

2024

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**Design Patents  
Year in Review**

ANALYSIS & TRENDS | 4TH EDITION

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# Introduction

As we predicted in our 2023 report, 2024 was a banner year for design rights in the U.S. and elsewhere. In last year's report, we noted that the U.S. Court of Appeals for the Federal Circuit (CAFC) agreed to consider en banc whether the long-standing design patent obviousness test required modification. As you will see in this year's report, the court did not modify it— instead, it threw more than 30 years of design jurisprudence out the window and adopted a new (but old) test.

While the new test was predicted to make design patents easier to invalidate, we saw in at least one application of it by the Patent Trial and Appeal Board (PTAB), that instituting inter partes review of a design patent can still be a challenge. We also saw district courts continue to grapple with claim construction and the issue of functionality. Adding a new obviousness test may only aggravate reversal rates by the CAFC in the future. And finally, the U.S. International Trade Commission (ITC) continues to be a pivotal forum for enforcing design patents provided the domestic industry requirement can be shown for the asserted patent, which proved challenging in two cases in 2024.

On the international front, intellectual property offices around the world continue to update their law in big ways and small. Most notable was the reform of the European design law, and the culmination of the Design Law Treaty at the end of the year.

The information provided in this review is the result of a collaborative process. Thank you to co-authors— Ivy Estoesta, Daniel Gajewski, and Deirdre Wells, as well as Patrick Murray who contributed important data and statistics.

We appreciate your interest in this report, and we encourage you to read our other year-in-review publications covering the CAFC, ITC, and PTAB in detail as well as a new report covering AI and IP. All of this content is available at [www.sterneckessler.com](http://www.sterneckessler.com) and by request. Please contact us if you have questions or wish to discuss the future of design protection.

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# Federal Circuit Appeals: A Very Big Decision in an Otherwise Quiet Year

BY DEIRDRE WELLS

The majority of 2024 was a quiet year for design patent cases at the Court of Appeals for the Federal Circuit. The court issued five opinions involving U.S. design patents: one Rule 36(a) affirmance, two decisions involving litigation misconduct, one affirmance of an Examiner's (and Board's) rejection, and one *en banc* decision that overturned more than 40 years of obviousness case law. Below we discuss the two substantive cases: *LKQ Corporation v. GM Global Technology Operations LLC* and *In re: Justin Samuels, Samuel Rockwell*.

## ***LKQ Corporation v. GM Global Technology Operations LLC (en banc)***

2024 brought the first *en banc* Federal Circuit patent decision in over five years and the first in over a decade to deal with design patents. The decision addressed whether the long-standing obviousness analysis applied to design patents is in line with Supreme Court precedent. The decision was based on an *inter partes* review challenge that LKQ filed challenging GM's design patent. LKQ was once a licensed repair part vendor for GM. But after renewal negotiations fell through in early 2022, GM informed LKQ that the parts LKQ was selling were no longer licensed and therefore infringed GM's design patent. In response, LKQ sought to invalidate GM's auto fender design patent in an *inter partes* review. The U.S. Patent Trial and Appeal Board (PTAB) ruled in GM's favor—finding that LKQ had not shown that the patent was obvious.

LKQ appealed. LKQ argued to the Federal Circuit that the U.S. Supreme Court's decision in *KSR International Co. v. Teleflex Inc.*, 550 U.S. 398 (2007)—a case involving the obviousness analysis for utility patents—should apply to design patents. In particular, LKQ argued that the *Rosen-Durling* obviousness standard for design patents (which the PTAB applied in LKQ's IPR) is inappropriate and should more closely parallel the obviousness standard used for utility patents. The original three-judge Federal Circuit panel rejected LKQ's argument and affirmed the PTAB's finding. But, on June 30, 2023, the full Federal Circuit agreed to hear the case *en banc* and consider whether the design patent obviousness analysis requires modification.

On May 21, 2024, the *en banc* Federal Circuit ruled that the *Rosen-Durling* test was too rigid and incompatible with the Supreme Court's *KSR* decision. The decision eliminates the *Rosen-Durling* test, overruling more than 40 years of precedent defining the design patent obviousness standard. In particular, the court rejected both the previous requirement that the primary reference be "basically the same" as the claimed design and the previous requirement that any secondary reference be "so related to the primary reference that the appearance of certain ornamental features in one would suggest application of those features to the other." To replace the *Rosen-Durling* test, the court stated that a flexible approach should be applied, akin to that used for utility patents. In particular, the court stated that the four *Graham* factors should apply to the design patent obviousness analysis: 1) the scope and content of the prior art, 2) the differences between the prior art and the claimed invention, 3) the level of ordinary skill in the art, and 4) any secondary considerations of non-obviousness.

The court left the challenge of determining precisely how the utility patent test would apply to design patents to later cases. For instance, the *en banc* decision explicitly left open the question of what will constitute analogous art in the design patent context. The court stated that a prior art reference in the same field of endeavor as the claimed design would be analogous art (as it is for utility patents), but did not "foreclose that other art could also be analogous." The court did not define the contours or test for this second, open-ended option for determining if art is analogous, leaving it to be "addressed on a case-by-case basis" and developed in the future.

The decision also explicitly left open the question of what secondary considerations of non-obviousness will be possible for design patents. The court noted that secondary considerations, including "commercial success, industry praise, and copying" can demonstrate non-obviousness. It went on to state that it is "unclear whether certain other factors such as long felt but unsolved needs and failure of others apply in the design patent context."

