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Breaking the Status Quo of International Design Law: How the United States' Design Law Frustrates the Purpose of the Hague Agreement

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ABSTRACT

This Note explores how the United States' substantive law frustrates the purpose of an international procedural agreement. The Hague Agreement Concerning the International Registration of Industrial Designs revolutionized the process of applying for industrial design protections on a global scale. The Hague Agreement's purpose is to support easily and efficiently acquired industrial design protections in contracting parties to the agreement by simplifying procedures for obtaining protection. The United States—a country without a coherent and dedicated industrial design law—joined this agreement with effect in 2015, allowing designers around the world to easily apply for industrial design protections in the United States. If this seems counterintuitive, that is because it is.

Because of this legal conundrum, the United States executes its responsibilities under the Hague Agreement by applying its design patent law to international industrial design applications. The United States' imputation of design patent law onto industrial design applications firmly places it as an outlier among the rest of the world's industrial design protection regimes. Not only are international designers unfamiliar with US design patent law, the added substantive requirements and associated ramifications of using a design patent standard to review industrial design applications confuses and impedes the international system. Thus, although global designers can now easily apply for design protections in the United States, these applications face challenges that are unknown to the rest of the world's design regimes. Therefore, substantive harmonization shouldered by the contracting parties is the way forward for the Hague Agreement to better streamline the availability of design protections worldwide.

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I. INTRODUCTION

What does a handbag designer in the United States have in common with one in Estonia? Aside from both being handbag designers, each can file an international application for industrial design protections for their handbag designs using the Hague System, an international system that enables industrial design protections in several countries and regions with little procedural formalities.[1] Using this system, a designer can designate numerous countries to seek design protections through a streamlined application process.[2] For argument's sake, assume that the United States designer sought design protections in only Estonia and the Estonian designer in only the United States under the Hague System. This is when a key issue arises. Because the Hague System only streamlines application processes, not municipal law, each designated party reviews the application under its own law.[3] In this instance, the United States handbag designer's design will be examined under Estonian design law—which mirrors that of nearly every other design-protecting regime in the world—requiring only that the design be novel and have individual character.[4] However, the Estonian handbag designer's design application will face many more obstacles due to the United States' utilization of its design patent law to examine such application, which enumerates more substantive requirements and necessitates a much longer processing lead time and higher associated costs.[5] When it comes to the Hague Agreement Concerning the International

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1. *See WIPO-Administered Treaties: Contracting Parties > Hague Agreement > Geneva Act (1999) (Total Contracting Parties: 66)*, WORLD INTELL. PROP. ORG., https://www.wipo.int/treaties/en/ActResults.jsp?act_id=7 (last visited Sept. 8, 2021) [https://perma.cc/YF5U-9BSD] (archived Aug. 19, 2021) [hereinafter *WIPO-Administered Treaties: Geneva Act*] (listing the United States and Estonia as members to the Geneva Act of 1999); *see also Hague Agreement Concerning the International Registration of Industrial Designs*, WORLD INTELL. PROP. ORG., https://www.wipo.int/treaties/en/registration/hague/ (last visited Sept. 8, 2021) [https://perma.cc/G9QF-YE68] (archived Aug. 19, 2021).

2. *Summary of the Hague Agreement Concerning the International Registration of Industrial Designs (1925)*, WORLD INTELL. PROP. ORG., https://www.wipo.int/treaties/en/registration/hague/summary_hague.html (last visited Sept. 8, 2021) [https://perma.cc/U6TX-3XUY] (archived Aug. 19, 2021) [hereinafter *Summary of the Hague Agreement*].

3. *See* Vincenzo Melilli, *The International Design Registration: Maintaining National Personality and Acquiring It All at Once*, 8 LANDSLIDE 27, 28 (2016).

4. *See How to Protect Industrial Design in Estonia*, PATENDIAMET: THE ESTONIAN PATENT OFFICE, https://www.epa.ee/en/how-protect-industrial-design/how-protect-industrial-design-estonia (last modified Aug. 4, 2019) [https://perma.cc/4G6D-QPPA] (archived Aug. 19, 2021) (describing the requirements for industrial design protections in Estonia).

5. *See* discussion *infra* Part III.C (describing how US design law meshes with that of the rest of the world and the problems associated therewith).

Registration of Industrial Designs (the Hague Agreement) and its contracting parties, the United States is an outlier in this respect. The implications of the difference between US design law and the law of most major US trading partners are explored in this Note.

Fortunately for handbag designers and other designers alike, industrial design protection has gained significant international traction over the last two decades, as evidenced by sixty-five contracting parties—including individual states and intergovernmental organizations—signing or joining with effect the most recent iteration of the Hague Agreement: the Geneva Act of 1999 (the Geneva Act).[6] The Hague Agreement provides its members with the opportunity to register industrial designs for protection on an international scale.[7] Originating in 1925, the Hague Agreement has seen many renditions throughout its existence, but its most representative act is the recently enacted Geneva Act.[8] The World Intellectual Property Organization (WIPO), the Hague Agreement's administrator, states that "an industrial design may consist of three dimensional features, such as the shape of an article, or two dimensional features, such as patterns, lines or color."[9] Under this definition, industrial design protections can extend from product packaging manufactured by American consumer goods company Procter & Gamble all the way to handbags, accessories, and clothing produced by the British fashion design house Alexander McQueen.[10]

An application filed under the Hague Agreement for industrial design protections is reviewed under the specified contracting party's law where protections are sought.[11] This means that, if protections are granted, the registered industrial design will receive the same protections in the protection-granting contracting party as an industrial design registered through the municipal process.[12] Article 14(1) of the Geneva Act of 1999 explains this concept, stating that "the international registration shall, from the date of the international

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6. *See* Melilli, *supra* note 3, at 27; *see also WIPO-Administered Treaties: Geneva Act*, *supra* note 1 (listing current members to the Geneva Act of 1999).

7. *Summary of the Hague Agreement*, *supra* note 2.

8. Melilli, *supra* note 3, at 27.

9. *Industrial Designs: What is an Industrial Design?*, WORLD INTELL. PROP. ORG., https://www.wipo.int/designs/en/ (last visited Sept. 8, 2021) [https://perma.cc/UTH4-XM32] (archived Aug. 19. 2021).

10. *See generally* Dr. Fridolin Fischer, *Design Law in the European Fashion Sector*, WIPO MAG. (Feb. 2008), https://www.wipo.int/wipo_magazine/en/2008/01/article_0006.html [https://perma.cc/S2E7-SGHC] (archived Aug. 19, 2021) (analyzing design protections in the fashion sector); *see also Designing for Business Success*, WIPO MAG. (Nov. 2012), https://www.wipo.int/wipo_magazine/en/2012/06/article_0004.html [https://perma.cc/W95T-PKQ3] (archived Aug. 19, 2021) (discussing industrial design protections' importance to consumer products manufacturers).

11. *See* Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs art. 14(1), July 2, 1999, 2279 U.N.T.S. 156.

12. *See id.*

registration, have at least the same effect in each designated Contracting Party as a regularly-filed application for the grant of protection of the industrial design under the law of that Contracting Party."[13] Thus, how each contracting party implements its responsibilities under the agreement—and their corresponding municipal design laws—impacts other contracting parties. For example, if the Estonian handbag designer applies for industrial design protections under the Hague Agreement in the European Union (EU), the application is reviewed under EU industrial design law. Likewise, if protections are granted, the design will be protected under EU industrial design law.

But what happens when a contracting party lacks a coherent and cohesive industrial design regime that differs from the rest of the world? Enter: the United States. The United States is party to the Geneva Act of the Hague Agreement, joining with effect on May 13, 2015.[14] Unlike the above example concerning the EU, the United States does not have a statute designated to address industrial design protections, instead protecting designs using copyright, trademark, trade dress, and design patents under its existing intellectual property regime.[15] Thus, the US regime clearly opposes the Hague Agreement's purpose to support easily and efficiently acquired industrial design protections in various contracting parties by simplifying procedures for obtaining protection.[16] This frustrates the Hague Agreement's purpose because US design law differs markedly from how other contracting parties protect designs, effectively disrupting the status quo of protecting industrial design on a global scale.[17] While the Hague Agreement remains a procedural agreement, streamlining municipal design laws to closely mirror that of other contracting parties

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13. *Id.*

14. *Hague Agreement Concerning the International Registration of Industrial Designs*, U.S. PAT. & TRADEMARK OFF., https://www.uspto.gov/patent/initiatives/hague-agreement-concerning-international-registration-industrial-designs (last visited Sept. 8, 2021) [https://perma.cc/255M-8CLQ] (archived Aug. 21, 2021); *WIPO-Administered Treaties: Geneva Act*, *supra* note 1.

15. *See* Donna P. Suchy, *Protecting Industrial Designs: Is the U.S. Behind the World?*, 9 LANDSLIDE 1, 6 (2017).

16. *See* Susanna Monseau, *The Challenge of Protecting Industrial Design in a Global Economy*, 20 TEX. INTELL. PROP. L.J. 495, 520 (2012); World Intell. Prop. Org. [WIPO], *The Hague System for the International Registration of Industrial Designs: Main Features and Advantages*, at 3, WIPO Publ'n No. 911E/19 (2016), https://www.wipo.int/edocs/pubdocs/en/wipo_pub_911_2019.pdf [https://perma.cc/6H6K-HVNR] (archived Aug. 21, 2021) [hereinafter *Hague System: Main Features and Advantages*] (Introduction explains purposes of the Hague System and the Hague Agreement).

17. *See* Monseau, *supra* note 16, at 528 (explaining Congress' reluctance to pass legislation protecting industrial designs); *see also* Suchy, *supra* note 15, at 6–7 (contrasting US design protection policy with other design protection policies from around the world).

theoretically eases the process of international design registration. However, that did not stop the United States from joining the Geneva Act.

While the United States has now been party to the Geneva Act since 2015, it continues to try to fit industrial designs into its existing intellectual property regime.[18] Currently, 35 U.S.C. § 389 governs the US Patent and Trademark Office's (USPTO) examination of international industrial design applications filed under the Hague Agreement.[19] The language of § 389(b) states that "all questions of substance and, unless otherwise required by the treaty and Regulations, procedures regarding an international design application designating the United States shall be determined as in the case of applications filed under chapter 16."[20] Chapter 16 references Title 35 of the United States Code chapter 16, which houses statutes regarding design patents.[21] In essence, the statute provides that all international industrial design applications must meet the parameters of a design patent, which is an intellectual property protection that requires different substantive requirements, takes longer to process, and is more costly than what the vast majority of other contracting parties consider an industrial design.[22]

As recently as June 2020, the United States has demonstrated its commitment to maintaining this practice by releasing administrative guidance from the USPTO that illustrates its failure to align its design law with that of the contracting parties.[23] Specifically, the guidance document, the Manual of Patent Examining Procedure, explains the procedure for examining international industrial design applications in § 2920.05(b) by reproducing the language found in § 389.[24] Thus, although the United States joined the Hague Agreement in 2015, its

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18. *See* Suchy, *supra* note 15, at 7 (questioning whether current US intellectual property protections adequately protect industrial designs).

19. *See* 35 U.S.C.A. § 389 (West 2021).

20. *Id.* § 389(b).

21. *Id.* §§ 171–73.

22. *Compare* discussion *infra* Part II.D (discussing in detail each of the four requirements for a design patent), *with Frequently Asked Questions: Industrial Designs*, WORLD INTELL. PROP. ORG., https://www.wipo.int/designs/en/faq_industrialdesigns.html#:~:text=In%20most%20countries%2C%20an%20industrial,law%20as%20%E2%80%9Cdesign%20patents%20%E2%80%9D.&text=Industrial%20design%20rights%20are%20granted%20for%20a%20limited%20period (last visited Dec. 11, 2020) [https://perma.cc/KXN8-8MUR] (archived Aug. 22, 2021) (navigate to the "How are industrial designs protected?" question, then select the question so the answer appears) (stating that most countries protect industrial designs under a "registered design" standard, while just some countries protect industrial designs as "design patents").

23. *See* MPEP § 2950(b) (9th ed. Rev. 31, Oct. 2019) (USPTO guidance advising that industrial design protections will only be granted if the international application satisfies the requirements of a design patent).

24. *Id.*

problematic implementation of its responsibilities under the agreement persist today, signaling an ongoing issue with troubling implications for designers around the world.

Due to the USPTO using § 389 to examine international industrial design applications, the result of the United States' implementation of its responsibilities under the Hague Agreement is vastly different than other parties adhering to the same agreement. This practice, as compared to other contracting parties, increases the substantive requirements, application processing time, and associated costs involved with attaining design protection, highlighting the problem with current US design protection law under the Hague System. For instance, necessary prerequisites for design patents under US law include originality and ornamentality, in addition to the general patent requirements of novelty and nonobviousness.[25] This is contrary to what many other Hague Agreement contracting parties require for industrial design protections.[26] For example, the EU only requires that an industrial design be new and have an individual character.[27] As a result, this may lead to more rejected applications under the Hague Agreement for protections in the United States due to the United States' imputation of patent requirements onto industrial designs.[28] In addition, patent registration for a design in the United States takes about twenty months from filing date to disposition, starkly contrasting with the industrial design registration process in other contracting parties, such as the EU where registration can take mere weeks or even days.[29]

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25. *See* discussion *infra* Part II.D (discussing in detail each of the four requirements for a design patent).

26. *See* Suchy, *supra* note 15, at 6.

27. *See Industrial Design Protection*, EUR. COMM'N, https://ec.europa.eu/growth/industry/policy/intellectual-property/industrial-design/protection_en#:~:text=The%20regulation%20brought%20into%20being,for%20up%20to%2025%20years (last visited Sept. 8, 2021) [https://perma.cc/M3MS-PTJB] (archived Aug. 22, 2021) [hereinafter *EU Industrial Design Protection*] (stating that the EU only requires that a design be new and have an individual character to gain protections).

28. *See* Lena Schickl, *Protection of Industrial Design in the United States and in the EU: Different Concepts or Different Labels?*, 16 J. WORLD INTELL. PROP. 15, 19 (2013) (claiming that the high rate of invalidation of design patents is supported by the nonobviousness and novelty requirements not matching the nature and purpose of design).

