

BROOKS | KUSHMAN

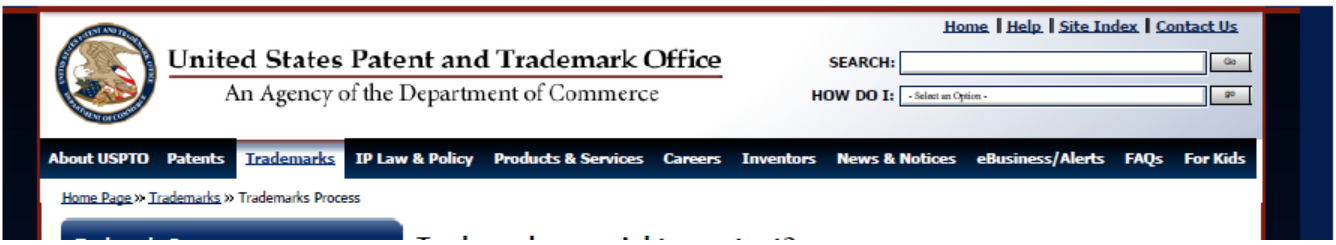
INTELLECTUAL PROPERTY LAW

The Intersection of Trademark and Design Patent Law

Presented By: Marc Lorelli

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United States Patent and Trademark Office



Do Trademarks, Copyrights and Patents protect the same things?

No. Trademarks, copyrights and patents all differ. A copyright protects an original artistic or literary work; a patent protects an invention. For copyright information, go to <http://www.copyright.gov> . For patent information, go to <http://www.uspto.gov/main/patents.htm> .



basics

Design Patents are defined as . . .

- “[A]ny new, original, and *ornamental design for an article of manufacture* may obtain a patent therefor, subject to the conditions and requirements of this title.”
 - 35 U.S.C. § 171

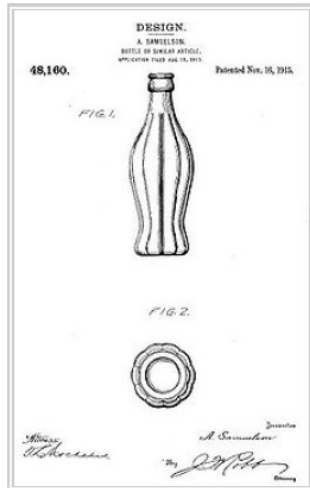
Trademarks are defined as . . .

- “[A]ny word, name, symbol, ***or device***, or any combination thereof” used to distinguish goods from those manufactured or sold by others.
 - 15 U.S.C. 1127

More Specifically, Trade Dress is defined as...

- “‘Trade dress’ refers to ***‘the image and overall appearance of a product.’*** It embodies ‘that arrangement of identifying characteristics or decorations connected with a product, whether by packaging or otherwise, [that] makes the source of the product distinguishable from another...’”
 - *Abercrombie & Fitch Stores, Inc. v. American Eagle Outfitters, Inc.*, 280 F.3d 619, 629 (6th Cir. 2002) quoting *Ferrari S.P.A. Esercizio v. Roberts*, 944 F.2d 1235, 1238-39 (6th Cir. 1992).

A Design Patent and Trade Dress Can Protect The Same Thing



“whether by packaging or otherwise”

Two Types Of Trade Dress

Product Packaging



Product Design



“[A] product’s design is distinctive, and therefore protectible, only upon a showing of secondary meaning.”

Wal-Mart Stores, Inc. v. Samara Bros., Inc., 529 U.S. 205, 216 (2000).

Trade Dress Claims

“[T]o recover for trade dress infringement ..., a party must prove by a preponderance of the evidence:

- 1) that the trade dress in question is distinctive in the marketplace, thereby indicating the source of the good it dresses,
- 2) that the trade dress is primarily nonfunctional, and
- 3) that the trade dress of the competing good is confusingly similar.

The first two elements are the requirements for protectability, and the third element is the standard for evaluating infringement.”