# Federal Circuit Appeals: A Very Big Decision in an Otherwise Quiet Year

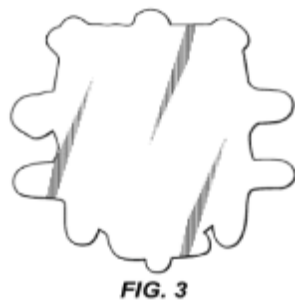
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Answering these questions—as well as assessing motivation to combine arguments—will likely be a source of uncertainty and cost for design patent applicants, patent owners, and challengers, as well as design examiners at the USPTO.

The decision also offered a concurring opinion, which advocated for simply loosening *Rosen-Durling* rather than overruling it altogether. The concurrence believed the test just needed “a bit of tinkering.” But the majority disagreed.

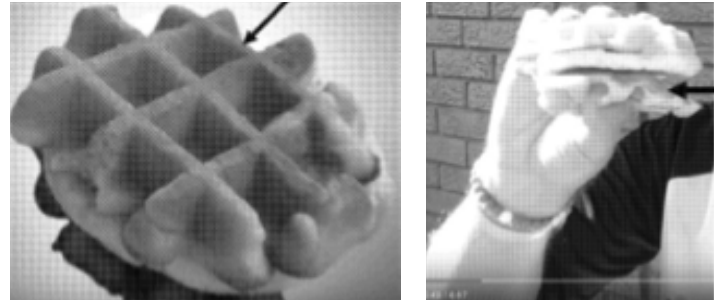
## ***In re: Justin Samuels, Samuel Rockwell***

Justin Samuels and Samuel Rockwell (collectively, “Appellants”) filed U.S. Design Patent Application No. 29/577,270 on September 12, 2016. The application was titled “Waffle Having a Waffle Pattern Side and a Smooth Side” and claimed an “ornamental design for a waffle having a waffle patterned side and a smooth side.” Figures 1 and 3 of the application (reproduced below) show a top view and a bottom view, respectively, of the claimed design.



The Examiner rejected the claim under 35 U.S.C. § 102(a)(1) as being anticipated by a video posted publicly on YouTube. The video is a review of a waffle sandwich that includes two waffles and filling between the two waffles. The Patent Trial and Appeal Board (PTAB) affirmed the rejection. Appellants then filed an appeal with the Federal Circuit.

Stills from the YouTube video are reproduced below. The Examiner and PTAB held that the image on the left shows (with the annotated arrow) the waffle-side top of the waffle and that the image on the right shows (with the annotated arrow) the flat bottom of the waffle.



Under the ordinary observer test, a prior-art design anticipates a claimed design “if, in the eye of an ordinary observer, giving such attention as a purchaser usually gives, [the] 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.” Here, the Federal Circuit held that the anticipation test was satisfied. In particular, the court noted that the PTAB had properly considered as a whole both the claimed waffle and the prior-art waffle. The court said Appellants’ arguments were directed to specific features and failed to explain how any of the alleged differences would alter, to an ordinary observer, the “overall visual impression” of the prior-art waffle as compared to claimed waffle design. Because the ordinary observer test “is not an element-by-element comparison” and instead requires the factfinder to “compare similarities in overall designs, not similarities of ornamental features in isolation,” the Federal Circuit ruled that Appellants’ arguments failed and affirmed the rejection.

# District Court Design Patent Cases: A Busy Year of Case Filings

BY DEIRDRE WELLS

2024 was another busy year for district court decisions! There were multiple jury trials, case-dispositive design patent decisions, and claim construction decisions across a range of venues and at a range of case postures. We summarize below four noteworthy decisions. *Homy Casa Limited v. Jili Creation Technology Co., Ltd.* and *Fiskars Finland Oy AB v. Woodland Tools Inc.* deal with infringement questions at the complaint (*Homy Casa*) and summary judgment (*Fiskars*) stages. *PainTEQ, LLC v. Omnia Medical, LLC* presents an interesting priority date assessment and indefiniteness analysis at the summary judgment stage, and *Todd Deetsch v. Peter Lei et al.* considers the scope of the claim in view of functionality at the claim construction stage.

Several of the cases discussed below involve questions that have never been asked before or answers that have never been given before in design patent cases. Predicting what will happen on appeal can be difficult, but we would not be surprised if at least aspects of the decisions discussed below are reversed or remanded on appeal. These will certainly be cases to watch to see what happens as they progress, including whether the Federal Circuit affirms, reverses, or remands.

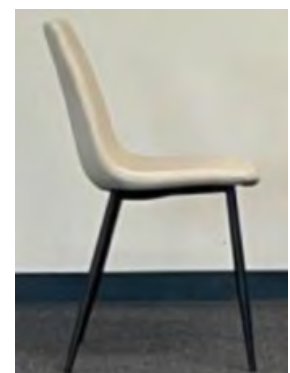
## ***Homy Casa Limited v. Jili Creation Technology Co., Ltd.***

Homy Casa Limited filed a district court action in the Western District of Pennsylvania alleging that Jili's "Tapscott Solid Back Side Chair" infringes four of its design patents: U.S. Patent Nos. D808,669S, D920,703S, D936,991S, and D936,992S. Both Homy Casa and Jili sell chairs online, and the four asserted patents relate to chair designs. Jili moved to dismiss the complaint for failure to state a claim.

The court stated that the operative question is whether Homy Casa has plausibly alleged that an ordinary observer, familiar with the prior art, would consider the chairs substantially the same such that the observer might purchase the Tapscott Solid Back Side Chair when they meant to purchase the claimed chair. In the context of a motion to dismiss, courts generally consider only the allegations contained in the complaint, exhibits attached to the

complaint, and matters of public record. Here, the court took judicial notice of a number of other patents (all of which were listed as a "cited reference" in the asserted patents) to provide the prior-art context for the infringement analysis.

