



New Federal Circuit case confirms the value of design patents covering component parts of a design

By Jennifer Hayes

The Federal Circuit's decision in *Automotive Body Parts Association v. Ford Global Technologies, LLC* confirms that aesthetic appeal of designs does not render design patents invalid as being functional and that patent exhaustion and repair apply to design patents in the same way they apply to utility patents.

Ford owned two design patents related to the ornamental design of the hood and the ornamental design for the vehicle head lamp of a Ford F-150 truck. Following the settlement of several ITC actions involving Ford and the distributors of automotive parts covered by the design patents, the ABPA, an association that included those companies as members, filed a district court action seeking declaratory judgment that the design patents were invalid or unenforceable. The district court entered a judgment *sua sponte* in favor of Ford that the design patents were not invalid and not unenforceable, which ABPA appealed.

Aesthetic appeal and functionality

On appeal, the Federal Circuit confirmed that design patents must claim an ornamental design—not one dictated by function—but recognized that a valid design may contain some functional elements. In determining whether a design is dictated by function, courts may consider the following factors:

- whether the protected design represents the best design;
- whether alternative designs would adversely affect the utility of the specified article;
- whether there are any concomitant utility patents;
- whether advertising touts particular features of the design as having specific utility; and
- whether there are any elements in the design or an overall appearance clearly not dictated by function.

The Federal Circuit ultimately rejected ABPA's efforts to apply the aesthetic functionality of trademark law to design patents because design patents expressly grant to their owners exclusive rights to a particular aesthetic for a limited period of time and held that even in the context of a

consumer preference for a particular design to match other parts of a whole, the aesthetic appeal of a design to consumers is inadequate to render that design functional. The court found that the type of market advantage contemplated by Congress in the laws authorizing design patents includes customers' preference for a peculiar or distinctive appearance of the patented designs over other designs that perform the same mechanical or utilitarian functions.

Patent exhaustion and repair rights

The Federal Circuit confirmed that the doctrines of patent exhaustion and repair apply to design patents, but held that the doctrines of patent exhaustion and repair did not render Ford's design patents unenforceable. In particular, the Federal Circuit rejected ABPA's arguments that the design patents can only be enforced in the initial market for sale of the F-150, and found that exhaustion and repair attach only to items sold by, or with the authorization of, the patent owner. Because Ford chose to claim designs of particular components of the Ford F-150, as opposed to the designs in the truck as a whole, as it was permitted to do, the repair doctrine did not apply to the component parts. Thus, manufacturing new copies of designs constitutes infringement of design patents.

Conclusion

This decision confirms that design patents are a valuable tool in any company's patent portfolio.

The full text of the decision can be found [here](#).

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