

PATENT AND TRADEMARK LAW

Redesigning Obviousness: Federal Circuit's New Test for Obviousness in Design Patents

By Rob Maier

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A recent decision from the U.S. Court of Appeals for the Federal Circuit has changed the standard approach to evaluating questions of patent validity—in particular, the question of whether a patented design is obvious—for design patents. Following the principles of the less rigid approach to evaluating obviousness for utility patents in the Supreme Court's decision in *KSR International v. Teleflex*, the Federal Circuit has now extended those broad-view principles to design patents. 550 U.S. 398 (2007).

In May, the Federal Circuit issued its decision in *LKQ v. GM Global Technology Operations*, which marks a significant shift away from the prior and more rigid *Rosen-Durling* test, toward a more flexible framework for determining whether a patented design is obvious. No. 2021-2348, 2024 WL 2280728 (Fed. Cir. May 21, 2024) (*En Banc Decision*). The new *LKQ* test focuses on the overall visual impression of the claimed design, considers the scope and content of analogous prior art, and evaluates differences without

the strict “so related” requirement for secondary prior art references.

Background of Design Patent Obviousness

The *Rosen-Durling* test had for decades been the prevailing standard for assessing whether a claimed design is obvious. That prior test was the product of two Federal Circuit decisions.

For the first part of the test, *In re Rosen* required that one find a single prior art reference with “basically the same” design characteristics as the claimed design. 673 F.2d 388, 391 (C.C.P.A. 1982). If no such *Rosen* reference could be found, the obviousness inquiry would end.

The second step, from *Durling v. Spectrum Furniture*, allowed modifying the primary reference with secondary references to match the claimed design's overall appearance. 101 F.3d 100, 103 (Fed. Cir. 1996). However, any such secondary references had to be so related to the primary reference that “the appearance of



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Courtesy photo

certain ornamental features in one would suggest the application of those features to the other” (quoting *In re Borden*, 90 F.3d 1570, 1575 (Fed. Cir. 1996)).

The Supreme Court in *KSR* revisited the general standards for obviousness, rejecting the rigid application of the “teaching, suggestion or motivation” test set out in prior Federal Circuit precedent. Under the previous test, a patent claim was only proven obvious if “some motivation or suggestion to combine the prior art teachings” existed in “the prior art, the nature of the problem, or the knowledge of a person having ordinary skill in the art.” *KSR*, 550 U.S. at 407.

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The court in *KSR* reasoned that such a rigid test would prevent factfinders from using common sense to resolve claims of obviousness, holding that, while these factors may be helpful, they “need not become rigid and mandatory formulas” as the “obviousness analysis cannot be confined by a formalistic conception.” But, while *KSR* applied in the context of utility patents, the test for obviousness in design patents for years remained untouched even in the wake of *KSR*.

The ‘LKQ’ Case: Background

LKQ petitioned for inter partes review (IPR) of GM’s Design Patent No. D797,625 for a vehicle front fender, arguing the claimed design was obvious based on U.S. Design Patent No. D773,340 to Lian (Lian) as modified by a 2010 Hyundai

Tucson brochure. *LKQ v. GM Global Technology Operations*, IPR2020-00534, 2021 WL 3411458 (P.T.A.B. Aug. 4, 2021) (*Board Decision*).

The Board instituted the IPR, and in its analysis applied the “ordinary observer” test set forth in *Gorham Manufacturing v. White*, which provides 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.” *Board Decision*, 2021 WL 3411458, at *7 (quoting *Gorham*, 81 U.S. 511, 528 (1871)).

The Board found that LKQ had not established that Lian anticipated the D’625 patent, finding that differences between certain visual features of the designs affected the overall visual impression of each design such that they were not substantially the same. It then applied the *Rosen-Durling* test and found LKQ failed to identify a *Rosen* reference.

The Board ultimately found that Lian did not create “basically the same” visual impression as the patented design.

LKQ appealed this decision to the Federal Circuit, and a panel affirmed the Board’s decision. *LKQ v. GM Global Technology Operations*, No. 2023-2348, 2023 WL 328228 (Fed. Cir. Jan. 20, 2023). The panel concluded that substantial evidence supported the Board’s finding, and stated that there was no clear directive from the Supreme Court to find that *KSR* overruled the *Rosen-Durling* test.

The Federal Circuit then granted rehearing en banc and vacated the panel’s opinion to answer the following two questions: (1) whether *KSR* overrules or abrogates the

Rosen-Durling test, and (2) how the court should evaluate design patent obviousness challenges, regardless of its decision to overrule or abrogate *Rosen-Durling*.

The En Banc Federal Circuit

The Federal Circuit, in its first en banc decision in a design patent case since 2008, recognized the *Rosen-Durling* framework as improperly rigid and inconsistent with the flexible principles of *KSR* and *Whitman Saddle*.