The court held that Homy Casa had not satisfied its burden and granted the motion to dismiss. The court's rationale for all four asserted patents is very similar. U.S. Patent No. D808,669S can, therefore, be used as an exemplary analysis. The court found that there are a number of differences between the claimed design and the accused product. For example, the patent shows a chair with an interior section or cushion that is separate from the rest of the seat, but the accused product has no such internal section. Additionally, the patent shows a chair with a flat seat, but the accused product has a curved seat. And the patent shows a chair with a back that is nearly vertical from the seat to halfway up, and then extends off at an angle; but the back of the accused product extends at an angle from the seat in nearly a straight line. The below images show the patented design (on the left) and the accused product (on the right).



## District Court Design Patent Cases: A Busy Year of Case Filings

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While the court said these differences might seem minor at first blush, they are significant in light of the prior art. The court found that the claimed design is distinguished from the prior art by its seat shape and interior offset, but that it is these same differences that distinguish the accused product from the patented design.

### **Fiskars Finland Oy AB v. Woodland Tools Inc.**

Fiskars Finland Oy AB filed a district court action in the Western District of Wisconsin alleging a variety of claims, including infringement of two design patents: U.S. Patent Nos. D720,969 (D'969) and D684,828 (D'828). Fiskars and Woodland compete in the hand-held gardening tool market. The D'969 patent claims an ornamental design for gardening snips, and the D'828 patent claims an ornamental design for a trimming tool commonly referred to as a "lopper." Woodland moved for a variety of relief, including excluding Fiskars' infringement expert from testifying at trial if the case proceeds to trial and summary judgment of noninfringement.

Regarding Woodland's motion to exclude Fiskars' infringement expert, the court granted the motion, explaining that Fiskars' expert's infringement analysis is fatally flawed, including because he limited his consideration of the prior art to a single piece and he did not consider the functional aspects of the claimed design and accused products.

Regarding infringement of the D'969 patent, the court agreed with Woodland that because the design includes functional features, it is appropriate to exclude those features from the claimed design. In particular, the court agreed that the functional features include a pair of handles configured to be gripped by the hand, connected with a pivot mechanism at the end, so that the handles may operate the blades at the other end and some form of stop at the end of the handles. Additionally, because the tool is to be gripped by the hand, the court agreed that it is functional to avoid sharp edges in the grip area. Thus, the court said the ornamental components of the design are the shape of the handles and the pivot mechanism.

Having construed the claimed design the court then proceeded to compare the claimed design to the accused product. The below images show a side-by-side comparison of figures from the patent (on the left) and photographs of the accused product (on the right).



The court found that while the claimed design and accused product are similar in overall layout, that similarity was due to function. Removing the functional aspects of the designs, the court found that there is a striking dissimilarity between the claimed design and the accused product. In particular, the claim's convexly curving handles connect in one smooth arc with the pivot, which is the same width as the handles. However, in the accused product the grip portion of the handles have a concave curve, turning away from the pivot, which requires a separate short portion to connect the handle to the pivot (best seen in comparison with Figure 2), and the pivot is wider than the handles, which makes the pivot stand apart as a separate component (best seen in comparison to Figure 4.) Finally, the court found that the handles of the accused product vary in thickness as they transition from one part to the other, but the handles in the claimed design are of one uniform thickness. Thus, the court held that that no reasonable jury could find that a hypothetical ordinary observer, familiar with the prior art, could find the accused product substantially similar to the claimed design and granted summary judgment of noninfringement.

The court then turned to construing the D'828 patent claim. Regarding functionality, the court rejected Fiskars' argument that the claimed gears, linkages, and handle shape are not dictated by function because there are loppers without gears, linkages, or dogleg-shaped handles.

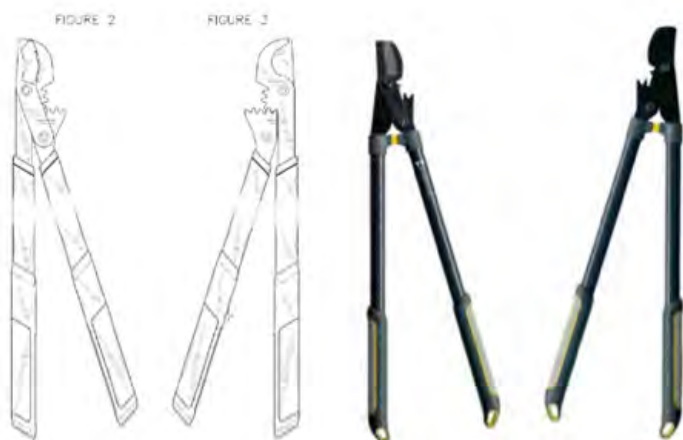


# District Court Design Patent Cases: A Busy Year of Case Filings

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The court said this was a simplistic view of functionality, stating that just because no single option is strictly required does not mean that the choice to use one of the options creates a nonfunctional, ornamental element. The court found that the use of gears and the size and shape of the gears are driven primarily by functional considerations and should be excluded from the claim scope. Additionally, the court stated its belief that Fiskars' utility patent on a geared lopper reinforces that these are functional aspects. Thus the court construed the patent to claim an ornamental design of the cutting tool shown, excluding the functional elements of the basic layout of the tool (two longer handles configured to be drawn together by hand, connected at a pivot so as to bring two shorter blades together) and the gear-driven cutting apparatus.

With that construction, the court then turned to the side-by-side comparison of the claimed design (on the left below) and the accused lopper (on the right below). For this patent, too, the court found that no reasonable jury could find infringement and granted summary judgment of noninfringement. In particular, the court found that the handles are the dominant ornamental feature of the claimed design, but the handles in the claim and the accused product are different. In the claim, the handles present as a full-length covering of the underlying structure of the handle, and diagonal trim bands cover the bottom end of the covering. In contrast, the accused product handle covering leaves more than half the underlying structure exposed and the bottom of the handles terminate in loops (presumably for hanging the tool).



