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The Importance of The Design Patent to Modern Day Technology: The Supreme Court’s Decision to Narrow The Damages Clause in Samsung v. Apple

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THE IMPORTANCE OF THE DESIGN PATENT TO MODERN DAY TECHNOLOGY: THE SUPREME COURT’S DECISION TO NARROW THE DAMAGES CLAUSE IN SAMSUNG V. APPLE

Sarah Burnick*

With the rapid growth of technological innovations in today’s society, manufacturers are in constant competition with one another to produce the best looking and most distinct products on the consumer market. To prevent an inventor’s new and unique design from replication, Congress established the design patent to protect the appearance of any new, original, and ornamental design from infringement, and to allow a patent holder to collect the total profits accrued by an infringing design. However, at the time of the statute’s creation, the drafters were likely unable to foresee the surge in technological advancements that are present today, which calls into question the influence of a design patent over today’s technology. This Recent Development argues that the Supreme Court has weakened the force of the design patent at the detriment of designers through its narrow interpretation of the design patent damages clause in the holding of Samsung v. Apple.

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**INTRODUCTION**

In April 2016, the Samsung Galaxy S7 smartphone defeated Apple’s iPhone 6s in Consumer Reports’ ratings based on a number of complex criteria analyzing smartphone performance. Engineers for Consumer Reports employed sophisticated equipment during trials, subjecting each phone to “more than 100 [different] tests involving instrument-driven scores and expert assessments.” Some of the criteria used to evaluate the smartphones included battery life, camera performance, display

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1 Consumer Reports is an independent, nonprofit organization that provides evidence-based product testing and ratings, conducts rigorous research, and engages in investigative journalism on behalf of consumers’ interests. Consumer Reports provides impartial, trustworthy guidance in order to equip consumers to make informed decisions. To advance their mission, Consumer Reports rigorously tests, reviews, and reports on products and services allowing consumers to make informed choices that improve their lives and better their needs. The unbiased, nonpartisan group works with businesses to improve products and practices, providing safer and healthier options to the market based on consumer needs. About Us, CONSUMER REP., http://www.consumerreports.org/cro/about-us/index.htm (last visited Mar. 20, 2017).

2 Mike Gikas, Head-to-Head: Samsung Galaxy S7 vs. iPhone 6s, CONSUMER REP. (Apr. 12, 2016), http://www.consumerreports.org/smartphones/samsung-galaxy-s7-vs-iphone-6s/.

3 See id.
quality, and voice quality.\textsuperscript{4} While Consumer Reports suggests that the Samsung Galaxy S7 has several hardware-based advantages over the Apple iPhone 6s, the two smartphones have become increasingly similar in their appearance — mainly the design of the screen and the user interface.\textsuperscript{5}

In order to protect inventors from having their designs stolen or replicated by competitors, Congress established the design patent under 35 U.S.C. § 171.\textsuperscript{6} Whoever invents any “new, original[,] and ornamental design for an article of manufacture may obtain a [design] patent.”\textsuperscript{7} In determining design patentability, a court determines whether the presentation or appearance of the functional item is unique.\textsuperscript{8} Unlike a utility patent,\textsuperscript{9} issued for a useful process, machine, manufacture, or composition of matter, a design patent protects the aesthetic appearance and ornamental design of an article of commerce.\textsuperscript{10} In the event that a registered patent is infringed upon, Congress has determined that damages are the proper remedy.\textsuperscript{11} If a jury finds that a patented design has been infringed upon, “the court shall award the claimant damages adequate to compensate for the infringement, but in no event less

\begin{itemize}
\setlength\itemsep{0em}
\item \textsuperscript{4} Id.
\item \textsuperscript{6} \textsuperscript{7} See 35 U.S.C. § 171(a)-(b) (2012).
\item \textsuperscript{8} Id. § 171(a).
\item \textsuperscript{10} Types of Patents, U.S. PAT. & TRADEMARK OFF., https://www.uspto.gov/web/offices/ac/ido/oeip/taf/patdesc.htm (last visited Mar. 20, 2017). Utility patents are stronger than a design patent in protecting the functionality and usage of an article from being replicated. See id. However, utility patents are much costlier and take longer to obtain. See id.
\end{itemize}
than a reasonable royalty for the use made of the invention by the infringer, together with interests and costs as fixed by the court.”

In 2012, the United States Patent and Trademark Office ("USPTO") awarded Steve Jobs, CEO of Apple, with a U.S. Design Patent entitled "Electronic Device" for Apple’s first generation iPhone. Jobs filed for this design patent “to protect his iPhone and to extract hundreds of millions of dollars from infringing competitors.” Part of Apple’s effort to enforce the patent relied on an image of the exterior design of the device. Apple successfully used this image in winning its infringement suit against Samsung, whose Galaxy smartphone resembled the iPhone. In fact, not long after receiving the patent, Apple filed a motion in Federal District Court in the Northern District of California to preliminarily enjoin Samsung from making and selling its line of Galaxy phones. The district court subsequently granted Apple’s motion for a preliminary injunction in Apple v. Samsung, the first of many cases over these devices.

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12 Id.
13 The United States Patent and Trademark Office ("USPTO") is the federal agency for granting U.S. patents and registering trademarks. In doing this, the USPTO fulfills the mandate of Article I, Section 8, Clause 8, of the Constitution that the legislative branch "promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." The USPTO registers trademarks based on the commerce clause of the Constitution (Article I, Section 8, Clause 3).
15 Newman, supra note 10.
16 Id.
17 Id.
19 See id.
Fast-forward to December 6, 2016, where the Supreme Court’s decision in *Samsung v. Apple* altered the definition of “article of manufacture” used in 35 U.S.C § 289 and changed the way damages are apportioned under the patent infringement clause. The “article of manufacture” can now be interpreted not only as a product sold to a consumer, but also as a component of that product, allowing damages to be calculated on a much more narrow scale than before. The case has caused controversy in the patent and trademark world, as attorneys and patent owners are worried that future defendants will attempt to lower damage calculations in design patent infringement cases. Prospective defendants may attempt to do so by only pointing to a component of an affected product as being copied, instead of the entire product, for the purposes of damages. This possibility leaves design patent owners with the potential to receive a much lower award, as damages would be apportioned based on each individually infringed component.

Through its ruling in *Samsung v. Apple*, the Supreme Court may have dealt a huge setback to Steve Jobs’ war against infringing competitors. Despite the pushback rendered by the Supreme Court in *Samsung v. Apple*, a strong test for the assessment of damages, similar to the broad test announced in *Egyptian Goddess, Inc. v. Swisa, Inc.* for patent infringement, is necessary to uphold the value of a design patent by protecting a designer’s product as a whole, versus each individual component of the object by itself.