Abercrombie & Fitch Stores, Inc. v. American Eagle Outfitters, Inc.,

280 F.3d 619, 629 (6th Cir. 2002).

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Registration Creates A Presumption of 1 & 2

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Comparison

Trade Dress

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Design Patent

- 1) “New and novel” and “subject to the conditions and requirements of this title.”
- 2) “ornamental”
- 3) infringement

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**REGISTRATION CREATES
PRESUMPTION**

Comparison

Trade Dress

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REGISTRATION CREATES PRESUMPTION

Design Patent

- 1) “New and novel” and “subject to the conditions and requirements of this title.”
- 2) ornamental
- 3) infringement

PATENT REQUIRED FOR SUIT AND CREATES MORE THAN A PRESUMPTION

Element (3)

- “Likelihood of Confusion” – Trademarks
- Design Patent?
 - *Gorham v. White*, 81 U.S. 511 (1871)

***Gorham v. White*, 81 U.S. 511 (1871)**

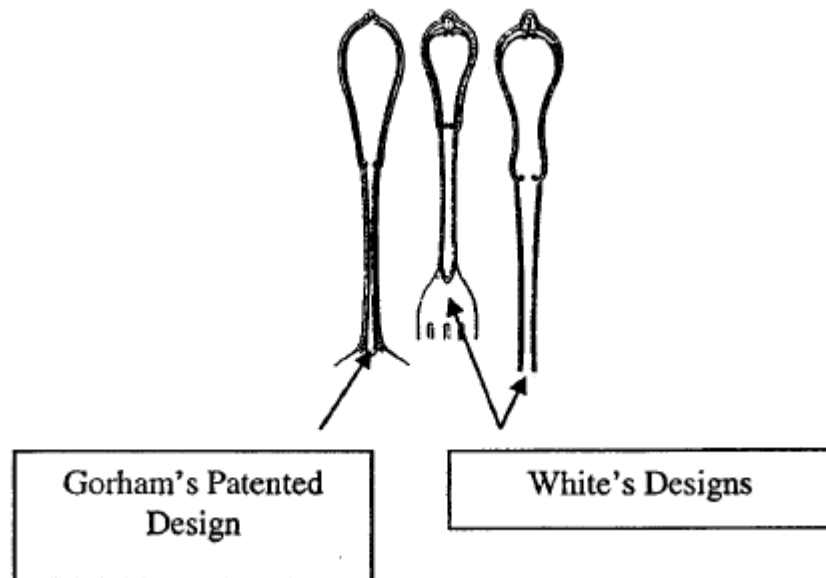
- “The court below was of the opinion that the test of a patent for a design is not the eye of the ordinary observer. . . Experts, therefore, are not the persons to be deceived.”
- Using an expert test would “destroy all the protection which the act of Congress was intended to give. There never could be piracy of a patented design, for human ingenuity has never yet produced a design, in all its details, exactly like another, so like, that an expert could not distinguish them.”

***Gorham v. White*, 81 U.S. 511 (1871)**

- “Experts, therefore, are not the persons to be deceived. Much less than that which would be substantial identity in their eyes would be undistinguishable in the eyes of men generally, of observers of ordinary acuteness, **bringing to the examination of the article upon which the design has been placed that degree of observation which men of ordinary intelligence give.** It is persons of the **latter class who are the principal purchasers of the articles** to which designs have given novel appearances, and if they are misled, and **induced to purchase what is not the article they supposed it to be**, if, for example, they are led to purchase forks or spoons, **deceived by an apparent resemblance into the belief that they bear the 'cottage' design, and, therefore, are the production of the holders of the Gorham, Thurber, and Dexter patent**, when in fact they are not, the patentees are injured, and that advantage of a market which the patent was granted to secure is destroyed.

Gorham v. White, 81 U.S. 511 (1871)

“We hold, therefore, that if, in the eye of an ordinary observer, giving such attention as a purchaser usually gives, two designs are substantially the same, **if the resemblance is such as to deceive such an observer, inducing him to purchase one supposing it to be the other**, the first one patented is infringed by the other.”



The Modern Day Infringement Standard

- *Egyptian Goddess v. Swisa*, 543 F.3d 665 (Fed. Cir. 2008)
 - **“Ordinary observer test [of confusion] with reference to prior art designs”**
 - “When the differences between the claimed and accused design are viewed in light of the prior art, the attention of the hypothetical ordinary observer will be drawn to those aspects of the claimed design that differ from the prior art.”
 - And when the claimed design is close to the prior art designs, small differences between the accused design and the claimed design are likely to be important to the eye of the hypothetical ordinary observer.

The Infringement Standards

TRADE DRESS

- Mixed question of law and fact (6th Cir)
- Not necessarily side by side
- Less discerning (maybe)
- Comparison product to product in the marketplace (protect consumers)

DESIGN PATENT

- Question of fact
- Side by side
- More discerning ... “reference to prior art”
- Comparison patent to product (protect invention)

Comparison - House Brands

Design Patent -- irrelevant

LA Gear v. Thom McAn, 988 F.2d 1117 (Fed. Cir. 1993)

Trade Dress – factor to consider

When considering likelihood of confusion, “the most common and effective means of apprising intending purchasers of the source of goods is a prominent disclosure on the container, package wrapper, or label of the manufacturer’s or trader’s name.”