29. *Design Patent Data April 2021*, U.S. PAT. & TRADEMARK OFF., https://www.uspto.gov/dashboard/patents/design.html (last visited Sept. 8, 2021) [https://perma.cc/5BWS-P4MC] (archived Aug. 22, 2021); EUR. COMM'N, LEGAL REVIEW ON INDUSTRIAL DESIGN PROTECTION IN EUROPE 45 (2016) (this report claims that design registration pendency was "slashed from months to weeks or even days"). Note that the USPTO data continuously updates given the current date in which the user is accessing the dashboard. The user can reference design patent pendency data from the preceding twenty-four months. At the time of writing this note, the preceding twenty-four months'

The Hague System presents great opportunities for the international registration of industrial designs.[30] However, this opportunity relies greatly on the contracting parties.[31] As this Note progresses, consider these ideals conveyed by two WIPO administrators. First, the director of the Hague Registry repeatedly insists that—although the Hague Agreement is a procedural agreement—each contracting party must offer flexibility, changing its municipal laws to benefit the international system.[32] Second, the director of the International Bureau stated that the evolution of the Hague System rests not with the bureau itself but instead with the contracting parties.[33] These ideals are important to consider throughout this Note because uniformity in design laws across contracting parties would, in theory, allow the Hague System to operate more seamlessly, readily enabling designers around the world to more easily attain protections for their designs. Consequently, it rests upon the United States—by virtue of participating in the Hague Agreement—to offer flexibility in its municipal law to benefit the international industrial design registration system and facilitate the Hague System's evolution into its most efficient form.

This disconnect between international law and US law is solved by the United States constructing legislation protecting industrial design. The solution proposed in this Note recommends that the United States introduce into law a modified version of its existing design patent law that specifically protects industrial designs by abandoning the nonobviousness requirement.[34] This solution would likely reduce

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(from May 2019 through April 2021) pendency was somewhere between twenty and twenty-two months.

30. Melilli, *supra* note 3, at 31.

31. *See id.* (addressing that contracting parties need to be flexible and the development of the agreement relies on the contracting parties).

32. *Id.* at 30–31.

33. *Id.* at 31.

34. *See, e.g.*, Johnsonville Sausage LLC v. Klement Sausage Co. Inc., 2020 WL 1492983 (E.D. Wis. Mar. 27, 2020). Although this is not a Hague System application, it provides a good example of a design that has a much better chance at registrability under the proposed regime than under existing US design patent law. In this matter, the court invalidated a patent ('754 patent) for a sausage tray as obvious based on combining a primary reference ('011 patent) with a secondary reference ('544 patent) to bridge the gap between the infringing design and prior art. The court utilized the '011 patent for a generic tray as a primary reference for the end walls of the sausage tray, while stating that the '544 patent for a banana tray "supplies the missing element" to be "used to modify the smooth, outward leaning walls of the '011 Patent to create the same visual impression as the walls in Johnsonville's claim." Because a design in most other Contracting Parties—such as the EU—cannot be defeated by combining individual characteristics of already disclosed designs, this design would have a much better chance at registrability without the nonobviousness requirement. Thus, this sausage tray likely would prove to pass the lower bar posed by the rest of the world's industrial design

the associated costs and processing lead time of design applications. As a result, this would alleviate the disconnect between US design law and design law in the vast majority of contracting parties. This is the best remedy for the issue posed in this Note because it provides design protections similar to many contracting parties while easing the United States into an industrial design-protecting regime heavily based on its existing design patent system.

This Note aims to inform US policy by highlighting the issues of its participation in the Hague Agreement while suggesting the adoption of industrial design protections based on a modified version of its existing design patent system. Part II of this Note provides a general background on the history and purpose of the Hague Agreement, the international design–protection regime, the United States' decision to join the Hague Agreement, and the current state of US design patent law. Part III proceeds in four parts. First, it provides a brief introduction into the incentives created by US design law versus that of the rest of the world. Second, it analyzes the interplay of industrial designs and patents in the Agreement on Trade-Related Aspects of Intellectual Property Rights (the TRIPS Agreement). Third, it examines the problems associated with US implementation of its responsibilities under the Hague Agreement and how that differs markedly from the majority of parties adhering to the Hague Agreement. Lastly, it concludes with an overview of the benefits and drawbacks of broader industrial design protections. Part IV presents a solution that will ensure US support of the Hague Agreement's purpose by placing its design–protection regime closer to that of the vast majority of contracting parties by abandoning the nonobviousness requirement.

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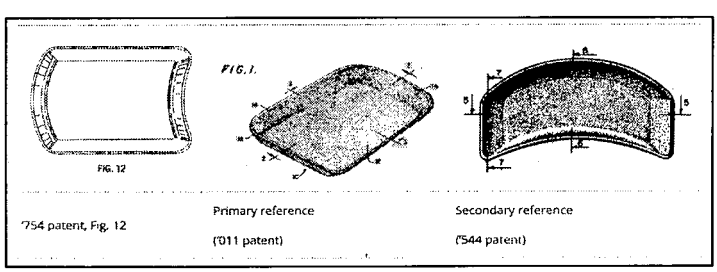
regimes, yet failed to gain protection in the United States. *See infra* Part III.C.1 for further analysis regarding how US design law's substantive requirements differ markedly from that of the rest of the world's design regimes. The below image is from John Evans, *Wurst Case Scenario: Sausage Tray Design Patent Found Obvious*, JONES DAY (Apr. 27, 2020), https://www.ptablitigationblog.com/wurst-case-scenario-sausage-tray-design-patent-found-obvious/ [https://perma.cc/LXY2-GD6F] (archived Aug. 25, 2021).



II. THE HAGUE AGREEMENT AND THE UNITED STATES: PAST AND PRESENT

A. *The History and Purpose of the Hague Agreement*

The Hague Agreement was the first treaty to prioritize industrial design protections on an international scale.[35] First adopted in 1925, the Hague Agreement established the Hague System, which is the international system that streamlines industrial design protections in several countries and regions.[36] Today, the Hague System is governed by two acts of the Hague Agreement, the Hague Act of 1960 and the Geneva Act of 1999.[37] The London Act of 1934 governed the Hague System, as well, until fifteen contracting parties voted to terminate the act, effectively streamlining and simplifying the Hague System's international registration system.[38] Although both the Hague Act and Geneva Act impact the Hague System, this Note will focus solely on the Geneva Act because the United States has only joined with effect to the Geneva Act.[39]

The overarching purpose of the Hague Agreement is to support easily and efficiently acquired industrial design protections in various contracting parties by simplifying procedures for obtaining protection.[40] Again, this purpose is theoretically most-easily achieved when each contracting party is on the "same page" with protecting industrial designs, allowing for a truly streamlined design application and registration process. The Hague Agreement provides a centralized international deposit of industrial designs, creating an easier method for registering designs in numerous countries.[41] It is important to note,

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35. *See* Monseau, *supra* note 16.

36. *Hague Agreement Concerning the International Registration of Industrial Designs*, WORLD INTELL. PROP. ORG., https://www.wipo.int/treaties/en/registration/hague/ (last visited Sept. 8, 2021) [https://perma.cc/SQ34-FD47] (archived Aug 25. 2021).

37. WORLD INTELL. PROP. ORG., HAGUE GUIDE FOR USERS 9 (2021), https://www.wipo.int/export/sites/www/hague/en/guide/pdf/hague_guide.pdf [https://perma.cc/U3S3-JS4Z] (archived Aug. 25, 2021).

38. *See id.*; *Summary of the Hague Agreement*, *supra* note 2.

39. *Compare WIPO-Administered Treaties: Contracting Parties > Hague Agreement > The Hague Act (1960) (Total Contracting Parties: 34)*, WORLD INTELL. PROP. ORG., https://www.wipo.int/treaties/en/ActResults.jsp?act_id=3 (last visited Sept. 8, 2021) [https://perma.cc/9URE-BQPS] (archived Aug, 25, 2021) (note the United States' absence on the list of contracting parties to the Hague Act), *with WIPO-Administered Treaties: Geneva Act*, *supra* note 1 (note the United States' presence on the list of contracting parties to the Geneva Act).

40. *See* Monseau, *supra* note 16; *Hague System: Main Features and Advantages*, *supra* note 16 (Introduction explains purposes of the Hague System and the Hague Agreement).

41. *See* Monseau, *supra* note 16.

however, that the Hague Agreement does not harmonize the design laws and protections of its contracting parties, but it instead seeks to standardize the international application and registration processes.[42] This key distinction highlights that the Hague Agreement does not address substantive intellectual property protections, emphasizing its deference to municipal intellectual property laws.

The Hague Agreement is currently administered by WIPO, a self-funded agency of the United Nations whose mission is "to lead the development of a balanced and effective international IP system that enables innovation and creativity for the benefit of all."[43] The Geneva Act is open to any WIPO member state and certain intergovernmental organizations,[44] such as the EU and the African Intellectual Property Organization (known by its French acronym, OAPI).[45] Any member state or intergovernmental organization interested in becoming party to the Geneva Act must deposit an instrument of ratification or accession with the Director General of WIPO; the agreement will enter into force three months after depositing.[46]

The Hague Act of 1960 remains open to WIPO states who are party to the Paris Convention for the Protection of Industrial Property of 1883, but prospective contracting parties are encouraged to join the Geneva Act, which WIPO deems "more advantageous."[47] The Geneva Act may be considered "more advantageous" to prospective parties for numerous reasons. For instance, the Geneva Act allows for a design–protection term of five years with available renewability for an additional two five-year periods, whereas the Hague Act permitted only one five-year renewal period.[48] Additionally, and more notably for the purposes of this Note, the Geneva Act permits national offices of contracting parties to conduct their own substantive examination of

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42. *See* JOSEPH BIDEN, GENEVA ACT OF THE HAGUE AGREEMENT CONCERNING THE INTERNATIONAL REGISTRATION OF INDUSTRIAL DESIGNS, S. EXEC. REP. NO. 110-7, at 1–2 (2007); Monseau, *supra* note 16.

43. *Inside WIPO*, WORLD INTELL. PROP. ORG., https://www.wipo.int/about-wipo/en/ (last visited Oct. 12, 2020) [https://perma.cc/M3Q7-8FY4] (archived Aug. 30, 2021).

44. An intergovernmental organization must meet two criteria in order to become party to the Geneva Act: firstly, the organization must maintain an office authorized to grant industrial design protections in the territory to which its constituting treaty applies, and secondly, at least one of the organization's member states must be a member of WIPO.

45. *See Summary of the Hague Agreement*, *supra* note 2; *WIPO-Administered Treaties: Geneva Act*, *supra* note 1.

46. *Summary of the Hague Agreement*, *supra* note 2; *see, e.g.*, *WIPO-Administered Treaties: Geneva Act*, *supra* note 1 (listing the majority of contracting parties' having the agreement in force three months after depositing instruments of ratification or accession).

47. *Summary of the Hague Agreement*, *supra* note 2.

48. *See id.*

international industrial design applications—something not permitted under the Hague Act and a major driver for US ratification of the Geneva Act.[49]

B. *Protecting Industrial Designs on an International Scale*

Before analyzing the mechanisms of industrial design protections under the Hague Agreement, it is helpful to briefly discuss the broader topic of international intellectual property rights and protections with an emphasis on territoriality. Perhaps the most important aspect of intellectual property rights is its territorial nature, which impacts where specific rights exist and govern the enforcement standards applicable to validity and infringement disputes.[50] First, intellectual property rights are limited to the territory in which they are granted.[51] Not only does this mean that protections for the same intellectual property can differ from state to state, but it also means that application processes and registration requirements may be different. Second, the territorial nature of international intellectual property enforcement is represented by private international law, which typically takes the form of national and regional rules that vary among states.[52] Claims regarding the validity of intellectual property rights can only be heard by courts in the territory in which the right was granted, whereas foreign intellectual property infringement claims may be heard by some courts outside the territory in which the right was granted.[53]

The territoriality of intellectual property rights is fundamental to understanding the Hague System. The Hague System reinvented the method of applying for industrial design protections on an international scale.[54] Prior to the Hague System's initiation, applicants wishing to register industrial designs in foreign states individually applied for protections in each state in which protection

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49. *See* BIDEN, *supra* note 42, at 2.

50. *See* SUSY FRANKEL & DANIEL J. GERVAIS, ADVANCED INTRODUCTION TO INTERNATIONAL INTELLECTUAL PROPERTY 42–43 (2016) (using intellectual property's territoriality as the first subject in its "Key concepts of international intellectual property" chapter, demonstrating its importance).

51. *Id.* at 42.

52. *Id.* at 43.

53. *Id.* A claim against the validity of an intellectual property right essentially attacks the right itself, arguing that the specific intellectual property is not entitled to protections. A claim for infringement of an intellectual property right argues that another party unauthorizedly utilized the intellectual property at issue.

54. *See* Julia Haines, *[Hague Agreement]* 12 (Int'l Immersion Program Papers, Univ. of Chi., Working Paper No. 48, 2017) (discussing how industrial designs were registered internationally prior to the Hague System's initiation).

was sought.[55] The Hague System effectively streamlined the international registration of industrial designs by centralizing the application process through WIPO.[56] This process centralization allows applicants to submit one design application in one language, and it allows the designer to designate one or more contracting parties in which protection is sought.[57] The International Bureau of WIPO fulfills the centralized application process, either directly with the International Bureau or indirectly through the industrial property office of the designated contracting party.[58] For example, if a US designer wished to file for international industrial design protections using the Hague System, the designer could file an international registration application with the USPTO, which would then forward the application to the International Bureau of WIPO.[59]

Following the International Bureau's approval of an applicant's international industrial design application, the designated contracting parties in which protection is sought are notified of the application.[60] At this juncture in the Hague System, each contracting party's industrial property office will receive the international industrial design application for the purposes of substantive examination.[61] Each national office is charged with ensuring the application's compliance with its national substantive design law requirements.[62] The fact that each national office looks to its own substantive design law requirements illustrates intellectual property law's territorial nature and embodies a key import of the Hague System; namely, it employs a streamlined *process* for registration—not *substantive law*. Specifically, an applicant must ensure that its application filed with the International Bureau meets the particular requirements for *each* contracting party in which it is seeking design protections.[63] Generally, this would not be a major problem as most contracting parties protect industrial designs in a similar manner. However, as will be discussed in more detail later in this Note, a country like the United States—

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55. *Id.*

56. *See id.*

57. Melilli, *supra* note 3.

58. *See Summary of the Hague Agreement*, *supra* note 2.

59. *See* William T. Fryer III, *The Hague Agreement on the Protection of Industrial Designs: Strategies to Use and U.S. Choices in Ratification of the Geneva Act*, 89 J. PAT. & TRADEMARK OFF. SOC'Y 661, 667 (2007) (explaining the process of filing an international registration with the USPTO for purposes of international design protection).

60. *See* Melilli, *supra* note 3; *Summary of the Hague Agreement*, *supra* note 2.

61. Melilli, *supra* note 3.

62. *Id.* at 28.

63. Kenneth "Kenny" Matuszewski & Elizabeth Ferrill, *Around the World and Back: Making a Champion Out of Your Design with International Design Rights*, 11 LANDSLIDE 54, 55 (2019).

whose idea of an "industrial design" is actually a design patent—may cause issues for other contracting parties seeking design protections in the United States because of the increased and foreign substantive requirements and related issues under US design law.[64] Again, assume the Estonian handbag designer files an international application for industrial design protections and designates the United States for protection. The USPTO will examine the application under the substantive standards of a design patent, which may increase the probability of the application's rejection due to the additional and unfamiliar design patent requirements as compared to other contracting parties' general understanding of what constitutes an industrial design.