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20 137 S. Ct. 429 (2016).
21 See id. at 435.
22 See id.
24 Id.
25 Id.
26 Id.
27 543 F.3d 665 (Fed. Cir. 2008).
This Recent Development argues that the altered interpretation of an “article of manufacture” used by the Supreme Court not only weakens the force of a design patent, impacting designer originality, but also creates a difficult apportionment test in assessing damages. Analysis will proceed in four parts. Part I introduces the background of Samsung v. Apple. Part II establishes the current state of design patent law under the Patent Act found in the United States Code and explains the test for infringement as held in Egyptian Goddess. Part III examines the procedural history of Samsung v. Apple and conducts further analysis on the impact of the Supreme Court’s decision on the design patent damages clause. Part IV discusses how the Supreme Court’s holding has significantly weakened the design patent damages clause; how the decision may render the Egyptian Goddess holding useless; and the impact of the decision on designers and design patents going forward. Finally, Part V concludes by discussing how Samsung v. Apple may be the Supreme Court’s method of limiting the overall effect of design patents.

I. THE CURRENT STATE OF DESIGN PATENT LAW AND EGYPTIAN GODDESS V. SWISA

Past precedent clearly lays out the current determination for design patent infringement. “A design patent is a form of intellectual property protection which allows an inventor to protect the original shape or surface ornamentation of a useful manufactured article.” As do all patents, a design patent gives an inventor the right to exclude others from making, using, selling, offering to sell, or importing articles with the particular design without permission, for fifteen years from the grant date. Federal courts routinely enforce design patents after a finding that the invention falls within the scope of the criteria.

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30 See 35 U.S.C. § 173 (2012); see also Definition, supra note 29.
31 See Schnadig Corp. v. Gaines Mfg. Co., 620 F.2d 1166, 1171 (6th Cir. 1980); Henry Hanger & Display Fixture Corp. of Am. v. Sel-O-Rak Corp., 270
Whether an invention falls under the scope of a design patent is based on two basic conditions. First, the design must be industrial, in that it must be a useful, functioning object. Second, the design must not affect the way the article works, but it must be separate from the functioning of the article to be eligible for design patent protection. This section analyzes these two conditions through (A) the existing state of design patent qualifications under Title 35 of the U.S. Code, and (B) the current design patent infringement test under Egyptian Goddess.


Under 35 U.S.C. § 171, “[w]hoever invents any new, original[,] and ornamental design for an article of manufacture...”


33 Definition, supra note 29 (“Thus, a painting or sculpture is not eligible for design patent protection because it is not separable from a useful object.”).

34 Id. (indicating that the functional aspects of the invention would be covered under a utility patent).

35 The issue of novelty is analyzed through a visual comparison of the challenged design with other prior designs. Horwitt v. Longines Wittnauer Watch Co., 388 F. Supp 1257, 1260 (S.D.N.Y 1975). In order to be patentable, the new design, viewed as a whole, “must produce a new impression upon the eye.” Id. “The degree of difference required to establish novelty occurs when the average observer takes the new design for a different, and not a modified already existing design.” Id. (quoting Thabet Manufacturing Co. v. Kool Vent Metal Awning Corp. of America 226 F.2d 207, 212 (6th Cir. 1955)). A designer does not need to come up with a new concept, only a new design, to qualify as “new” or “novel”. Rich Stim, Novelty, MY DESIGN PATENT (2012), http://www.mydesignpatent.com/standards/novelty.html [hereinafter Novelty]. In using a sectional sofa as an example, there is the concept of a sectional sofa, and there is the particular appearance or design of a certain sectional sofa. Id. To be new, one’s own sectional sofa design must differ from all previous product designs. Id.

36 A design must do more than just imitate what already exists. Novelty, supra note 35. For example, a design simulating a well-known object, such as a paperweight replica of the Empire State Building, is not original. Id. It is also
may obtain a patent . . .”\textsuperscript{39} Because a design is displayed through appearance, the language of this statute, “new, original and ornamental design for an article of manufacture,” has been interpreted by certain case law to embrace at least three kinds of designs: (1) a design for a surface ornament, impression, print, or picture applied to or embodied in an article,\textsuperscript{40} (2) a design for the shape or configuration of an article,\textsuperscript{41} or (3) a combination of (1) and (2).\textsuperscript{42} Based on this interpretation, an article’s design can be embodied in either the shape or the configuration of the article, applied to the surface ornamentation of the article, or both.\textsuperscript{43} The

\textsuperscript{37} A design “must be the product of aesthetic skill and artistic conception.” Horwitt v. Longines Wittnauer Watch Co., 388 F. Supp. 1257, 1261 (S.D.N.Y 1975). A design cannot be dictated by the article’s function. Rich Stim, \textit{Ornamental Design, MY DESIGN PATENT} (2012), http://mydesignpatent.com/standards/ornamental-design.html [hereinafter \textit{Ornamental Design}]. So, if a variety of designs could achieve the same function, the design is considered ornamental. \textit{Id}.

\textsuperscript{38} An “article of manufacture” encompasses anything made “by the hands of man” from raw materials. \textit{Ornamental Design, supra} note 37. “By the hands of man” includes anything literally made by hand, but also made by machinery or art. \textit{Id}. Some examples of articles of manufacture include computer icons and wallpaper. \textit{Id}. However, it does not include paintings, photographs, or decals. \textit{Id}.

\textsuperscript{39} 35 U.S.C. § 171(a) (2012).

\textsuperscript{40} For example, a picture of a school used as the background of a watch face. \textit{Ornamental Design, supra} note 37.

\textsuperscript{41} For example, a Mickey Mouse shaped telephone. See \textit{id}.

\textsuperscript{42} MPEP § 1504.01 (9th ed. Rev. 07.2015, Nov. 2015); see \textit{In re Schnell}, 18 C.C.P.A. 812, 816-17 (C.C.P.A.1931); see also Quinn, \textit{supra} note 8. For example, a high-heeled shoe embodies both shape and surface ornamentation. \textit{Ornamental Design, supra} note 37.

\textsuperscript{43} MPEP § 1502 (9th ed. Rev. 07.2015, Nov. 2015); \textit{In re Zahn}, 617 F.2d 261, 268 (C.C.P.A.1980). It has also been established “that articles which are concealed or obscure in normal use are not proper subjects for design patents, since their appearance cannot be a matter of concern. See \textit{In re Stevens}, 81 U.S.P.Q. 362, 362-63 (C.C.P.A. 1949) (referencing a spool for a typewriting ribbon and an automobile tire as examples of articles that are hidden during normal use).
subject matter of a design patent is not the design of the article of manufacture itself, but rather the visual characteristics that are designed for an article, and that are inseparable from the article to which they are applied. While §171 requires the design to be embodied in an article of manufacture, the design may encompass multiple articles or multiple components within a single article. Therefore, an invention may require multiple design patents to adequately protect the different components of the article that contain the unique design. A design patent achieves this protection through the use of professionally created, technical drawings and images. Further, in order to be patentable, a design must qualify as “primarily ornamental.” A design patent will not protect a primarily functional invention when it is determined that the claimed design is dictated by the functional purpose of the article.

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44 See MPEP § 1502, supra note 43; see also Zahn, 617 F.2d at 268. In Zahn, the subject matter of appellants’ claimed invention was an ornamental cutting design to be embodied in the shank of a drill bit and which cannot be removed or separated from the shank. Zahn, 617 F.2d at 261. The claimed subject matter is not for the design of the drill shank itself, as this is the article of manufacture. Id. at 263.

