

United States

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In the United States, a product design may be eligible for protection under trade dress (a type of trademark) and design patents. Unlike more traditional trademarks, trade dress (which includes both product configurations and product packaging) is generally not protectable or registrable immediately on adoption. Rather, to qualify for protection in the United States, a product configuration must be shown not only to be capable of acting as a source identifier, but also to have actually acquired secondary meaning in the marketplace (ie, to have become recognised by consumers as a source identifier). Conversely, to be eligible for a design patent, the design of an article of manufacture must be new, original and ornamental.

Legal framework

US trademark law – the Lanham Act – is codified at Title 15 of the United States Code (USC). Title 15 covers the protection of both traditional trademarks and non-traditional trademarks,

such as product packaging and product configuration. Title 35 of the USC covers design patents. The United States is a party to the Paris Convention and the Madrid Protocol. It signed the Hague Agreement in 2012, but has not yet implemented it.

Unregistered designs

Trade dress protection is available for marks that are not the subject of a federal trademark registration. Ownership of a federal registration affords certain important presumptions in an enforcement action that are not available absent ownership of a federal registration. Unregistered trade dress claimants bear the burden of proving both the non-functionality and acquired distinctiveness of the asserted trade dress.

The United States does not recognise unregistered design patent rights.

Registered designs

Who can apply?

Trade dress: An application for trade dress protection must be filed by the rights holder or its attorney representative (ie, not a licensee).

Design patents: Most design patent applications are filed by a representative on behalf of the inventor or assignee. Unlike for trademark applications, representatives must be specially admitted to practise before the US Patent and Trademark Office (USPTO). However, inventors are permitted to file an application for their own design patent application directly without a representative.

What may be registered?

Trade dress: Anything that is capable of serving as a source identifier and is not 'functional' is registrable as a trademark. 'Traditional trade dress' is understood to mean packaging labels, wrapping and containers used in product packaging. 'Product configuration' refers to the elements that comprise the design of the product itself. Trade dress may be a combination of discrete elements acting together, provided that these elements, in combination, serve a source-identifying function.

Design patent: The United States recognises 35 classes of protectable articles of manufacture, including

- furniture;
- apparel and shoes;
- personal care items;
- toys;
- games and sporting equipment;
- textiles;
- paper goods;
- transportation and construction equipment;
- medical devices; and
- graphical user interfaces and icons, both static and animated.

What are the costs?

Trade dress: Trade dress applications are generally more expensive than traditional trademark applications, as in addition to USPTO application fees of \$325 per covered class, they require:

- detailed drawings setting forth the claimed elements;
- a detailed description of the mark that identifies each of the claimed elements; and
- a more involved and lengthy examination process.

Product configuration applications, in particular, may require submission of

consumer survey evidence demonstrating acquired secondary meaning in the marketplace. Registrants must also pay renewal fees to maintain their registration.

Design patent: Expenses related to filing a design patent application include:

- preparation of drawings or photographs;
- representatives' fees in preparing the application; and
- USPTO filing and issue fees (as of 2013, a minimum of \$1,740, with additional fees for late filings, certain petitions and time extensions).

There are no renewal fees after the patent issues.

Procedures

Trade dress

Application: Where product packaging trade dress is sufficiently unusual to qualify as 'inherently distinctive', it is capable of registration immediately on adoption. Product configuration trade dress (eg, the shape and design of a product or the design of a restaurant or retail store) is registrable on the Principal Register only once it is in use in US commerce and has acquired consumer recognition as a source identifier. Where a product configuration is in use in the marketplace, but has not yet acquired secondary meaning, it may be registrable on the Supplemental Register. A registration on the Supplemental Register is not entitled to the same presumptions of validity and non-functionality as apply to marks on the Principal Register.

Trademark applications are examined for registrability on both procedural and substantive grounds. Section 2 of the Lanham Act prohibits the registration of marks that:

- consist of immoral, deceptive or scandalous matter;
- consist of the flag, coat of arms or other insignia of a nation or state;
- consist of a name, portrait or signature of a living individual without his or her consent or of a deceased president of the United States without the consent of his widow;
- are confusingly similar to an existing registered mark;
- are primarily geographically deceptively

- misdescriptive; or
- are functional.

