

05-1253

**UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT**

LAWMAN ARMOR CORPORATION,

Plaintiff-Appellant,

v.

WINNER INTERNATIONAL, LLC and
WINNER HOLDING LLC,

Defendants-Appellees.

Appeal from the United States District Court for the Eastern District of
Pennsylvania in Case No. 02-CV-4595, Senior Judge Robert F. Kelly

**RESPONSE BY DEFENDANTS-APPELLEES WINNER
INTERNATIONAL, LLC AND WINNER HOLDING LLC
TO THE COMBINED PETITION FOR PANEL REHEARING AND
FOR REHEARING EN BANC BY PLAINTIFF-APPELLANT**

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March 30, 2006

CERTIFICATE OF INTEREST OF WINNER INTERNATIONAL, LLC

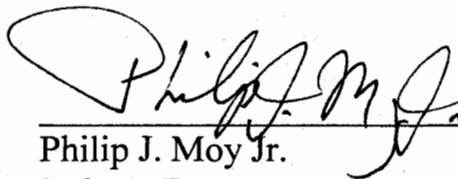
Counsel for Defendant-Appellee Winner International, LLC certifies the following:

1. The full name of the party represented by us is: Winner International, LLC.
2. The name of the real party in interest is: Winner International, Inc.
3. There are no parent corporations or publicly held companies that hold 10 percent or more of the stock of the party represented by us.
4. The names of the law firms and the partners or associates that appeared for Winner International, LLC in the trial court in this action or are expected to appear in this Court are the following:

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following:

1. The full name of the party represented by us is: Winner Holding LLC.
2. The name of the real party in interest is: Winner Holding LLC
3. There are no parent corporations or publicly held companies that hold 10 percent or more of the stock of the party represented by us.
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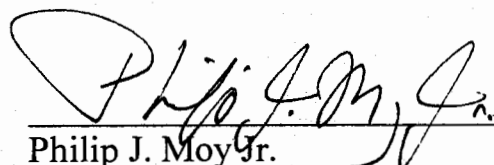

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ARGUMENT

Lawman's combined petition for a panel rehearing and for rehearing en banc is based on an argument never presented to the district court that granted summary judgment of non-infringement. Indeed, it was not raised until the oral hearing of this appeal. The petition therefore is wholly inappropriate and should be dismissed out of hand.

Moreover, the argument itself has no connection to the facts and merits of the underlying case. It is based on a hypothetical situation in which a design patent has no discernable points of novelty other than the overall visual impression of the design as a whole. In reality, the design patent at issue has a clear point of novelty, albeit one ignored by the patentee in opposing the motion for summary judgment of non-infringement because the accused devices did not incorporate the novel feature.

This clearly is not the proper case for the Federal Circuit to revisit the settled law of design patent infringement under the point of novelty test. The petition should be denied.

I. The Petition Is Based on an Argument for Non-Infringement Never Presented to the District Court

Lawman's petition for rehearing is based on the premise that the overall configuration and appearance of a patented design—i.e., the combination of all

Here, a correct consideration of relevant prior art using the correct legal standards shows that the points of novelty of the '621 Patent described in Lawman's Opposition Brief all are valid, none are present in the irrelevant prior art cited by Winner, and all are present in the Winner devices. The points of novelty of the '621 Patent are:

(A343) It then listed the same eight alleged points of novelty presented to the district court in Lawman's initial opposition to Winner's summary judgment motion and provided three photographs of one of the accused Winner products purporting to show where the alleged points of novelty were found. (A343-344)

In Winner's supplemental reply, it took each point of novelty propounded by Lawman and cited various prior art patents showing that each alleged point was, in fact, not novel. (A370-372) The district court essentially adopted this analysis in granting summary judgment of non-infringement.

At no point during the briefing before the district court (there was no hearing) did Lawman ever argue that there was a ninth point of novelty—characterized either as the overall configuration of the design or the combination of the eight specified points. Indeed, Winner is hard pressed to find this argument in Lawman's briefing to this Court.¹ The first time Lawman argued

¹ Lawman made numerous references to "overall visual impression," but in the context of arguing that the prior art patents cited by Winner were not relevant prior art. *See* Brief of Plaintiff-Appellant Lawman Armor Corporation at 10-11, 13, 16-17 [hereinafter Appellant's Brief].

with any degree of clarity that it believed infringement should be found by considering the overall configuration of the depicted design as a separate point of novelty was during the hearing of this appeal. That is too little, too late, particularly when the omitted argument is the primary basis for a petition for rehearing.