45 MPEP § 1504.01(b) (9th ed. Rev. 07.2015, Nov. 2015). For example, the shank of a drill bit can receive a design patent even though it is only a portion of the article. See Ornamental Design, supra note 37.

46 See Quinn, supra note 8.

47 See id. (“The drawing disclosure is the most important element of the application.”).

48 MPEP § 1504.01(c) (9th ed. Rev. 07.2015, Nov. 2015). To qualify as ornamental, the design must also be visible during the time of its intended use, or some other commercially important time. Ornamental Design, supra note 37. A commercially important time includes at the time of sale or in an advertisement. Id. However, designs that are hidden occasionally, such as garment hangers, lingerie, and inner soles for shoes are still able to qualify for design patents. Id.

49 In re Carletti, 328 F.2d 1020, 1022 (C.C.P.A. 1964) (holding that a rubber gasket that is used as a closure device on the underside of containers, such as gasoline drums, is not ornamental, but embodies certain grooves and ribs that function to aid in the closure of large containers). The Court compares these rubber gaskets, with grooves and ribs that aid in sealing the containers, to a piece of rope that also has grooves and ribs that are nicely arranged. Id. The fact
Usually an inventor wants to protect how his or her invention works rather than how it looks. This is attributed to the fact that a functional article of manufacture is protected through a utility patent. Unlike the design patent, any person who “invents or discovers any new and useful process, machine, manufacture or composition of matter, or any new and useful improvement thereof, may obtain a [utility] patent.” Utility patent law specifies that an article of manufacture must be “useful,” meaning the article has a purpose and is operative. When an inventor is granted a utility patent, he is able to prevent others from “making, using, selling or importing . . . any product that is functionally covered by the . . . patent regardless of whether the device looks anything like what you are making.” Therefore, while a utility patent is more difficult and costly to achieve, it offers a stronger form of protection to an article than a design patent.

Sometimes, an article that the gasket and the rope are “attractive or pleasant” to look at is not enough to establish ornamentality. The court has also held that a ball bearing, a golf club, or a fishing rod are examples of articles of manufacture whose configurations are dictated solely by their functions, but are still visually appealing. When determining whether a design is primarily functional or primarily ornamental, the various elements comprising an article are not examined individually for their utility but rather design is viewed in its entirety. See L.A. Gear, Inc. v. Thom McAn Shoe Co., 988 F.2d 1117, 1123 (Fed. Cir. 1993). The ultimate inquiry revolves around the overall appearance of the article in determining whether the design is dictated by utilitarian purposes.

See Quinn, supra note 8.

See MPEP § 1502.01 (9th ed. Rev. 07.2015, Nov. 2015); see also Quinn, supra note 8.


What Can Be Patented, UNITED STATES PATENT AND TRADEMARK OFFICE (Oct. 2015), https://www.uspto.gov/patents-getting-started/general-information-concerning-patents#heading-1 (indicating that a machine that does not operate to perform its intended purpose would not be considered “useful”, and would therefore not qualify for a utility patent). An example of a “useful” invention that retains a purpose and that is operative would be computer hardware or medication. See Utility Patent Law and Legal Definition, USLEGAL, https://definitions.uslegal.com/u/utility-patent/ (last visited Mar. 20, 2017).

Quinn, supra note 8.

See id.
may be both functionally and visually unique, allowing the article to obtain legally separate protection from both types of patents.56

Under 35 U.S.C. § 271, “whoever without authority, makes, uses, offers to sell, or sells any patented invention . . . infringes the patent.”57 Therefore, whoever, without permission by the patent holder, (1) uses the patented design, or any “colorable imitation,” on any article of manufacture for the purpose of selling, or (2) sells or represents for sale any article or manufacture that embodies the design or “colorable imitation,” is liable to the patent owner to the extent of his total profit.58 In the case of a design for a “single component” product, the product itself is the “article of manufacture.”59 In the case of a multicomponent product, the “article of manufacture” to which the design has been applied is more difficult to define.60 Therefore, when only a single component of a multicomponent product is infringed upon, the patent holder is still entitled to the defendant’s total realized profit from the entire infringing product, rather than an apportionment based on the single component.61


In 2008, the Court of Appeals for the Federal Circuit (“CAFC”) rendered an opinion in Egyptian Goddess v. Swisa62 that

\[\text{References}\]

56 MPEP § 1502.01, supra note 51. See Quinn, supra note 8. For example, a toaster that heats up and toasts bread is functional and has been issued a utility patent for how it works. See id. Additionally, if someone created a design and placed it on the surface of the toaster, a design patent for this surface ornamentation may be issued to this article as well. Id.
57 MPEP § 271(a).
60 Id. (using a kitchen oven as an example of a multi-component article).
62 543 F.3d 665 (Fed. Cir. 2008).
established an altered analysis in determining design patent infringement. Prior to *Egyptian Goddess*, the CAFC performed two tests, the “ordinary observer” test and the “point of novelty” test, to determine design patent infringement.

The “ordinary observer” test was first laid out in *Gorham Co. v. White*, where the Court held that:

[i]f, 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.

This test involves two general inquiries. The first inquiry looks plainly at the sameness in appearance of the two designs. The main test of the substantial identity of a design is whether it has the sameness of effect upon the eye. The *Gorham* court allowed for some leniency in its interpretation of two designs’ similarity in appearance, noting that a “mere difference of lines in the drawing or sketch . . . or slight variances in configuration,” even “if sufficient to change the effect upon the eye”, do not destroy a design’s substantial identity.

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64 *See Egyptian Goddess*, 543 F.3d at 670; *see also* Litton Sys. v. Whirlpool Corp., 728 F.2d 1423, 1444 (Fed. Cir. 1984).
65 81 U.S. 511 (1871).
66 *Id.* at 528.
67 *See id.* at 526–28.
68 *See id.* at 526.
69 *Id.* at 527 (finding that a pattern for a carpet consisting of wreaths of flowers arranged in a particular manner, and another carpet with similar wreaths arranged in a like manner but with fewer flowers and greater distance between the wreaths, are substantially alike designs). In the case of the wreaths, the court noted that none but a very acute observer would be able to detect the difference in the designs, and further, the designers likely had the same concept in mind. *Id.*
70 *Id.* at 526–27. For example, the court highlighted that an engraving composed of many different lines may look, to the ordinary eye and mind, like
The second inquiry looks to whether this similarity in appearance can be perceived from the perspective of an ordinary observer who examines the designs only as much as a typical purchaser of that type of article. Therefore, if an observer of ordinary intelligence cannot distinguish between the two designs when they are examined side by side, then under the law they are considered substantially alike.

