
*United States Court of Appeals
for the Federal Circuit*

LAWMAN ARMOR CORPORATION,

Plaintiff-Appellant,

v.

WINNER INTERNTIONAL, LLC and WINNER HOLDING LLC

Defendants-Appellees.

Appeal from the United States District Court
for the Eastern District of Pennsylvania
in Case No. 02-CV-4595, Judge Robert F. Kelly

BRIEF OF *AMICUS CURIAE* NIKE, INC. SUBMITTED WITH THE
CONSENT OF THE PARTIES

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CERTIFICATE OF INTEREST

Counsel for the *amicus curiae*, NIKE, Inc., certifies the following:

1. The full name of every party represented by me is: NIKE, Inc.
2. The name of the real party in interest represented by me is:
NIKE, Inc.
3. All parent corporations and any publicly held companies that own 10 percent or more of the stock of the parties represented by me are:
None.
4. The names of all law firms and the partners or associates that appeared for the party or *amicus curiae* now represented by me in the trial court or agency or are expected to appear in this court are:

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IDENTITY OF THE *AMICUS CURIAE*, ITS INTEREST IN THE CASE, AND THE SOURCE OF ITS AUTHORITY TO FILE

NIKE, Inc. (“NIKE”) is a corporation organized under the laws of the State of Oregon and has a principal place of business in Beaverton, Oregon. Since the late 1960’s, and continuing to the present, NIKE and its predecessor, Blue Ribbon Sports, have continuously engaged in the development, manufacture, and sale of athletic and fashion footwear, apparel, athletic equipment, and other products.

Every year, NIKE spends millions of dollars on design and development of new products. Because of its substantial investment in design and the ornamental appearance of footwear, apparel, and sports equipment, NIKE frequently applies for and obtains patents on its innovative designs. Today, NIKE owns approximately 1,500 United States Design Patents that are still in their enforceable term. For example, NIKE owns patents relating to its footwear designs (*see, e.g.*, D516,798), golf clubs (*see, e.g.*, D516,152), and watches (*see, e.g.*, D513,997).

Unfortunately, NIKE’s creative designs are often copied by others. As a result, NIKE has a real and substantial interest in the development of design patent jurisprudence. To this end, in *Lawman Armor Corp. v. Winner*

Int'l, LLC, No. 05-1253, 2006 WL 399395 (Fed. Cir. Feb. 22, 2006), NIKE believes the Court upset fundamental tenets of design patent law that NIKE and others rely upon when enforcing their design patents. Specifically, the Court's decision in this case departs from the Patent Act and this Court's own prior decisions, and, most importantly, portends an era in which presumptively valid design patents will have no enforceable scope.

Given the size of NIKE's design patent portfolio and the importance of its ability to enforce its patents against infringers, NIKE respectfully submits this *amicus curiae* brief under F.R.App.P. 29(a) with the consent of counsel for the parties received on March 15, 2006.

SUMMARY OF THE ARGUMENT

This Court's decision in *Lawman Armor Corp. v. Winner Int'l, LLC*, No. 05-1253, 2006 WL 399395 (Fed. Cir. Feb. 22, 2006), should be reconsidered and revised for at least three reasons.

First, because every design can, at some level, be described as a combination of known elements, *Lawman's* newly created rule that a point of novelty cannot reside in a combination of known design elements will render otherwise valid and enforceable design patents "uninfringeable." This result contradicts the Patent Act by rendering the exclusive rights conferred to design patent owners a nullity.

Second, *Lawman* ignores this Court's own longstanding precedent. Importantly, at least a trio of Federal Circuit cases stands for the proposition that a point of novelty can reside in a combination of known design elements. Hence, the new point of novelty rule applied in *Lawman* should be reconsidered.

Third, *Lawman* fails to apply the point of novelty test consistent with its intended purpose, effectively turning an infringement test into one for validity.

Notably, although this brief urges the Court to reconsider its decision, NIKE takes no position on the Court's ultimate conclusion affirming summary judgment of non-infringement. Rather, NIKE simply urges that the proper legal standard be applied in *Lawman*, and all other design patent cases, in accordance with the arguments set forth in more detail in this submission.

BACKGROUND

In *Lawman*, this Court's infringement analysis focused on the second of the two distinct design patent infringement inquiries – the “point of novelty.” In this regard, this Court agreed with the district court that the patents cited by Winner “disclose the eight ‘points of novelty’ that Lawman specified” in its opposition to Winner’s summary judgment motion. *Lawman*, 2006 WL 399395, at *2. Because each of the alleged points of novelty enumerated by the patentee existed in the prior art, the Court, like the district court, determined that Lawman could not establish infringement. *Id.* at *2-*3.