A contracting party designated for protections is given twelve months to approve the application through its national office.[65] The contracting party may only reject the application if it does not meet the requirements under its national substantive law; a national office may not reject an application for failure to comply with national procedural laws if the application complies with the Hague System's procedure for international industrial design applications.[66] If an international industrial design application satisfies the substantive requirements of a given national office, the design is subject to protections in that contracting party.[67] The design is then governed by the law of the contracting party once approved by the contracting party's national office.[68] A court in a given contracting party adjudicates design cases as if it were a single national registration, applying the contracting party's own substantive law to the case without reference to whether it was filed under the Hague Agreement or as a national filing.[69] For this reason, there is no international design caselaw or international subject-matter jurisdiction for this issue.[70]

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64. *See* discussion *infra* Part III.B (discussing the problems associated with applying a design patent standard to industrial design applications).

65. Haines, *supra* note 54, at 13.

66. *Id.*

67. *Id.*

68. Melilli, *supra* note 3, at 27.

69. *Id.*

70. *Id.*

C. *The United States Signed and Ratified the Geneva Act of the Hague Agreement*

Joined by twenty-three other contracting parties, the United States signed the Geneva Act of the Hague Agreement in 1999.[71] The United States' signing did not establish its consent to be bound by the agreement, but instead conveyed an expressed willingness to continue the treaty-making process.[72] Further, pursuant to its signature, the United States is obliged to refrain from acts that would defeat the object and purpose of the Hague Agreement,[73] which is to support easily and efficiently acquired industrial design protections in various contracting parties by simplifying procedures for obtaining protection.[74] Over the course of nearly sixteen years following its signing, the United States prepared to ratify the Geneva Act.

In the United States, the Constitution vests in the president the power to make treaties by and with the advice and consent of the Senate, provided that two-thirds of senators concur.[75] President George W. Bush invoked this constitutional prerogative on November 13, 2006 and submitted the Geneva Act to the Senate for approval of a resolution of ratification.[76] In the Senate Committee on Foreign Relations report recommending the Senate give its advice and consent to the ratification of the Geneva Act, it noted that the United States' key attraction to the Geneva Act was its provision establishing individual review by national offices.[77] Then-senator Joseph Biden, the author of the report, went further to state that the United States did not seek to join any prior rendition of the Hague Agreement because those acts did not permit national offices to conduct a substantive

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71. World Intell. Prop. Org. [WIPO], *The Geneva Act (1999) of the Hague Agreement Concerning the International Registration of Industrial Designs: Main Innovations Compared with the Present System Provided for in the 1934 and 1960 Acts of the Agreement*, at 1, WIPO No. Publ'n 453 (E) (1999) [hereinafter *Geneva Act: Main Innovations*]; *see WIPO-Administered Treaties: Geneva Act*, *supra* note 1 (noting the United States' date of signature).

72. *See What is the Difference Between Signing, Ratification and Accession of UN Treaties?*, UNITED NATIONS (Apr. 26, 2018), https://ask.un.org/faq/14594 [https://perma.cc/8PJY-SLKA] (archived Aug. 27, 2021); *see also* Vienna Convention on the Law of Treaties art. 18, May 23, 1969, 1155 U.N.T.S. 331 [hereinafter Vienna Convention] (explaining a state's obligations pursuant to signing a treaty).

73. *See* Vienna Convention, *supra* note 72.

74. *See* Monseau, *supra* note 16; *Hague System: Main Features and Advantages*, *supra* note 16; *see also* JOSEPH BIDEN, GENEVA ACT OF THE HAGUE AGREEMENT CONCERNING THE INTERNATIONAL REGISTRATION OF INDUSTRIAL DESIGNS, S. EXEC. REP. NO. 110-7, at 1–2 (2007) (a particularly relevant statement of the Hague Agreement's purpose because it is stated by the US Senate).

75. *See* U.S. CONST. art. II, § 2.

76. S. TREATY DOC. NO. 109-21, at III (2006).

77. *See* S. EXEC. REP. NO. 110-7, at 2.

examination of international industrial design applications.[78] Following Senator Biden's report, the Senate agreed to a resolution of advice and consent to ratification on December 7, 2007.[79]

The power to ratify the Geneva Act then rested with the president, though then-president Bush pledged not to deposit the United States' instrument of ratification of the Geneva Act with WIPO until the United States passed proper implementing legislation.[80] Five years later, then-president Barack Obama signed into law the Patent Law Treaties Implementation Act of 2012, which contained the provision for implementing the Hague Agreement in the United States.[81]

The United States deposited its instrument of ratification with WIPO, and it went into effect three months after on May 13, 2015.[82] Having ratified the Geneva Act of the Hague Agreement, the United States "establishe[d] on the international plane its consent to be bound by [the] treaty."[83] While US ratification of the Geneva Act *should have provided* an easier process for international designers to secure industrial design protections through the USPTO, current US design patent law still presents unreasonable and unfamiliar challenges to such protections that the vast majority of other contracting parties need not grapple with in nearly all other jurisdictions. Additionally, US legislators are reluctant to adopt legislation that reflects a similar industrial design-protecting regime as these other contracting parties.[84] Thus, the United States shows its defiance to support the Geneva Act through its lack of legislation specifically for protecting industrial designs, which frustrates the purpose of the Hague Agreement.

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78. *See id.*; MPEP § 1504 (9th ed. Rev. 31, Oct. 2019).

79. *Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs*, CONGRESS.GOV, https://www.congress.gov/treaty-document/109th-congress/21 (last visited Oct. 16, 2020) (the first listed action under the "Actions" section of the webpage prescribes the Senate's resolution of advice and consent to ratification).

80. *See* S. TREATY DOC. NO. 109-21, at III.

81. *See id.*; *United States Deposits Instrument of Ratification to Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs*, U.S. PAT. & TRADEMARK OFF. (Feb. 13, 2015), https://www.uspto.gov/about-us/news-updates/united-states-deposits-instrument-ratification-geneva-act-hague-agreement [https://perma.cc/8RYD-DS7A] (archived August 27, 2021).

82. *See WIPO-Administered Treaties: Geneva Act*, *supra* note 1 (providing dates for United States' deposit of its instrument of ratification and for when the treaty went into effect).

83. *See* Vienna Convention, *supra* note 72, at art. 2(1)(b) (defining "ratification").

84. Suchy, *supra* note 15, at 6.

D. *Current US Design Law Under the Hague System*

American designers have four distinct intellectual property protections available to them to protect their industrial designs: copyright, trademark, trade dress, and design patents.[85] However, under the Hague System, foreign designers' applications for US industrial design protections are reviewed only using US design patent law.[86]

The USPTO's Manual of Patent Examining Procedure outlines the general requirements for design patent protection.[87] In simple terms, a patentable design can take the form of a three-dimensional configuration, a two-dimensional decoration, or some combination of the two.[88] After it is determined that an article of manufacture fits into the USPTO's definition of a design, the Patent Act provides further guidance on the substantive requirements of obtaining a patent for the design. Codified in Title 35 of the United States Code, the Patent Act declares that "whoever invents any new, original and ornamental design for an article of manufacture may obtain a patent therefor, subject to the conditions and requirements of this title."[89] The Patent Act continues by stating that "the provisions of this title relating to patents for inventions shall apply to patents for designs, except as otherwise provided."[90] This means that a design patent not only needs to satisfy originality and ornamentality requirements, but it also must satisfy the general patent requirements of novelty and nonobviousness found in 35 U.S.C. §§ 102 and 103.[91] Each requirement—originality, ornamentality, novelty, and nonobviousness—is explored in more detail below.

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85. *See id.*

86. *See* 35 U.S.C.A. § 389(b) (West 2021). This statutory section governs the examination of international industrial design applications and states: "All questions of substance and, unless otherwise required by the treaty and Regulations, procedures regarding an international design application designating the United States shall be determined as in the case of applications filed under chapter 16." "Chapter 16" is referring to US Code Title 35 chapter 16 which contains the provisions relating to design patents.

87. *See* MPEP § 1502 (9th ed. Rev. 31, Oct. 2019). The Manual asserts that the visual characteristics embodied in or applied to an article of manufacture constitutes a design. It proceeds by establishing that a design is manifested in appearance, causing the subject matter of design patent applications to relate to "the configuration or shape of an article, the surface ornamentation applied to an article, or to the combination of configuration and surface ornamentation."

88. Sarah Burstein, *The Patented Design*, 83 TENN. L. REV. 161, 172–73 (2015).

89. 35 U.S.C.A. § 171(a) (West 2021).

90. *Id.* § 171(b).

91. Burstein, *supra* note 88, at 171–72; *see* 35 U.S.C.A. §§ 102–103 (establishing the requirements of novelty and nonobviousness as conditions for general patentability).

First, a patentable design must be original.[92] Design patent law's originality requirement is found in Congress's first rendition of design patent law, passed in 1842.[93] However, there is no binding caselaw defining what it means for a design to be "original."[94] The United States Court of Appeals for the Federal Circuit provided guidance in dicta in *International Seaway Trading Corp. v. Walgreens Corp.*, stating that the originality requirement likely mirrors the parameters of copyright law's concept of originality.[95] In *Feist Publications, Inc. v. Rural Telephone Service Co., Inc.*, a seminal decision on copyright law's originality requirement, the U.S. Supreme Court defined originality in copyright law to mean a work that was "independently created by the author" and "possesses at least some minimal degree of creativity."[96] However, the *International Seaway* court's dicta failed to recognize the latter-mentioned prong of originality regarding creativity and only referenced the former-mentioned prong requiring that the work be original with the author.[97] Thus, according to guidance provided by the Federal Circuit's dicta in *International Seaway* and the holding in *Feist*, the factor of independent creation could arguably be imputed onto the originality requirement for design patents.

Second, a patentable design must be ornamental.[98] Section 1504.01(c) of the Manual of Patent Examining Procedure prescribes that a patentable design must be primarily ornamental, taking account of the article's overall appearance to determine "whether the claimed design is dictated by the utilitarian purpose of the article."[99] This

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92. 35 U.S.C.A § 171(a).

93. *See* Int'l Seaway Trading Corp. v. Walgreens Corp., 589 F.3d 1233, 1238 (Fed. Cir. 2009).

94. *See* Burstein, *supra* note 88, 171–72 n.46 (explaining that there is no binding caselaw on the subject of originality in design patent law, but that the federal circuit has suggested a possible meaning for it in dicta).

95. *Int'l Seaway*, 589 F.3d at 1238 (citing MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 2.01 (2005)); *see* Peter Lee & Madhavi Sunder, *Design Patents: Law Without Design*, 17 STAN. TECH. L. REV. 277, 281 (2013) (describing that design patents' "originality" requirement is typically understood to be analogous to copyrights' meaning of the same term). The Federal Circuit maintains nationwide jurisdiction on patents. Thus, note the importance of the Federal Circuit in US design law jurisprudence.

96. Feist Publ'ns, Inc. v. Rural Tel. Serv. Co., Inc., 499 U.S. 340, 345 (1991); *see, e.g.*, *In re* Smith, 25 U.S.P.Q. 360, 362 (C.C.P.A. 1935), (holding as not patentable for want of originality a "baby doll simulating the natural features . . . of a baby without embodying some grotesqueness or departure from the natural form," relying on the concept of simulation which holds that an article lacks originality when it simulates a well-known or naturally occurring object or person); *see* U.S. COPYRIGHT OFF., COMPENDIUM OF U.S. COPYRIGHT OFFICE PRACTICES § 308 (3d ed. 2021) (citing *Feist*, 499 U.S. at 345) (explaining the originality requirement in copyright law).

97. *Int'l Seaway*, 589 F.3d at 1238.

98. 35 U.S.C.A. § 171(a) (West 2021).

99. MPEP § 1504.01(c) (9th ed. Rev. 31, Oct. 2019) (citing *L.A. Gear, Inc. v. Thom McAn Shoe Co.*, 988 F.2d 1117, 1123 (Fed. Cir. 1993)).

section defines the term further, explaining that an ornamental feature or design is one which was "created for the purpose of ornamenting."[100] A seemingly circular definition is clarified by Federal Circuit precedent which provides further guidance, although the standard is fairly lax and renders it difficult for the USPTO to reject design patent applications on the basis of ornamentality.[101] The Federal Circuit will find a design to be "ornamental" unless it is not a "matter of concern" or unless it is "dictated by function."[102] First, the Federal Circuit presumes an article is a "matter of concern" unless "it is concealed in its normal and intended use."[103] To put it another way, and in less cryptic terms, a patentable design must not be hidden from the human eye during the course of its typical usage. Second, a design is "dictated by function" when there are no alternative designs for the article.[104] "Alternatives" is defined by the Federal Circuit as an alternative design that "provides the same or similar functional capabilities."[105] The Federal Circuit will not deem a design unpatentable if alternatives to the design exist, which would indicate that the design is not dictated by function.[106] Interestingly, under Federal Circuit caselaw, it is quite challenging for the USPTO to reject designs for lack of ornamentality because there are almost always alternatives.[107]

Third, a patentable design must be novel.[108] The novelty requirement is laid out plainly in the United States Code and states that a person shall be entitled to a patent unless "the claimed invention was patented, described in a printed publication, or in public use, on sale, or otherwise available to the public before the effective filing date of the claimed invention."[109] The statute also prohibits patent

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100. *Id.* (citing *In re* Carletti, 328 F.2d 1020 (C.C.P.A. 1964)).

101. *See* Sarah Burstein, *Is Design Patent Examination Too Lax?*, 33 BERKELEY TECH. L.J. 607, 621–24 (2018).

102. *Id.* at 621; *see, e.g.*, Application of Stevens, 173 F.2d 1015, 1019 (C.C.P.A. 1949) (the court held that the proposed design—a rotary brush used in vacuum cleaners—was not a matter concern, explaining that "[T]he brush 'is particularly designed as a rotary brush for a vacuum cleaner,' and it is evident from the construction of the brush that that is its intended use. In such use it would normally be concealed").

103. Burstein, *supra* note 101, at 621 (citing *In re* Webb, 916 F.2d 1553, 1557 (Fed. Cir. 1990)).

104. *Id.* at 622.

105. *See id.* (citing Ethicon Endo-Surgery, Inc. v. Covidien, Inc., 796 F.3d 1312, 1331 (Fed. Cir. 2015)).

106. *Id.*; *see, e.g.*, Door-Master Corp. v. Yorktowne, Inc., 256 F.3d 1308, 1312–13 (Fed. Cir. 2001) (holding that a rectangular-shaped feature of an integrated door and frame was ornamental because the shape could have been oval or triangular and performed the same function as the rectangular design).

107. *See* Burstein, *supra* note 101, at 624.

108. *Id.* at 613.

