



# Design Patents Build Strong, Valuable Brands

*Product manufacturers value the competitive advantage afforded by patented designs in an increasingly competitive marketplace.*

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Patents. Trademarks. Copyrights. Intellectual property (IP) rights often play an important role in a company's business strategy. When a company spends its resources to develop new products, innovations, brands or designs, it needs to know that others will not quickly swoop in and copy those items. IP rights help protect that investment. Companies can use IP rights to block competitors from copying a new product or trading off the goodwill created in a brand. The strategic use of IP rights can provide significant competitive advantage in a marketplace.

Patent rights are particularly important for product manufacturers. Patents protect inventions. When most people think of patents, they think of "utility" patents. These patents protect the function of an invention. For example, if a product manufacturer invents a new vaporizer that functions in a novel way, the manufacturer may be able to obtain a patent on the device and the way it works. A "design" patent, on the other hand, protects the look and feel of an invention. Using the same example, if the new vaporizer had a unique ornamental design for the mouthpiece, the product manufacturer may obtain a design patent on the look of the vaporizer.

For many years, design patents were overlooked because many thought the rights they provided were too limited. However, that perception changed about a decade ago as a result of a few important court cases. Since then, design patents have experienced a resurgence and become a vital part of many companies' IP portfolios.

For example, Apple's famous patent victory over Samsung in the smartphone patent wars largely rested on design patents covering the look and feel of the early iPhones. Thus, companies overlook the value of design patents at their own peril.

## COMPETITIVE HEAD START

A design patent is a property right granted by the government that allows the inventor to exclude others from making or selling a product with the inventor's new ornamental design. It covers the ornamental aspects of a product. This can include the product's shape, configuration, or surface ornamentation. Flipping through past issues of *Smokeshop* magazine, one can spot countless new products with innovative looks that could qualify a design patent—vaporizers, lighters, cigar cutting tools, product display towers, box designs, etc. For example, many will recognize that the design of the main

drawing from one recently issued design patent (D736,994) owned by Philip Morris Products, S.A. (*photo, left*) strongly resembles the Philip Morris iQOS device.

To obtain a design patent, an inventor must file a patent application with the U.S. Patent and Trademark Office (USPTO). The main part of a design patent application is the drawings. They define the invention. The USPTO examines the drawings, and if the ornamental features of the design are novel and not an obvious variant of an existing design, it will grant a design patent to the inventor.

Design patents also differ from utility patents in a number of ways. Design patent applications typically move through the Patent Office much more quickly than utility patents. A design patent can often issue within one year of the application being filed. This could be vitally important in markets, like the vapor products market, with relatively short product lifecycles. Also, unlike utility patent applications, design patents do not publish while they are pending at the Patent Office. Thus, you may not know if a competitor is seeking to cover a particular design until after the design patent issues. Design patents also differ in that their 15 year term begins on their issue date, as opposed to utility patents that last for up to 20 years from their earliest filing date. Lastly, unlike utility patents, design patents do not require any maintenance fees after they issue. For this reason, design patents are often much cheaper to acquire and maintain for a product lifecycle.

## PROVIDING VALUE, LEGAL RIGHTS

Design patents provide strong legal rights. The patent owner can use a design patent to prevent others from making, using, selling, offering for sale, or importing a product with the same or substantially similar design to that covered in the design patent. In practice, this arises when a product manufacturer invests a substantial amount of time and resources into creating a new product for the marketplace. Shortly after it is launched successfully, competitors try to follow the successful product launch with a similar product of their own. If

the product manufacturer obtained a design patent on the new product, and later discovers a competitor selling a product with a knockoff design, the product manufacturer can prevent the competitor from infringement.

To determine if a third party product infringes a design patent, you compare the accused product to the drawings in the design patent. If the product, according to an "ordinary observer," looks substantially the same as the design drawings, the product infringes the design patent. If successful, the product manufacturer can force the competitor to stop selling the infringing product for the life of the design patent. One can even halt infringing products at the border with the help of U.S. Customs. This can stop an infringer in their tracks. The product manufacturer can also get substantial money damages for infringing sales. U.S. law provides that, in the case of design patent infringement, the patent owner is entitled to receive damages equal to the infringer's total profits on the sales of any product having the infringing design.

Design patents have gained popularity in the tobacco arts. The U.S. Patent and Trademark Office classifies all patents according to a classification system. There is an entire design patent class dedicated to "Tobacco and Smoker Supplies." This class, D27, now boasts more than 2,200 design patents at last count. Design patent owners are not sitting idle as well. There have been several patent lawsuits over the past few years alleging infringement of design patents in this class.

**PRACTICAL TAKEAWAYS**

Priority matters. If you come up with an innovative design, you want to make sure that you are protected as soon as possible. The rules have changed in the United States. This country used to be considered a "first to invent" patent system. We are now a "first to file" system. If you do not protect your design, a competitor may file an application on a similar design and beat you to the patent.

What can I do if my new product is already out in the public? The U.S. patent laws allow you to file an application on

invention within one year of it being disclosed publicly. Therefore, if you made the new product public within the last year, you may still be able to file an application on it. Once you get beyond the one year period, the opportunity to seek a design patent expires. You may still seek trade dress protection on the design, but only after the buying public begins to identify the design with your company.

Smart companies know that every new product strategy must involve intellectual property protection. Utility patents and trademarks still dominate this space. However, several high profile cases have shown that design patents simply cannot be ignored. They provide real competitive advantage, especially for those new products in which the design is just as important as its function. **S**

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