While the “ordinary observer” test has long been recognized as the proper standard for determining design patent infringement, it has been used in conjunction with the “point of novelty” test in a line of cases originating from Litton Systems, Inc. v. Whirlpool Corp. The “point of novelty” test requires an examination of the allegedly infringed design to determine where a “point of novelty” in the design lies. The “point of novelty” is a characteristic of the patented design that distinguishes it from other prior art, making

71 White, 81 U.S. at 52 (rejecting the lower court’s opinion that the two designs must deceive an expert in the field of the article that contains the design, and arguing an expert would be much more apt to discern the differences in the designs compared to an ordinary person). The Court believed that the lower court’s interpretation would destroy the protection of a design patent intended by Congress. Id. The Court argued that human ingenuity has never created a design, in all its details, that is so exactly like another that a expert could not distinguish them, and therefore, under this standard, design patent infringement could never occur. Id. at 527–28.

72 Id. at 528 (holding that the purpose of the law will not be affected when possible if within the overall design, only minor details are altered that are only observable by experts, and not observable by the ordinary observers who typically buy and use the design or article). Id.

73 728 F.2d 1423, 1444 (Fed. Cir. 1984).

74 Id.

75 “Prior art” refers to any design on a useful object that is in public use or on sale in the U.S. prior to the filing of one’s own design patent, a design that was publicly known or used by others in the U.S. before one’s own filing date, a design that was made or built in the U.S. by another person before the date of filing, any design that was the subject of a prior design patent that was issued before one’s own filing date, or any design that was published before the filing date of one’s own design patent. Novelty, supra note 35.
it unique. There is then a determination of whether or not the accused design incorporates the same “point of novelty” as the patented design. Therefore, under this test, no matter how similar the two designs appear to the ordinary observer, design patent infringement may be established if the similarity of the designs can be attributed to the determined point of novelty.

This test proves to be easy to apply in cases where the patented design is based on a single prior art because it is simpler to identify the point of novelty and to determine whether the accused design has appropriated the point of novelty. However, the test becomes much more difficult to apply where the patented design has many different features that could be considered a point of novelty, or where the design is based on multiple, or even a combination, of prior art designs.

This test proves to be both narrow and constricting, as it only allows the jury to focus on detecting and attributing the “point of novelty,” and not the totality of the design as a whole.

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76 See Litton Systems, 728 F.2d at 1444 (finding that the points of novelty on patented microwave oven was the three-stripe effect door frame, around a door with no handle, and the latch release mounted on the control panel).

77 See id. (noting that the “scope of protection which the ’990 patent affords to a microwave oven is limited in application to a narrow range: the three-stripe effect around a door with no handle and the latch release mounted on the control panel”).

78 Id. (holding that even though there is some similarity between the patented microwave and the allegedly infringing Whirlpool microwaves, the patented microwave is afforded protection only as to the points of novelty, and because the Whirlpool microwave oven did not incorporate these features, it was not legally infringing).


80 See id.

81 Id. at 677. The court found that the outcome of a case could be determined based on which of several points of novelty the court or jury decides to focus on, rather the correct inquiry, of whether the accused design has appropriated the claimed design as a whole. Id. Further, the more novel a design is, the more likely it is that multiple points of novelty will be identified, thereby allowing the defendant to argue that its design does not infringe because it does not copy all the identified points of novelty. Id. In such cases, the analysis of an ordinary observer whose knowledge of prior art would produce results that are more in line with the purposes of design patent protection. Id.
In light of the narrowing aspects of the “point of novelty” test, the court in *Egyptian Goddess* established that the “point of novelty” test should no longer be used as part of the analysis for determining design patent infringement.\(^{82}\) Instead, the CAFC held that a version of “ordinary observer” test is more proper to determine infringement.\(^{83}\) This reformed version introduced by the court applies the “ordinary observer” test through the eyes of an observer that is familiar with prior art.\(^{84}\) Now, the analysis simply requires the jury to look at the accused infringing product and then the design patent as a whole, and determine whether the infringing product is a copy by using previous designs as context.\(^{85}\) Under the *Egyptian Goddess* test, prior art is examined by the alleged infringer who wishes to demonstrate that an ordinary observer would not find the accused product to be “substantially the same” as the patented design.\(^{86}\)

Therefore, the infringement analysis still includes an analysis of both designs against that of prior art, and “if the accused design has copied a particular feature of the claimed design that departs conspicuously from the prior art, the accused design is naturally more likely to be regarded as deceptively similar to the claimed design, and thus infringing.”\(^{87}\) While the design patent still affords weaker protection compared to a utility patent, the reformed “ordinary observer” test under *Egyptian Goddess* makes it far easier to demonstrate infringement in court because the jury is able to look at the whole picture of the design, allowing the design patent to serve as a strong tool against infringement.\(^{88}\) Similarly, the design patent still retains its forceful computation of damages after a determination of infringement has been made.\(^{89}\)

\(^{82}\) See id. at 665.

\(^{83}\) See id.

\(^{84}\) See id. at 665–67 (finding that it is difficult to decide whether two things are like one another without a frame of reference or context that is provided by prior similar art concepts).

\(^{85}\) Quinn, supra note 8.

\(^{86}\) *Design Patents*, supra note 63.

\(^{87}\) *Egyptian Goddess*, 543 F.3d at 677.

\(^{88}\) Quinn, supra note 8.

design has been found to be infringing based on the test laid out in *Egyptian Goddess*, under § 289, the patent holder is entitled to all profits retained from the article bearing the patented design.\(^90\)

II. **THE PROCEDURAL HISTORY OF APPLE v. SAMSUNG, AND THE SUPREME COURT’S SUBSEQUENT WEAKENING OF THE DESIGN PATENT DAMAGES CLAUSE IN SAMSUNG v. APPLE**

Upon the release of the first generation iPhone in 2007, Apple secured many design patents.\(^91\) These patents include (1) the D618,677\(^92\) patent, covering a black rectangular front face with rounded corners; (2) the D593,087\(^93\) patent, covering a rectangular front face with rounded corners and a raised rim; and (3) the D604,305\(^94\) patent, covering a grid of sixteen colorful icons on a black screen.\(^95\) Shortly after the release of the iPhone, competitor Samsung Electronics America, Inc., who also manufactures smartphones, released a number of smartphones that closely resembled the iPhone.\(^96\) The release of Samsung’s similarly design smartphones resulted in a suit brought by Apple for design patent

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\(^90\) See id. at § 289.


\(^95\) Samsung Elecs., 137 S. Ct. at 433.

\(^96\) See id.
infringement and a subsequent appeal by Samsung regarding the computation of damages.\textsuperscript{97} This Section describes in detail (A) the procedural history of Apple v. Samsung, the CAFC’s holding, and damages awarded to Apple, and (B) Samsung’s appeal to the Supreme Court, the Court’s holding, and the new precedent established in Samsung v. Apple.