109. 35 U.S.C.A. § 102(a) (West 2021).

entitlement if the claimed invention was described in an issued patent or in an application for patent that is published or deemed published where the application names another inventor and was filed prior to the filing date of the claimed invention.[110] A novel design must not be "substantially the same" as a previous design when it is viewed by "an ordinary observer, giving such attention as a purchaser usually gives."[111] Moreover, a design is not novel if such an observer is induced to purchase the new design, mistaking it to be a prior design.[112]

Lastly, a patentable design must be nonobvious.[113] Nonobviousness adds to the novelty requirement and furthers the inquiry by asking if a design is *different enough* from prior designs to grant a patent.[114] This often presents difficulties to the appellate review process,[115] but the Federal Circuit has attempted to distill this issue into the simpler question of "whether the claimed design would have been obvious to a designer of ordinary skill who designs articles

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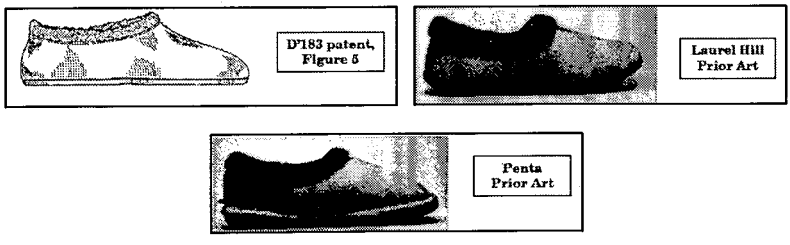
110. *Id.* § 102(b) (referencing §§ 151 and 122(b), which regard issuance of patents and publications of patent applications, respectively).

111. Sarah Burstein, *Visual Invention*, 16 LEWIS & CLARK L. REV. 169, 175 (2012) (citing Int'l Seaway Trading Corp. v. Walgreens Corp., 589 F.3d 1233, 1238 (Fed. Cir. 2009)); *see, e.g.*, High Point Design LLC v. Buyer's Direct, Inc., 621 F. App'x 632, 639–40 (Fed. Cir. 2015). This case provides an example where differences were enough to sustain a finding of novelty. In *High Point Design*, the court assessed whether a slipper design was anticipated by two prior art references ("anticipation" is a ground for invalidating or rejecting a patent because the invention lacks novelty). The court found "meaningful differences between the curvatures of the slipper body designs. The body of the patented design has a distinct 'S' curve between the foot opening and the front of the slipper as viewed from the side, which ends in a downward slope toward the front of the body. By contrast, the Laurel Hill [(prior art)] has a prominent upward curve near the front. The Penta [(prior art)] is also different because it has a noticeably flatter, more even slope from the foot opening towards the front. There are also clear differences between the protruding fuzz of the claimed and prior art designs." The court concluded that prior art (Lauren Hill and Penta) did not anticipate the claimed design (D'183 patent).



112. Burstein, *supra* note 111 (citing *Int'l Seaway*, 589 F.3d at 1239).

113. Burstein, *supra* note 101, at 616.

114. Jason J. Du Mont, *A Non-Obvious Design: Reexamining the Origins of the Design Patent Standard*, 45 GONZ. L. REV. 531, 598 (2010).

115. *Id.* at 598–99.

of the type involved."[116] To determine the answer to this *simpler* question, the Federal Circuit developed a slightly more complicated two-part test.[117] The first step requires finding a reference already in existence with "design characteristics of which are basically the same as the claimed design," referred to as a primary reference.[118] Once a primary reference is located, step two requires consideration of secondary references, which are designs "so related [to the primary reference] that the appearance of certain ornamental features in one would suggest the application of those features to the other."[119] Secondary references' features may be combined with the primary reference, modifying it to bridge the gap between the claimed design and the primary reference.[120] If, after considering both steps, the prior art "suggested the overall appearance of the claimed design" to a person having ordinary skill in the art, then the article is not patentable due to its obviousness.[121]

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116. Burstein, *supra* note 101, at 616 (citing MRC Innovations, Inc. v. Hunter Mfg., 747 F.3d 1326, 1331 (Fed. Cir. 2014)).

117. *See id.*

118. *Id.* (citing *MRC Innovations*, 747 F.3d at 1331).

119. *Id.* (citing *MRC Innovations*, 747 F.3d at 1331); *see* Sarah Burstein, *Design Patent Nonobviousness — Going to the Dogs?*, PATENTLYO BLOG (Apr. 3, 2014), https://patentlyo.com/patent/2014/04/design-nonobviousness-jurisprudence.html [https://perma.cc/DA94-SANJ] (archived Aug. 28, 2021) (stating that the Federal Circuit seldom reaches the second step of this test because the primary reference step requires "a very high degree of similarity").

120. *See MRC Innovations*, 747 F.3d at 1334 (explaining that secondary references can be used to "bridge the small gap" between the claimed design and the primary reference).

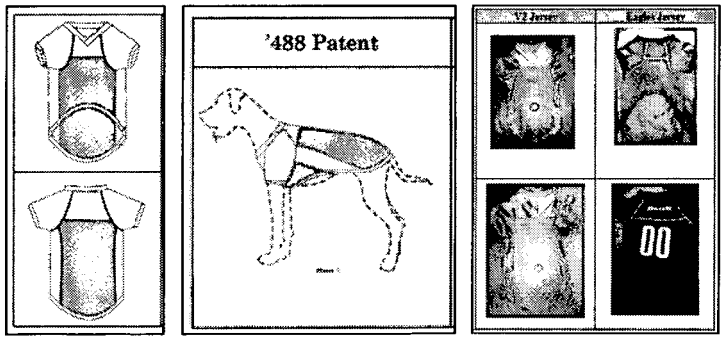
121. Burstein, *supra* note 111, at 187; *see, e.g.*, MRC Innovations, Inc. v. Hunter Mfg., 747 F.3d 1326, 1331–35 (Fed. Cir. 2014) (after considering the Eagles jersey below as a primary reference and the V2 Jersey below as a secondary reference for the '488 Patent, the court invalidated the '488 Patent due to its obviousness because the prior art (i.e. the primary and secondary sources referenced) suggested the overall appearance to a skilled designer. *MRC Innovations* regards a design patent dispute over pet jerseys, that is, pet clothing that is modeled after sports uniforms. The appellate court recites the factors of similarities between the claimed design (Patent '488) and the Eagles Jersey to determine if the Eagles Jersey may serve as a primary reference in this matter: an opening at the collar portion for the head, two openings and sleeves stitched to the body of the jersey for limbs, a body portion on which a football logo is applied, construction of primarily a mesh and interlock fabric, and at least some ornamental surge stitching. The court concluded that the '488 patent created "basically the same" overall visual impression as the Eagles Jersey prior art reference, satisfying it as a primary reference. The court continued, stating that the V2 Jersey could easily have served as a primary reference itself because its overall visual appearance is so similar to that of the claimed design and the Eagles Jersey. Thus, the court finds both jerseys "'so related' to the Eagles Jersey that the striking similarity in appearance across all three jerseys would have motivated a skilled designer to combine features from one with features of another." Therefore, the V2 Jersey is satisfied as a secondary reference.).

III. THE PUZZLE OF US DESIGN LAW: HOW IT FITS INTO THE INTERNATIONAL DESIGN REGIME

A. *Incentives Created by US Design Law Versus That of the Rest of the World*

It should come as no surprise that two incompatible legal regimes attempting to protect designs create different incentives for designers seeking protection. While both design patents and industrial design protections seek to promote the decorative arts through intellectual property protection, the incentives imbued in each system diverge. As this Note progresses into an analysis of how US design law meshes with that of the rest of world and the implications on the Hague Agreement resulting therefrom, consider the differing incentives each system creates.

Design patents, by nature of being embedded in US patent law and borrowing some substantive requirements from utility patents, incentivize inventiveness. Textually, this is captured in the statutory language regarding design patent grants: "[w]hoever *invents* any new, original and ornamental design for an article of manufacture may obtain a patent therefor."[122] Furthermore, a substantive patent requirement of "invention" was first introduced in common law in the infamous case of *Hotchkiss v. Greenwood* in 1850.[123] Roughly one hundred years following *Hotchkiss*, the Patent Act codified *Hotchkiss*'s "invention" standard in 35 U.S.C. § 103 under the moniker of non-obviousness.[124] Because of the nonobviousness requirement, designers must reflect in their designs "some exceptional talent beyond the skill



122. 35 U.S.C.A. § 171(a) (West 2021) (emphasis added).

123. Hotchkiss v. Greenwood, 52 U.S. 248, 266 (1850) ("[U]nless *more ingenuity and skill* in applying the old method . . . were required . . . than were possessed by an *ordinary mechanic acquainted with the business*, there was an absence of that degree of skill and ingenuity which constitute essential elements of every *invention*.") (emphasis added); *see* Du Mont, *supra* note 114, at 596 (citing 35 U.S.C. § 171 (1952)) (explaining that the Patent Act of 1952 codified the "invention" requirement).

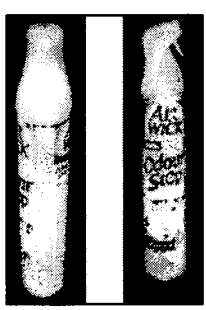
124. Du Mont, *supra* note 114, at 596 (citing 35 U.S.C. § 103(a) (1952)).

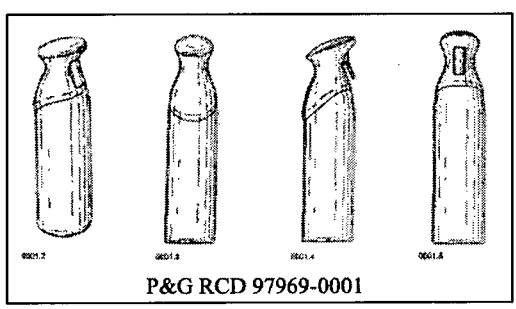
of the ordinary designer" or exhibit a level of "inventive genius."[125] Consequently, mere creativity likely will not satisfy the requirements of a design patent, requiring designers to push the bounds of what is already known and to theoretically employ an inventive mentality to gain design patent protection.

Contrasting with design patents, industrial design protections in contracting parties other than the United States tend to incentivize creative expression and the placement of original designs into society. Industrial design's proclivity toward incentivizing general creativity—rather than exceptional inventiveness—is realized in a few points. Take the EU as an example, where designs with very slight variances from prior art typically satisfy the substantive requirements of EU design law.[126] Furthermore, the EU—as well as other contracting parties—only carries out substantive examinations of design applications to ensure that the proposed design meets the definition of design under EU law and that it is not contrary to public policy or morality, which means that the EU does not substantively examine applications to determine novelty or individual character.[127] Considering these points, it seems evident that other contracting

125. G.B. Lewis Co. v. Gould Prods., Inc., 436 F.2d 1176, 1178 (2d Cir. 1971) (citations omitted).

126. Maggie Diamond, Note, *A Defense of Industrial Design Rights in the United States*, 5 N.Y.U. J. INTELL. PROP. & ENT. L. 1, 35 (2015) (citing Case T-339/12, Gandia Blasco, SA v. OHIM, 2014 CURIA); *see, e.g.*, Procter & Gamble Co. v. Reckitt Benckiser (UK) Ltd., [2007] EWCA (Civ) 936 (Eng.) (despite very noticeable similarities between Proctor & Gamble's design and Air Wick's design, the Wales Court of Appeals found no infringement).





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127 *See Guidelines for Examination in the European Union Intellectual Property Office on Registered Community Designs: Examination of Applications for Registered Community Designs*, EUR. UNION INTELL. PROP. OFF. 21 (no date) [hereinafter *Guidelines for Examination in the EUIPO*]; *see generally Obtaining IP Rights: Industrial Designs*, WORLD INTELL. PROP. ORG., https://www.wipo.int/sme/en/obtain_ip_rights/designs.html (last visited May 10, 2021) [https://perma.cc/3QN3-L437] (archived Aug. 28, 2021). WIPO claims that in many countries, no search into or examination of substance is carried out prior to the registration of an industrial design. WIPO continues to explain that in *some* countries—clearly indicating a minority—a design is checked for substance such as novelty and/or originality.

parties' design regimes incentivize creative expression and placement of designs into society by allowing for easier paths to registration of original designs without requiring "exceptional talent" or "inventive genius."

B. *Industrial Designs and Patents in TRIPS with Relation to US Design Law*

As repeatedly mentioned, the United States' use of design patent law to protect industrial designs stands in stark contrast to the vast majority of other contracting parties' protections for industrial designs. Specifically, the United States' failure to enact a statute specifically protecting industrial designs threatens its compliance with the purpose of the Hague Agreement.[128] Therefore, the United States must apply its design patent law to international industrial design applications in an attempt to comply. As this subpart will assert, there is a clear distinction in international intellectual property law between industrial designs and patents, raising concerns regarding the United States' imputation of its design patent law onto industrial designs for Hague Agreement applications. To illustrate this assertion, this subpart provides a brief analysis of industrial designs *vis-à-vis* patents through the lens of the TRIPS Agreement, a comprehensive, minimum-standards agreement on intellectual property laws adhered to by World Trade Organization (WTO) members.[129] The TRIPS Agreement is the world's leading instrument on patent law[130] and was established to form a mutually supportive relationship between the WTO and WIPO.[131]

The United States, by virtue of being a member of the WTO, is subject to the TRIPS Agreement.[132] Article 25.1 of the TRIPS Agreement requires WTO members to provide protections to new or original industrial designs, which can be understood textually to mean

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128. Suchy, *supra* note 15, at 6.

129. *See Overview: The TRIPS Agreement*, WORLD TRADE ORG., https://www.wto.org/english/tratop_e/trips_e/intel2_e.htm (last visited Sept. 8, 2021) [https://perma.cc/LL25-U4D5] (archived Aug. 28, 2021).

130. DANIEL GERVAIS, THE TRIPS AGREEMENT: DRAFTING HISTORY AND ANALYSIS 428 (4th ed. 2012).

131. Agreement on Trade-Related Aspects of Intellectual Property Rights Preamble, Apr. 15, 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, 1869 U.N.T.S. 299 [hereinafter TRIPS Agreement].

132. *See United States of America and the WTO*, WORLD TRADE ORG., https://www.wto.org/english/thewto_e/countries_e/usa_e.htm#:~:text=United%20States%20of%20America%20and%20the%20WTO&text=The%20United%20States%20of%20America,GATT%20since%201%20January%201948 (last visited Sept. 8, 2021) [https://perma.cc/V5EN-5J5R] (archived Aug. 28, 2021) (providing information regarding the United States' membership in the WTO, including the date it joined).

novelty or originality, respectively, under US design patent law.[133] Pursuant to Article 25.1, members may deem a design as "not new or original" if the design does not significantly differ from known designs or combinations of known design features.[134] Notably, the article is silent as to what standard of review determines whether a design is not new or original.[135] Article 25.1 also allows, but does not require, members to reject protections if the design is "dictated essentially by technical or functional considerations."[136]

Article 25.1's permitted definition for "not new or original"—that the design does not significantly differ from known designs or combinations of known design features—resembles the novelty requirement under US design patent law but can be stretched to mean nonobviousness. A claim of nonobviousness requires referencing prior art through the eyes of a designer of ordinary skill in the art, with specific obligations to locate primary and secondary design references.[137] Arguably, this falls within Article 25.1's allowable standard that members can reject protections if the design does not significantly differ from known designs or combinations of known design features because the TRIPS Agreement remains a *minimum-standards* mandate and the article does not specify a standard of review.[138] Perhaps, for this permissive definition, the standard of review for determining whether a design does not significantly differ from known designs or combinations of known design features could be through the eyes of a fictional designer of ordinary skill in the art. The second permissive standard under Article 25.1 allowing members to reject protections if the design is dictated essentially by technical or functional considerations captures the US design patent standard of

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133. TRIPS Agreement, *supra* note 131, at art. 25.1.