## ***PainTEQ, LLC v. Omnia Medical, LLC***

PainTEQ filed suit in the Middle District of Florida. In response, Omnia filed counterclaims, asserting, among other things, that PainTEQ's LinQ surgical cannula infringed two of its design patents: U.S. Patent Nos. D905,232 (D'232) and D922,568 (D'568). PainTEQ and Omnia are both involved in the surgical device business. Although they once had a business relationship, that relationship fell apart and resulted in the instant case. PainTEQ moved for summary judgment of a variety of issues, including noninfringement of Omnia's two asserted design patents and invalidity of the D'568 patent due to indefiniteness.

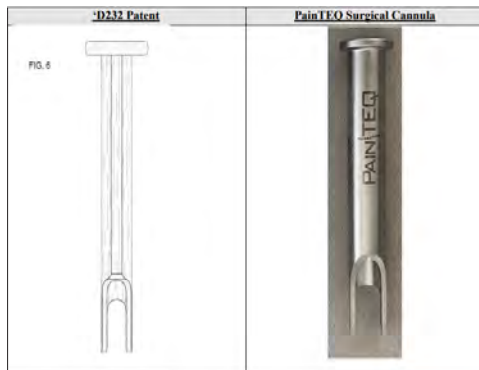
The big dispute for infringement was around whether the asserted claims could claim priority to an earlier filing date (and, therefore, what was properly included within the scope of the prior art). On their face, both asserted patents claimed priority to an earlier utility patent. But that utility patent did not include the figures in the design patents. Omnia argued that although the exact figures in the design patents were not in the utility patent, several figures in the utility patent and the written description in the specification have sufficient similarity to the design patents to support the priority claim. The district court agreed, stating that a design patent may claim priority to an earlier utility patent even if the utility patent does not contain an exact replica for the design later claimed in the design patent. The court said, here, the earlier utility patent had enough similarities to the later design patents that the priority claim was proper. In particular, the court said the written description in the utility patent properly describes the later claimed designs, explaining that "a person of ordinary skill' could conclude that the D'232 and D'568 Patents derive from the written description in the [earlier utility] Patent."

With the scope of prior art defined, the court applied it to its infringement analysis and granted summary judgment of non-infringement of the D'568 patent but not the D'232 patent. The below images show figures from the asserted patents on the left and the accused PainTEQ product on the right. The court came to this different conclusion based

## District Court Design Patent Cases: A Busy Year of Case Filings

*continued*

on the narrower scope of protection of the D'568 patent (which the court ruled covered only the dimensions of the barrel of the cannula). Because the dimensions of the barrel are not exact between the D'568 patent and the accused PainTEQ product, the court ruled that no reasonable juror could conclude that the designs are "substantially similar."



Turning to the question of indefiniteness, the court considered PainTEQ's argument that the D'568 patent is invalid because of inconsistencies between various figures in the patent. PainTEQ noted that Figures 5 and 7, which show side views of the second and fourth sides, use solid lines to depict the front and back faces of the barrel of the cannula, while Figures 1 through 4, 6, 9, and 10 depict the front and back faces of the barrel of the cannula using dashed lines. PainTEQ argued that these inconsistencies rendered the scope of the claim indefinite and, therefore, invalidated the claim. The court acknowledged that a claim may be indefinite if the patent includes multiple, internally inconsistent drawings, but stated that inconsistencies between figures do not render a claim indefinite if the inconsistencies do not preclude the overall understanding of the drawing as a whole. Here, the court found that the inconsistencies

between the two groups of figures do not render the patent indefinite. The court reasoned that Figures 5 and 7 depict the barrel of the cannula from a different perspective than the perspective depicted in Figures 1 through 4, 6, 9, and 10. In particular the court said Figures 5 and 7 show a view of the barrel where the other two sides of the barrel are obscured. In contrast, Figures 1 through 4, 6, 9, and 10 do not obscure those other two sides. These figures each depict those sides with dashed lines. Thus, the court concluded, a skilled artisan who was seeking to understand the two sides in dispute would not look to Figures 5 and 7 to understand those sides because they obscure those sides and would instead be able to understand those sides from Figures 1 through 4, 6, 9, and 10 (which do not obscure those two sides). Therefore, the court held that the claim was not indefinite.

### **Todd Deetsch v. Peter Lei et al.**

Todd Deetsch filed a case in the District Court for the Southern District of California alleging that Peter Lei, Lumina Products Co. LLC, Amazon.com, Inc., and Amazon.com Services LLC infringe U.S. Design Patent Nos. D595,529 (D'529) and D595,530 (D'530). Mr. Deetsch designs and sells continuous positive airway pressure ("CPAP") pillow products, which he asserts are covered by his patents. The parties filed claim construction briefing, requesting that the court construe the two asserted design patents.

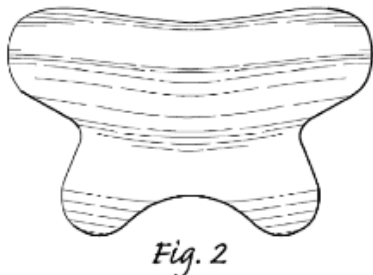
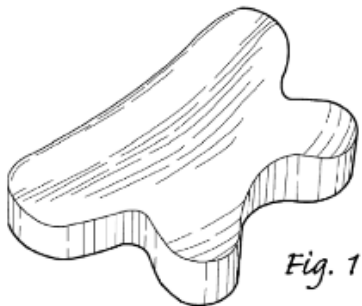
The main dispute was what functional aspects, if any, should be excluded from the scope of protection. The patentee argued none, and the defendants argued a long list. The court acknowledged that "in deciding whether to attempt a verbal description of the claimed design, [a district] court should recognize the risks entailed in such a description, such as the risk of placing undue emphasis on particular features of the design and the risk that a finder of fact will focus on each individual described feature in the verbal description rather than on the design as a whole." However, here, the court found that some description was appropriate because "[w]here a design contains both functional and non-functional elements, the scope of the claim must be construed in order to identify the non-functional aspects of