This Court has steadfastly held that “appellate courts do not consider a party’s new theories, lodged first on appeal.” *Forshey v. Principi*, 284 F.3d 1335, 1354 (Fed. Cir. 2002); *see also Sage Prods., Inc. v. Devon Indus., Inc.*, 126 F.3d 1420, 1426 (Fed. Cir. 1997) (refusing to consider “new infringement arguments, raised for the first time on appeal”). None of the recognized exceptions to the rule apply here. There is no jurisdictional issue at work, no statute altering the applicable law was enacted after the district court granted summary judgment, neither this Court nor the Supreme Court changed its jurisprudence before Lawman appealed, the parties did not incorrectly argue the law before the district court, and Lawman was not a pro se party. *See Forshey*, 284 F.3d at 1355-57. Lawman should be foreclosed from seeking this Court’s consideration of its new argument at this late stage.

II. The Petition Is Based on False Premises

Like Chicken Little’s entreaties, Lawman’s petition for rehearing shouts out baseless warnings of impending disaster: “valid design patents can issue and

not be capable of being infringed.” Neither the facts of this case nor the Federal Circuit’s design patent decisions justify Lawman’s call for rewriting the law of design patent infringement.

A. The ‘621 Patent Possesses a Point of Novelty Intentionally Ignored by Lawman

Lawman’s petition asserts that this Court’s decision affirming the district court’s grant of summary judgment means that a design patent that is a combination of old elements cannot be infringed because it has no points of novelty. As to the design patent at issue, however, the premise that there are no actual points of novelty is false.

Winner repeatedly contended that the ‘621 patent did possess a point of novelty, the distinctly diverging end segments of its hooks. Lawman ignored this fact—Winner can find no comment in any of Lawman’s briefs denying that this feature is novel—and attempted to rely on other, non-novel features in shouldering its burden of proof of infringement.

Winner understands the basis for Lawman’s strategy. Had Lawman conceded the actual point of novelty of the ‘621 patent, it would have conceded non-infringement, because the accused Winner products did not incorporate distinctly diverging hook ends.

At this stage, however, Lawman is asking this Court to reconsider and rewrite the law of design patent infringement based on a hypothetical design patent—one with no points of novelty apart from the presumed novelty of its overall visual impression. In essence, Lawman is seeking an advisory opinion from this Court. This effort should be denied.

B. A Combination of Features Can Be a Point of Novelty

Lawman's petition also paints a picture of impending doom by asserting that there is a conflict between the Court's decision in this case and previous decisions recognizing that a combination of elements can be a point of novelty. No such conflict exists.

Winner recognizes that this Court has found a point of novelty to reside in the novel combination of design elements, such as the particular visual combination of the saddle, eyestay, and perforations in the shoe design of *Avia Group Int'l, Inc. v. L.A. Gear California, Inc.*, 853 F.2d 1557, 1565 (Fed. Cir. 1988), or the arrangement of the three-stripe door frame, handle-less door, and control-panel-mounted latch release handle on the front face of the microwave oven design in *Litton Sys., Inc. v. Whirlpool Corp.*, 782 F.2d 1423, 1444 (Fed.

Cir. 1984). Nothing in the Court's opinion in this case contradicts this existing case law.²

Indeed, several of the eight alleged points of novelty asserted by Lawman were combinations of features. The first asserted point of novelty was the combination of a shaft and two hooks attached to the shaft at one end. The second point was the combination of two hooks having the same profile and arranged symmetrically. The fourth alleged point was the combination of a shaft and two hooks attached to the shaft midway between the hooks. Finally, the eighth of Lawman's points of novelty was the combination of a shaft and hooks configured such that the hooks are 20-25% of the shaft length. Neither the district court nor this Court in its affirming opinion raised any objection to a combination of features constituting a single point of novelty. What this Court objected to was Lawman's late-inning argument that there should be an additional "all of the above" point of novelty, which would render the entire point of novelty test superfluous.