Litton Systems, Inc., v. Whirlpool Corp., 728 F.2d 1423, 1445 (Fed. Cir. 1984).

Element (2): Functionality / Ornamentality

- **Trade Dress**
 - Plaintiff must prove “non-functionality”
- **Design Patent**
 - Limited to ornamental features – not functional features
 - Defendant may prove invalidity via functionality (clear and convincing evidence)
 - Defendant may try to limit the scope of the patent via functionality (question of law at claim construction)
 - *Read Corp. v. Portec, Inc.*, 970 F.2d 816, 825 (Fed. Cir. 1992)(“[I]f a design is composed of functional as well as ornamental features, to prove infringement a patent owner must establish that an ordinary person would be deceived by reason of the common features in the claimed and accused designs which are ornamental.”)
 - *Amini v. Anthony*, 439 F.3d 1365, 1371 (Fed. Cir. 2006)(“A design patent protects the non-functional aspects of an ornamental design as seen as a whole and as shown in the patent.”)

Element (2): Functionality

- “[The functionality doctrine “prevents trademark law, which seeks to promote competition by protecting a firm’s reputation, from instead **inhibiting legitimate competition** by allowing a producer to control a useful product feature. Protection of functional product features is the province of patent law...”
 - *Ambercombie & Fitch Stores, Inc. v. American Eagle Outfitters, Inc.*, 280 F.3d 619, 640 (6th Cir. 2002)(citations omitted).
- TEST
 - “[T]he principal basis for assessing the functionality of a product design is the ‘traditional rule’ originally set forth in a footnote in *Inwood Laboratories, Inc. v. Ives Laboratories, Inc.* ...that ‘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.**”
 - » *Antioch Co. v. W. Trimming Corp.*, 347 F.3d 150, 155 (6th Cir. 2003)(internal citations omitted).
 - Is Effective Competition Possible?
 - Are Comparable Alternatives Available?
 - Utility Patents?
 - *TrafFix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23 (2001)

Element (2): Functionality

Dual Spring design to resist wind

Traffix Devices v. Mktg. Displays, 532 U.S. 23 (2001)



Element (2): Ornamentality

EST

- Defendant must "show by clear and convincing evidence that there are no designs, [other than the claimed design], that have the same functional capabilities as [the claimed design]."
 - *Rosco Inc. v. Mirror Lite Company*, 304 F.3d 1373, 1378 (Fed. Cir. 2002)

DICTATED BY FUNCTION" ?

- "[T]he design must not be governed solely by function, *i.e.*, ***that this is not the only possible form of the article that could perform its function.***"
 - *Seiko Epson Corp. v. Nu-Kote Int'l, Inc.*, 190 F.3d 1360, 1368 (Fed. Cir. 1999)
- "if other designs could produce the same or similar functional capabilities, the design of the article in question is likely **ornamental, not functional.**"

Element (2): Ornamentality

- Going to TM standard?
 - “A design patent protects the non-functional aspects of an ornamental design as seen as a whole and as shown in the patent. An aspect 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.’”
 - *Amini v. Anthony*, 439 F.3d 1365, 1371 (Fed. Cir. 2006).

The Functionality / Ornamentality Standards

TRADE DRESS

- Question of fact
- Does not affect infringement
- Plaintiff's burden to prove a negative ("non-functionality")

DESIGN PATENT

- Question of fact as to whole / Question of law as to features
- Affects Infringement
- Defendants' burden

DESIGN PATENT TEST SEEMS MORE DIFFICULT FOR A DEFENDANT

Element (1): Wal-Mart Stores v. Samara Bros.

- “[P]roduct design almost invariably serves purposes other than source identification not only renders inherent distinctiveness problematic; it also renders application of an inherent-distinctiveness principle more harmful to other consumer interests.”
- “[A] product’s design is distinctive, and therefore protectible, only upon a showing of secondary meaning.”
 - *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205, 216 (2000).

