

# PTAB: Design Patents for GUI Interface Cancelled in AIA Proceedings

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## Design Patent Invalidation

All three of the challenges that the Patent Trial and Appeal Board (PTAB) instituted in 2022 resulted in a final written decision canceling the challenged patent. Two of the three final written decisions rendered in 2023 are notable because they are the first ones to cancel a design patent for a graphical user interface design. Specifically, the PTAB cancelled Wepay Global Payment's U.S. Patent No. D930,702 for an animated graphical user interface, finding the patented design anticipated and obvious.

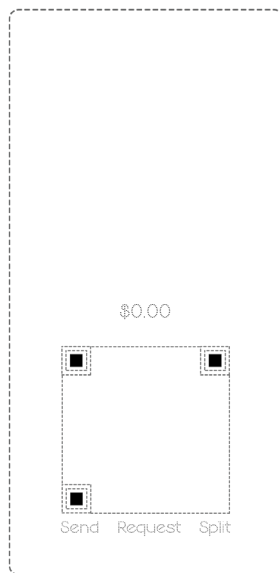


Figure 1

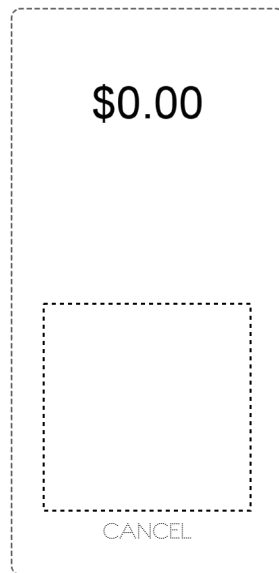


Figure 2

**D930,702**

The number of final written decisions issued in 2023 ordering the cancellation of a design patent resulted in a slight uptick in the design patent claim invalidation rate at final written decision, bringing it up to 65% as compared to the previous year's rate of 64%.

## Design Patent Institution Rate 2023

As for the design patent institution rate, in 2023, the PTAB issued six institution decisions involving design patents. One of the instituted challenges in 2023 involved another design patent for an animated graphical user interface: U.S. Patent No. D945,453, owned by Fintech Innovation Associates LLC ("Fintech"). Although Fintech filed a Statutory Disclaimer to donate the D'453 Patent to the public domain on October 10, 2022, which expressly specified that the "disclaimer is not a request for Adverse Judgment as no institution decision has been made at the time of this filing," the PTAB found otherwise. Noting that Fintech's Statutory Disclaimer as filed was deficient because it lacked the required statutory disclaimer fee, the PTAB determined that Fintech's later payment of the statutory disclaimer fee on February 2, 2023, which occurred *after* the PTAB rendered its decision to institute post grant review of the D'453 Patent, to perfect the Statutory Disclaimer "is confirmation that [Fintech] desires to disclaim the sole claim" being challenged. Citing

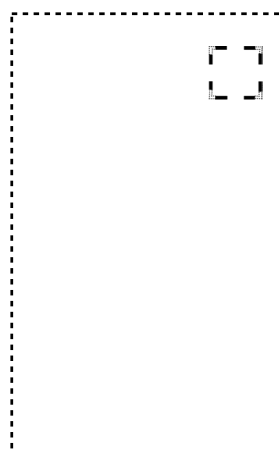


Figure 1

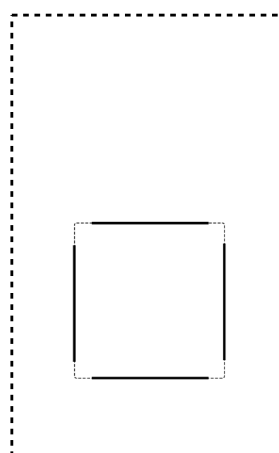


Figure 2

**D945,453**

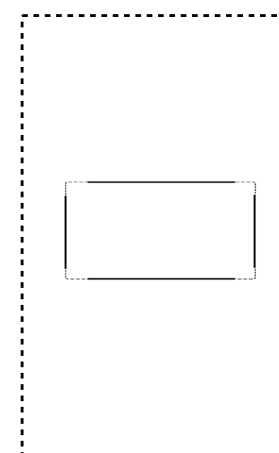


Figure 3

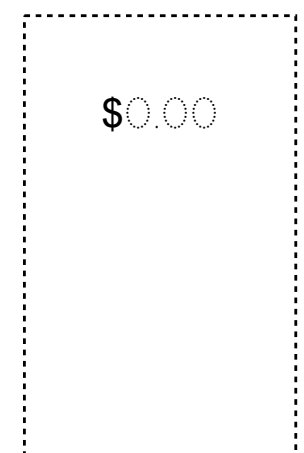


Figure 4

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to 37 C.F.R. § 42.73(b), the PTAB construed Fintech's actions as a request for adverse judgment, and the PTAB accordingly entered adverse judgment against Fintech and canceled the D'453 Patent.

Of the six institution decisions issued in 2023, four denied institution of challenges that included only grounds of obviousness. Those decisions involved challenges filed by Masimo Corporation against Apple Inc.'s various design patents on its Apple Watch. The two challenges that were granted institution involved Fintech's D'453 Patent and a design patent for a table top owned by EP Family Corp., and each instituted challenge included mixed grounds of anticipation and obviousness. While this data in isolation might suggest that challenges based on obviousness alone are unlikely to be instituted, 41% of all instituted decisions based on prior art between 2013 and November 2023 included only grounds of obviousness.<sup>1</sup> Further,

<sup>1</sup> Between 2013 and November 2023, there have been 78 institution decisions involving a design patent, 30 of which granted institution. 29 of the instituted challenges included challenges based on prior art, with only 12 challenges based solely on obviousness grounds.

82% of the instituted challenges resulted in finding the challenged design patent obvious.<sup>2</sup>

## Design Patent Invalidation Rate 2013-2023

A survey of decisions issued between 2013 and November 2023 shows that the design patent institution rate is 38%<sup>3</sup>, and that the overall design patent cancellation rate is 22%.<sup>4</sup> These rates reflect the apparent challenge in presenting a sufficient case that a challenged design patent is unpatentable based on prior art. Whether this trend will change remains to be seen in view of the impending Federal Circuit en banc review of the test for obviousness for design patents.

See a discussion of Federal Circuit cases *Columbia Sportswear North America, Inc. v. Seirus Innovative Accessories, Inc.* and *LKQ Corporation v. GM Global Technology Operations LLC* on page 21 of this report.

<sup>2</sup> 17 of the 29 instituted challenges resulted in finding the challenged design patent unpatentable, with 14 finding the challenged design patent obvious.

<sup>3</sup> 30 of the 78 design patent institution decisions issued between 2013 and November 2023 granted institution.

<sup>4</sup> Excluding pending cases, only 17 of 79 petitions challenging a design patent have ended in a final written decision cancelling the claim.

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