

Design Patent Case Digest

[ATAS International, Inc. v. Centria](#)



Decision Date: September 24, 2013

Court: Patent Trial and Appeal Board

Patents: [D527,834](#)

Holding: ATAS's petition to institute *inter partes* review is DENIED.

Opinion:

ATAS International, Inc. filed a petition for *inter partes* review of U.S. Design Patent No. D527,834, entitled Building Panel and assigned to Centria. Litigation was pending between the parties in the U.S. District Court for the Western District of Pennsylvania concerning the patent. The petition asserted that the patent is unpatentable under either [35 U.S.C. §§ 102](#) and/ or [103](#). ATAS did not meet its burden of showing a reasonable likelihood of prevailing under [35 U.S.C. § 314\(a\)](#), therefore, the Patent Trial and Appeal Board ("PTAB") denied the petition. During prosecution, the patent was restricted to seven embodiments of a building panel design. In its claim construction, the PTAB concluded that the seven embodiments of the patented design share several common characteristics. All seven have both raised and recessed areas along the length of the panels. All panels have either one or two recessed well-type areas. Each of the recessed well-type areas is bounded by angled portions having differing angles. All panels have two or three raised areas. The width of at least one of the raised areas is at least twice as wide as any of the recessed areas. Together, the PTAB concluded, these characteristics result in each of the seven embodiments having an overall asymmetric and irregular appearance.

ATAS argued that because the patent has embodiments with both one and two recessed areas, the "patentee has admitted that a panel having one recessed region is patently indistinct from a panel having two recessed regions," thus, the number and placement of the recessed areas cannot affect patentability. The PTAB disagreed. While more than one embodiment may be patented in a single design patent if they are obvious variants of each other, see [Apple Inc. v. Samsung Elecs. Co.](#), F.3d 1314, 1329-30 (Fed. Cir. 2012), the PTAB found no support for ATAS's broad generalization. The prosecution history does not give any reason for keeping the seven embodiments in one patent. Additionally, the PTAB found that the number and location of the recessed areas could affect patentability because placing more recessed areas along different locations of the panel could cause its overall asymmetric appearance to change.

As to patentability, ATAS argued that two references anticipated the patent. A design patent is anticipated by a reference if, “in the eye of the ordinary observer . . . [the] two designs are substantially the same” such that a purchaser would be induced to buy one “supposing it to be the other.” *Gorham Co. v. White*, 81 U.S. 511, 528 (1871). As to the ordinary observer, the PTAB noted that the panels at issue are used in commercial buildings, thus the ordinary observer is the sophisticated buyer, like a commercial architect or an engineer. The PTAB found no likelihood of anticipation because the prior art panel designs were either symmetric or had an overall solid form and flat back and therefore, were not substantially the same as the claimed design.

There are two steps to show obviousness of a design patent. First, there must be a primary reference that creates basically the same visual impression as the claimed design. See *High Point Design LLC v. Buyer's Direct, Inc.*, No. 2012-1455, slip op. at *12 (Fed. Cir. Sept. 11, 2013). Second, the primary reference may be modified by secondary references to create a design with the same overall visual appearance of the claimed design if the secondary reference is “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.” *In re Borden*, 90 F.3d 1570, 1575 (Fed. Cir. 1996).

ATAS relied on four primary references for the first step. With one reference, ATAS did not rely on the panel as it was disclosed in the reference (as a single unit), but relied on interlocked repeating units of the panel together. ATAS argued that that the interlocking panels is how the reference would be envisioned by one of ordinary skill in the art and how the panel would appear on a building wall. To support its position, ATAS included in its Petition several “prepared drawings” that show perspective, profile, front, top and bottom views which allegedly depicted the asserted prior art designs “to scale” and were “created from the drawings appearing” in the prior art.

According to the PTAB, these drawings were not evidence themselves and that because ATAS did not reveal who created the drawings or provide any persuasive evidence that the drawings were accurate representations of the prior art, they did not rely on them in deciding whether to grant the Petition. As a result, the PTAB found that ATAS did not meet the first step: the references did not create the same basic visual impression as the patent because they were either symmetric or had an overall solid form and flat back.

The board also disagreed with ATAS's reading of *In re Stevens*, 173 F.2d 1015, 1019 (CCPA 1949) as providing a hard and fast rule that all changes in arrangement and proportion in design patents are *per se* unpatentable advances. Atlas argued that removing one or two recessed regions of the prior art to arrive at the claimed design was supported by *Stevens* because arrangement and proportion advances are *per se* unpatentable. Instead, according to the PTAB, the court in *Stevens* made it clear that the changes in proportions involved in that case did not result in a substantially different overall appearance. 173 F.2d at 1019. Instead, there are no portions of a design which are ‘immaterial’ or ‘not important.’ *In re Blum*, 374 F.2d 904, 907 (CCPA 1967). The appearance of the design as a whole must be considered, and therefore, to the extent that proportions and shape of a design contribute to the overall visual effect, they must be taken into consideration. *Cf. Lee v. Dayton-Hudson Corp.*, 838 F.2d 1186,

1188 (Fed. Cir. 1988). Thus, the PTAB was not persuaded that removing recessed areas from the prior art was an obvious modification.

If you have any questions or would like additional information on this topic, please contact:

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