Moreover, Lawman's efforts to craft a new point of novelty encompassing the combination of all visual elements in a design is far removed from the

² This Court's opinion stated that one cannot combine several points of novelty into an additional point of novelty, particularly one encompassing the overall appearance of the design. It did not state that a particular arrangement or combination of several design elements cannot be a point of novelty.

combinations recognized in this Court's design patent precedents. In both *Avia* and *Litton*, the features that constituted a point of novelty in combination were all apparent to the eye as a distinct arrangement of features in a single figure of the design patent. In contrast, Lawman required three separate photographs to identify where the eight points of novelty allegedly existed in the accused Winner products. Appellant's Brief at 35; A344-345.

C. The Petition Misstates Well Settled Case Law

Section III of Lawman's petition makes the curious argument that recognizing a design's overall configuration and appearance as a separate point of novelty would not conflict with this Court's decisions in *Winner Int'l Corp. v. Wolo Mfg. Corp.*, 905 F.2d 375 (Fed. Cir. 1990), and *Sun Hill Indus., Inc. v. Easter Unlimited, Inc.*, 48 F.3d 1193 (Fed. Cir. 1995), because "neither of these cases state [sic] that the overall configuration cannot constitute a 'point of novelty.'" Lawman Petition at 6.

With all due respect, these cases state precisely that proposition. In *Wolo*, this Court said:

Winner . . . argues that the magistrate, whose analysis was adopted by the district court with minor modifications, erred in not considering the *overall* configuration and appearance of the patented design as a "point of novelty." We are not persuaded by this argument.

905 F.2d at 376. In *Sun Hill*, this Court stated:

[T]he trial court cannot evade the point of novelty test by relying on the claimed overall design as the point of novelty.

48 F.3d at 1197.

Admittedly, in both opinions, the language quoted above is followed by a citation to *Litton* for the proposition that considering a design's overall appearance without regard to the prior art would "eviscerate" the point of novelty test, *Wolo*, 905 F.2d at 376, *Sun Hill*, 48 F.3d at 1197, but that is not the only import of these cases. Lawman reads the *Wolo* and *Sun Hill* cases with blinders, ignoring their clear proscription against treating a design's overall appearance as a point of novelty.

Moreover, that proscription has been recognized and treated as settled law by judges across the country. Numerous courts, including this Court, have applied the *Wolo* and *Sun Hill* precedents precisely for the proposition that Lawman argues is absent from those opinions. See *Contessa Food Prods., Inc. v. Conagra, Inc.*, 282 F.3d 1370, 1377 (Fed. Cir. 2002) ("it is legal error to merge the two tests, for example by relying on the claimed overall design as the point of novelty," citing *Sun Hill* and *Wolo*); *Hosley Int'l Trading Corp. v. K Mart Corp.*, 237 F. Supp. 2d 907, 911 (N.D. Ill. 2002) ("In conducting this analysis, a trial court may not look to the claimed overall design as the point of

novelty,” citing *Sun Hill*); *Hsin Ten Enterprise USA, Inc. v. Clark Enterprises*, 149 F. Supp. 2d 60, 66 (S.D.N.Y. 2001) (“The Federal Circuit has held that the district court cannot ‘evade the point of novelty test by relying on the claimed overall design as the point of novelty,’” citing *Sun Hill*); *Bush Indus., Inc. v. O’Sullivan Indus., Inc.*, 772 F. Supp. 1442, 1452 (D. Del. 1991) (“in focusing on these aspects which create the novelty of the design, the ‘overall appearance’ of a design cannot be considered to constitute a point of novelty,” citing *Wolo*); *John Mezzalingua Assoc., Inc. v. Antec Corp.*, 2002 WL 32113888 at *5 (M.D. Fla. Jan. 11, 2002) (“the point of novelty test requires the Court to focus on those aspects of a design which render the design different from prior art, as opposed to the overall appearance of the design,” citing *Sun Hill*); *Decade Indus. v. Wood Tech., Inc.*, 2001 WL 523396 at *3 (D. Minn. May 15, 2001) (“the Federal Circuit has instructed that the trier of fact must identify specific novel features and may not identify the overall design of the patented device as its ‘point of novelty,’” citing *Wolo*).

D. There Is No Contradiction Between the Existing Point of Novelty Test and Basic Patent Law

Section IV of Lawman’s petition posits that there is a contradiction between the point of novelty test as articulated by this Court in *Litton* and basic

patent law. Lawman fails to show any true contradiction or any reason for rewriting the test for design patent infringement.