134. *Id.* (note the use of the word "may" regarding this standard, denoting a permissive standard rather than a mandatory standard).

135. *See id.*

136. *Id.*

137. *See* discussion *supra* Part II.D (discussing in detail the nonobviousness requirement).

138. *See* Tiffany Mahmood, Note, *Design Law in the United States as Compared to the European Community Design System: What Do We Need to Fix?*, 24 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 555, 558 (2014) (claiming that "novelty or originality can be defined based on standards of non-obviousness and TRIPS does not exclude a higher standard for novelty or originality"). *Compare* discussion *supra* Part II.D (discussing in detail the nonobviousness requirement), *with* TRIPS Agreement, *supra* note 131, at art. 25.1 (outlining the minimum standards for industrial design protections for WTO Members). *But see* Harold C. Wegner, *The New Industrial Design Law, a TRIPS Trap?*, PATENTLYO BLOG 5 (Nov. 15, 2012), https://patentlyo.com/media/docs/2012/11/wegnerindustrialdesignsnov12.pdf [https://perma.cc/AW4L-GPHT] (archived Aug. 28, 2021) (claiming that the nonobviousness requirement of US design patent law does not fit within the framework of TRIPS Art. 25.1, taking a more policy-based approach that a requirement of nonobviousness would defeat the purpose of industrial design protection law).

ornamentality.[139] Therefore, an argument is made that current US design patent law is compatible with the United States' obligations to protect industrial designs under the TRIPS Agreement.

However, an argument can be made by drawing a negative analogical inference with regard to footnote 5 under Article 27.1 of the TRIPS Agreement. Footnote 5 addresses terminological substitutes for certain patent requirements under Article 27, which defines patentable subject matter.[140] The text of the footnote concerns the article's use of the terms "inventive step" and "capable of industrial application."[141] Specifically, the footnote asserts that, for the purposes of Article 27, "inventive step" and "capable of industrial application" may be interpreted by members to mean "non-obvious" and "useful" respectively.[142] Contrasting with Article 27.1 regarding patents, Article 25.1 on the protection of industrial designs contains no such footnote regarding differing terminologies.[143] The difference in footnote additions, although subtle, highlights a salient point: *certain* terminological substitutes are permitted under the TRIPS Agreement, and those *certain* interpretations are explicitly referenced. Thus, without having a footnote referencing substitutive language, the text and requirements of an industrial design under the TRIPS Agreement should be read plainly and without modification. Therefore, while Article 25.1 permits members to interpret "not new or original" as "not significantly differ[ing] from known designs or combinations of known design features," this permission may favor an interpretation similar to the United States' design patent requirement of novelty, rather than nonobviousness. If the TRIPS Agreement permitted members to interpret a provision of Article 25 to mean a requirement of "nonobviousness," surely the drafters would have made this distinction in a footnote like they did with Article 27. This brief and fundamental analysis regarding industrial designs and patents may evince a separation thereof. However, on balance, considering that the TRIPS Agreement is a minimum-standards mandate—not a ceiling on substantive requirements for protections—the United States likely meets its obligations under the TRIPS Agreement to protect industrial

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139. Mahmood, *supra* note 138, at 576. *Compare* discussion *supra* Part II.D (discussing in detail the ornamentality requirement), *with* TRIPS Agreement, *supra* note 131, at art. 25.1 (outlining the minimum standards for industrial design protections for WTO Members).

140. *See* TRIPS Agreement, *supra* note 131, at art. 27.1 n.5 ("For the purposes of this Article, the terms 'inventive step' and 'capable of industrial application' may be deemed by a Member to be synonymous with the terms 'non-obvious' and 'useful' respectively.").

141. *Id.*

142. *Id.*

143. *Compare id.* (containing a footnote addressing interpretations permitted by Members), *with id.* at art. 25 (containing no footnotes).

designs, albeit with more substantive requirements than what is required under the TRIPS Agreement.

C. *US Design Law is Problematic to International Industrial Design Applications Filed Under the Hague Agreement*

The explanation in subpart D of Part II provides an overview of the USPTO's considerations when examining an international industrial design application filed under the Hague Agreement.[144] This subpart will analyze why applying US design patent law to international industrial design applications filed under the Hague Agreement is problematic. First, US design patent law's substantive requirements are examined in light of other contracting parties' design laws to illustrate the United States' divergence from and incompatibility with other contracting parties' requirements. Second, and slightly tangential, though highly impactful, US design patent law's processing lead time and associated costs are examined with reference to the same metrics under the typical industrial design-protecting regime followed by most contracting parties to illustrate the discrepancies between the two regimes.

1. US Design Patent Law's Substantive Requirements are Problematic

The vast majority of countries in the world, including most of the Geneva Act's contracting parties, mandate that an industrial design be new or original and non-functional.[145] Some contracting parties only require an industrial design to be new, which partially coincides with the United States' design patent requirement of novelty by barring protections for designs that already exist.[146] A substantial plurality of contracting parties—mostly those located in Europe—take the newness requirement a step further to also require that the design

144. *See* discussion *supra* Part II.D (discussing in detail each of the four requirements for a design patent).

145. Suchy, *supra* note 15, at 6; *What is Intellectual Property*, OPEN U. 12 (2016), https://www.open.edu/openlearn/ocw/pluginfile.php/801396/mod_resource/content/3/Session%206%20WIPO%20What%20is%20intellectual%20property%20booklet.pdf [https://perma.cc/PXH9-7RWK] (archived Aug. 28, 2021).

146. *See, e.g.*, Law on the Patents, Utility Model Certificates and Industrial Designs of 2003 §§ 91–92 (Cambodia) (unofficial translation) (explaining that an industrial design shall be considered new if it has not been disclosed to the public, anywhere in the world, by publication in tangible form or by use or in any other way, prior to the filing date or, where applicable, the priority date of the application for registration); Industrial Designs Act of 2003 (Act 660) § 2 (Ghana) (defining a new or original design as one that significantly differs from known designs or combinations of known design features).

have individual character.[147] Possessing individual character, that is, requiring that industrial designs produce an overall different impression on an informed user, also falls within the United States' design patent requirement of novelty.[148] Furthermore, the non-functionality requirement appearing in the majority of contracting parties' industrial design laws—mandating that the design be ornamental and not dictated by function—demonstrates significant overlap with the easily-achieved ornamentality requirement under US design patent law.[149] Nearly all of the contracting parties require all three of the aforementioned requirements, or at least a combination thereof.

Although a requirement similar to design patent's originality requirement is not found in other contracting parties' industrial design laws, it seems like a negligible distinction due to the ease of satisfying this requirement. The originality requirement simply requires that the work is not a copy—that is, that the work is independently created by the author.[150] In *Feist*'s dicta, from which design patent law likely borrows its originality definition, the court provided an example to illustrate the breadth of the originality requirement: "[A]ssume that two poets . . . compose *identical* poems. Neither work is novel, yet both are original."[151] Thus, it is hard to imagine a meaningful number of

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147. *See, e.g.*, Law on Industrial Design of 1995 Arts. 3–4 (Lith.) (explaining that an industrial design must be novel and possess individual character); Law on Legal Protection of Industrial Design of 2010 Arts. 4–6 (Montenegro) (explaining that an industrial design must be novel and possess individual character).

148. *See, e.g.*, Law on Industrial Design of 1995 Art. 4 (Lith.) ("An industrial design possesses individual character if an informed user is able to differentiate one industrial design on the basis of its general appearance."); *see* Mikas Miniotas, Novelty and Individual Character in the Community Design Law (Spring 2005) (unpublished Master thesis at 19, Faculty of Law University of Lund), https://lup.lub.lu.se/luur/download?func=downloadFile&recordOId=1554965&fileOId=1563502 [https://perma.cc/FR5S-WWSB] (archived Aug. 28, 2021) (defining the individual character requirement); discussion *supra* Part II.D (discussing in detail the novelty requirement).

149. *See, e.g.*, David Stone, *Ten Years of EU Design Law*, WIPO MAG. (Dec. 2013), https://www.wipo.int/wipo_magazine/en/2013/06/article_0006.html [https://perma.cc/SVA8-NJMY] (archived Aug. 23, 2021) (explaining that EU design law excludes from protection design features "solely dictated by technical function"); *Industrial Designs*, BUS. & INTELL. PROP. AUTHORITY, https://www.bipa.na/intellectual-property/industrial-designs/ (last visited Sept. 8, 2021) [https://perma.cc/SM8X-S5NJ] (archived Aug. 23, 2021) (explaining that Namibia's industrial design requirements include non-functionality and that industrial designs protect ornamental features associated with articles used in commerce); *see* Burstein, *supra* note 101, at 624 ("Because there are almost always alternatives, Federal Circuit caselaw makes it incredibly difficult--if not practically impossible--for the USPTO to reject any designs for a lack of ornamentality."); discussion *supra* Part II.D (discussing in detail the ornamentality requirement).

150. *See* Feist Publ'ns, Inc. v. Rural Tel. Serv. Co., 499 U.S. 340, 345 (1991).

151. *Id.* at 345–46 (emphasis added).

industrial design applications being rejected for failing to meet the originality requirement.

Notably, there is one stark difference between US design law and that of the vast majority of contracting parties: the requirement that the design be nonobvious. This requirement for industrial designs, only shared by a very select few contracting parties such as Vietnam and Japan, is what sets US design patent's substantive requirements apart from nearly all other contracting parties.[152] On first pass, the typical industrial design requirement of individual character may resemble nonobviousness because both requirements reference a fictional individual's familiarity with the proposed design to determine its registrability.[153] However, a key difference exists in this fictional individual: the requirement of individual character requires that the design produce an overall different impression on an informed user, whereas nonobviousness requires a design to be not obvious to a person having ordinary skill in the art. To break this down into a more simplified depiction, the "individual character" fiction draws upon the impression of an *informed consumer*—an individual much less attuned to the intricacies of design; the "nonobviousness" fiction draws upon the impression of an *ordinarily skilled producer* in the given art—an individual who likely studies the particular style or aspect of design and is familiar with the complexities of producing such a design. Because of this distinction, US design patent law adds one more hurdle to industrial design protection than nearly all other contracting parties' design laws. Not only is this "hurdle" an added substantive requirement, it also dives deeper into the prior art inquiry than what international designers are accustomed to and, perhaps, prepared for.[154]

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152. *See, e.g.*, Sharifa Sayma Rahman, *Industrial Design in Different Jurisdictions: A Comparison of Laws*, 19 J. INTELL. PROP. RTS. 223, 224 (2014) (explaining that, although Japan has a specific design law, its patent law is still applied *mutatis mutandis* in Japanese design law); *Industrial Designs*, MINISTRY SCI. & TECH.: INTELL. PROP. OFF. VIET., http://noip.gov.vn/web/english/industrial-designs (last visited Feb. 2, 2021) [https://perma.cc/BPN6-GYAB] (archived Aug. 28, 2021) (explaining the industrial design requirement of "involving an inventive step" which requires that the design cannot be easily recreated by a person with average knowledge in the art).

153. *Compare* MRC Innovations, Inc. v. Hunter Mfg., 747 F.3d 1326, 1331 (Fed. Cir. 2014) (quoting Titan Tire Corp. v. Case New Holland, Inc., 566 F.3d 1372, 1380–81 (Fed. Cir. 2009)) ("whether the claimed design would have been obvious to a designer of ordinary skill who designs articles of the type involved"), *with* Law on Industrial Design of 1995 Art. 4 (Lith.) (explaining that an industrial design possesses individual character if an informed user is able to differentiate one industrial design on the basis of its general appearance).

154. *Compare* Standard Oil Co. v. American Cyanamid Co., 774 F.2d 448, 454 (Fed. Cir. 1985) (explaining that the hypothetical person having ordinary skill in the art under an obviousness issue is presumed to be aware of *all* the pertinent prior art), *with* Case T-666/11, Budziewska v. OHIM, 2013 (explaining that the "informed user" under

The process of reviewing a design for obviousness in the United States takes the form of a two-step process: first, finding a primary reference that is "basically the same" as the claimed design, and second, finding a secondary reference that may be combined with the primary reference to bridge the gap of differences between the primary reference and the claimed design.[155] This means that design patent examination or subsequent invalidation may utilize a combination of features from two distinct designs to determine the design's obviousness. This differs quite drastically from the proper procedure for a determination of individual character. The Guidelines for Examination of Registered Community Designs set. forth by the European Union Intellectual Property Office (EUIPO) provides guidance on this matter, explaining that "[t]he Community design must be compared *individually with each and every earlier design* relied on by the applicant."[156] This means that combining design features taken in isolation and drawn from a number of earlier designs—a key import of the inquiry into a design's obviousness under US design patent law—is an impermissible tactic in determining the registrability of a design in the EU.[157] Therefore, a design consisting of a combination of already disclosed features is eligible for protection in the EU, given that, as a whole, the design is novel and has individual character, whereas the same cannot be said with such certainty in the United States.[158]

The nonobviousness requirement's subjective nature and need for inventiveness beyond prior art may present difficulty for designers to gain protections unless their designs are "truly extraordinary, outstanding, or remarkable."[159] To international designers unfamiliar with this requirement or, perhaps, not designing with an eye towards satisfying this requirement, the nonobviousness requirement may hinder protection in the United States.

This additional and heightened requirement is problematic because it frustrates the purpose of the Hague Agreement to simplify the legal procedures for obtaining international industrial design

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an individual character issue is a person who had acquired *some* experience in the sector, without being an expert).

155. *See supra* Part II.D (outlining the test for nonobviousness in US design patent law).

156. *Guidelines for Examination in the EUIPO*, *supra* note 127, at 30 (emphasis added).

157. *Id.*

158. *Id.*

159. Daniel H. Brean, *Enough is Enough: Time to Eliminate Design Patents and Rely on More Appropriate Copyright and Trademark Protection for Product Designs*, 16 TEX. INTELL. PROP. L.J. 325, 338 (2008) (citing G.B. Lewis Co. v. Gould Prods., Inc., 436 F.2d 1176, 1178 (2d Cir. 1971)).

protections.[160] To begin, the United States' participation in the Hague Agreement seems to have the opposite effect of the agreement's intended result. Having an additional substantive requirement to achieve industrial design protections that differs pointedly from nearly all other contracting parties can confuse and impede parties seeking protection in the United States.[161] As referenced, the Hague System streamlines registration processes and does not harmonize intellectual property laws among parties; this system works best when all parties adhere to very similar municipal laws. The United States breaks the status quo of industrial design laws among contracting parties, complicating the design registration process in the United States by mandating a substantive requirement foreign to other contracting parties' design laws.