In May of 2015, Samsung appealed a jury finding from the district court in the Northern District of California awarding Apple around $399 million in damages indicating that Samsung’s Galaxy phone design effectively infringed on that of Apple’s iPhone.\textsuperscript{98} Among certain infringement issues, such as distinguishing the functional and non-functional components of the phones, and whether actual deception occurred in the eye of an “ordinary observer,” Samsung’s main argument lay in the district court’s award of Samsung’s entire profits as damages.\textsuperscript{99} Samsung contended that damages should have been limited only to the profit attributable to the use of the infringed designs based on principles of causation.\textsuperscript{100}

Under this theory, Apple would only be awarded damages based on how much profit the use of its patented design earned for Samsung.\textsuperscript{101} This would require Apple to show what portion of Samsung’s profit, or their own lost profit, was due to their patented design and which was due to the article of manufacture itself.\textsuperscript{102} Samsung argued that Apple failed to establish that Samsung’s infringement could be attributed to any of Samsung’s sales or profits, and should not succeed under this theory.\textsuperscript{103} However, the CAFC regarded Samsung’s argument for the apportionment of

\textsuperscript{97} See Apple Inc., 786 F. 3d at 989; see also Samsung Elecs., 137 S. Ct. at 429.
\textsuperscript{98} Apple Inc., 786 F.3d at 989–90.
\textsuperscript{99} Id. at 1001.
\textsuperscript{100} Id.
\textsuperscript{101} See id.
\textsuperscript{102} Id.
\textsuperscript{103} Id. (contending that consumers could have chosen Samsung based on a number of other factors).
damages attributable to profit earned as one that has been expressly rejected by Congress through the enactment of 35 U.S.C. § 289.104 The clear wording of § 289 explicitly authorizes the award of total profits received from the article bearing the patented design.105

Samsung’s next apportionment argument contended that the profits awarded to Apple should have been limited to the infringing article of manufacture rather than the entire product.106 To support its argument, Samsung asserted that the Second Circuit had addressed a situation in Bush & Lane Piano Co. v. Becker Bros.,107 where the holder of a design patent for a piano case was awarded damages based only on the infringer’s profits from the case, not from the sale of the entire piano.108 The court rejected this argument based on these particular facts, and stated that in the commercial practice of § 1915, ordinary purchasers were aware that a piano and its case could be, and typically were, sold separately and are therefore distinct articles of manufacture.109 In contrast, the innards of Samsung’s smartphones were not sold separately from their shells as distinct articles of manufacture to ordinary consumers.110 Therefore, in Apple v. Samsung the United States CAFC identified the entire Galaxy smartphone as the only permissible “article of manufacture” in the calculation of damages.111 The court held that because consumers could not separately purchase the individual components of the smartphone,

104 Id. (citing to The Act of 1887, which specifically removed the apportionment requirement for design patents when it was subsequently codified in 35 U.S.C. § 289) (emphasis added). Shortly before the enactment of § 289, the rule derived from The Act of 1887, which was specific to design patents, stated, “[t]he patentee must, in every case, give evidence tending to separate or apportion the defendant’s profits and the patentee’s damages between the patented feature and the unpatented features, and such evidence must be reliable and tangible, and not conjectural or speculative.” Dobson v. Hartford Carpet Co., 114 U.S. 439, 445 (1885).
106 Apple Inc., 786 F.3d at 1002.
107 222 F. 902 (2d Cir. 1915).
108 Id. at 905; see Apple Inc., 786 F.3d at 1002.
109 Bush, 222 F. 902 at 904; see Apple Inc., 786 F.3d at 1002.
110 Apple Inc., 786 F.3d at 1002.
111 See id.
such as the screen or the case, the smartphone should be categorized as a single-component product.\textsuperscript{112} Therefore, damages should be awarded based on profits earned from the sale of the entire product.\textsuperscript{113} Samsung subsequently appealed this damages determination in \textit{Samsung v. Apple}.

\textbf{B. The Supreme Court’s Ruling In Samsung v. Apple (2016)}

In \textit{Samsung v. Apple}, the Supreme Court rejected the CAFC’s affirmation of the award of Samsung’s entire profits stemming from the infringing smartphone design, and remanded for a new determination of damages.\textsuperscript{114} The Court began its analysis by concluding that arriving at a damages calculation under § 289 involves two steps: (1) “identify the ‘article of manufacture’ to which the infringed design has been applied,” and (2) “calculate the infringer’s total profit made on that article of manufacture.”\textsuperscript{115} The question for the Court to determine then becomes the scope of the phrase “article of manufacture.”\textsuperscript{116} This determination is crucial because in a case involving a multi-component product, whether the “article of manufacture” must always be the end product sold to the consumer, or whether it can be a component of that product, will directly impact the damages calculation.\textsuperscript{117} If the article of manufacture is the end product, a patent holder will always be entitled to the infringer’s total profits derived from that product as a whole.\textsuperscript{118} However, if a component can also qualify as an article of manufacture, a patent holder may sometimes be entitled to the infringer’s total profit derived from only a component of the end product.\textsuperscript{119}

The Court ultimately held that “[t]he term ‘article of manufacture,’ as used in § 289, encompasses both a product sold to

\begin{footnotes}
\footnotetext{112}{See id.}
\footnotetext{113}{See id.}
\footnotetext{115}{Id. at 434.}
\footnotetext{116}{Id.}
\footnotetext{117}{Id.}
\footnotetext{118}{See id.}
\footnotetext{119}{See id.}
\end{footnotes}
a consumer and a component of that product.” The Court used *A Dictionary of the English Language* and *The American Heritage Dictionary* to define an “article of manufacture” as “simply a thing made by hand or machine.” Using this definition, a component, similar to the product itself, is “a thing made by hand or machine,” and may further be integrated into a larger product.

In the case of Apple’s iPhone, the Supreme Court’s ruling likely means that the components of an iPhone, although not sold separately as parts, can still be integrated into the larger product, and therefore are separate articles of manufacture. The Court further recognizes this interpretation as consistent with 35 U.S.C. § 171(a), under which the USPTO and the courts have issued a design patent for a design extending to only a component of a multi-component product.

Based on the broad definition of “article of manufacture,” and the subsequent consistency found under § 171(a), the Supreme Court rejected the Federal Circuit’s narrow reading of article of manufacture as only the end product that is sold to consumers, regardless of whether components are sold separately or not. Rather, the Court mandated that the CAFC identify the relevant

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120 Samsung Elecs., 137 S. Ct. at 435.
121 See *Article*, *A Dictionary of the English Language* (11th ed. 1885); see also *Manufacture*, *A Dictionary of the English Language* (11th ed. 1885).
123 See Samsung Elecs., 137 S. Ct. at 434–35. (defining an “article” as just “a particular thing,” and “manufacture” as “the conversion of raw materials by the hand, or by machinery, into articles suitable for the use of man”).
124 See *id.*
125 *Id.*
126 See *id.*
127 *Id.* at 436.
article of manufacture that was infringed upon in this case, and re-apportion damages accordingly.\textsuperscript{128}

