Increased border enforceability for design patents may be on the horizon

By Matthew Kitces and Jeff Costellia

Background

Counterfeit goods have long plagued the U.S. market, bringing harm to companies, brands, and consumers alike. Counterfeit goods are often associated with safety risks and illegal practices, and may sometimes end up supporting organized crime.

Many times, counterfeit products are imported to the U.S. from foreign sources, putting them under the purview of the U.S. Customs and Border Protection (CBP). Currently, the CBP has the authority to seize goods when copyright, trademark, or trade name protection violations are involved. Thus, the extent of protection afforded by the CBP upon border entry has traditionally focused on copyright and trademark-related intellectual property rights. While a design patent owner can still enforce rights against counterfeit imports through the International Trade Commission (ITC) or the U.S. federal courts, such enforcement can be expensive.

Legislation

On December 5, U.S. Senators Thom Tillis (R-NC), Chris Coons (D-DE), Bill Cassidy, M.D. (R-LA), and Mazie Hirono (D-HI) introduced the “Counterfeit Goods Seizure Act of 2019.” This bipartisan piece of legislation would grant authority to the CBP to seize goods that involve design patent violations.

In a press release, Senator Hirono explains how adding design patent enforcement to the CBP would cover gaps in current protection:

“While Customs and Border Protection has the authority to seize products that infringe copyrights and trademarks at the border, it lacks this same authority for products that infringe a design patent. Counterfeiters exploit this loophole by importing counterfeit products separately from labels containing an infringing trademark, only attaching the label once the counterfeit product has cleared customs. The Counterfeit Goods Seizure Act of 2019 closes this loophole by giving CBP the authority to seize counterfeit products that infringe design patents at the border. This simple change will go a long way toward protecting American consumers and businesses from harm.”

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The American Intellectual Property Law Association (AIPLA) has issued a letter of support, adding that the CBP's current trademark and copyright recordation system can be readily extended to permit the recordation of design patents.

**Thinking Ahead**

With bipartisan support in the Senate and strong support from the AIPLA and the International Trademark Association, there is a good likelihood such legislation will become law. If enacted, this additional route to enforce design patents may bolster the value of existing and future design patent portfolios.

If passed into law, it is important for design patent holders susceptible to counterfeit goods to have their design patents recorded with the CBP, when such recordation becomes available. Until then, those who may be susceptible to counterfeit goods being imported into the U.S. should consider whether adding design protection to your intellectual property portfolio would be beneficial.

For those planning design patent portfolios, it may be important to consider tailoring certain design patent applications to focus on ornamental features that may be more easily reviewed and considered by CBP field officers.

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