Lastly, the United States' additional—and different—substantive requirement for obtaining design protections may inhibit designers who meet the minimum requirements of other contracting parties' design laws from seeking protections in the United States. Nonetheless, US designers who cannot gain design protections in the United States because of its patent law's substantive requirements can easily seek international protections under the Hague Agreement. This complication points to the more troubling insight that US designers will benefit far more from the United States' participation in the Hague Agreement than other designers around the world. This is not an unfamiliar concept to the United States, however. Although the United States is typically seen as a country of law and order, it tends to take a self-interested view to treaty interpretation knowing that it can bypass the majority of penalties due to its economic and political strength.[162] Furthermore, the United States has a record of holding other nations accountable for failing to comply with international treaties while itself falling short of compliance in an array of important international treaties.[163] The United States' participation in the Hague

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160. *See* Monseau, *supra* note 16 (explaining the Hague Agreement's purpose).

161. *See* Rahman, *supra* note 152 (claiming that "it appears to be easier to meet the requirement of individual character or distinctiveness than the non-obviousness [requirement] set forth in 35 USC § 103 in the US").

162. Brooke Simone, *Strong States' Noncompliance, Absence, and Self-Interest: How Effective are Treaties Really?*, MICH. J. INT'L L. BLOG (June 2020), http://www.mjilonline.org/strong-states-noncompliance-absence-and-self-interest-how-effective-are-treaties-really/ [https://perma.cc/TA5R-GUHB] (archived Aug. 28, 2021) ("[T]he efficacy of multilateral treaties may be exaggerated, as demonstrated by minimal penalties for noncompliance, particularly for strong states, and the United States' absence from and self-interested interpretation of various treaties.").

163. *See generally* David A. Koplow, *Indisputable Violations: What Happens When the United States Unambiguously Breaches a Treaty?*, 37 FLETCHER F. WORLD AFF. 53 (2013) (discussing the United States' contravention of many international treaties while simultaneously holding other nations accountable for breaching other international treaties).

Agreement seems to reiterate the notion that the United States abuses its power in international law with an underlying self-serving motivation.

2. US Design Patent Law's Processing Lead Time is Problematic

US design patent law's processing lead time presents two challenges to the international design registration system under the Hague Agreement. First, as one may be able to assume at this point, the processing lead time for a US design patent application drastically differs from the processing lead time for industrial designs in the vast majority of contracting parties. As of 2021, the USPTO estimated an average time period of roughly twenty months between filing for a design patent and determining whether to issue a patent or abandon the application and a First Office Action pendency of roughly fifteen months.[164] It is important to note that design patent applications may be submitted for expedited review under the so-called "Rocket Docket" program.[165] Under this expedited examination process, the First Office Action pendency can be reduced to less than a third of the typical process's First Office Action pendency and is particularly helpful "where marketplace conditions are such that new designs on articles are typically in vogue for limited periods of time."[166] Nonetheless, even the USPTO's expedited examination process for designs extends far beyond that of many other contracting parties' processing lead times, solidifying the United States as an outlier in this respect. Thus, those international designs that rely on the expeditious registration process found in most industrial design regimes around the world—regimes that typically pose no inherent temporal barriers to registration—are cut off from protection in the United States due to the USPTO's extensive design patent processing lead time. This issue frustrates international designers' utilization of the Hague System due to the

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164. *See Design Patent Data April 2021*, *supra* note 29; *see supra* text accompanying note 29.

First Office Action pendency refers to the time between the filing of the patent application and the first written document sent from the patent examiner to the patent applicant regarding the examiner's substantive review.

As in the text accompanying footnote 29, note again that the USPTO data continuously updates given the current date in which the user is accessing the dashboard. The user can reference design first office action pendency data from the preceding twenty-four months. At the time of writing this note, the preceding twenty-four months' (from May 2019 through April 2021) pendency was somewhere between fourteen and sixteen months.

165. 37 C.F.R. § 1.155 (2021).

166. *See* MPEP § 1504.30 (9th ed. Rev. 31, Oct. 2019); Jeffrey Kuo, *Expedited Examination for Design Patent Applications in the USPTO*, POLSINELLI (May 22, 2017), https://www.polsinelli.com/intelligence/blog-expedited-examination-for-design-patent [https://perma.cc/Y6K6-ME55] (archived Aug. 28, 2021).

USPTO's operations, while having nothing to do with a design's substantive characteristics.

A portion of US design patent's lengthy processing time may be attributed to the complexity of the applications and the time-intensive subsequent evaluation of prior art to determine the design's novelty and nonobviousness.[167] Contrastingly, contracting parties in the EU, for example, utilize the EUIPO which maintains a typical design registration time of just a few days or weeks, a small fraction of the United States' twenty months.[168] While this disparity can serve to confuse and impair other parties seeking design protections in the United States due to its abnormal timeframe as compared to the vast majority of contracting parties, the crux of this issue is better seen through a policy viewpoint. Intellectual property is critical to growing a creative and innovative economy;[169] the United States' extensive twenty-month lead time for design registration is contrary to this aforementioned sentiment because it disproportionately negatively impacts industries around the world with short development cycles whose designs would be irrelevant by the time protection is granted.[170] Arguably, then, inadequate protections for these short-lifecycle designs may hinder innovation in this sector.[171]

Second, because of its estimated twenty-month processing lead time for design patents, the United States is not compliant with its

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167. Mahmood, *supra* note 138, at 579.

168. *See Design Patent Data April 2021*, *supra* note 29; LEGAL REVIEW ON INDUSTRIAL DESIGN PROTECTION IN EUROPE, *supra* note 29.

169. Laura Possessky, *Cultivating the Economic Benefits of Creativity: Finding the Right Balance in IP Laws*, 12 LANDSLIDE 13, 13 (2020).

170. *See* Diamond, *supra* note 126, at 20, 23 (explaining the implications of the United States' long design registration process).

171. JAMES A. LEWIS, INTELLECTUAL PROPERTY PROTECTION: PROMOTING INNOVATION IN A GLOBAL INFORMATION ECONOMY, A REPORT OF THE CSIS TECHNOLOGY AND PUBLIC POLICY PROGRAM 4 (2008) (claiming that "in the absence of adequate IPR [(intellectual property rights)], fewer people will take the innovation gamble"). *But see generally* Kal Raustiala & Christopher Sprigman, *The Piracy Paradox: Innovation and Intellectual Property in Fashion Design*, 92 VA. L REV. 1687 (2006) (describing and analyzing the anomalous success of the fashion industry to consistently demonstrate high levels of innovation despite rampant copying and lack of strong IP protections). Professors Raustiala and Sprigman suggest that copying designs that have short lifecycles may even benefit the designer of the original design. The argument progresses as such: if the design is in fact a trend for which the industry induces its own obsolescence, design copiers serve to accelerate the trend. As a result, this drives consumption by better defining what is—and what is not—in style or on trend at the given moment. Thus, with strong intellectual property protections theoretically inhibiting copying, this accelerated trend development would occur more slowly. It is also important to note that this analysis may not align with one-off fads or designs for which are a designer's one and only design. This analysis aligns with the fashion industry because it is cyclical (i.e. turns over year-after-after); however, a one-off designer who develops a single short-lived and time-dependent design does not have the same luxury.

obligations under the Geneva Act. The Geneva Act requires national offices to determine the registrability of a design within twelve months of receiving the application.[172] The United States is slow to amend its examination procedures and has, instead, opted to increase its hiring efforts at the USPTO in an attempt to hasten design application review and quell the impending uptick in design applications via the Hague System.[173]

The agency may be thinking about this issue in the wrong way, though. Perhaps, instead of adding examiners to the agency, it could lessen the workload of its existing workforce by reducing existing design patent requirements to reflect requirements more in-line with its peer nations. The USPTO's promulgation of a federal regulation requiring notification of refusal of an international industrial design application within twelve months is certainly a step in the right direction, but without further data, it is impossible to tell if the agency is compliant.[174] Part IV will explore how the USPTO can support the Hague Agreement's purpose and its own federal regulation without expending significant resources to ensure compliance.

3. US Design Patent Law's Associated Costs are Problematic

US design patent law's associated costs can pose a significant problem to individual designers and industries alike seeking protections in the United States under the Hague System. The issue with US design patent costs is realized when analyzing associated costs, such as attorneys' fees and search costs, which may be unmanageable for individual designers or industries that rely on rapid innovation or have slim profit margins. Although filing a *pro se* application with the USPTO would alleviate this issue, seeking professional assistance generally provides the designer with a better chance at registrability due to the complexities of filing a design patent application in the United States. The combined search costs and cost for drafting such an application can range from $1,500 to $5,000 depending on how advanced the design is and the reputation of the

172. *See Geneva Act: Main Innovations*, *supra* note 71, at 8–9 (laying out the temporal requirements of notification of refusal, with particular reference to the fact that an extension may be granted under certain circumstances to a total of twelve months).

173. Diamond, *supra* note 126, at 38 (explaining that the United States has not yet modified its design patent examination procedures in an attempt to comply with the Hague Agreement's refusal requirements); Haines, *supra* note 54, at 18 (explaining that the USPTO has increased its hiring efforts in an attempt to improve its delayed examination procedures).

174. 37 C.F.R. § 1.1062(b) (2021).

firm performing the services.[175] A portion of these costs may be attributed to the nonobviousness requirement, which requires examination of a large range of prior designs for which patent attorneys can charge upwards of $1,000 or more to complete.[176] It is important to highlight that these costs exist for *each* design for which protections are sought. On the contrary, filing an industrial design application in the majority of other contracting parties is quite simple, allowing for designers to file the application themselves and to bypass costly attorneys' fees.[177] For example, the Estonian handbag designer mentioned earlier would have to pay thousands of dollars in associated costs for lawyers' fees and search costs to apply for a design patent in the United States using the Hague System. Conversely, the same handbag designer applying for protections in the vast majority of other contracting parties can take on the application process himself—without the assistance of an attorney—for little to no cost.

The high costs associated with filing a US design patent favors large businesses while negatively impacting smaller businesses and individual designers.[178] Likewise, significant costs cut off a portion of the market who cannot afford upfront costs to secure design patents prior to marketing their designs, which may be their main source of profitability.[179] Similar to issues with processing lead time, US design patent's high associated costs prevent certain industries from gaining

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175. Raad Ahmed, *Design Patent Cost: A Step-By-Step Guide*, FORBES (Dec. 21, 2018, 8:00 AM), https://www.forbes.com/sites/theyec/2018/12/21/design-patent-cost-a-step-by-step-guide/?sh=12a1d1cd65f9 [https://perma.cc/V5GB-37QZ] (archived Aug. 23, 2021); *see, e.g.*, Kurt Leyendecker, *Are Design Patents Worth It? Perhaps Yes!*, LEYENDECKER & LEMIRE, LLC (Feb. 16, 2009), https://www.coloradoiplaw.com/are-design-patents-worth-it-perhaps-yes/ [https://perma.cc/49VV-RR5Z] (archived Aug. 23, 2021) (Denver, Colorado intellectual property law firm explaining that the typical cost of a design patent, including preparation and filing, is about $2,000–$2,500, and not more than $4,000); *Design Patent Application for a Flat Rate Price*, KLEMCHUK LLP, https://www.klemchuk.com/flat-fee-design-patent-application [https://perma.cc/C3EN-5S4H] (archived Aug. 23, 2021) (last visited Sept. 8, 2021) (Dallas, Texas law firm charging application preparation costs of $1,750 for basic designs and $2,500 for advanced designs); *Design Patent Cost*, LAW OFFICES OF KONRAD SHERINIAN, https://sherinianlaw.net/design-patent-cost/ (last visited Sept. 8, 2021) [https://perma.cc/TG4P-JXWN] (archived Aug. 23, 2021) (Chicago, Illinois law firm charging $2,250 to prepare a design patent application).

176. Ahmed, *supra* note 175; *see* Richard G. Frenkel, *Intellectual Property in the Balance: Proposals for Improving Industrial Design Protection in the Post-Trips Era*, 32 LOY. L.A. L. REV. 531, 538 (1999).

177. *See* LEGAL REVIEW ON INDUSTRIAL DESIGN PROTECTION IN EUROPE, *supra* note 29, at 46 (describing the low costs and simplicity of the EU design registration process).

178. Diamond, *supra* note 126, at 20.

179. *Id.* at 18.

protections, which theoretically inhibit innovation due to a lack of willingness in these industries to take the innovation gamble.[180]

These three problems, although relating to substantive law, necessarily impact the international industrial design registration process. It is hard to say that current US design law allows for designers in other contracting parties to efficiently acquire *industrial design* protections in the United States when it does not have a statute specifically for protecting industrial designs. The purpose of the Hague Agreement is not to simplify procedures for obtaining international *design patents*. Applying US design patent law to international industrial design applications fundamentally inhibits certain designers from seeking design protections in the United States due to the numerous factors discussed above. While the United States' participation in the Hague Agreement allows for designers in contracting parties to easily *seek* industrial design protections in the United States, it proves to be a more difficult task as compared to the rest of the contracting parties due to the barriers to registrability caused by US design patent law.

Recall that the development of the Hague Agreement and embedded Hague System rely greatly on the participating contracting parties.[181] If the Hague Agreement is to evolve into its best and most efficient form, then contracting parties must sacrifice portions of their design laws that are incompatible with the international system.[182] Thus, the bright future of the Hague Agreement rests with the contracting parties and the flexibility each party is willing to exercise with regard to its municipal design law. Because US design law differs so markedly from that of nearly all other contracting parties mainly due to the nonobviousness requirement, the United States should assume this responsibility of flexibility and craft protections for designs without a substantive nonobviousness requirement. In doing so, the United States would be less of an outlier in the international industrial design registration system, effectively streamlining design protections within the Hague System and making design protections more accessible.

D. *Benefits and Drawbacks to Other Hague Agreement Contracting Parties' Industrial Design Protections*

Subparts III.B and III.C provided technical viewpoints on the United States' utilizing design patent law to examine Hague

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180. LEWIS, *supra* note 171; *id.* at 20.

181. *See* Melilli, *supra* note 3, at 30–31.

182. *See id.* at 30 (noting that the director of the Hague Registry consistently claims that the compromise of the Hague Agreement's Contracting Parties when entering the Hague System is to offer flexibility in their municipal design laws).

Agreement applications, whereas this subpart will take a more abstract, policy-focused view. Of course, if the drawbacks outweigh the benefits, the United States' adoption of industrial design protections more in line with other contracting parties may seem implausible. However, research supports the inverse.