## District Court Design Patent Cases: A Busy Year of Case Filings

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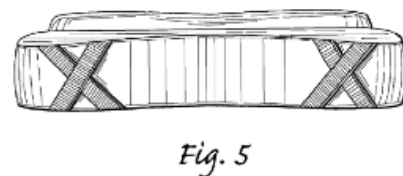
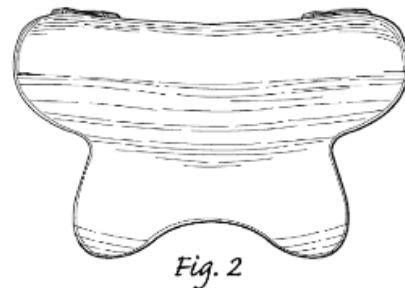
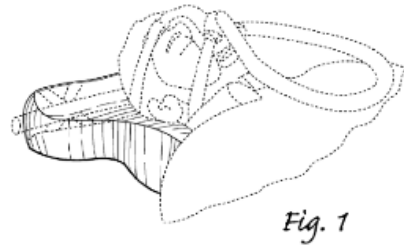
the design as shown in the patent.” The court said that in determining whether certain features of the claimed design are purely functional, a court may consider whether the advertising touts particular features of the design as having specific utility.

Turning first to the D’529 patent, it is entitled “Pillow Insert” and claims “The ornamental design for a pillow insert, as shown and described.” Figures 1 and 2 from the patent are reproduced below.



Defendants presented the court with advertising from the patentee stating that the patentee’s product’s “patented butterfly shape was designed specifically for the side-sleeping position. The orthopedic roll provides proper support for the neck . . . .” The court found that these statements demonstrate that certain features of the claimed design — its butterfly shape and its orthopedic curve — have some specific functionality. It, therefore, excluded them from the scope of the claim.

Turning next to the D’530 patent, it is entitled “Pillow With X Straps” and claims “The ornamental design for a pillow with X straps, as shown and described.” Figures 1, 2 and 5 of the patent are reproduced below.



Like with the D’529 patent, the court considered Defendants’ evidence of how the patentee advertises its products and held that the pillow’s butterfly shape, orthopedic curve, and X straps are functional and, therefore, not part of the claimed design.

# ITC Design Patent Trends: Analyzing Outcomes Through 2024

BY IVY ESTOESTA

The U.S. International Trade Commission (ITC) remains a pivotal forum for addressing intellectual property disputes under Section 337, particularly those involving design patents. Although the Commission issued no remedial orders in the two design patent cases that terminated in 2024, an analysis of cases reaching a Final Determination between 2015 and 2024 reveals that cases involving a design patent continue to obtain a remedial order at a significantly higher success rate than utility patents.

## Design Patent Enforcement Trends

From 2015-2024, the ITC terminated 429 Section 337 investigations, with 201 cases reaching a Final Determination of violation or no violation. In 118 of those cases, the Commission found a violation and issued remedial orders. Notably, of the investigations that went to Final Determination, General Exclusion Orders (GEO) were issued in 59% of the investigations asserting at least one design patent compared to just 13% for Section 337 investigations asserting utility patents only. Cease and Desist Orders (CDOs) were issued in 59% of the investigations asserting at least one design patent compared to 41% for Section 337 investigations asserting only utility patents. The Commission issued Limited Exclusion Orders (LEOs) in 36% of investigations involving design patents—slightly lower than its 43% rate of issuing LEOs in investigations involving utility patents or unfair acts. Overall, from 2015 through 2024, the Commission found a Section 337 violation in 82% of the investigations reaching Final Determination and asserting a design patent, compared to only 55% of investigations asserting just utility patents or unfair acts.

**GEO in Section 337 investigations, 2015 - 2024**

	Did Not Assert Design Patents	Asserted Design Patents	Grand Total
No GEO	155	9	164
Issued GEO	24	13	37
<b>Grand Total</b>	<b>179</b>	<b>22</b>	<b>201</b>

**LEO in Section 337 investigations, 2015 - 2024**

	Did Not Assert Design Patents	Asserted Design Patents	Grand Total
No LEO	102	14	116
Issued LEO	77	8	85
<b>Grand Total</b>	<b>179</b>	<b>22</b>	<b>201</b>

**CDO Section 337 investigations, 2015 - 2024**

	Did Not Assert Design Patents	Asserted Design Patents	Grand Total
No CDO	106	9	115
Issued CDO	73	13	86
<b>Grand Total</b>	<b>179</b>	<b>22</b>	<b>201</b>

**Final Determinations for Section 337 investigations, 2015 - 2024**

	Did Not Assert Design Patents	Asserted Design Patents	Grand Total
No Violation	79	4	83
Violation	100	18	118
<b>Grand Total</b>	<b>179</b>	<b>22</b>	<b>201</b>

# ITC Design Patent Trends: Analyzing Outcomes Through 2024

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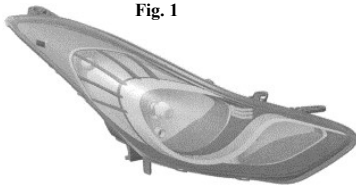
## Domestic Industry Requirement and Design Patents

The Commission issued no remedial order in the two design patent cases that terminated in 2024: *Certain Replacement Automotive Lamps* (Inv. No. 337-TA-1291) and *Certain Replacement Automotive Lamps II* (Inv. No. 337-TA-1292). In those investigations, Complainants Kia and Hyundai sought an LEO and a CDO against the named respondents, TYC Brother Industrial Co., Genera Corporation, LKQ Corporation of Chicago, and Keystone Automotive Industries (collectively, "Respondents"). The Initial Determinations ("ID") issued in those investigations found none of the asserted patents to be invalid as anticipated or obvious and a violation of Section 337 by Respondents concerning 17 of Kia's 20 asserted design patents for various automobile lamps and all 21 of Hyundai's patents for various automobile lamps.