Issues of functionality are of particular importance in trade dress applications.

As noted above, trade dress applications must include a detailed description of the elements claimed to comprise the trade dress, as well as a drawing of the mark clearly identifying those elements.

Examination: Trademark applications filed with the USPTO are assigned to a trademark examining attorney to assess their registrability on substantive and procedural grounds. Trade dress applications are rarely granted without the USPTO raising any objections. Following initial examination, the USPTO will issue one or a series of office actions detailing the additional information required and/or substantive issues affecting registrability. The applicant has six months to respond to the issues raised by the USPTO in each office action. This will continue until the mark is finally refused or, alternatively, is found registrable and published for opposition.

The USPTO does not differentiate between trade dress applications and trademark applications in tracking months to registration. In 2010 it took 10.5 months, on average, from filing to registration or abandonment. Experience shows that trade dress applications, and in particular product configuration trade dress applications, take longer to work their way through the USPTO, as compared to traditional trademark applications.

Cancellation: The USPTO will not remove or cancel a registration of its own accord unless the registrant has failed to satisfy the declaration of use or renewal requirements. Trade dress registrations are vulnerable to cancellation within five years of registration on multiple grounds, including functionality and prior rights. After five years, a registration can be challenged only on certain restricted grounds. Additionally, the registration can be challenged on abandonment grounds. There is a presumption that the mark has been abandoned if it has not been used for three years. The rights holder may rebut this presumption by showing intent to resume use.

Design patent

Application: Design patent applications are examined by the USPTO for:

- novelty (35 USC § 102);
- non-obviousness (35 USC § 103); and
- compliance with certain disclosure and clarity requirements (35 USC § 112).

US design patents have a term of 14 years from the date of issue (35 USC § 173).

The application consists of figures, a brief description of figures, one claim and the signed declaration of the inventors.

In 2013 the United States changed from a first-to-invent to a first-inventor-to-file system. A design may be barred if the design was patented, described in a printed publication or in public use, on sale or otherwise available to the public anywhere in the world before the effective filing date of the application. There is a one-year grace period for disclosures made by the inventor or by another party which obtained the design from the inventor.

Examination: Much like the trademark examination system, the assigned patent examiner will consider the application on substantive and procedural grounds. On average 10 months after filing, the USPTO will issue an office action rejecting, objecting to or approving the application. Depending on the type of action, the period for response may be between one and six months. If the examiner issues a final rejection, the applicant may appeal to the USPTO Patent and Trial Appeals Board and eventually the US Court of Appeals for the Federal Circuit. On average, applications issue 14.4 months from filing.

During examination, applicants are required to disclose any relevant prior art references known to the inventors or the representative, but a prior art search is not required.

Applications may not have multiple distinct designs. If the USPTO determines that an application contains more than one design, it will require the applicant to elect one design. Applicants may file divisional applications on the unelected designs.

Applicants may file additional applications – called continuation applications – based on a pending application, provided that the subject matter in the continuation application is

disclosed in the prior application.

Design patents are enforceable 14 years from the date of issue.

Post-grant procedures: US law permits a number of options, including:

- certificate of correction (35 USC §§ 254, 255) (for clerical or minor mistakes);
- reissue (35 USC § 251) (to correct a defective drawing or specification);
- *ex parte* re-examination (35 USC §§ 302-307) (initiated by a third party which has no further role in the proceeding);
- *inter partes* review (35 USC §§ 311-319) (an adversarial proceeding, limited to patents and printed publications); and
- post-grant review (35 USC §§ 321-329) (an adversarial proceeding with less limitations on invalidity grounds).

The costs vary considerably, depending on the procedure.

Enforcement

Bringing a cause of action

Actions for trade dress infringement, dilution and passing off, as well as design patent infringement, are federal causes of action. Depending on jurisdiction over the defendant, these actions can be initiated in a federal US district court or at the US International Trade Commission – a regulatory body that controls imports into the United States.

Trade dress decisions can be appealed to the federal court of appeals for the relevant geographic circuit. Appeals of design patent decisions can be taken only to the Court of Appeals for the Federal Circuit. Both types of case may subsequently be appealed to the US Supreme Court.