However, the Court went on to address a “ninth ‘point of novelty’” comprised of the combination of the previously addressed elements. *Id.* at *2-*3. Significantly, this Court then held that a combination of known design elements cannot itself be a point of novelty. *Id.* at *2-*3. It is this aspect of the decision that NIKE respectfully submits sets forth an incorrect legal standard, and therefore must be reconsidered.

ARGUMENT

I. **LAWMAN SETS THE STAGE FOR DESIGN PATENTS TO BECOME “UNINFRINGEABLE” AS A MATTER OF LAW**

At some level, every design can be described as a combination of known design elements. To that end, it is a well-recognized axiom among industrial designers that ‘there are no new shapes in the world, just different ways of combining them.’ Indeed, Judge Learned Hand addressed this truth when he wrote:

[i]t is to be remembered that ornaments resulting from the varied juxtaposition of curves and angles, like the musical combinations resulting from the sequence of notes and chords, all contain certain intervals – ornaments intervals of space, music intervals of sound – which are traditional and well known. It is difficult, if not impossible, after years of development, to imagine any article of ornament or any production of music of which this is not true. *It is in the arrangement, or, to use the technical term of the patent law, the combination, of elements, and probably at this late day in that alone, that originality and aesthetic skill may be evidenced.*

Friedley-Voshardt Co. v. Reliance Metal Spinning Co., 238 F. 800, 801 (S.D.N.Y. 1916) (emphasis added).

Although there are no new shapes, just different ways of putting them together, Congress expressly provided in the Patent Act that industrial designs are patentable: “[w]hoever invents any new, original and ornamental design for an article of manufacture may obtain a patent therefor.” 35 U.S.C. § 171. Moreover, design patents, like utility patents, are presumed valid under 35 U.S.C. § 282. *Rosco, Inc. v. Mirror Lite Co.*, 304 F.3d 1373, 1377 (Fed. Cir. 2002). In addition, the owner of a valid and enforceable design patent can exclude others from selling the patented design. 35 U.S.C. §§ 271, 283.

However, *Lawman* establishes a new rule under which an otherwise valid and enforceable design patent can never be infringed, as a matter of law. Specifically, under *Lawman*, there can be no design patent infringement under the point of novelty test if a patented design is a combination of known design elements. *Lawman*, 2006 WL 399395, at *3. In so ruling, *Lawman* potentially impacts the entire design patent system¹

¹ Notably, this is not an insubstantial system. In 2004, the United States Patent and Trademark Office received 23,975 design patent applications and issued 16,695 design patents. See OFFICE OF ELECTRONIC INFORMATION PRODUCTS, UNITED STATES PATENT AND TRADEMARK OFFICE, U.S. PATENT STATISTICS SUMMARY TABLE, CALENDAR YEARS 1963 TO 2004 (2005), http://www.uspto.gov/web/offices/ac/ido/oeip/taf/us_stat.htm.

because every patented design can, at some level, be described as a combination of known design elements.

II. LAWMAN CONFLICTS WITH THE FEDERAL CIRCUIT’S OWN PRECEDENT THAT A NEW COMBINATION OF KNOWN DESIGN ELEMENTS CAN CONSTITUTE A POINT OF NOVELTY

The holding in *Lawman* – that a point of novelty cannot reside in a combination of known design elements – is in direct conflict with at least a trio of Federal Circuit cases.

First, in *Litton Systems, Inc. v. Whirlpool Corp.*, 728 F.2d 1423 (Fed. Cir. 1984), the case establishing the point of novelty inquiry, this Court held that a design patent’s point of novelty resided in a **combination** of elements:

The novelty of the ‘990 patent consists, in light of our analysis in the previous section on the ‘990 patent’s validity, of the **combination** on a microwave oven’s exterior of a three-stripe door frame, a door without a handle, and a latch release lever on the control panel.

Litton, 728 F.2d at 1444 (emphasis added). Importantly, based solely on the designs shown in the patents in suit and the prior art, as well as those discussed in the Court’s opinion, it is evident that at least some of the three elements that were combined to form the point of novelty existed in the prior

art (for example, a “three stripe door frame” is found at least in U.S. Pat. Nos. D225,780 and D228,607).

In essence, the *Litton* Court found that the point of novelty of a design patent can reside in the novel combination of design features and – as quoted above – specifically used the word “**combination**” in so holding. *Id.*

Likewise, in *Avia Group International Inc. v. L.A. Gear California, Inc.*, 853 F.2d 1557 (Fed. Cir. 1988), this Court held that the point of novelty of the design claimed in U.S. Pat. No. D287,301 (shoe upper) was “the **combination** of saddle, eyestay and perforations.” *Avia*, 853 F.2d at 1565. In affirming summary judgment of infringement, the Court found the point of novelty test satisfied despite the fact that the design features individually existed in the prior art. *Id.* at 1564-1565.