However, the Commission ultimately reversed the ID, determining that the Complainants had failed to satisfy the economic prong of the domestic industry requirement for any of their asserted patents. Complainants asserted aggregated investments across the multiple asserted patents, rather than establishing a domestic industry for each asserted design patent individually. This decision underscores the necessity for a patent-by-patent assessment of domestic industry investments to demonstrate their significance when the asserted design patents cover different products.

**One of Hyundai's Asserted Design Patents**

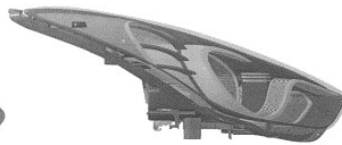
Fig. 1



D618,836

**Hyundai's Purported Domestic Industry Product**

Fig. 4



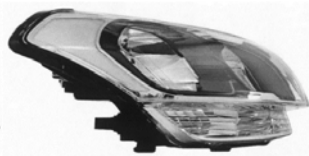
LKQ Part No. HY2805117C  
TYC Part No. 11-6493-00-9

**One of Kia's Asserted Design Patents**



D592,773

**Allegedly Infringing Product**



LKQ Part No. KI2503141C  
TYC Part No. 20-9117-00-9

# Design Patents at the PTAB: 2024 in Review

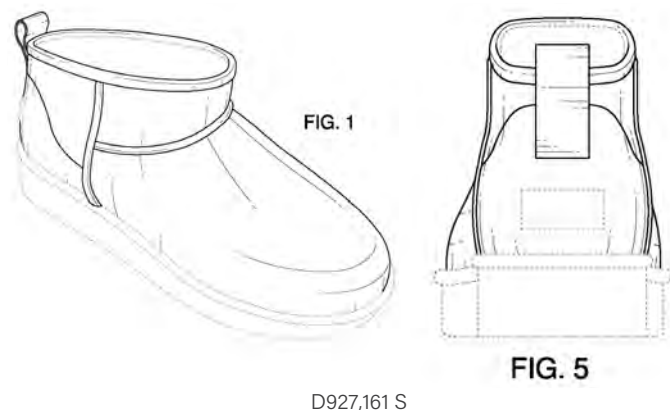
BY IVY ESTOESTA

Inter partes activity involving design patents at the Patent Trial and Appeal Board (PTAB) was relatively low in 2024. The PTAB rendered just two inter partes decisions involving design patents: *Next Step Group, Inc. v. Deckers Outdoor Corp.*, IPR2024-00525, Paper 16 (PTAB Aug. 6, 2024) and *Hangzhou Taihe Trading v. EP Family Corp.*, IPR 2023-00658, Paper 16 (PTAB Aug. 16, 2024).

An analysis of inter partes PTAB decisions between 2013 and November 2024 reveals that the design patent institution rate remains significantly lower than the utility patent institution rate and that the design patent invalidation rate at the final written decision stage remains steady. To date, the institution rate for design patents is 38%—significantly lower than the current utility patent institution rate of about 65%.<sup>1</sup> 2024 also did not see a change in the design patent claim invalidation rate at final written decisions; the rate remains at the previous year's rate of 65%. This compares to a utility patent claim cancellation rate of about 75% at final written decision.

## Hurdles to securing institution of challenges to design patents before the PTAB remain post-LKQ

Petitioner Next Step Group, Inc. challenged U.S. Patent D927,161 S, owned by Deckers Outdoor Corporation, in an inter partes review (IPR). Citing six references (three online webpages and three patents), Petitioner asserted that the patented design for a footwear upper was unpatentable based on two grounds of anticipation and eight grounds of obviousness.



The PTAB denied Petitioner's request for an inter partes review. As an initial matter, the PTAB determined that Petitioner failed to provide sufficient evidence showing that the cited online webpages were printed publications that qualified as prior art. According to the PTAB, "the date that a product was listed as first available on a website...is not sufficient evidence that the content of the listing, including the photographs depicted therein, were [sic] published at that time." Further, because "[s]elling products online is dynamic," "a statement on a commercial website as to when a product was "first available"...is not sufficient evidence that the listing itself, or any photograph depicted therein, has not changed over time. However, the PTAB determined that even if it were to conclude that the cited online webpages constituted prior art, Petitioner failed to demonstrate a reasonable likelihood that the claimed design is obvious or anticipated.

Concerning the asserted grounds of obviousness, the PTAB determined that Petitioner failed to compare the overall visual appearance of the claimed design and the prior art under *LKQ*. As discussed in [Federal Circuit Appeals: A Very Big Decision in an Otherwise Quiet Year](#), the Federal Circuit's decision in *LKQ* overturned the long-standing *Rosen-Durling* obviousness test for design patents—that a primary reference be "basically the same" and that any secondary references be "so related" to the primary reference that features in one would suggest application of those features to the other—as improperly rigid. After *LKQ*, the analysis for design patent obviousness more closely follows the *Graham* factors used for utility patent obviousness. For example, Petitioner failed to address the size ratio and the angle and curvature of features on the footwear.

As for the asserted grounds of anticipation, the PTAB determined that Petitioner failed to adequately address differences between the claimed design and the prior art as viewed by an ordinary observer or to provide any persuasive argument that these differences are minor or trivial.