Distinctiveness Required For Product Designs

- Acquired distinctiveness through secondary meaning requires proof that customers associate the trade dress with a particular source, such as, through:
 - Length of use
 - Advertising expenditures
 - Affidavits or declarations asserting recognition of the trade dress as a source indicator
 - Survey evidence
 - Evidence of intentional copying

ELEMENT (1): Comparison

- “LENGTH OF USE” required for trade dress protection
 - “The availability of [design patent] protection greatly reduces any harm to the producer that might ensue from our conclusion that a product design cannot be protected [] without a showing of secondary meaning.”
 - *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205, 216 (2000).
- DESIGN PATENT must be filed within 1 year of first public disclosure
- DESIGN PATENT must be novel, non-obvious, and meet other patent office requirements

Differences In Length Of Protection

- Design Patent
 - 14 Years, then free for anyone to use
- Trademark / Trade Dress
 - Forever

Remedies Similar

- Design Patent
 - Damages (Lost Profits or Reasonable Royalty) 35 USC § 284
 - Defendants' Profits 35 USC § 289
 - Enhancement
 - Injunction
- Trademark / Trade Dress
 - Damages (Lost Profits) 15 USC § 1117
 - Defendants' Profits 15 USC § 1117
 - Enhancement
 - Injunction

SUMMARY AND CONCLUSION

Intellectual Property	Distinctive / Source Identifying	Novel / Nonobvious	Functional	Duration
Utility Patent	N/A	YES	YES	20 years
Design Patent	N/A	YES	NO	14 Years
Trademark / Trade Dress	YES	N/A	NO	Indefinite

QUESTIONS???????

CASE STUDIES

Competitive Edge, Inc. v. Staples, Inc., 763 F.Supp.2d 997 (N.D. Ill. 2010)



Patented Design



Accused Design

- Design Patent Infringement?
- Trade Dress Infringement?

CASE STUDIES



Patented Design



Accused Design

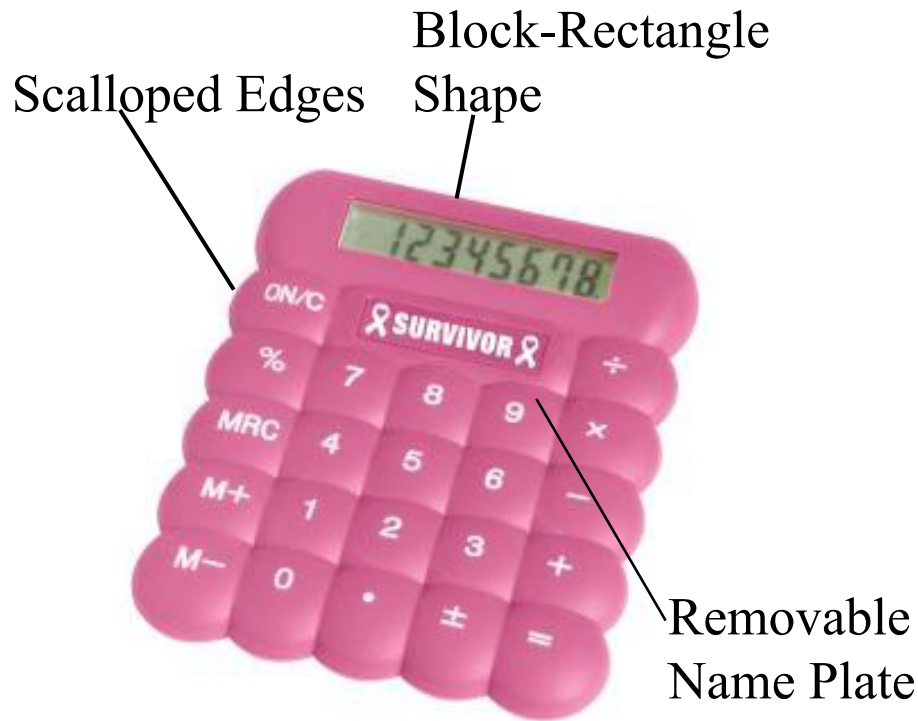
Design Patent Infringement? NO!!

Why Not?

“A side-by-side comparison shows that the two designs, taken as a whole, create overall visual impressions that would appear *plainly dissimilar to the ordinary observer.*”

Competitive Edge, Inc. v. Staples, Inc., 763 F.Supp.2d 997, 1011 (N.D. Ill. 2010)

CASE STUDIES



Patented Design

Dissimilar How?

Hour-Glass Shape

Smooth Edges



Indented Circles on Keys

Accused Design

CASE STUDIES



Patented Design



Accused Design

Plaintiffs' Alleged Trade Dress

1. Soft keys having a bubble shape;
2. A calculator top and keypad that is one continuous, contoured surface;
3. A decoration panel located above keypad that spans the width of three keys;
4. A top portion above the panel having a rectangular calculator display within it;
5. Brightly colored keys; and
6. A generally 3-D shape that resembles a rectangle with rounded corners.