Beyond fulfilling the purpose of the Hague Agreement, contracting parties with specific industrial design protections that are less stringent than the United States see numerous benefits. Perhaps most striking among these benefits is industrial design's economic impact. Investing in industrial design enhances market efficiency by increasing competition, furthering consumers' enjoyment of aesthetic products, and providing consumers with multiple options to choose from based on their taste and preferences.[183] This economic advantage is realized at the firm level in contracting parties with specified industrial design laws, which is evinced by EU firms that own at least one industrial design right seeing 32.2 percent higher revenue per employee than an EU firm with no industrial design rights.[184] Additionally, companies labeled "effective users of design" by the UK Design Council outperformed the UK stock market index by more than 200 percent between 1994 and 2004.[185] On a more macro level, a study by the EUIPO and the European Patent Office found that design-intensive industries generated 14 percent of all jobs in the EU from 2014–2016.[186] Industrial design protection carries significant economic value, signaling the importance of specified industrial design protections to economic growth.

From a policy perspective, available intellectual property rights remain an important tool for incentivizing and protecting

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183. Orit Fischman Afori, *Reconceptualizing Property in Designs*, 25 CARDOZO ARTS & ENT. L.J. 1105, 1111–12 (2008). *But see* Christopher Buccafusco & Christopher Jon Sprigman, *The Creativity Effect*, 78 U. CHI. L. REV. 31, 33–34 (2011) (highlighting a market inefficiency caused by IP rights called the "endowment effect" which holds that owners of goods tend to value their possessions far higher than the amount purchasers are willing to pay to obtain them).

184. *Intellectual Property Rights and Firm Performance in the European Union*, Exec. Summary, EUR. UNION INTELL. PROP. OFF. 4 (Feb. 2021), https://euipo.europa.eu/tunnel-web/secure/webdav/guest/document_library/observatory/documents/reports/IPContributionStudy/IPR_firm_performance_in_EU/exec/2021_IP_Rights_and_firm_performance_in_the_EU_exec_en.pdf [hereinafter *IP Rights and Firm Performance in the EU*]. Note that the statistic is based on a survey of 127,199 firms and is statistically significant at the 1% level. Also note that the statistic is based on firms that have at least one industrial design right, but may have more than one and may also have other intellectual property rights in patent and trademark.

185. Monseau, *supra* note 16, at 502 (citing *Design Index: The Impact of Design on Stock Market Performance*, DESIGN COUNCIL (July 2005), https://designbusinesscouncil.com/wp-content/uploads/2017/08/design_index_9199.pdf) (for the purposes of this cited study, "effective users of design" are companies that were nominated for or won design-related awards).

186. *EU Industrial Design Protection*, *supra* note 27.

innovation.[187] Likewise, inadequate intellectual property rights hinder innovation.[188] In the same vein, overly strict intellectual property protections—say, imposing a design patent standard on industrial design—can also damage innovation.[189] Moreover, specified industrial design protections can inhibit exploitative "free riders" while encouraging others to design around these rights to create new products.[190] Industrial design protections ensure fair return on investment for a design that adds commercial value to and increases the marketability of a product, encouraging creativity in industrial and manufacturing sectors.[191] Policy reasoning highlights both the *general* and *specific* needs for industrial design protections: to promote innovation in the market and to protect innovation in the market, respectively.

The industrial design protection system adhered to by the vast majority of contracting parties allows for lower barriers to entry for industry as compared to the United States' design patent standard. Lesser requirements, faster processing time, and lower costs present ample opportunity for design protections in industries that produce goods that are not able to meet design patent standards, cannot afford to wait over a year to gain protections, or cannot afford the fees of hiring a patent attorney. Providing design protections to a broader array of industries and designers presents the opportunity to both enhance economic efficiency and stimulate innovation.[192] Take the fashion industry as an example, which, in many cases, cannot afford the patent processing time and whose designs cannot meet the patentability standards.[193] The fashion industry generates $2.5 trillion

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187. *See IP & Business: Intellectual Property, Innovation and New Product Development*, WIPO MAG. (July 2005), https://www.wipo.int/wipo_magazine/en/2005/04/article_0002.html [hereinafter *IP & Business*].

188. *See* LEWIS, *supra* note 171. *But see generally* Raustiala & Sprigman, *supra* note 171 (explaining how the lack of intellectual property protections in the fashion industry actually bolsters innovation and commercial success of fashion firms and luxury apparel design houses).

189. *See id.*

190. JOHN R. THOMAS, CONG. RESEARCH SERV., RL34559, INTELLECTUAL PROPERTY IN INDUSTRIAL DESIGNS: ISSUES IN INNOVATION AND COMPETITION 15 (2010). *But see* Christopher Buccafusco, Stefan Bechtold, & Christopher Jon Sprigman, *The Nature of Sequential Innovation*, 59 WM. & MARY L. REV. 1, 16 (2017) (claiming that designing around intellectual property rights may result in replication of creativity, typically by finding another route to provide the same product feature).

191. *Industrial Design*, INNOVATION POL'Y PLATFORM, http://www.innovationpolicyplatform.org/www.innovationpolicyplatform.org/content/industrial-design/index.html (last visited Sept. 8, 2021) (support for this assertion is found under the "How is industrial design related to innovation?" question on the webpage).

192. *See* CONG. RESEARCH SERV., RL34559, at 15; Afori, *supra* note 183.

193. Susan Scafidi, *Intellectual Property and Fashion Design*, *in* 1 INTELLECTUAL PROPERTY AND INFORMATION WEALTH 115, 122 (Peter K. Yu ed., 2006).

in yearly revenue making it one of the largest industries in the world,[194] while experiencing $450 billion in yearly counterfeiting, which places it among the most heavily targeted industries.[195] Broader industrial design protections provide designers, such as those in the fashion industry, with recourse against counterfeiters who may inflict reputational damage or financial loss upon a designer, potentially leading to less copying.[196] Adopting more accessible standards for design protection allows for a wider array of designers to protect their intellectual property while promoting market efficiency and innovation.

Although the benefits are quite significant, protecting designs in-line with other contracting parties has its drawbacks. A substantive limitation to other contracting parties' systems of design protection, seen most prominently in the EU, is its narrow scope of protection.[197] Thus, easier-to-obtain design rights generally sacrifice protection due to the narrow rights conferred, permitting designs with only minor differences to escape an infringement finding.

Another drawback is realized in the higher number of applications submitted for review to the municipal design office. The EU has a population of roughly 446 million individuals[198] and registers nearly 85 thousand designs annually through the EUIPO.[199] Contrasting with the United States whose population is roughly 328 million

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194. Imran Amed, Anita Balchandani, Achim Berg, Saskia Hedrich, Jakob Ekeløf Jensen, & Felix Rölkens, *The State of Fashion 2021: In Search of Promise in Perilous Times*, MCKINSEY & CO. (Dec. 1, 2020), https://www.mckinsey.com/industries/retail/our-insights/state-of-fashion [https://perma.cc/F678-DHRF] (archived Nov. 7, 2021).

195. *The Counterfeit Report: The Big Business of Fakes*, FASHION L. (Oct. 11, 2019), https://www.thefashionlaw.com/the-counterfeit-report-the-impact-on-the-fashion-industry/#:~:text=According%20to%20Trends%20in%20Trade,based%20on%202016%20customs%20seizure [https://perma.cc/QY2J-TXRM] (archived Nov. 7, 2021).

196. *See* David S. Wall & Joanna Large, *Jailhouse Frocks: Locating the Public Interest in Policing Counterfeit Luxury Fashion Goods*, 50 BRIT. J. CRIMINOLOGY 1094, 1111 (2010) (explaining that counterfeiting luxury goods may cause reputational damage and loss of sales to designers); Diamond, *supra* note 126, at 24 (claiming the EU has less copying and intellectual property infringement due to its industrial design protections); *see also* Monseau, *supra* note 16, at 506 (explaining that a boost to earnings due to well-designed products is vulnerable to copying and may be lost to sales of counterfeit goods). *But see* Kal Raustiala & Christopher Sprigman, *Fake It Till You Make It: The Good News About China's Knockoff Economy*, 92 FOREIGN AFF. 25, 26 (2013) (arguing that counterfeiting is a critical part of creativity and that the ability to freely copy designs fuels the fashion field by fostering stronger competition).

197. Diamond, *supra* note 126, at 30.

198. *Living in the EU*, EUR. UNION, https://europa.eu/european-union/about-eu/figures/living_en#:~:text=The%20EU%20covers%20over%204,population%20after%20China%20and%20India (last visited Sept. 8, 2021) [https://perma.cc/FK7W-DYTJ] (archived Nov. 7, 2021).

199. *Designs*, EUR. UNION INTELL. PROP. OFF., https://euipo.europa.eu/ohimportal/en/designs (last visited Sept. 8, 2021) [https://perma.cc/2PAP-MM5J] (archived Nov. 7, 2021) (data on number of applications unavailable).

individuals,[200] the USPTO received 46,847 design patent applications in 2019 and granted 34,794.[201] Based on population proportion alone, the EUIPO, having less strict design requirements, sees significantly more activity than the USPTO. Generally, a drawback to having lesser substantive requirements can be seen through the added time, workload, and costs associated with increased activity at the municipal design office. This is especially impactful to the USPTO, which is already struggling to review applications in a timely manner and has considered adding examiners to offset the workload.[202]

Balancing the benefits and drawbacks to other contracting parties' systems of design protection, there is an undeniable weight to their benefits. Of course, providing rights to a broader scope of industries may sacrifice the scope of the rights themselves, but it is important to consider the macro benefits of this broader scope and weigh them against the drawbacks. Yes, the rights conferred may suffer slightly under this system, but wide availability of rights and the inherent innovative possibilities that that carries necessarily offset this qualm. Additionally, the added responsibility and workload on the municipal design office would be mitigated by the value and economic efficiency created by added designs in the market. Individual governments generally have a vested interest in its given territory's economic performance. Thus, government investment in resources that allow its territory's economy to flourish in an efficient manner seems like simply "the cost of doing business."

The United States does not have to adopt the entirety of this system. Indeed, it has the unique opportunity to produce a policy that addresses, or at least considers, the highlighted benefits and drawbacks.

IV. A "NONOBVIOUS" SOLUTION TO THE INTERNATIONAL PROBLEMS OF US DESIGN LAW

The solution to the issue posed in this Note is quite simple: the United States should adopt legislation to ensure broader access to industrial design protections. This solution advocates for eliminating the nonobviousness requirement for industrial design protections

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200. *Quick Facts*, U.S. CENSUS BUREAU, https://www.census.gov/quickfacts/fact/table/US/PST045219 (last visited Sept. 9, 2021) [https://perma.cc/YMN2-EYVV] (archived Nov. 7, 2021) (estimated population as of July 1, 2019).

201. *U.S. Patent Statistics Chart Calendar Years 1963 - 2020*, U.S. PAT. & TRADEMARK OFF., https://www.uspto.gov/web/offices/ac/ido/oeip/taf/us_stat.htm (last visited Sept. 9, 2021) [https://perma.cc/A5D6-X2BH] (archived Nov. 7, 2021).

202. Haines, *supra* note 54, at 18.

while maintaining the other substantive requirements of design patents and the USPTO's examination procedures.

A. *A Requirement of Nonobviousness Has No Place in Design Law*

Scholars have consistently argued that design patent's nonobviousness requirement is incompatible with industrial design protections and is a significant inhibitor to widespread design protection in the United States.[203] The nonobviousness requirement was first introduced in the 1952 Patent Act to stabilize the requirements for patenting *utility inventions* and was codified in 35 U.S.C. § 103.[204] The so-called catchall section of the statute for design patents incorporated the provisions for utility patents into design patent law and—arguably mistakenly—applied § 103 to designs.[205] Troublingly, the drafters of the Patent Act recognized the general issues surrounding design patents, yet provided no consideration to how § 103 may apply to designs.[206] Instead, the drafters decided to "attack the design problem at a later date."[207] Unfortunately, this problem still has not been "attacked" and the nonobviousness requirement continues to be applied to designs.[208] While the nonobviousness requirement for utility patents has purpose and is accompanied by developed jurisprudence, courts continue to struggle with applying the same standard to designs.[209] Nonobviousness has no place in design law. Accordingly, adopting legislation that protects industrial designs without a nonobviousness requirement is the first step to bringing the United States closer to supporting the purpose of the Hague Agreement.

Dispelling the nonobviousness requirement while retaining the originality, novelty, and ornamentality requirements would place the

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203. Scafidi, *supra* note 193; Janice M. Mueller & Daniel Harris Brean, *Overcoming the "Impossible Issue" of Nonobviousness in Design Patents*, 99 KY. L.J. 419, 426–28 (2011); Regan E. Keebaugh, *Intellectual Property and the Protection of Industrial Design: Are Sui Generis Protection Measures the Answer to Vocal Opponents and a Reluctant Congress?*, 13 J. INTELL. PROP. L. 255, 261 (2005); Wegner, *supra* note 138, at 2. *But see* Burstein, *supra* note 101, at 621 (claiming that it is difficult for the USPTO to reject design patent applications under § 103 based on the standards the Federal Circuit applies).

204. Mueller & Brean, *supra* note 203, at 426–27.

205. *See* Du Mont, *supra* note 114, at 595–97; Mueller & Brean, *supra* note 203, at 445 (explaining that the authors' research seems to uncover that the nonobviousness standard was mistakenly applied to designs through unintended statutory changes).

206. Mueller & Brean, *supra* note 203, at 426–27; Du Mont, *supra* note 114, at 595.

207. Du Mont, *supra* note 114, at 595 (quoting Judge Giles Rich who was one of the principal architects of the Patent Act of 1952).

208. Mueller & Brean, *supra* note 203, at 427.

209. Burstein, *supra* note 111, at 170; Du Mont, *supra* note 114, at 609.

proposed system's substantive requirements closer in-line with other contracting parties, enhancing familiarity with the system and allowing for more widely available design protections. The proposed system also retains the USPTO's examination procedures, allowing for the agency to continue its scrutinous review process for design applications—a hallmark of the United States' ratification of the Geneva Act. Under this new system, the United States' participation in the Hague Agreement would see far fewer frustrating effects due to the proposed system's allowance of other contracting parties to adequately gain design protections in the United States based on a familiar design-protection regime. Thus, the Hague Agreement's purpose of simplifying the legal procedures for obtaining international industrial design protections would be promoted rather than inhibited. But would this proposed system adequately provide access to industrial design protections?

