

18-1329, -1331, -1728

United States Court of Appeals for the Federal Circuit

COLUMBIA SPORTSWEAR NORTH AMERICA, INC.,
an Oregon Corporation,
Plaintiff - Appellant,

v.

SEIRUS INNOVATIVE ACCESSORIES, INC.,
a Utah Corporation,
Defendant - Cross-Appellant.

**Appeal from the United States District Court for the Southern District of
California in No. 3:17-cv-01781-HZ, Judge Macro A. Hernandez**

**BISON DESIGNS, LLC AND GOLIGHT, INC.'S *AMICUS* BRIEF
IN SUPPORT OF PETITION FOR REHEARING**

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UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

**Columbia Sportswear North America, Inc. v.
Seirus Innovative Accessories, Inc.
Nos. 18-1329, -1331, -1728
CERTIFICATE OF INTEREST**

Counsel for the Amici Curiae, Bison Designs, LLC and Golight, Inc., certifies the following:

1. The full name of every party or amicus represented by me is:

Bison Designs, LLC; and

Golight, Inc.

2. The name of the real party in interest represented by me is:

None.

3. All parent corporations and any publicly held companies that own 10 percent or more of the stock of the party or amicus curiae represented by me are:

None.

4. The names of all law firms and the partners or associates that appeared for the party or amicus now represented by me in the trial court or agency or are expected to appear in this court (**and who have not or will not enter an appearance in this case**) are:

None.

5. The title and number of any case known to counsel to be pending in this or any other court or agency that will directly affect or be directly affected by this court's decision in the pending appeal. *See* Fed. Cir. R. 47.4(a)(5) and 47.5(b).

None.

February 20, 2020
Date

/s/ Ian R. Walsworth
Signature of counsel

Ian R. Walsworth
Printed name of counsel

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IDENTITY AND INTEREST OF AMICUS CURIAE

Bison Designs, LLC (“Bison”) is a Colorado limited liability company which sells belts, belt buckles, keychains, and other miscellaneous products. Bison owns over 150 U.S. design patents for its product designs. Golight, Inc. (“Golight”) is a Nebraska corporation which sells searchlights, work lights, and other lighting-related products. Golight owns approximately 15 U.S. design patents for its product designs. Bison and Golight (collectively, “Amici”) have no personal interest in the outcome of this case, but do have an interest in seeing that the law, as it relates to design patents, develops in a clear and administrable way that serves its constitutional purpose.

No party or party’s counsel authored this brief in whole or in part. *See* Fed. R. App. P. 29(a)(4)(E)(i). No party, party’s counsel, or person—other than the amicus curiae, its members, or its counsel—contributed money that was intended to fund preparing or submitting this brief. *See* Fed. R. App. P. 29(a)(4)(E)(ii), (iii).

ARGUMENT

The panel opinion in *Columbia Sportswear N. Am., Inc. v. Seirus Innovative Accessories, Inc.*, Nos. 2018-1329, 2018-1331, 2018-1728 (Fed. Cir. Nov. 13, 2019) (“*Columbia Sportswear*”) appears to create a sweeping new rule governing design patent infringement analysis. This new rule would have far reaching effects on design patent owners by creating a new, easy way to design around a valid

design patent by placing a prominent “ornamental” logo on an otherwise infringing item. Considering logos as part of the infringement analysis is inconsistent with and confuses well-established precedent, and is detrimental to the distinct and fundamental rights that design patents are intended to protect.

Specifically, the Court found that the district court erred by failing to consider whether the presence of Seirus’ logo on the accused product supported non-infringement. Slip Op. at 17. The panel opinion appears to directly contradict longstanding Supreme Court and Federal Circuit precedent that the analysis must focus only on the accused design—here a three-dimensional fabric pattern—and not the accused product inclusive of labeling (e.g., logos, brand names, tags, trademarks, etc.). *See Gorham v. White*, 81 U.S. 530 (1871); *L.A. Gear, Inc. v. Thom McAn Shoe Co.*, 988 F.2d 1117 (Fed. Cir. 1993). This contradiction will have far reaching and unintended consequences for design patent law. The panel or full Court should reconsider this aspect of *Columbia Sportswear*.

I. *Columbia Sportswear* Appears to Present a Dramatic Departure from Longstanding Precedent

The Federal Circuit clearly explained and applied the Supreme Court’s *Gorham* precedent in its *L.A. Gear* decision. That decision correctly recognized the difference in trademark and design patent rights by expressly holding that clear and prominent labeling cannot avoid design patent infringement, even where that

labeling would dispel any confusion regarding the product's origin. *See L.A. Gear*, 988 F.2d at 1126, 1143.