This denial is notable because it is the first inter partes PTAB decision since the Federal Circuit's *en banc* decision in *LKQ Corporation v. GM Global Technology Operations LLC*.

# Design Patents at the PTAB: 2024 in Review

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The denial also illustrates that post-*LKQ*, Petitioners may continue to face a high bar for invalidating design patents through PTAB proceedings.

## Design patent invalidation rate at final written decision stage remains unchanged relative to 2023

The PTAB issued a final written decision in *Hangzhou Taihe Trading v. EP Family Corp.*, an inter partes Review challenge concerning U.S. Patent No. D934,012 S for a “Table Top,” owned by EP Family Corp. Petitioners Hangzhou Taihe Trading Co., Ltd. and Ningbo Likeju Trading Co., Ltd. sought to invalidate the patent.

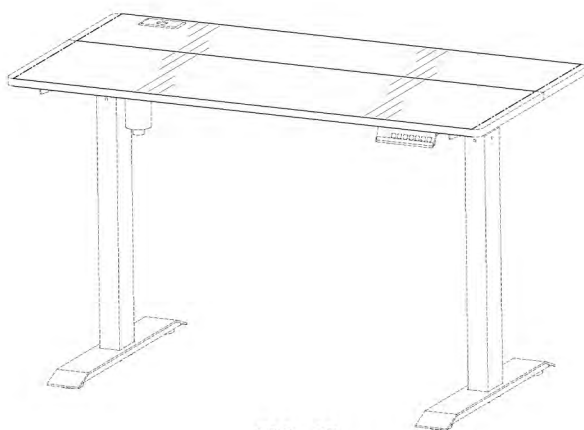


FIG. 23

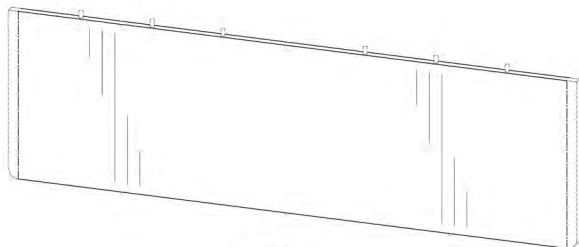


FIG. 8

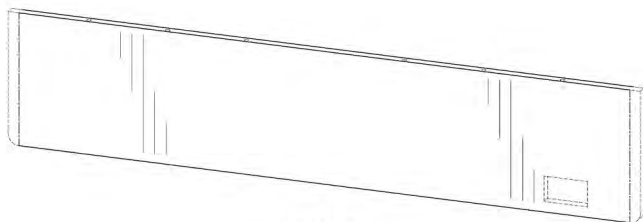
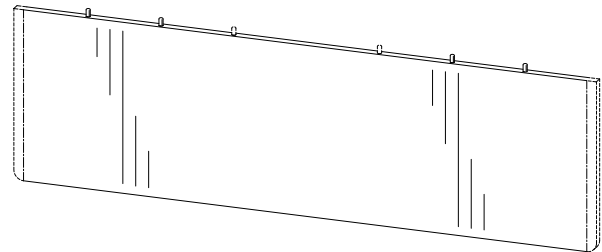


FIG. 9

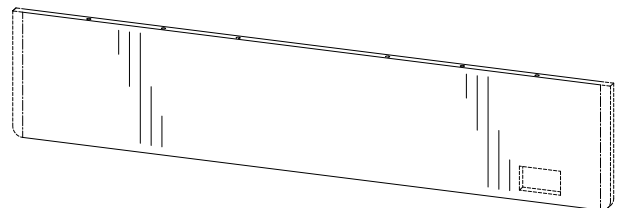
D934,012 S

Instead of filing a Patent Owner Response defending the validity of its patent, EP Family filed a noncontingent Patent Owner’s Motion to Amend requesting to cancel the original design claim in reliance on the proposed substitute claim.



[Amended]

FIG. 8



[Amended]

FIG. 9

Proposed Amendment

The PTAB granted EP Family’s motion to cancel the sole original claim of the patent, and therefore did not reach the unpatentability grounds asserted in the IPR Petition against the original claim. The PTAB separately denied EP Family’s motion to add the proposed substitute claim, finding it indefinite under 35 USC 112, and therefore did not reach the Petitioners’ unpatentability grounds against the proposed substitute claim. The PTAB noted that EP Family could pursue the substitute claim in a reissue or reexamination proceeding, and EP Family filed a reissue application after the final written decision was issued. The reissue application is pending and not yet examined.

<sup>1</sup> At final written decision, 17 design patent claims have been canceled, and 9 have been ruled not unpatentable, a 65% claim cancellation rate overall, with similar cancellation rates for both IPRs and PGRs.

# Global Shifts in Design Law and Policy

BY DANIEL GAJEWSKI

2024 was a year of both big leaps and incremental advances in design law and practice globally. Years-long efforts came to fruition in the European Union and internationally with the Design Law Treaty, adopting significant advances and heralding greater global harmonization. China, Ukraine, and Canada all took steps forward by improving partial design examination, adopting partial design, and extending protection to buildings, respectively. But not every development was a step forward. The United States laid out guidelines for examining computer-generated designs that more or less maintained an archaic status quo—not yet catching up with the rest of the world in protecting modern digital interface designs outside the context of a traditional display screen. This summary will highlight these and other significant design law and policy developments in 2024.

## European Union

The European Union achieved an important milestone in its ongoing efforts to update its rules on design protection. In October, it formally adopted the EU Design Legislative Reform Package, which entered into force on December 8. The reforms aim to better address modern, virtual designs, while improving overall harmonization. Among its most significant changes, the reform:

- confirms that designs of non-physical products can be protected
- extends design protection to animation
- extends the scope of a registered design to cover 3D printing, by categorizing digital creation and sharing as infringing uses
- permanently establishes an exception to design protection for parts used to repair complex products like cars
- eliminates the requirement that designs in a multiple-design application be from the same class
- changes the name of a registered design right from “Community Design Registration” to the wordier but clearer “European Union Design Registration”

These changes should enhance designers’ ability to protect their digital designs, particularly user interfaces that may no longer require a traditional display screen.