CASE STUDIES

Trade Dress Infringement? NO!!



Patented Design



Accused Design

Why Not?

1. Not Inherently Distinctive

-All of the trade dress elements are features of the Patented Design's *physical design*, except for the brightly colored keys

-A product's design is not inherently distinctive without a showing of secondary meaning.

-“[A] product's color, standing alone, cannot make a product's trade dress sufficiently distinctive as to be protectible.”

Competitive Edge, Inc. v. Staples, Inc., 763 F.Supp.2d 997, 1013 (N.D. Ill. 2010)

CASE STUDIES



2. No Secondary Meaning Acquired

- Only evidence of secondary meaning was that the Plaintiffs used trade dress exclusively for 5 years;

3. No Likelihood of Confusion

Weighing In Favor

- There is some overlap in the *area and manner* in which the Patented Design and Accused Design are used because both Plaintiffs and Staples used calculators as *promotional and marketing* items

Weighing Against

- No similarity between the trade dresses,
- Consumers of Plaintiffs' products are highly sophisticated buyers, and
- No evidence of actual confusion.

CASE STUDIES

Crocs, Inc. v. Int'l Trade Comm'n, 598 F.3d 1294
(Fed. Cir. 2010)



Patented Design



Accused Designs

- Design Patent Infringement?

CASE STUDIES



Patented Design



Accused Design

Design Patent Infringement? YES!!

Why?

- “[a]n ordinary observer, familiar with the prior art designs, *would be deceived* into believing the accused products are the same as the patented design. In one comparison after another, *the shoes appear nearly identical*. If the claimed design and the accused designs were arrayed in matching colors and mixed up randomly, this court is not confident that an ordinary observer could properly restore them to their original order without very careful and prolonged effort.”

Crocs, Inc. v. Int'l Trade Comm'n, 598 F.3d 1294, 1306 (Fed. Cir. 2010)

CASE STUDIES

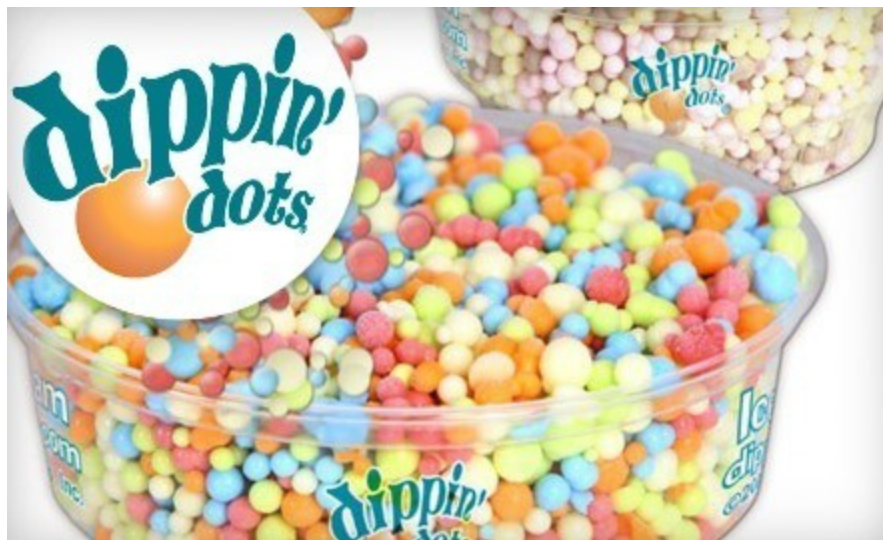


Likely to Cause Market Confusion

- Both the Patented Design and the Accused Designs have the following overall effects.
 - A strap assembly where the strap is attached to the base portion of the shoes; and
 - A design that includes several rounded curves, ellipses and holes located on the front of shoe.

CASE STUDIES

Dippin' Dots, Inc. v. Frosty Bites Distribution, LLC,
369 F.3d 1197 (11th Cir. 2004)



- Is Trade Dress Non-Functional?

Dippin' Dots Alleged Trade Dress

1. Small, colorful pieces of pieces of ice cream.
2. Essentially, the size, color, and shape of dippin' dots.

CASE STUDIES

Is Trade Dress Non-Functional? NO!!

Why?

- *Color* is functional because it indicates the ice cream flavor, such as, the color pink indicates that the ice cream is strawberry flavored
- *Size* is functional because it contributes to the product's overall consistency, texture and taste
- *Shape* is functional because it affects the freezing process of the ice cream and facilitates the product's free flowing nature.