Finally, in *L.A. Gear v. Thom McAn Shoe Co.*, 988 F.2d 1117 (Fed. Cir. 1993), this Court affirmed a finding of infringement where the point of novelty resided in the “overall appearance of the **combination**” of a design patent’s major design elements though “all of the elements of the design of the ‘081 patent were” ... “found in the prior art.” *L.A. Gear*, 988 F.2d at 1124, 1126. Once again, the novel combination of existing design elements was found to constitute a point of novelty.

Litton, *Avia*, and *L.A. Gear*, all stand for the proposition that the point of novelty can, as a matter of law, reside in a combination of known design features, regardless of whether these features individually existed in the prior art at the time of the invention. The new point of novelty rule announced in *Lawman* directly conflicts with these decisions. Therefore *Lawman* should be reconsidered and the Court's language setting forth this new rule of law should be removed or rewritten.

III. THE JUDICIALLY-CREATED POINT OF NOVELTY INQUIRY SHOULD BE APPLIED WITH THE PURPOSE FOR WHICH IT WAS CREATED

In addition to announcing a new point of novelty test, this Court seemingly did not apply the longstanding point of novelty test for its intended purpose. More specifically, the Court created the “point of novelty” test as an infringement test. The test ensures that an accused product that is substantially similar to a patented design will not infringe unless the accused product appropriates a novel contribution found in the patent. Under the point of novelty inquiry first articulated by this Court in *Litton*, a court must determine whether “the accused device ... appropriate[s] the novelty in the patented device which distinguishes it from the prior art.” *Litton*, 728 F.2d at 1444.

Lawman effectively turned the test into a validity analysis. The Court's reasoning in support of its holding makes this quite apparent: "[i]f the combination of old elements shown in the prior art is itself sufficient to constitute a 'point of novelty' of a new design, it would be the rare design that would not have a point of novelty [and the] practical effect of [such a] theory would be ... to ***provide patent protection for designs*** that in fact involve no significant changes from the prior art." *Lawman*, 2006 WL 399395, at *3 (emphasis added).

However, the viability of patent protection for designs consisting of multiple elements existing in the prior art is governed by 35 U.S.C. § 103, not any variation of the point of novelty infringement test. Importantly, if a design satisfies 35 U.S.C. § 103 (and other essential statutory criteria), the patent laws mandate that it is entitled to patent protection and hence some legally cognizable scope.

By way of example, an accused product that is an exact duplicate of the claimed design ***should always infringe*** the asserted design patent because it misappropriates any and every contribution made by the patented design vis-à-vis the prior art. Nonetheless, applying the new *Lawman* rule to these facts, a court would *per se* find no infringement. As a result, the new

Lawman point of novelty test would effectively render the patent invalid, and the threshold level of proof would be a mere preponderance of the evidence, rather than the statutorily mandated clear and convincing standard.

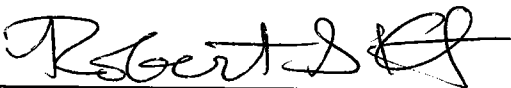
In short, *Lawman* does not apply the point of novelty test in a way that is consistent with its intended purpose. More importantly, it impermissibly turns an infringement test into one for validity.

CONCLUSION

For the reasons set forth herein, NIKE respectfully submits that *Lawman* marks a stark departure from existing design patent law. Accordingly, the decision should be reconsidered and revised consistent with precedent and the fact that a new combination of known design elements can be a point of novelty.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on this 17th day of March, 2006, 1 original and 11 copies of the foregoing **BRIEF OF *AMICUS CURIAE* NIKE, INC. SUBMITTED WITH THE CONSENT OF THE PARTIES** was hand filed with the Clerk of the Court, U.S. Court of Appeals for the Federal Circuit, 717 Madison Place, N.W. – Room 401, Washington, DC 20439, and 2 copies of the foregoing brief were served by Federal Express Overnight Delivery on each of the following counsel of record for the parties:

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CERTIFICATE OF COMPLIANCE

I hereby certify that **BRIEF OF *AMICUS CURIAE* NIKE, INC.** **SUBMITTED WITH THE CONSENT OF THE PARTIES** complies with the page limitation and type-volume limitations of F.R.App.P. 29(d), 32(a)(7)(B), and Fed.Cir.R. 32(b). The word-processing system used to prepare this brief counts 2,789 words in the brief.

March 17, 2006

