

INTELLECTUAL PROPERTY LITIGATION

The Battle Over Design Patent Obviousness: Will The ‘Rosen-Durling’ Test Continue To Govern Future Design Patent Obviousness Inquiries?

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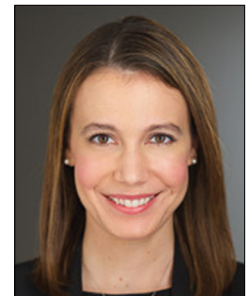
An en banc panel of the U.S. Court of Appeals for the Federal Circuit will soon decide whether to amend its long-standing framework for assessing design patent obviousness, known as the *Rosen-Durling* test. The forthcoming decision in *LKQ v. GM Global Technology Operations*, No. 2021-2348 (*LKQ*) will be the first en banc decision the Federal Circuit has issued in a design patent case since 2008.

On Feb. 5, 2024 the Federal Circuit heard arguments in the rehearing en banc in *LKQ*, which asks whether and how the obviousness test for design patents should be modified in light of the more flexible approach to obviousness that the Supreme Court endorsed in the utility patent context in *KSR International v. Telflex*, 550 U.S. 398 (2007) (*KSR*).

While the original *LKQ* panel considered the survival of the *Rosen-Durling* test a foregone matter, noting that in the more than 15 years since *KSR*, the Federal Circuit “has decided over 50



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design patent appeals” in which it “has continually applied *Rosen* and *Durling* just as it had in the decades preceding,” *LKQ v. GM Global Technology Operations*, 2023 WL 328228, at *6 (Fed. Cir. Jan. 20, 2023), reh’g en banc granted, opinion vacated, 71 F.4th 1383 (Fed. Cir. 2023), the circuit’s decision to grant rehearing en banc could have far-reaching implications for design patents.

The ‘Rosen-Durling’ Test

Like utility patents, a basic requirement for obtaining a design patent is that the claimed invention must be non-obvious. Specifically, a patent may not be obtained “if the differences between the claimed invention and the prior art are such that the claimed invention as a whole would have been obvious before the effective

filing date of the claimed invention to a person having ordinary skill in the art to which the claimed invention pertains.” 35 U.S.C.A. §103.

While the inventions claimed in both utility and design patents must be non-obvious, different standards have developed for conducting the obviousness inquiry. In particular, the framework for analyzing design patent obviousness has developed into a two-part test originating from the decisions in *In re Rosen*, 673 F.2d 388 (C.C.P.A. 1982) with respect to the first prong, and *Durling v. Spectrum Furniture*, 101 F.3d 100 (Fed. Cir. 1996) with respect to the second prong.

In particular, the *Rosen-Durling* test requires (1) identification of a “single reference [the ‘primary reference’]...the design characteristics of which are basically the same as the claimed design,” and (2) “other references [‘secondary references’] may be used to modify [the primary reference] to create a design that has the same overall visual appearance as the claimed design.” *Durling*, 101 F.3d at 103 (internal quotations omitted). Secondary references may only be used to mod-

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ify the primary reference if they are “so related [to the primary reference] that the appearance of certain ornamental features in one would suggest the application of those features to the other” (internal quotations omitted).

‘LKQ’ Background and Procedural History

The underlying dispute in *LKQ* concerns a GM-owned patent directed to an “ornamental design for a vehicle front fender.” *LKQ*, 2023 WL 328228, at *1. LKQ sells automotive body repair parts, including front fenders for vehicles manufactured by GM. LKQ had previously licensed “many of GM’s design patents” but the parties’ license agreement expired. Upon the

expiration of the license agreement, GM sent correspondence alleging that LKQ’s automotive parts infringed its patents. LKQ sought review by the USPTO Patent Trial and Appeal Board (the Board) of GM’s front fender patent, asserting that the patent was anticipated and obvious.

The Board issued a final written decision Aug. 4, 2021, holding that LKQ failed to show by a preponderance of the evidence that the patent “was anticipated or would have been obvious [over the cited prior art] before the effective filing date.” In pertinent part, the Board applied the *Rosen-Durling* test and found that LKQ did not identify a proper primary reference.