Essentially, the Supreme Court ruling has greatly reduced the strength of a design patent for inventors who wish to enforce the law against infringers who recreate either part, or all of their unique design. Under this holding, it is likely Apple may now have to prove to what extent the exterior rectangular prism shape, or circular icons on the screen depicted in their iPhone design patent, drives sales to consumers in order to retain the $400 million in damages it was previously awarded.\textsuperscript{129} Even if they are able to do this, Apple’s damages will likely be greatly reduced because damages will be apportioned to only the certain components that were infringed upon by Samsung.\textsuperscript{130} Part of Samsung’s argument was that the damage calculation was based on an unfair and outdated standard and that, “[e]ven if the patented features contributed 1% of the value of Samsung’s phones, Apple gets 100% of Samsung’s profits.”\textsuperscript{131} While the Supreme Court seemed to agree this standard was unfair, it left no guidance in this particular case for the CAFC, which is charged with ultimately determining the new damages calculation under the Supreme Court’s revised standard.\textsuperscript{132}

III. WHY THE SUPREME COURTS’ DECISION IN SAMSUNG V. APPLE HAS WEAKENED THE DESIGN PATENT, AND THE FUTURE OF DESIGN PATENT DAMAGE CALCULATIONS

The Supreme Court was asked to determine what falls under an “article of manufacture.”\textsuperscript{133} Apple argued that the article of

\begin{footnotesize}
\begin{enumerate}
\item[$\textsuperscript{128}$] Id.
\item[$\textsuperscript{129}$] Newman, supra note 10.
\item[$\textsuperscript{130}$] See id.
\item[$\textsuperscript{131}$] Seth Fiegerman, Supreme Court Sides with Samsung in Apple Patent Case, CNN (Dec. 6, 2016), http://money.cnn.com/2016/12/06/technology/samsung-apple-supreme-court/.
\item[$\textsuperscript{132}$] See Samsung Elecs., 137 S. Ct. 429; see also Newman, supra note 10.
\item[$\textsuperscript{133}$] See Samsung Elecs., 137 S. Ct. at 432 (phrasing the issue in the case as whether the United States Court of Appeals for the Federal Circuit’s identification of the entire smartphone as the “article of manufacture” is
\end{enumerate}
\end{footnotesize}
manufacture should be construed as the whole final product, Samsung’s entire Galaxy smartphone, for the purposes of damages.\footnote{Transcript of Oral Argument at 52, Samsung Elecs. Co. v. Apple, 137 S. Ct. 429 (2016) (No. 15-777), https://www.supremecourt.gov/oral_arguments/argument_transcripts/2016/15-777_1b82.pdf [hereinafter Oral Argument].} In contrast, Samsung argued that the article of manufacture was something much less: certain components of the smartphone, such as the screen, icons on the screen, or the rounded edges of the device.\footnote{See id. at 3–4.} The Supreme Court, in essence, avoided answering the question in regards to the facts of the actual case, and broadly determined that textual interpretations resolve the issue, and that an article of manufacture “as used in § 289, encompasses both a product sold to a consumer and a component of that product.”\footnote{Samsung Elecs., 137 S. Ct. at 434.} The Court offered no suggestion as to a test or assessment that other courts in future such cases should use to determine the relevant article of manufacture, rather it just established that one should be devised.\footnote{See id. at 436 (“We decline to lay out a test for the first step of the §289 damages inquiry in the absence of adequate briefing by the parties.”). The Court then went on to state “the Federal Circuit may address any remaining issues on remand.” Id.}

The CAFC now has two apparent issues it will need to resolve: (1) the relevant “article of manufacture” in this case, and (2) how much of Samsung’s profits can be attributed to the specified component.\footnote{See Holbrook, supra note 133.} It is unclear how the court will go about making these seemingly apportionment-like determinations.\footnote{See Oral Argument, supra note 134, at 49–50. Justice Kennedy engages in a debate with Mr. Seth Waxman on behalf of Apple in oral arguments about whether or not their proposed test would engage in “apportionment of damages.” See id. at 49–50. Mr. Waxman at first refutes the word apportionment, but then admits that their proposed test may in fact be a form of apportionment. See id.} While the

analysis for utility patents is somewhat similar in that the court
determines that value of an invention that is only a component of a
larger product, this type of determination is extremely fact specific
based on the type of invention and the market for that type of
invention.\textsuperscript{140} The value can be derived from a multitude of factors,
and because of this, these types of cases do not set out standardized
rules that would be easy for courts to apply consistently across
multiple cases.\textsuperscript{141} Under an apportionment test, Apple may have to
prove to what extent the infringed exterior rectangular prism or
circular icons on the screen depicted in their patents actually drive
their sales, as opposed to other functional features of the
smartphone.\textsuperscript{142} This would prove to be extremely difficult, as
smartphones are a type of technology encompassing numerous
different components that might impact sales.\textsuperscript{143} Further, their sales
may have been driven by a combination of these features that
creates the entire appearance, rather than each individual
component alone, leaving Apple with a difficult analysis to prove
and likely, a lot less damages. Conversely, under a market-value
theory, Samsung may be able to argue that a small fraction of its
sales of infringing Galaxy phones were related to consumer
demand based on the exterior shape and rounded corners,
compared to other features.\textsuperscript{144} If Samsung is able to prove that very
few consumers chose to buy the Galaxy based on the two
infringing features, Apple’s damages award will again, likely only
amount to a minor fraction of the original $400 million award.\textsuperscript{145}
While it would be difficult to prove, it would render Apple’s
design patents for the features of their iPhone weaker than
expected.

Ultimately, this decision significantly hinders the strength of a
design patent. While in some cases patent holders may still receive
profits from an entire infringing product, it is likely that the

\textsuperscript{140} See Holbrook, \textit{supra} note 133.
\textsuperscript{141} See \textit{id}.
\textsuperscript{142} See \textit{Newman, supra} note 10.
\textsuperscript{143} See \textit{id}.
\textsuperscript{144} See \textit{id}.
\textsuperscript{145} See \textit{id}.
Supreme Court foreclosed this option in many cases through rejection of the lower court’s interpretation of § 289 by stating, “to cover only an end product sold to a consumer gives too narrow a meaning to the phrase [article of manufacture].”  

Now, a court will likely divide a product up into separate articles of manufacture in order to assess and apportion damages instead. This still, however, gives courts some leeway in determining just how much value each “slice” of the whole product is worth. While patent holders will very rarely receive entire profits from infringers after this decision, a court may still choose to allow large amounts of profits to be awarded as damages if they wish the value of a design patent to remain high. However, if the Supreme Court’s ruling means that the penalty for design patent infringement is significantly reduced, competitors might be more willing to risk replicating someone else’s design. Design patents can be very easy to replicate if an infringer wants people to buy their “copycat” product, while under the impression it is the real thing. It may even become more efficient in terms of time and money to reproduce patented designs if an infringer knows they will not be liable for their total profits. However, to require infringers to pay out their entire profits would likely make it “not worth it to copy” an already patented design. Apple has stated that it firmly believes “strong design patent protection spurs creativity and innovation,” and “that’s why [they have] defended [themselves] against those who steal [their] ideas.”

