

A Powerful Business Tool: Design Patents

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Recent court activity confirms the value of design patents covering a wide range of products ranging from shoes to automotive repair and replacement parts. It may just be the best bang for your buck when it comes to intellectual property protection.

When you hear about a patent, most people think of how an invention works, which is covered by a utility patent. In comparison, a design patent protects how an invention looks, or the ornamental design of the product. The design patent does not cover the mechanical structure or operation of an invention, but rather protects the novel, nonfunctional appearance of the product. The scope of protection of a design patent is defined by the figures in the application, represented by views of the product's appearance in pen and ink drawings. However, keep in mind that you must file for patent protection within one year of public disclosure or your first sale of the product. If not you forfeit all rights to do so.

Design patents are far easier (and faster) to obtain than utility patents and cost significantly less. They also do not require maintenance fees. Making them even more advantageous is that damages awarded for design patent infringement are the profits of the infringer down the entire supply chain, including the manufacturer, wholesaler and retailers. Compare that with the damages awarded for a utility patent of a reasonable royalty (roughly 5-7% of gross sales) of the retailer only.

Accordingly, design patents have proven to be a valuable tool for preventing or stopping competitors or knockoffs, and many companies are utilizing design patents to protect their products. However, not nearly enough small to mid-size companies are taking advantage of design patent protection. This is particularly apparent when you consider that major companies, such as shoe and automotive manufacturers, file design patent applications on nearly everything they sell.

One area where design patents have become increasingly valuable is in fashion. Recently, Rothy's Inc., a popular shoemaker, settled a patent and trade dress infringement lawsuit with its competitor, OESH, in the U.S. District Court for the Western District of Virginia. Rothy's Inc. enforced its design patents, including U.S. Design Patent No. D768,366, covering its "The Flat" ballet shoe and forced OESH to redesign its shoe as part of the settlement.



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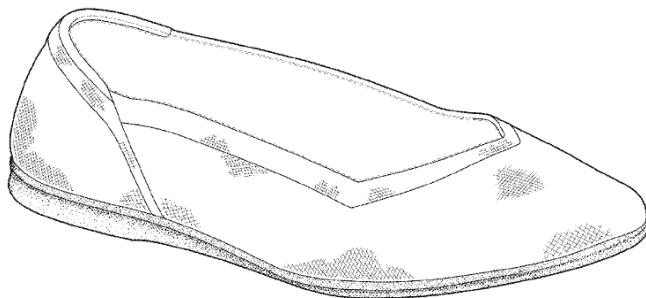


Figure 1 of U.S. Design Patent D768,366

In a statement, Rothy's said "OESH agreed that Rothy's trade dress in "The Flat" shoe and its design patents are valid and will redesign its accused shoe product." By filing for design patent protection, Rothy's Inc. was able to stop a competitor from knocking off its shoes and keep the product the exclusive property of the company.

Another product line benefiting from design patent protection is automotive parts. Recently, the Federal Circuit confirmed the value of design patents covering automotive replacement parts in *Body Parts Ass'n v. Ford Global Techns., LLC*. The case involved two design patents covering the hood and vehicle headlamps of the Ford F-150:

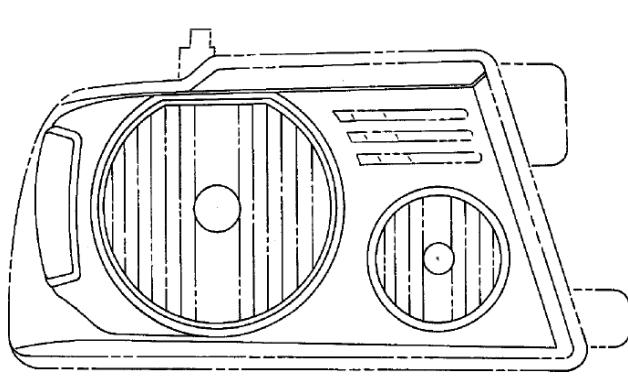


Figure 2 of U.S. Patent D501 685

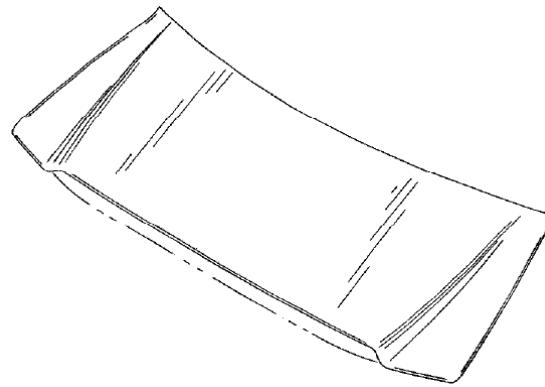


Figure 1 of U.S. Design Patent D489,299

The Plaintiff argued that Ford's design patents were functional, and not ornamental aspects of the product, and thus were invalid. The court rejected the argument and held that "the aesthetic appeal of a design to consumers is inadequate to render that design functional," thereby strengthening the value of a design patent to protect a component of the automobile which, by itself, may not be entitled to utility patent protection.

Design patents can also be a valuable tool to police online infringing/copycat sales. Websites, such as Amazon.com, have platforms that enable companies to upload a design patent to remove infringing and/or counterfeit listings. You can review Amazon Seller Central Forums and see how design patents are an effective tool to take down infringing listings on Amazon.

The key takeaways are:

- Courts are enforcing design patents;
- The scope of design patents is continuing to expand;

- File for patent protection as soon as possible, but certainly within one year of public disclosure or your first sale;
- Design patents are used as a tool to stop competitors from knocking off your products;
- Design patents are used to protect components of a product that may not be entitled to utility patent protection;
- Design patents are a cost-effective way to protect your company's investment and innovation in a new product; and
- Design patents may protect the novel ornamental design of numerous products including shoes, handbags, brushes, toys, automotive parts, lighting fixtures, cups, mugs, tools, etc.

For these reasons, a design patent may play an important and effective role in a company's Intellectual Property portfolio strategy. Speak with an experienced patent attorney to learn more about this valuable tool for your business.

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