Here, in opposing summary judgment on infringement, Seirus argued that various differences between the accused and patented designs—including that the waves in Seirus's design were interrupted by repeated use of Seirus's logo—should preclude judgment as a matter of law under the ordinary observer test. Slip Op. at 15-16 (summarizing Seirus' contentions). The district court considered and rejected most of Seirus' asserted differences between the actual wave patterns as “nearly imperceptible.” *Id.* at 16 (quoting the district court). The district court refused to consider the placement of Seirus' logo in its ordinary observer analysis, as logo presence or placement was not claimed in Columbia's patent. *Id.* at 15.

The district court cited the controlling precedent of *L.A. Gear* for the proposition that logos should be wholly disregarded in the infringement analysis. *Id.* at 17. *L.A. Gear* provides that “[t]he ultimate question requires determining ‘whether the effect of the whole *design* is essentially the same.’” *L.A. Gear*, 988 F.2d at 1125 (quoting *Gorham*, 81 U.S. at 530) (emphasis added). In *L.A. Gear*, the Court found design patent infringement under the ordinary-observer standard, and also, under a parallel Lanham Act analysis, that the prominent labeling of the brand name on the accused shoes would prevent any actual confusion. *Id.* at 1126, 1134. Specifically, the Court held that “[d]esign patent infringement relates solely

to the patented design, and does not . . . allow of avoidance of infringement by labelling.” *Id.* at 1126.

Columbia Sportswear purports to distinguish *L.A. Gear* on the basis that the parties to that case did not dispute copying or that the patented and accused designs were substantially similar. Slip Op. at 17. That copying and similarity were admitted there, however, were not the controlling facts that gave rise to the holding. They therefore do not provide reasonable bases for distinction. *L.A. Gear* expressly held that labeling is an extraneous feature that should not be considered during design patent infringement analysis. *L.A. Gear* has been interpreted to mean that logos and other features not claimed by the patented design do not inform the infringement analysis under diverse fact patterns where copying and similarity were not conceded. *See, e.g., Sun Hill Indus. v. Easter Unlimited, Inc.*, 48 F.3d 1193, 1196-97 (Fed. Cir. 1995); *Payless Shoesource, Inc. v. Reebok, Int’l, Ltd.*, 998 F.2d 985, 990 (Fed. Cir. 1993).

While *Columbia Sportswear* acknowledges that *L.A. Gear* held that infringement was not avoided “by labeling,” it then goes on to state:

But *L.A. Gear* does not prohibit the fact finder from *considering* an ornamental logo, its placement, and its appearance as one among other potential differences between a patented design and an accused one. Indeed, the fact finder is tasked with determining whether an ordinary observer would find the “effect of the whole design substantially the same.” *Gorham*, 81 U.S. at 530. It would be inconsistent with this mandate to ignore elements of the accused design entirely, simply because those elements included the name of the defendant.

Slip Op. at 17 (emphasis in original). The panel opinion thus appears to limit the holding of *L.A. Gear* to brand labels, as opposed to “ornamental logos” that are “part” of the accused design. On the other hand, if the panel opinion is based on the fact that copying was admitted in *L.A. Gear*, then all the current ruling will do is ensure that copying is never admitted.

L.A. Gear is not so limited. The Court there clearly considered and *accepted* the argument that the prominent placement of the infringer’s trademark on an accused product would adequately differentiate the product in the eyes of customers under a *trademark* infringement analysis, but *rejected* that same argument in its *design patent* infringement analysis. *Columbia Sportswear’s* attempt to narrow the holding of *L.A. Gear* is a significant change in the law that is not properly undertaken by a later panel. *Newell Cos. v. Kenney Mfg. Co.*, 864 F.2d 757, 765 (Fed. Cir. 1988).

If, as *Columbia Sportswear* states, the placement of an ornamental logo may be considered as one among other potential differences in the infringement analysis, then the presence of the ornamental logo may become the deciding factor where the differences between the designs are not otherwise substantial. If, however, as *L.A. Gear* commands, infringement cannot be avoided by labeling, then the presence of an ornamental logo—which is a form of label—cannot, itself, be a factor that weighs against infringement. By suggesting the contrary, the panel

opinion creates unnecessary confusion surrounding the proper treatment of products that incorporate labels, ornamental logo or not, into otherwise similar designs.

