Objective Indicia of Nonobviousness for Design Patents: Same Nexus Requirement as Utility Patents


Gamon Plus owns two design patents directed to “the ornamental design for a gravity feed dispenser display,” or a can dispenser. Gamon’s commercialized embodiment is called the iQ Maximizer gravity feed dispenser. For nearly a decade, Gamon sold tens of millions of dollars’ worth of its iQ Maximizer to Campbell Soup. Campbell attributed increased soup sales in part to the iQ Maximizer in its 10-K
Securities and Exchange Commission reports (an industry publication) and in an internal marketing study. Campbell later began purchasing similar gravity feed dispensers from Trinity Manufacturing.

Gamon sued Campbell and Trinity for design patent infringement. Campbell and Trinity then petitioned for *inter partes* review (IPR) of Gamon’s patents. In its final written decisions, the Board found that Campbell and Trinity failed to prove unpatentability because the prior art was not similar enough to the claimed designs to constitute a proper primary reference. Trinity (Campbell) appealed.

In that appeal, the Federal Circuit disagreed, vacated and remanded. On remand, the Board again held that Campbell and Trinity failed to prove unpatentability, finding that the claimed designs would not have been obvious over the prior art. The Board reasoned that although the prior art alone had the same overall visual appearance as the claimed designs, there existed objective indicia of nonobviousness, including Gamon’s commercial success in selling iQ Maximizers to Campbell, Campbell’s praise of—and commercial success in—using the iQ Maximizer and Trinity’s copying of the iQ Maximizer. The Board presumed a nexus between those objective indicia evidences and the claimed designs because it found the iQ Maximizer to be coextensive with the claims, meaning that the product was essentially the disclosed invention with unclaimed features being insignificant. The Board also found that Gamon established such a nexus regardless of the presumption. Campbell and Trinity again appealed.

Again the Federal Circuit reversed, concluding that the claimed designs would have been obvious over the prior art. In doing so, the Court confirmed the Board’s finding that the prior art and the claimed designs shared the same overall visual appearance (which Gamon did not challenge) but found that the Board’s presumption of nexus and finding of a nexus-in-fact between the claimed designs and the evidence of commercial success and praise were not supported by substantial evidence. As for the presumption, the Court considered whether the iQ Maximizer was coextensive with the claimed invention. Nexus is presumed if the objective indicia evidence is tied to a specific product that is “coextensive” with the claimed invention. The Board recognized that the claimed portions of the display rack did not cover the entire display rack but found that the iQ Maximizer was coextensive with the claimed designs because the unclaimed features were not prominent ornamental features and, therefore, insignificant to the ornamental design. The Court found this focus on ornamental significance erroneous, explaining that the question is not whether unclaimed features are insignificant to a product’s ornamental design but whether unclaimed features are insignificant at all. The Court noted that coextensiveness is a requirement regardless of whether the challenged patent is a design or utility patent. Because the iQ Maximizer included significant unclaimed functional elements, the Court found that no reasonable trier of fact could find that product to be coextensive with the claimed designs.

Additionally, the Federal Circuit found that Gamon did not establish a nexus-in-fact because it failed to show that the objective indicia of nonobviousness was the direct result of the unique characteristics of the claimed invention rather than a feature known in the prior art. Gamon failed to present evidence that the commercial success and praise of the iQ Maximizer derived from its unique characteristics, on
which the Board based its nexus-in-fact finding. Gamon’s evidence of commercial success related to aspects of a label area, which were already present in the prior art. The Court rejected the Board’s view that the need for objective indicia to be linked to the claimed design’s unique characteristics existed only in utility patent cases and not in design patent cases.

Although the Federal Circuit assumed substantial evidence supported the Board’s finding that Trinity copied the unique characteristics of the claimed designs, it concluded that evidence of copying alone did not overcome the strong evidence of obviousness presented by the prior art.

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