The time to resolution varies greatly by geographic circuit – between 10 months and four years to trial, not including an additional 18 months for most appeals.

Infringement

Trade dress: Infringement of trade dress is regulated under Section 32(a) of the Lanham Act if the mark is registered and Section 43(a) if the mark is unregistered. The test for infringement is whether the alleged infringing use is likely to cause confusion as to source, affiliation or

sponsorship with the plaintiff's trade dress.

In order to assert a successful trade dress infringement claim, the plaintiff bears the burden of proving three elements:

- ownership of a distinctive trade dress;
- where the mark is not registered, that the trade dress is not functional; and
- likelihood of confusion.

If the trade dress is the subject of a federal registration, the defendant bears the burden of proving that the asserted trade dress is functional.

Because trade dress can comprise a combination of elements, it must be defined with great specificity. If the trade dress is defined vaguely, it is difficult for the defendant to adhere to an injunction and impossible for the court to analyse the trade dress for distinctiveness. A defendant need not incorporate every element of a plaintiff's trade dress to be found infringing where likelihood of confusion can be demonstrated.

Design patent: Design patent infringement is governed by statute (35 USC §§ 271, 289).

The test for design patent infringement is the 'ordinary observer' test. This test is conducted from the perspective of the ordinary observer who pays such attention as a purchaser usually pays, usually depending on the cost of the article, and is deemed to be familiar with the similar prior art designs. The patented design is considered infringed by the accused product when the ordinary observer would find the two substantially the same, such that the observer would be deceived into purchasing the accused product, supposing it to be of the patented design.

Remedies

Remedies for trade dress infringement include:

- injunctive relief (including preliminary or permanent injunctions);
- monetary damages (eg, defendant's profits, plaintiff's lost sales); and
- in cases of wilful infringement, the possibility of punitive damages.

Remedies for design patent infringement include:

- injunctive relief (35 USC § 283) (including preliminary and permanent injunctions); and

- monetary damages, including reasonable royalties and lost profits (35 USC § 282) or the infringer's total profits (35 USC § 289).

In exceptional cases, attorneys' fees and costs may be awarded.

Ownership changes and rights transfers

Trade dress

Trade dress rights may be assigned or licensed. Assignments must be in writing and should clarify the nature of the rights transferred.

Trade dress licences must include quality control provisions to insure against a possible claim of 'naked licensing'.

Design patent

Design patent rights may be assigned or licensed and one inventor may transfer only his or her interest in the design patent, without the consent of the other inventors.

Some employer-employee contracts will require employees to transfer rights in any design to the employer when the design is created as part of the employee's employment.

Related rights

Generally, US courts allow overlap between multiple IP regimes. For example, it is common for one design to be protected simultaneously by both a design patent and trade dress rights. The 14-year period of market exclusivity secured by a design patent may be a critical factor in helping the rights holder to acquire the secondary meaning that is necessary for trade dress protection. Trade dress protection can survive the expiration of the design patent.

While design patent and trade dress protection commonly overlap, the same is not true where the feature has been, or is currently, protected by a utility patent. The Supreme Court has said that the existence of a utility patent is strong evidence of functionality. Because functionality is a bar to trade dress protection, the existence of a utility patent triggers a strong presumption that the trade dress is also functional.

Copyright protection may be obtained for some design features in the United States. US copyright law provides protection for an original and creative expression of an idea that is capable of being perceived and reproduced.

Functionality is also a bar to copyright protection, and the law requires that the non-functional expression be either physically or conceptually separable from the design as a whole. Section 102 of the Copyright Act sets forth the eight categories of copyrightable subject matter:

- literary works;
- musical works;
- dramatic works;
- pantomimes and choreographic works;
- pictorial, graphic and sculptural works;
- motion pictures and other audiovisual works;
- sound recordings; and
- architectural works.

Thus, depending on the design, it might not be protectable under copyright law if it cannot be separated from the product as a whole or is deemed to fall outside one of the eight enumerated categories. However, if the design is copyrightable subject matter and otherwise meets the requirements of US law, copyright protection can overlap with other forms of design protection, such as trade dress or design patent. [WTR](#)

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