II. Precedent Holds that the Accused Design is Only Compared to the Claimed Design Without Regard to Unclaimed Features

Apart from the conflict with the specific rule of *L.A. Gear*, the panel opinion also appears to conflict with the more general rule that, for a proper infringement analysis, an accused design must be compared to the claimed design without considering extraneous unclaimed features. This principle is well-established in design patent jurisprudence. *See, e.g., Sun Hill Indus.*, 48 F.3d at 1197 (providing that a fact finder must “carefully confine its comparison only to the claimed features, and not to unclaimed features, of the commercial embodiment”).

For example, in *Payless*, the district court denied Reebok’s request for a preliminary injunction, finding that one of the accused Payless shoes was distinguishable because it “had additional black coloring and did not have the logo ‘PUMP’ that is printed on the orange basketball on the tongue of the Reebok shoe.” *Payless Shoesource*, 998 F.2d at 987, 990. Another accused shoe was distinguished because its tongue included an orange basketball, which was not present on Reebok’s commercial embodiment. *Id.* at 990. The *Payless* Court found that “the district court was improperly influenced by features extraneous to the claimed design and that its decision turned on those features.” *Id.* Thus, the

Court vacated the district court's ruling, explaining "[n]one of those cited features, however, is part of the claimed designs and thus they may not serve as a valid basis for comparison in a design patent infringement analysis." *Id.*

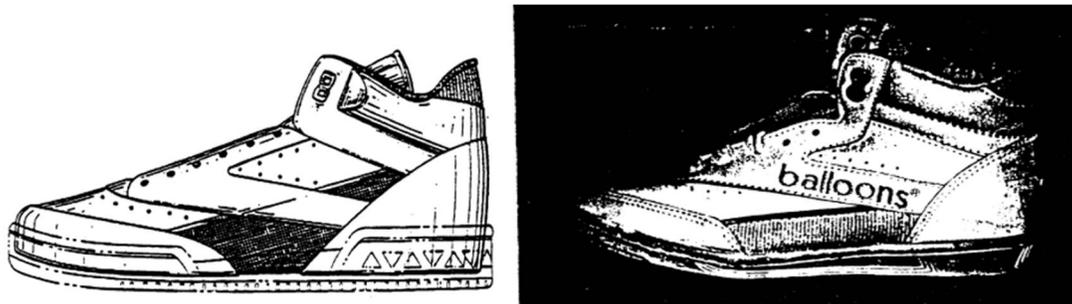
More recently, the district court in *Advantek* granted the defendant's motion for judgment on the pleadings on the ground that enforcement was barred under the prosecution history estoppel doctrine, finding the patentee had surrendered claim scope by electing a kennel embodiment without a cover in response to a restriction requirement, whereas the accused kennel included a cover. *Advantek Mktg. v. Shanghai Walk-Long Tools Co.*, 898 F. 3d 1210, 1213-15 (Fed. Cir. 2018). In reversing, this Court ruled that: "A competitor who sells a kennel embodying Advantek's patented structural design infringes the D'006 patent, regardless of extra features, such as a cover, that the competitor might add to its kennel." *Id.* at 1216-17.

Here, Columbia did not claim the placement of logos in the patent drawings. Therefore, uncertainty and confusion arises as to whether Seirus' logos comprise unclaimed extraneous features per the above case law.

III. Examples and Impact on Design Patent Stakeholders

As previously discussed, *Columbia Sportswear* appears to limit its holding with the phrase "ornamental logo" and thereby distinguish *L.A. Gear*, as the logo

in that case was in a simple type font. Figure 4 of L.A. Gear’s design patent D299,081 and the accused article are provided below:



But it is unclear what distinguishes labelling from “ornamental logos.” Graphic designers may purposefully choose to use simple fonts as part of the design of a logo. Therefore, almost by definition, any logo that is placed on a product is ornamental, as it forms part of the ornamentation of the product.

Turning to examples of Amici’s concerns regarding the unclear impact of *Columbia Sportswear*, Bison obtained design patent D455,642 for one of its many carabiner keychain products. Figure 1 of this patent, and an image of one commercial embodiment including a strap, keyring, and customer-specific engraving,¹ are provided below:



¹ Philmont is the name of one of the Boy Scouts of America’s (BSA) ranches; the pictured product was made by Bison for the BSA with permission.

Under *Advantek*, this Court made clear that the strap and key ring added to the commercial embodiment would not change the infringement analysis. However, if the Court’s ruling in *Columbia Sportswear* stands, then a logo, extraneous to the claimed design like the PHILMONT logo in Bison’s commercial embodiment, should be considered in determining whether such an accused product infringes the patent.