The short answer is, most likely, yes. Removing the nonobviousness requirement for industrial design protections would remedy—at the very least, in part—the three problems associated with applying current US design patent law to international industrial design applications discussed in Part III. As previously stated, a substantive nonobviousness requirement has no place in industrial design law.[210] Eliminating the nonobviousness requirement for industrial designs would bridge most of the gap between US design law and the vast majority of other contracting parties' design laws, allaying concerns of confusion among contracting parties regarding US law.[211] Retaining the originality, novelty, and ornamentality requirements would align the United States with many other contracting parties, allowing for familiar concepts and, consequently, more attainable design protections. Specifically, within the context of US law, "originality," although foreign to industrial design law, is an exceedingly low bar to meet; "novelty" resembles foreign requirements of "new" and "individual character"; and "ornamentality" resembles foreign non-functionality requirements and remains easily achieved.[212] This would necessarily allow more designers and industries to attain design protections in the United States domestically and through the Hague Agreement, thus promoting the Hague Agreement's purpose.

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210. *See* Wegner, *supra* note 138, at 2 (arguing that a "nonobviousness" requirement renders industrial design law ineffective and impractical).

211. *See* discussion *supra* Part III.B.1 (explaining that the requirement of nonobviousness in design law is foreign to many other Contracting Parties and that this issue may cause confusion, among other issues, to Contracting Parties).

212. *See* discussion *supra* Part III.B.1 (asserting that non-functionality is similar to ornamentality and explaining the ease of achieving ornamentality under US design law).

While the substantive nonobviousness requirement in design patent law seems to be the greatest impediment to domestic and international designers seeking protection, design patent's processing lead time and associated costs also present issues to registrability. Conveniently, eliminating the nonobviousness requirement for design protections would reduce both processing time and associated costs.

A design patent's lengthy processing time can be partially attributed to evaluation of prior art to determine the design's nonobviousness.[213] Eliminating this requirement would reduce the examination period due to the complexity of the requirement. However, it is important to note that an evaluation of prior art would still proceed to determine the design's novelty, though novelty remains a simpler requirement than nonobviousness.[214] The resulting reduction in processing time would allow for a greater array of designers and industries to attain industrial design protections who were once precluded due to their designs' short lifecycles in the market. Additionally, this time reduction would place the United States closer to complying to, if not in compliance with, the Geneva Act's maximum twelve-month review period for industrial designs.[215]

The high costs associated with attaining design patent protections can be attributed, in part, to the nonobviousness requirement's complexities and the need to examine a large range of prior art.[216] While hiring an attorney to assist with the originality, novelty, and ornamentality requirements may still be advisable, the application process would be significantly easier—and consequently cheaper—with the elimination of the nonobviousness requirement. Accordingly, designers and industries that were previously prevented from attaining design protections in the United States due to the high associated costs will have a better chance at protection under this proposed solution.

213. Mahmood, *supra* note 138, at 579.

214. *See* Du Mont, *supra* note 114 (explaining that the nonobviousness requirement furthers the novelty requirement to determine whether the design is "different enough" from prior art); John H. Barton, *Non-Obviousness*, 43 IDEA 475, 476 (2003) (explaining that novelty asks whether the invention has been previously described or practiced, whereas nonobviousness asks whether the invention is an adequate distance beyond the state of the art).

215. *Compare Geneva Act: Main Innovations*, *supra* note 71, at 8–9 (laying out the temporal requirements of notification of refusal as twelve months), *with Design Patent Data April 2021*, *supra* note 29 (the USPTO estimates the average time period for obtaining a design patent as roughly twenty months).

216. *See* Ahmed, *supra* note 175; *see also* Frenkel, *supra* note 176.

B. *Industrial Design Legislation's Fighting Chance in Today's US Political Climate*

Although the major obstacle to this solution is Congress' reluctance to adopt legislation broadening industrial design protections,[217] it seems that the time period of writing this Note presents great opportunity to enact the proposed solution and deliver legislation on more easily attainable industrial design protections. Within the last few years, the United States government has recognized both the importance of industrial design and the need for greater access to entrepreneurial intellectual property protections, signaling a greater interest in protecting intellectual property.[218] In 2018, Democrats in Congress recognized a need for safeguarding small businesses' intellectual property, focusing on small businesses securing patent, trademark, and copyright protections.[219] Perhaps, though, these Democrats were looking at the issue in the wrong way. Instead of encouraging small businesses to seek patents, trademarks, and copyrights—protections that may not best suit their needs—these Democrats should have looked beyond the *existing* intellectual property regime and innovated to best protect these small businesses' intellectual property.[220] Just a year earlier in 2017, the National Endowment for the Arts, an independent government agency, released a report focused on the importance of industrial design on small and medium-sized businesses and manufacturers.[221] The report dedicated the entire first page of text to this statement: "Industrial design is an underutilized catalyst for growth for small and medium-sized

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217. *See* Suchy, *supra* note 15, at 6 (explaining legislators' reluctance to adopt industrial design protections); Monseau, *supra* note 16, at 528 (describing the state of US design law as "stagnant").

218. *See, e.g.*, NAT'L ENDOWMENT FOR THE ARTS, INDUSTRIAL DESIGN: A COMPETITIVE EDGE FOR U.S. MANUFACTURING SUCCESS IN THE GLOBAL ECONOMY (2017), https://www.arts.gov/sites/default/files/Industrial-Design-Report-May2017-rev3.pdf [https://perma.cc/72XX-LWPT] (archived Nov. 7, 2021) [hereinafter INDUSTRIAL DESIGN: A COMPETITIVE EDGE]; Press Release, Comm. on Small Bus., Democrats Act to Protect Entrepreneurial Intellectual Property (July 11, 2018), https://smallbusiness.house.gov/news/documentsingle.aspx?DocumentID=157 [https://perma.cc/HPW9-YSCF] (archived Nov. 7, 2021) [hereinafter Democrats' July Press Release]; Press Release, Comm. on Small Bus., Democrats Take Steps to Protect Entrepreneurial Intellectual Property (May 16, 2018), https://smallbusiness.house.gov/news/documentsingle.aspx?DocumentID=103 [https://perma.cc/9C6C-ALZX] (archived Nov. 7, 2021) [hereinafter Democrats' May Press Release].

219. Democrats' July Press Release, *supra* note 218; Democrats' May Press Release, *supra* note 218.

220. *See* Democrats' July Press Release, *supra* note 218 (recommending a partnership between the Small Business Administration and the USPTO to support small business-participation in the existing intellectual property framework).

221. *See generally* INDUSTRIAL DESIGN: A COMPETITIVE EDGE, *supra* note 218.

manufacturers and a key for the future success of these firms."[222] The connection between congressional Democrats' interest in protecting small businesses' intellectual property and the demonstrated importance of industrial design in achieving exactly what the Democrats seek to achieve cannot be overlooked.

In 2021, with Democrats controlling both houses of Congress and the White House, sweeping legislative changes will be made based on Democratic initiatives.[223] This proposed solution directly aligns with a publicized Democratic initiative to bolster small businesses' intellectual property protections while being supported by an independent government agency. Furthermore, this proposed system is familiar to US law because it is heavily based on existing design patent law, entering the United States into a design-protecting regime which contains elements already known to US lawmakers and courts. Thus, if there was ever a time when this solution saw real prospects of coming to fruition, it would be as of this writing. Additionally, this analysis assuages the many arguments asserting Congress' reluctance to pass legislation on specified industrial design protections, which is likely the largest obstacle to US adherence to the Hague Agreement's purpose.[224]

This solution also allows for the United States to continue substantively examining applications filed under the Hague Agreement. The United States strongly values the opportunity to review international industrial design applications at the USPTO.[225] This is made abundantly clear by then-senator Biden's Senate report noting that the United States' ratification of the Geneva Act relied on the Act's provisions allowing for substantive examinations by national offices.[226] This solution simply reduces the requirements for industrial design protections, still requiring substantive examination by the USPTO of each international industrial design application filed under the Hague Agreement. Retaining substantive examination of applications by the USPTO supports the United States' legislative intent behind ratifying the Geneva Act and maintains the rigorous design examination procedures familiar to existing US design law.

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222. *Id.* at 6.

223. Katherine Gypson, *With Control of White House and Congress, Democrats Have 2 Years to Make Big Changes*, VOA NEWS (Jan. 22, 2021, 2:25 AM), https://www.voanews.com/usa/us-politics/control-white-house-and-congress-democrats-have-2-years-make-big-changes [https://perma.cc/5HCJ-NQK6] (archived Sept. 14, 2021).

224. *See* Suchy, *supra* note 15, at 6 ("U.S. lawmakers have been reluctant to change the current laws as they apply to protecting industrial designs").

225. *See* JOSEPH BIDEN, GENEVA ACT OF THE HAGUE AGREEMENT CONCERNING THE INTERNATIONAL REGISTRATION OF INDUSTRIAL DESIGNS, S. EXEC. REP. NO. 110-7, at 2 (2007).

226. *Id.*

Thus, it seems likely that this solution has a fighting chance in the current political climate.

C. *The Macro-Level Impacts of Industrial Design Legislation in the United States*

The purpose of this solution is to place the United States' protection of industrial designs closer to that of the vast majority of other contracting parties, which consequently lowers the barriers to entry for industrial design protection in the United States. Thus, by eliminating the nonobviousness requirement and lowering the associated barriers therewith, the USPTO will likely see a rise in domestic and international industrial design applications. This consequential—and potentially dramatic—increase in applications may be offset by resulting positive ramifications.

Generally, intellectual property protections incentivize innovation.[227] However, it is argued that the nonobviousness requirement actually operates to suppress innovative design.[228] Because of this and that the United States has narrowed access to industrial design protections up to this point, there is an entirely untapped market ripe to innovate. Designers across the globe, including in the United States itself, would be able to better attain design protections in the United States, causing others to create new and innovative products while inhibiting free riders and copiers.[229] Moreover, enacting broader access to industrial design protections enhances market efficiency and firm value, benefiting the US economy at large.[230] Lastly, with US manufacturing declining rapidly[231] and Democrats in Congress calling for improved intellectual property protections for small and medium-sized businesses,[232] adequately protecting industrial designs may prove an adept remedy to these

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227. *IP & Business*, *supra* note 187.

228. Mueller & Brean, *supra* note 203, at 426.

229. JOHN R. THOMAS, CONG. RESEARCH SERV., RL34559, INTELLECTUAL PROPERTY IN INDUSTRIAL DESIGNS: ISSUES IN INNOVATION AND COMPETITION 15 (2010).

230. Afori, *supra* note 183; *IP Rights and Firm Performance in the EU*, *supra* note 184.

231. *See* William B. Bonvillian, *US Manufacturing Decline and the Rise of New Production Innovation Paradigms*, ORG. FOR ECON. CO-OPERATION & DEV. (2017), https://www.oecd.org/unitedstates/us-manufacturing-decline-and-the-rise-of-new-production-innovation-paradigms.htm#:~:text=The%20number%20of%20manufacturing%20jobs,just%2012.3%20million%20in%202016 [https://perma.cc/5G8A-NHN2] (archived Nov. 7, 2021) (claiming that the number of manufacturing jobs in the United States declined by one third between 2000-2010, falling to below 12 million in 2010 and returning to just 12.3 million in 2016).

232. Democrats' July Press Release, *supra* note 218.

issues.[233] Although these claims seem quite theoretical, research on the benefits of protecting industrial designs performed both within the United States and abroad delineate concrete economic and innovation-based results that the United States is poised to realize.[234]

Reducing the substantive requirements for industrial design protections in the United States will likely result in an increased number of industrial design applications submitted to the USPTO. Although it is true that the workload per application will decline because the examiner would no longer need to conduct a nonobviousness examination, the increased volume of applications may prove costly and excessively time consuming to an already struggling USPTO.[235] Design patent application fees at the USPTO currently cover slightly more than half the processing costs incurred by the USPTO, meaning that the USPTO is losing money on every application submitted.[236] The extent to which eliminating the nonobviousness requirement would reduce costs at the USPTO is unknown, but it is likely safe to assume that the USPTO would not turn a significant profit, if any at all, on design applications under this solution. Thus, the margin of per-application losses to the USPTO may be less under this solution, but the per-application loss will be realized at a greater magnitude due to the increased volume of applications.

Lastly, the increased workload resulting from the increase in applications likely signals the need for more USPTO examiners. While this could prove to be a costly endeavor, the USPTO is already increasing its hiring efforts to combat delayed design patent examinations.[237] As previously referenced, this solution will likely lessen the examination period but increase the volume of examinations. Seemingly, the USPTO is already addressing this issue by hiring more examiners, perhaps preemptively remedying this particular issue.[238]

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233. INDUSTRIAL DESIGN: A COMPETITIVE EDGE, *supra* note 218, at 7 ("integrating industrial design into SMM [(small and medium-sized)] manufacturing operations can be a significant growth factor for these firms").

234. *See generally* CONG. RESEARCH SERV., RL34559, at 15 (assessing the potential need for industrial design protections in the United States, considering that protecting industrial designs would promote innovation and inhibit free riders); INDUSTRIAL DESIGN: A COMPETITIVE EDGE, *supra* note 218, at 7 (explaining that industrial designs are a "key ingredient" in the future success of small and medium-sized firms); *IP Rights and Firm Performance in the EU*, *supra* note 184 (analyzing the positive impact of industrial designs on firms in the EU).

235. Haines, *supra* note 54, at 18 (noting the USPTO's hiring efforts to ameliorate the high demand of patent applications).

236. Sarah Burstein, *Costly Designs*, 77 OHIO ST. L.J. 107, 155–56 (2016).

237. Haines, *supra* note 54, at 18.

238. *See* U.S. PAT. & TRADEMARK OFF., FY 2020 UNITED STATES PATENT AND TRADEMARK OFFICE PERFORMANCE AND ACCOUNTABILITY REPORT 231 (2020) (denoting an increase in design examiners from 171 in 2019 to 204 in 2020).

V. CONCLUSION

Generally, protecting industrial designs promotes economic efficiency and fosters innovation. The Hague Agreement Concerning the International Registration of Industrial Designs enables countries and intergovernmental organizations around the world to better realize these benefits. Specifically, the Hague Agreement's purpose is to simplify the legal procedures for obtaining international industrial design protections, allowing for Hague System users to easily and efficiently acquire industrial design protections on an international scale. However, the United States' entrance into the Hague Agreement frustrates this purpose due to its failure to protect industrial designs in a comparable manner to that of the vast majority of contracting parties. The United States' utilizing its existing design patent law to protect industrial designs necessarily excludes a wide array of international industrial designs from protection in the United States. This is true due to US design patent law's added substantive requirements, longer processing lead time, and higher associated costs as compared to how the vast majority of contracting parties protect industrial designs. These three issues share, at least in part, a root that is US design patent law's complex substantive requirement of nonobviousness, which is foreign to industrial design law and adds to processing time and associated costs. By demonstrating flexibility in its municipal design law—an important aspect of being a contracting party and the way forward for the Hague Agreement—and adopting industrial design legislation that eliminates the nonobviousness requirement and retains design patent law's other substantive requirements, the United States would move closer to uniformity with many contracting parties. This would ease the United States into a design-protecting regime based on its existing law that promotes, rather than inhibits, the purpose of the Hague Agreement while allowing the United States to realize the economic and innovative benefits resulting from broader access to industrial design protections.

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