First, Lawman argues that the point of novelty test somehow violates the principle of utility patent law that claims must be considered as a whole, citing *Diamond v. Diehr*, 450 U.S. 175 (1981), a case reviewing a decision by the U.S. Patent and Trademark Office concerning the patentability of a mathematical formula under 35 U.S.C. § 101. Lawman thus continues to confuse the issues of validity and infringement. It also improperly equates the scope of a design patent with that of a utility patent.

The notion of “wholeness” that applies to the word claim of a utility patent does not directly apply to the claim of a design patent in the context of infringement. Whereas each limitation of a utility patent claim must be present literally or by its equivalent in an accused product for infringement to be found, aspects of the drawings of a design patent often must be omitted from the analysis in order to remove functional features from the claimed design. *OddzOn Prods., Inc. v. Just Toys, Inc.*, 122 F.3d 1396, 1405 (Fed. Cir. 1997). Infringement of a design patent must be based on the accused product’s incorporating the *ornamental* aspects of the design, because a design patent provides exclusive rights only in the ornamental design. *See* 35 U.S.C. § 171.

The point of novelty test provides additional assurances that the visual parsing that is performed in evaluating design patent infringement does not result in infringement only because the accused product incorporates features of the design that are not novel.³ Moreover, that the point of novelty test is not expressly performed outside the context of evaluating design patent infringement does not mean that it is in conflict with basic patent law. After all, the all-elements rule of utility patent infringement necessarily requires that the accused product include all the points of novelty of the utility patent claim.

Lawman also attempts to show a dreaded conflict by setting forth litigation scenarios in which a patentee has an incentive to assert different points of novelty when two different products are accused of infringing the same design patent. Lawman Petition at 11-13. The scenarios present no conflict, however, because neither of the accused products infringes—each omits one of the points of novelty identified by the patentee. Moreover, what Lawman describes as improper twisting of “the proverbial ‘nose of wax,’” *id.* at 13, is nothing more than normal litigation strategy.

³ Without the point of novelty test, the analysis for design patent infringement often would boil down to the likelihood of confusion test for trademark infringement, with no requirement for novelty.

Certainly, the design patent plaintiff must select and articulate the points of novelty with some care when infringement is asserted, but how is that different from other situations where the plaintiff has the burden of proof? Moreover, the point of novelty test provides an important tool for competitors to evaluate whether their products might be found to infringe a design patent. Determining whether one's product incorporates the novel features of the patented design often is easier than predicting the outcome of the ordinary observer test.

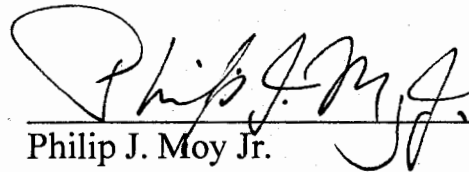
Lawman's lament also overlooks the patentee's power to shape the nature of the point of novelty analysis when filing the design patent application. By judicious use of phantom lines, one can limit the potential number of novel features that must be incorporated into an infringing product and avoid the situation described by Lawman. Moreover, by filing multiple applications with different features of a given design shown in solid lines, a designer may obtain a bundle of patent rights of varying scope and thus encompass a variety of products without having to make different arguments against different defendants. Lawman's concerns—to the extent they have any legitimacy—thus can be addressed without rewriting the law of design patent infringement.

III. Conclusion

Lawman's petition for rehearing improperly attempts to raise an argument for non-infringement never presented to the district court. It also seeks rehearing based on a hypothetical scenario at odds with the actual facts in this case. Moreover, the petition is based on an argument that would require this Court to overrule settled precedent but provides no legitimate basis for doing so. Accordingly, Lawman's combined petition for panel rehearing and rehearing en banc should be denied.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that one (1) original and fourteen (14) true copies of the foregoing Response By Defendants-Appellees Winner International, LLC and Winner Holding LLC to the Combined Petition for Panel Rehearing and for Rehearing En Banc by Plaintiff-Appellant were filed this 30th day of March, 2006, via Federal Express overnight delivery, addressed to:

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I HEREBY CERTIFY that two (2) true copies of the foregoing were served this 30th day of March, 2006, via U.S. Express Mail, postage prepaid, on the following attorneys:

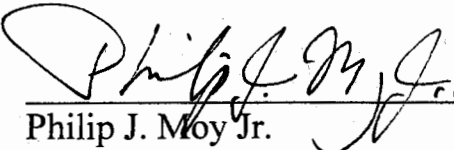
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