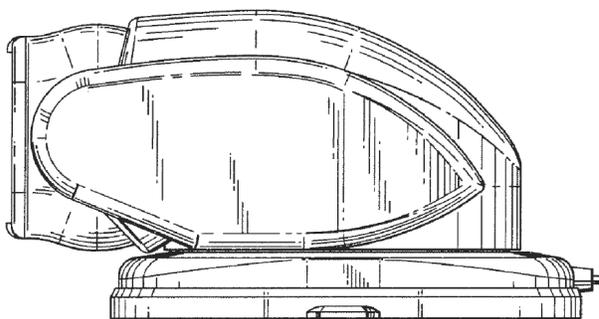
Columbia Sportswear is particularly problematic for companies like Bison, who sell into the promotional products’ market.² Bison offers customer customization of its carabiner keychains and other products with an option to laser engrave company logos thereon. If such logos are considered in an infringement analysis, then this substantial market for Bison’s products embodying patented designs will be vulnerable to increased infringement, as infringers can now claim that the addition of “ornamental” logos avoids infringement Bison’s design patents under *Columbia Sportswear*.

Golight previously appeared before this Court in a case involving its utility patent infringement claim against Wal-Mart. *Golight, Inc. v. Wal-Mart Stores, Inc.*, 355 F. 3d 1327 (Fed. Cir. 2004). There, this Court upheld the district court’s

² Since 2000, Bison has sold more than 9 million “accessories” products which include both patented and non-patented designs, with over 5 million of these customized with engravings.

claim construction and finding of willful infringement. *Id.* at 1330-35, 1339.

Although that case involved a utility patent, Golight can readily envisage a scenario where Wal-Mart had infringed one of its design patents. In this scenario, the argument emerges under *Columbia Sportswear* that merely placing a logo on the side of one of Golight's patented products would allow Wal-Mart to escape infringement, or at least avoid a motion for summary judgment on infringement, thereby forcing Golight to litigate the issue of "considering an ornamental logo, its placement, and its appearance" through trial. Compare, for example, Figure 2 of Golight's design patent D582,084 and a mockup of such a potential accused product below:



Leveling the current ruling may add immense cost to the enforcement efforts of design patentees. In the past, Amici have been successful in enforcing their design patents through simple cease-and-desist letters and efficient settlement, as many such infringers had bought the accused products from overseas sellers without knowledge of Amici's patents. When made aware of the design patents,

the majority of opposing parties were willing to enter a settlement agreement promptly; the courts were never involved.

However, infringers now have an escape hatch to perhaps avoid liability in claiming that the addition of a logo comprises an “ornamental logo” within the meaning of *Columbia Sportswear*. Therefore, *Columbia Sportswear*’s departure from the clear rule of *L.A. Gear* has the very real potential to increase the cost of enforcement, with respect to both preliminary party discussions as well as litigation, where *Columbia Sportswear* may be used to avoid summary judgment on infringement and protract proceedings.

In the case of *Bison*, during the life of its most popular carabiner keychain patents—the star, heart and dog bone—more than fifty companies settled upon being informed of the design patents’ existence. The cost and resources required to pursue even a handful of these matters through litigation would be outside *Bison*’s means, or indeed many companies, which says nothing of the higher burden on the courts’ resources if such cases are increasingly litigated.

CONCLUSION AND RELIEF SOUGHT

Accordingly, *Columbia Sportswear* appears to represent a dramatic departure from established precedent. The vague language of the panel opinion conflicts with the previously-clear rule of *L.A. Gear* that infringers cannot escape liability by labelling, and with the more general rule that an accused design must

be compared to the claimed design without regard to unclaimed features.

Confusion and uncertainty thus arise as to meaning of *Columbia Sportswear* and its application moving forward, which will have a substantial impact on the integrity and reliability of the design patent system as well as the scope and value of design patent protection itself. This is particularly true for promotional products where the inclusion of different “ornamental” logos is, by definition, expected. And from a practical perspective, the current panel opinion in *Columbia Sportswear* invites the opportunity for more contentiousness resolutions in design patent enforcement efforts, which would increase the burden on both stakeholders and the courts. For at least these reasons, Amici respectfully request the Court address and clarify this aspect of *Columbia Sportswear*.

WHEREFORE, the panel or full Court should grant the petition for rehearing and clarify the extent to which the incorporation of a logo in a design may distinguish the overall design from a patent.

Respectfully submitted,

Dated: February 20, 2020

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UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT**CERTIFICATE OF SERVICE**I certify that I served a copy on counsel of record on February 20, 2020

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