LKQ appealed. On appeal, LKQ asserted that the *Rosen-Durling* test was implicitly overruled by the Supreme Court’s decision in *KSR*. *KSR* rejected—in the context of utility patent obviousness—the Federal Circuit’s strict application of the “teaching, suggestion or motivation” test, pursuant to which “a patent claim is only proved obvious if the prior art, the problem’s nature, or the knowledge of a person having ordinary skill in the art reveals some motivation or suggestion to combine the prior art teachings.” *KSR*, 550 U.S. 398, 399.

The Supreme Court determined that the manner in which the Federal Circuit applied this test was overly “rigid” and “formalistic.” It did not indicate whether its decision in *KSR* was applicable in the context of design patents.

LKQ argued on appeal that the *Rosen-Durling* test’s requirement that a secondary reference must be “so related [to the primary reference] that the appearance of certain ornamental features in one would suggest the application of those features to the other...unduly limit[ed] the scope of design patent obviousness, [and] such an overly restrictive view would run afoul of *KSR*’s proscription against rigid restrictions on the scope of an obviousness analysis.” *LKQ*, 2023 WL 328228, at *5.

The Federal Circuit panel rejected LKQ's argument, which it described as an "outlier," and affirmed the Board's non-obviousness determination. The panel focused on the fact that *KSR* did not involve or discuss design patents, and concluded that it could not overrule *Rosen* or *Durling* "without a clear directive from the Supreme Court."

LKQ filed a petition for rehearing en banc, which was granted June 30, 2023. The circuit judges requested briefing on a number of issues, including whether *KSR* overruled or abrogated *Rosen* and *Durling*, whether *KSR* nonetheless applies to design patents and suggests the court should eliminate or modify the *Rosen-Durling* test, what the test for design patent obviousness should be if the *Rosen-Durling* test was eliminated or modified, and the implications of eliminating or modifying the *Rosen-Durling* test. *LKQ*, 21-2348, Dkt. 86 at 3-4.

En Banc Arguments

In its en banc briefing, LKQ contended that the design patent obviousness inquiry "must be done within the framework of *KSR*", which asks "what an ordinary designer would actually have found obvious, not relying on rigid rules that undermine that inquiry...like those in *Rosen* and *Durling*, that prevent even considering the question until exacting prerequisites are met." *LKQ*, 21-2348, Dkt. 93 at 31-32. LKQ proposed that the replacement test for *Rosen-Durling* should be that which was set forth in *KSR*, elaborating upon the prior test articulated in *Graham v. John Deere Company of Kansas City*, 383 U.S. 1 (1966).

GM, on the other hand, argued that the circuit should maintain the *Rosen-Durling* framework because *KSR* did not overrule that test, which provides the "necessary guardrails for design patent obviousness," as well as the "flexibility *KSR* requires." *LKQ*, 21-2348, Dkt. 166 at 25.

In an amicus brief, the United States articulated a middle-of-the-road approach to modify the *Rosen-Durling* test. It proposed that the circuit "replace the 'basically the same' terminology, jettison the so-related requirement, clarify that *Rosen* and *Durling* should still serve as a framework for protecting against hindsight, and caution that the test should not be used as a rigid tool that truncates the obviousness analysis." *LKQ*, 21-2348, Dkt. 120 at 26. More specifically, the proposed reformulation "begins with an 'adequate starting point' reference to properly ground the obviousness analysis."

Then, after identifying a base reference "the next step in the obviousness inquiry should examine the extent to which that reference needs to be modified in order to achieve the claimed design, considering secondary references along with an ordinary designer's experience, creativity, and common sense." Rather than "automatically terminating the inquiry in the absence of a strikingly similar base reference, the examiner or other factfinder should have flexibility to assess nonobviousness" in light of additional evidence.

Oral argument in *LKQ* took place on Feb. 5, 2024. During the argument, the circuit judges focused much of their questioning on what each party proposed as the replacement test, if any, for *Rosen-Durling*. The nature of the questioning seemed to suggest willingness on the judges' behalf to accept some form of modification to the *Rosen-Durling* test, but difficulty grappling with the parties' articulations of the appropriate replacement standards and how those alternatives would play out in practice.

Given that any change to the test will no doubt impact design patent holders and challengers for years to come, the design patent community will be eagerly awaiting the circuit's decision.