Peters v. Active Manuf'g Co.*, 129 U.S. 530, 538 (1889).
    - *Door Master Corp. v. Yorktowne, Inc.*, 256 F.3d 1308, 1312 (Fed. Cir. 2001) applied the "maxim" to design patents for first time.
        - Court first construed claim design and then employ ordinary observer test.
    - *Door Master* and *Bernhardt* failed to apply *Hupp* "identical in all material respects" test.
- Design patents should follow same test for anticipation as utility patents – 35 U.S.C. § 171 mandates that all of the provisions of the Patent Act apply to design patents, with few exceptions.

II. *International Seaway*

- Seaway accused defendant Walgreens of infringement for three design patents for shoes.

- District court granted summary judgment based on prior art (designs for Crocs brand clog shoes). Held that Seaway designed a "knock-off" of the Crocs shoe design and deemed Seaway's patents as anticipated and invalid.
- Seaway appeals to the Federal Circuit and court states that point of novelty test was eliminated in *Egyptian Goddess* (regarding infringement) and because the test for anticipation and infringement are the same (*Peters v. Active*); the point of novelty test was eliminated from the anticipation analysis.
- Holding "the ordinary observer test must be the sole test for anticipation."

III. Problems at the USPTO and Beyond Post *Seaway*

- Subjective evaluations by examiners
- Plethora of 102 rejections
- More 102 rejections without 103 rejections
- Overcoming 102 rejection causes merging of 102 and 103
- Rigorous obviousness analysis avoided

IV. Cases that Created the *Seaway* Dilemma

- *Peters v. Active*
    - "That which infringes if later, anticipates if earlier."
    - Maxim applied frequently for both design and utility cases.
- *Graver Tank*
    - Federal Circuit uses "substantially similar" language to apply doctrine of equivalents when finding infringement.
- *Lewmar*
    - Maxim changed to "that which *literally* infringes if later in time anticipates if earlier than the date of invention."

Title search: Design Patents: In Anticipation of Functionality

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