146 Id.
147 Holbrook, supra note 133.
148 See id.
149 See id.
150 Id.
151 Davis, supra note 28.
152 See id.
153 Id.
In fact, the potential impact of Samsung v. Apple also resonated with many high-class and powerful designers. Close to one hundred design professionals signed on to an amicus brief in the case in support of Apple’s position, including noteworthy names such as Calvin Klein, Norman Foster, and Dieter Rams. The designers’ primary argument in support of Apple’s argument revolved around design driving the sales of consumer products and particularly the fact that successful designs allow companies to differentiate themselves from their competitors. In their brief, the designers cited to many relevant historical comparisons similar to the situation in Samsung v. Apple. Most notably, the brief referenced the history of the Coca-Cola bottles and how at first, the company sold their product in very simple bottle designs, that were easy to replicate, resulting in a loss of sales. In 1915, when Coca-Cola became frustrated by replica versions of their bottle by competitors, they held a bottle design contest in which the current Coca-Cola bottle design originated. In fact, ninety-nine percent of all Coca-Cola drinkers swear Coca-Cola tastes better coming
from the iconic bottle design. This, designers argued, illustrates how design influences consumer’s overall perception of a product. Further, this argument illustrates the issue in *Samsung v. Apple*. The iPhone’s overall appearance influences every other aspect of the phone, including features and performance.

The second historical reference used in the brief was that of General Motors versus Ford. The designers pointed out that Henry Ford’s original Model T car, introduced in 1908, was a boxy and notoriously unattractive vehicle that was produced only in black, yet still managed to sell over fifteen million units. In 1926, General Motors presented its first Chevrolet model, which was designed in many vivid colors. The appearance and style of the first Chevy, along with its use of vivid color, allowed General Motors to outsell the powerful Ford Company simply by investing time and energy into its design. The designers in this brief argued that Apple, by investing heavily in design and appearance, was essentially able to do the same thing to Samsung who is an established player in the smartphone market.

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161 *Id.* A study also showed that more than ninety-nine percent of Americans were able to identify a Coke by the shape of the bottle alone. *Brief for Design Professors*, *supra* note 155, at 4.
162 *Brownlee*, *supra* note 158.
163 *Id.* (“Samsung selling a smartphone that looks like an iPhone is just as dishonest as Pepsi selling their soft drinks in Coca-Cola bottles.”).
164 *See* *id*.
165 *Id*.
166 *Id.* General Motors also established a design department within the company to study how “the appearance and style of a vehicle contributed to its sales.”
167 *Id.* Car manufacturers began to embrace industrial design, leading to huge economic growth within the U.S. Many car manufacturers discovered they could create different makes and models by changing the automobile’s shape, style, and appearance, while leaving the underlying technology, engineering, and functionality intact. *Id.* “Today, design outranks all other considerations and is the driving force behind new car purchases.” *Brief for Design Professionals*, *supra* note 155, at 4.
168 *Brownlee*, *supra* note 158.
In an opposing amicus brief filed by Dell, Ebay, Facebook, Google, and HP in support of Samsung, the powerful tech companies highlighted the apparent absurdity in requiring a company to pay out its total profits for one infringing component of a design patent. As an example, they argued that a Jaguar car should not have to pay all of its profits to Porsche on the Jaguar car itself only because it infringed upon Porsche’s design patent for its cup holder. However, Apple argued this example disingenuous in that no one would mistake a Jaguar for a Porsche based on the design of the cup holder. Instead, Apple pointed out that Samsung’s infringing Galaxy phone’s outer appearance, along with the similar icons, is much more damaging because a consumer could likely mistake these two products based on their appearance. In essence, powerful tech companies are fearful that the impact of a design patent infringement suit could be devastating if they infringed upon a design patent after spending billions of dollars annually on research and development of their complex products. They also find Apple’s argument problematic because modern, multi-component products are “the norm” in today’s society, and consumers do frequently purchase multicomponent products for their individual parts. While it is true that Congress likely did not envision the type of technology that has been created in today’s era, infringement of a patent is found when an ordinary observer, who is also considered a typical consumer, could be induced into buying the product based on its similar appearance. Regardless of whether the multicomponent, technological products of today are distinguished by many different features, it seems logical that consumers associate the

170 Id.
171 Id.
172 Id.
173 See id.
174 Brief for Dell et al., supra note 169, at 3.
175 Id.
appearance of a product with that of its whole, and therefore total profits made from the impact of a certain design should be awarded.

However, during oral arguments and before a decision was rendered in Samsung v. Apple, some of the Supreme Court Justices seemed to express disagreement with the strength a design patent of a multi-component item should possess.\textsuperscript{176} Chief Justice John Roberts made clear that Apple’s design patents were only “applied to the exterior case of the phone” and not to “all the chips and wires [inside],” and therefore profits should not be based on the price of the entire phone.\textsuperscript{177} Justice Kagan suggested that “the thing that makes the product distinctive does not cost all that much,” but it may be the primary reason consumers buy it.\textsuperscript{178} This suggestion illuminates the possibility that a patent holder may be awarded more profits from an infringer than the cost of originally creating the design. Similarly, as stated by Justice Sotomayor, consumers who purchase the phone may just see the phone as being the rounded edges and slim outer shell – and this very well could be driving the sales.\textsuperscript{179} This suggestion implies that consumers attribute the entire smartphone solely with its outer appearance as opposed to any of its other functions—an argument both Apple and designers in the Amicus brief vehemently supported. Other Justices, such as Justice Ginsburg, questioned how a jury could accurately differentiate between the value of a phone’s design from that of its overall value.\textsuperscript{180} In questioning the test, Justices Kennedy and Alito, along with others, referenced the design of a Volkswagen Beetle as an example of a product that embodies a widely-recognized design, but that contains a range of internal

\textsuperscript{176} See Oral Argument, supra note 134, at 31–47 (focusing on Apple’s argument regarding the proper standard that should be applied, and what should be considered the article of manufacture in the case).
\textsuperscript{177} Id. at 40.
\textsuperscript{178} Id. at 47.
\textsuperscript{179} Id. at 8.
\textsuperscript{180} Id. at 22.
parts that are in no way affected by the design. Justice Alito commented,

I can’t get over the thought that nobody buys a car, even a Beetle, just because they like the way it looks . . . if it is a real question whether the article of manufacture there is the design or the entire car, [it] gives me pause about the test for determining what is the article of manufacture.

Justice Alito also noted how difficult it would be to determine whether people bought the Beetle for its outer appearance or something else because there are so many decisions consumers make in the purchase of a vehicle. While the Justices’ question the scope of an article of manufacture as it was interpreted by the CAFC, they are also reluctant to agree to adopt any of the tests argued by either side, largely due to the complexity the jury will undoubtedly face. Justice Kennedy highlighted this dilemma faced by the Supreme Court in determining a damages test, commenting, “[i]f I were [a] juror, I simply wouldn’t know what to do . . .”

Ultimately, the Supreme Court left it to the CAFC on remand to decide the appropriate test, leaving the court with the power to decide the article of manufacture in this case and possibly impact the strength and incentive to obtain a design patent in the future. Ironically, the Supreme Court itself recognized, in its opinion, the strength Congress intended to give a design patent in the creation of § 289. The Court referenced Dobson v. Hartford Carpet

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181 Id. at 10–12.
182 See Oral Argument, supra note 134, at 31–32.
183 See id. (indicating that some vehicles only get two miles per gallon, while others may break down every fifty miles, and that these factors are all taken into consideration when buying a car).
184 Id. at 4.
Co., in which the Supreme Court effectively limited damages for patent infringement. The statute in effect at that time allowed a design patent holder to recover “the actual damages sustained” from infringement.

