

Keywords: design patents; preliminary injunction; obviousness

General: A factor to be considered in granting a preliminary injunction is the patentee's likelihood of success on the merits. In assessing this factor, a trial court should evaluate the alleged infringer's evidence of invalidity as well as the evidence the patentee presents in rebuttal. The inquiry into the obviousness of a design patent is whether the claimed design would have been obvious to a designer of ordinary skill who designs articles of the type involved.

Titan Tire Corp. v. Case New Holland Inc.
90 U.S.P.Q.2d 1918 (Fed. Cir. 2009)
Decided June 3, 2009

I. Facts

U.S. Design Patent No. 360,862 ("the '862 patent") claims a design for a tractor tire and is owned by Goodyear Tire and Rubber Company ("Goodyear"). Titan Tire Corporation ("Titan") licenses the '862 patent and has the right to enforce the patent. In February 2007 Goodyear and Titan filed a complaint for patent infringement against Case New Holland, Inc. ("Case") alleging infringement of the '862 design patent with respect to tires Case sold on backhoes.

In May 2007 Titan filed a motion for a preliminary injunction prohibiting Case from selling backhoes with the allegedly infringing tires. The trial court denied Titan's motion after finding that Titan was unlikely to withstand Case's challenge to the validity of the '862 patent on obviousness grounds and, therefore, Titan had failed to establish a likelihood of success on the merits. Titan appealed from the trial court's denial of its motion for a preliminary injunction.

II. Issue

Did the trial court abuse its discretion in denying Titan's motion for a preliminary injunction?

III. Discussion

No. In establishing a likelihood of success on the merits the patentee seeking a preliminary injunction must show that it will likely prove infringement and that it will likely withstand any challenges to the validity of the patent in question. In the context of a preliminary injunction request made before trial, the trial court does not resolve the validity question but instead makes an assessment of the available evidence presented by both parties. In such a pre-trial context, instead of the alleged infringer having to persuade the court as to the invalidity of the patent, the movant (i.e., the patentee) must instead convince the court that despite the challenge to the validity of the patent at issue, the patentee is likely to succeed at trial on the validity issue. When analyzing the likelihood of success factor at the preliminary injunction stage, the trial court determines whether it is more likely than not that the alleged infringer will be able to prove by clear and convincing evidence at trial that the patent at issue is invalid.

With the foregoing in mind, the panel evaluated whether the trial court abused its discretion in denying Titan's motion for a preliminary injunction based on a finding that Titan was unlikely to succeed on the merits of the validity issue based on the possible obviousness of the patented design under 35 U.S.C. § 103. In reviewing the trial court's decision, the panel relied heavily on *Durley v. Spectrum Furniture Co.* Based on *Durley*, the panel stated that the test was whether a designer of ordinary skill who designs articles of the type involved would find the claimed design obvious. The test as explained by the panel may include finding a primary reference having "design characteristics of which are basically the same as the claimed design" and secondary references that may be used to modify the primary reference "to create a design that has the same overall visual appearance as the claimed design."

In the present case, Titan argued that the trial court erred by failing to identify a primary reference. However, the panel noted that Case identified three prior art references that the trial court noted “create basically the same visual impression” as the patented design at issue and which could each have been considered a primary reference. In addition, Case also provided supplemental designs which the trial court could consider as secondary references, even if such terminology wasn’t explicitly used in discussing these references. Further, at least one of the supplemental designs appeared to address the alleged deficiency of the primary references relied upon by Case. In addition, the trial court appeared to consider not only the art and arguments provided by Case but also the arguments advanced by Titan. Thus, the panel concluded that the trial court correctly looked to existing precedent in evaluating Titan’s likelihood of success on the merits and did not abuse its discretion in denying Titan’s motion for a preliminary injunction.

IV. Points of Interest

In addition to the base holding of the case, two other issues of interest were discussed but did not play a part in the panel’s ultimate decision. First, the panel noted the recent decision in *Egyptian Goddess* in which the point of novelty test employed in assessing infringement of design patents was discarded and the “ordinary observer” test was identified as the controlling test for determining design patent infringement. In the present context, the panel noted that the ordinary observer test was designed solely as a test of infringement, and not of validity, even though the ordinary observer test would frequently involve comparisons between the claimed design and the prior art. Thus, the present panel opined that “it is not clear to what extent, if any, the doctrine applicable to obviousness should be modified to conform to the approach adopted by this court in *Egyptian Goddess*.”

Second, the question of the applicability of *KSR* to obviousness determinations made with respect to design patents was raised by Titan. The panel, however, noted that, despite the trial court’s reference to the *KSR* decision, the trial court’s decision did not depend on the analysis in *KSR*. Instead, the trial court appeared to recognize “that the application of *KSR* to design patents was ‘new and untested ground.’” However, as the trial court did not appear to rely on *KSR* in its analysis, the panel did not opine further as to the applicability of *KSR* with respect to the obviousness analysis to be employed with respect to a design patent.