In *Smith v. Whitman Saddle*, the Supreme Court settled a design patent claim requiring the court

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to consider whether the design was obvious in view of the combination of two prior art saddles. 148 U.S. 674, 680 (1893). While neither saddle would have been likely to qualify individually as a *Rosen* reference, the claimed design was largely a combination of the back of one saddle with the front of the other saddle.

In reaching its decision, the court in *Whitman Saddle* considered the prior art in the field of the article of manufacture, the knowledge of an ordinary saddler, and the differences between the prior art and the claimed design. It concluded that combining the two known saddle designs was nothing more than an “exercise of the ordinary skill of workmen of the [saddle] trade.”

The Federal Circuit en banc in *LKQ* pointed to *Whitman Saddle* as an example of how the one-size-fits-all approach of *Rosen-Durling* does not work in all obviousness scenarios, and cannot be reconciled with Supreme Court precedent.

'LKQ': Applying the Graham Factors to Design Patents

Instead, the Federal Circuit proposed a more flexible approach for assessing the obviousness of design patents, reaffirming that the *Graham* factors, typically used for reviewing the validity of utility patents, also apply to design patents. *Graham v. John Deere Company of Kansas City*, 383 U.S. 1 (1966).

The Federal Circuit applied the first *Graham* factor to design patents by considering the scope and content of the prior art within the knowledge of an ordinary designer in the field of the design. The court emphasized that any “basically the same” requirement from *Rosen* should be ignored in favor of an “analogous art” requirement, to confine the scope of the prior art to the same field of endeavor as the claimed design.

However, the court left open the question of exactly how to determine whether a prior art design is analogous to a claimed design, stating that “[t]he primary reference will typically be in the same field of endeavor as the claimed ornamental design’s article of manufacture, but it need not be, so long as it is analogous art.” *En Banc Decision*, 2024 WL 2280728, at *24.

The Federal Circuit applied the second *Graham* factor by comparing the visual appearance of the claimed design with prior art designs from the perspective of an ordinary designer in the field of manufacture.

Finally, the Federal Circuit applied the third *Graham* factor by resolving the level of ordinary skill in the pertinent art. The court explained that, in the design patent context, the claim should be assessed through the viewpoint of an ordinary designer in the field to which the claimed design pertains. In addressing arguments from GM and

several amici regarding the decision's potential resulting uncertainty, the court pointed to the considerable precedent following the *Graham* factors and their application.

The court emphasized that while applying a flexible, fact-based test may be challenging, it is not unique to this aspect of patent law, and is manageable on a case-by-case basis.

'LKQ': Evaluating the Claimed Art

After considering the *Graham* factors, the court evaluated the claimed art. The Federal Circuit's inquiry focused on the visual impression of the claimed design as a whole and not on select individual features. As in *Rosen-Durling*, the court stated if a primary reference alone does not render the claimed design obvious, secondary references can be considered. However, unlike the *Durling* test, the primary and secondary references do not need to be "so related" to suggest application to each other, and instead must both merely be "analogous" to the patented design.

In keeping with *KSR*, the Federal Circuit held that the motivation to combine no longer needs to come from the references themselves, but must still be established in the record without the aid of hindsight. The *LKQ* decision also affirmed that existing precedent regarding secondary considerations of non-obviousness, such as commercial success, industry praise, and copying, apply equally to the obviousness analysis for design patents. With these considerations, the court remanded the case to the Board for it to apply the new framework set in the opinion.

The USPTO's Quick Response

The impact of *LKQ* is already evident, with the U.S. Patent and Trademark Office (USPTO) swiftly

updating its practices a day after the ruling. In a memo issued by USPTO Director Kathy Vidal on May 22, 2024, she emphasized the new test for evaluating obviousness, instructing examiners to assess obviousness based on the overall visual impression and motivation to modify prior art, while considering analogous art.

Vidal also specifically instructed examiners to consider four factual inquiries: the scope and content of prior art, differences between prior art and the claimed design, the level of ordinary skill in the art, and secondary considerations. She also indicated that the USPTO plans to provide further guidance and training to examiners regarding the impact of the *LKQ* decision.

Conclusion

Ultimately, the *LKQ* decision will enhance a defendant's ability to argue obviousness by broadening the scope of available prior art. Defendants will no longer be limited to prior art that is basically one-to-one with the claimed design, and instead will have a broader field of analogous prior art available, to apply in a less rigid test. The end result may be similar to the aftermath of *KSR*, now resulting in increased invalidation of design patents.

Similarly, USPTO patent examiners will now be empowered with the ability to consider broader categories of prior art, and will have more flexibility in issuing objections to design patent applications—much to the chagrin of patent applicants.

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