These may exist in projected designs, or virtual- and augmented-reality designs. On the other hand, it strips away protections for designers in some fields by allowing designs for repair parts to be more freely copied, so long as the purpose is to restore the complex product to its original appearance.

While the above and other provisions will begin to apply as soon as May 2025, some others will take effect later, in July 2026.

## United States

The United States is also reviewing its guidelines relating to digital designs, but continues to lag behind jurisdictions like the European Union and others that have clear guidance for protecting digital designs outside the context of a traditional display screen. In November, the United States Patent and Trademark Office (USPTO) updated its examination guidelines for “Computer-Generated Electronic Images,” but this did little more than re-state existing practices for protecting digital user interface designs on a traditional physical display screen.

With that said, some cautious optimism may be in order: throughout 2024 the USPTO sought and received comments from the public on such guidelines. The comments near-universally and robustly encouraged the USPTO to modernize its examination guidelines to acknowledge digital designs as eligible for design patent protection irrespective of a display screen.

It is unclear whether or how the USPTO may act in view of these comments to better protect the modern innovations of digital designers in cutting-edge fields like virtual or augmented reality or holographic interfaces. Its partners in the Industrial Design 5 Forum (ID5)—EU, China, Japan, and Korea—have all taken measures in recent years to enhance their coverage for such designs. Could 2025 be the year that the USPTO begins to catch up?

The USPTO also in 2024 began registering a new category of “design-only” practitioners under a new regime that does not require the same technical qualifications as patent practitioners generally. Instead, would-be “design-only” practitioners may have more design-focused qualifications, such as an industrial design degree. At the end of 2024, there were five individuals registered under this new program.



# Global Shifts in Design Law and Policy

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## China

While China's law changed in 2021 to begin allowing partial-design claiming—the practice of claiming only a portion of an entire article—it was not until January 2024 that guidelines for examining partial designs came into effect. Among other things, the guidelines make clear that a partial design should still form a relatively independent portion of a product, that graphical user interface designs do not require a hardware product to be shown, and that the title of the design should refer to the portion that is claimed. The guidelines have the benefit of providing an authoritative common basis for examination, which had been lacking since the law change in 2021. As examiners and applicants have grown more familiar with how the guidelines are being applied throughout 2024, examination has become more consistent and predictable.

## Canada

In June, Canada's Industrial Design Office revised its practice such that designs applied to buildings and structures can now qualify for design protection. This includes buildings constructed on-site, which had previously been denied design protection. This change brings Canada's practice more in line with many other jurisdictions. For example the U.S. has long permitted design patent protection for buildings, and Japan updated its law in 2020 to do so.

## Ukraine

Ukraine had been one of the last few jurisdictions not to allow partial-design claiming. No longer. In May, Ukraine adopted new rules permitting protection of partial designs, bringing its practice in this regard in line with the vast majority of jurisdictions. Only a handful remain that do not permit meaningful partial design protection, including Vietnam, Colombia, and Thailand.

## Riyadh Design Law Treaty

In November, WIPO member states approved the Riyadh Design Law Treaty. This was the culmination of years of effort toward greater global procedural harmonization in design law. Among other things, the Treaty provides for a 12-month grace period after a public disclosure of a design. During the grace period an applicant can file their design application without the disclosure negatively affecting their ability to secure design rights. Most countries already have some form of grace period, but some use different timeframes, and some notably have none at all. So this step toward greater consistency is a welcome development. The Treaty also sets a minimal list of requirements for granting a filing date, establishes a set of common yet flexible baseline standards for design drawings, provides for at least a 6-month period where a design application can remain unpublished, and supports greater use of electronic filing and document exchange.

The Treaty requires 15 contracting parties to enter into force. The time and process to implementation will vary from jurisdiction to jurisdiction.

## World Intellectual Property Organization

In other WIPO news, The Hague International Design system expanded again in 2024, adding Saint Kitts and Nevis to bring the scope of the system up to 97 countries. And the 15th edition of the Locarno Classification (a widely-used uniform classification system for designs) was finalized. It adds more than 100 new classes, in addition to making some deletions and changes. The addition of so many new classes reflects the Locarno classification system's continuous adaptation to reflect advances in technology and investment in design. Its newest classes include delivery drones, jet packs, autonomous cars, electric bicycles, light shields for virtual reality glasses, and holographic projectors. This new 15th edition will enter into force on January 1, 2025, though not all jurisdictions will necessarily adopt it right away.

## **About Sterne, Kessler, Goldstein & Fox**

Based in Washington, D.C., Sterne Kessler is one of the world's leading intellectual property law firms, specializing in the full range of IP services globally for more than four decades. We are passionate about IP law, with a unique combination of legal acumen and technical expertise in both prosecution and litigation. This enables us to offer unparalleled insights and forward thinking strategies to protect and enforce our clients' valuable IP assets.

Our team of experienced litigators have the trial skills and technical depth to deliver results across any venue, from district court to the Federal Circuit and International Trade Commission. Sterne Kessler is also recognized as a leading firm for patent prosecution and strategic counseling, trademarks, and post-grant proceedings at the Patent Trial and Appeal Board. With over 400 dedicated professionals, the firm is committed to delivering exceptional service to clients. The world's most innovative companies, including Fortune 500 companies, entrepreneurs, start-ups, inventors, venture capital firms, and universities trust Sterne Kessler with their most complex IP matters.

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