The lower court in Dobson awarded the patent holder for a design embodied on a carpet, the entire profit per yard for the manufacture and sale of all carpets with the patented design and not the value in which the designs contributed to the carpet or its sales. In restricting the damages, the Supreme Court instead interpreted the statute to require proof that profits were “due to” the patented design, and not to other aspects of the carpet.

In 1877, Congress responded to the outcome of the Dobson case by enacting a specific damages remedy for design patent infringement, resulting in § 289 of The Patent Act of 1952. It would seem that this was Congress’ way of upholding the value of a design patent in light of the Supreme Court’s restricting opinion. However, it is very unlikely Congress could have foreseen the advance in technology and complexity of modern designs. Today, a single product can embody a number of patentable design features rendering Congress’ attempt to reinvigorate the design patent a product of “a time long since gone.”

The amicus curie brief filed by powerful tech giants coupled with Samsung’s oral argument won over the Supreme Court.

187 114 U.S. 439 (1885).

188 Id. at 444–46; see Samsung Elecs., 137 S. Ct. at 423.

189 Dobson, 114 U.S. at 444; see Samsung Elecs., 137 S. Ct. at 432.

190 Dobson, 114 U.S. at 442–43; see Samsung Elecs., 137 S. Ct. at 433.

191 Dobson, 114 U.S. at 444–45; see Samsung Elecs., 137 S. Ct. at 433.


193 See Holbrook, supra note 133.

194 See id.

195 See Samsung Elecs., 137 S. Ct. at 435–36 (stating that the term “article of manufacture” can encompass a product or a component of that product, and that such a reading is consistent with § 289); see Brief for Dell et al., supra note 169, at 13 (arguing that a narrow interpretation of an “article of manufacture,” allowing it to include a component of an entire product, is the correct
While the Court highlighted the disproportion of the $399 million damages award compared to the infringement that occurred, it did not leave the lower courts or the patent industry even so much as a suggestion on how to proceed with a proper calculation. Looking towards past precedent, the Court attempted to limit the protection afforded by a design patent in Dobson in 1885 through a ruling that apportioned damages based solely on the infringed component of a product. Shortly thereafter, Congress responded to the Dobson ruling through §289 in 1952; his ruling did away with apportionment of damages and awarded a patent holder the infringer’s total profit made from the sale of the infringing design. Now, in Samsung, the Court has again attempted to weaken to force of the damages clause by broadly interpreting an article of manufacture as more than just a product, but components of that product, for the purposes of apportioning damages based on the identified component. Therefore, the Court strengthened the tests for the determination of patent validity and infringement, as shown through Egyptian Goddess, which makes it far simpler to prove infringement. However, when it came to the award of damages, the Supreme Court made it more difficult for a patent holder to receive damages from a multi-component product, and

interpretation of §289); but see Oral Argument, supra note 134, at 36 (questioning how a jury will be able to differentiate between which article drives profits and which does not, in order to formulate a proper test).

196 See Samsung Elecs., 137 S. Ct. at 436 (“We decline to lay out a test for the first step of the §289 damages inquiry in the absence of adequate briefing by the parties . . . the Federal Circuit may address any remaining issues on remand.”).


200 Egyptian Goddess, Inc. v. Swisa, Inc., 543 F.3d 665, 668–69 (2008) (holding that the “point of novelty” test should no longer be used, and that the proper standard is the “ordinary observer test,” coupled with comparisons between the designs and prior art in order to provide context). A patent holder no longer has to focus on proving to the jury that the allegedly infringing design embodies and particular “point of novelty.” See id. Instead, a patent holder can prove infringement by showing an ordinary observer may mistake the two designs, based on the appearance and context of prior art. See id.; see also Quinn, supra note 8.
was arguably overly influenced by Samsung’s argument that the “total profit” rule was “unfair” in light of modern times and technology.201 It seems counterintuitive that the Court would strengthen the infringement test for design patents, making it more likely that designs are found to be infringing, only to reduce their strength when it comes to allowing designer’s to be compensated for having their designs replicated. During oral arguments between Apple and Samsung, the Court was unpersuaded by the tests presented on behalf of each side.202 In fact, the Court showed concern that any sort of analysis used to determine profits acquired due to a single component of a multi-component product would be overly difficult and confusing for a jury to determine.203 However, a test for determining an article of manufacture and its attributable profits, is something the Court should have articulated in conjunction with its opinion in order to provide lower courts the necessary guidance in these tough cases. Essentially, it seems as if one of two things should have occurred as an outcome of this opinion. First, the Supreme Court should have upheld the force and strength of the design patent by allowing a patent holder to receive damages based on the total profits retained by an infringer, in line with their decision to broaden the patent infringement test, and hence effectively strengthening its overall effect in both infringement and damages. A ruling of this fortitude would grant designers the protection they urgently solicit from a design patent, as their innovative and unique designs have proven to drive product sales to consumers.204 On the contrary, the Supreme Court should have diminished the force and subsequent use of design patents in light of the multicomponent, technological products of today’s era. Thus, allowing tech company design ideas to flourish and grow without fear of suit for infringement, thereby reducing the number of design patent infringement cases altogether. Instead, the Court chose to render a decision that falls flat in the middle: a

201 See Oral Argument, supra note 134, at 15–17; see also Brief for Dell et al., supra note 169, at 5–6.
202 See generally Oral Argument, supra note 134.
203 See id. at 4.
204 See generally Brief for Design Professionals, supra note 155.
broadened patent infringement test under *Egyptian Goddess*, paired with a narrower assessment of damages, conceivably based on a single component of a multicomponent product, under an unarticulated test or analysis.

**IV. Conclusion**

*Samsung v. Apple* was a rare instance of the Supreme Court weighing in on design patents, causing potential repercussions for other big businesses moving forward.205 Although the Appeals Court acknowledged the fact that, in this case, “an award of defendant’s entire profits for design patent infringement makes no sense in the modern world,” it advised that those sort of policy arguments should be directed toward Congress.206 So, then, why did the Supreme Court seemingly take Congress’ job into its own hands? It seems likely the Court looked at more than just the plain meaning of the statute and Congress’ intent when writing § 289. Instead, it likely focused on the rapid growth of technology, and the products that consumers interact with on a daily basis. Many of these products involve numerous components and pieces, each of which contributes to the demand and appearance of the product as a whole. It is also likely the Court intended to interpret the statute as narrowly as possible to limit its overall effect on giant tech companies that would suffer devastating losses under the CAFC’s interpretation of the statute. At the end of the day, Samsung lost the infringement case, but Apple likely lost out big time in damages based on this new ruling, leaving the future of design patent cases up to the mercy of a test, soon-to-be devised by the CAFC.207

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205 Fiegerman, *supra* note 131.