

DON'T GIVE UP THE SHIP!

Protecting Vessel Hull Designs and Other Boat Components

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Created by:

Derek Benke

Derek.Benke@xsensus.com

Ph: (571) 376-6306

Abstract

Competition among boat manufacturers is fierce, and one way they try to differentiate themselves to consumers is through innovative hull designs. As a result, it is very important for boat manufacturers to protect their hull designs, and four types of intellectual property protection are available for a vessel hull design. This article will explain each of the four types – design patent, utility patent, design registration under the Vessel Hull Design Protection Act (VHDPA), and trade dress protection; and the different rights and remedies these intellectual property protections provide so boat manufacturers can decide which type (or types) of protection best suit their business objectives. Many boat manufacturers are aware of utility patents, but the other three types of protection are lesser known and underutilized, and can be very effective.

Don't Give Up The Ship! - Intellectual Property Protections for the Hull of a Vessel

In 2016, it was estimated that there are approximately 15.8 million recreational boats in use in the United States.¹ In 2017, the value of recreational boats sold in the United States over the course of that year was approximately 3.9 billion dollars.² In this large market, competition among boat manufacturers is fierce, and one way they try to differentiate themselves to consumers is through innovative hull designs. As a result, it is very important for boat manufacturers to protect their hull designs. Four types of intellectual property protection are available for a vessel hull design – a design patent, a utility patent, a design registration under the Vessel Hull Design Protection Act (VHDPA), and trade dress protection. Each of these will be discussed in turn.

1. Design Patent

There are three types of patents that can be granted in the United States: utility patents, design patents, and plant patents. A patent does not grant the owner of a patent the right to make their invention, but rather the patent provides the owner “the right to exclude others from making, using, offering for sale, or selling the invention throughout the United States or importing the invention into the United States, and, if the invention is a process, of the right to exclude others from using, offering for sale or selling throughout the United States, or importing

¹ <https://www.statista.com/statistics/184587/number-of-recreational-boats-in-the-us/>

² <https://www.statista.com/statistics/443436/sales-value-of-recreational-boats-in-us/>

into the United States, products made by that process.”³ The novel design of a hull of a vessel can be protected by a design patent and/or utility patent. In general, a utility patent protects the way an article is used and works, while a design patent protects the way an article looks.⁴ A design patent protects “any new, original, and ornamental design for an article of manufacture.”⁵ The subject matter of a design patent application may relate to the configuration or shape of an article, to the surface ornamentation applied to an article, or to the combination of the configuration and surface ornamentation.⁶ A utility patent and a design patent could be obtained on one hull design if the hull design is unique in its utility and its ornamental appearance (i.e., the hull design has both functional and ornamental characteristics).

Applications for design patents are examined by the United States Patent and Trademark Office (USPTO), and a design patent application consists of one or more black and white line drawings that show the article from one or more perspective views. In the line drawings of a design patent, the protected features are shown in solid lines, while the features shown in dotted lines are not covered. Typically, design patents regarding vessel hulls protect the shape of the hull. Shown below are two exemplary drawings from design patent D581,340 to Chaparral Boats, Inc. that cover the design of a boat hull. As seen in Figures 1 and 3 of this design patent, the unique design of the bow portion of the hull is being protected.

³ 35 U.S.C. § 154.

⁴ 35 U.S.C. § 101 and 35 U.S.C. § 171.

⁵ 35 U.S.C. § 171.

⁶ Manual of Patent Examining Procedure (MPEP) § 1502.

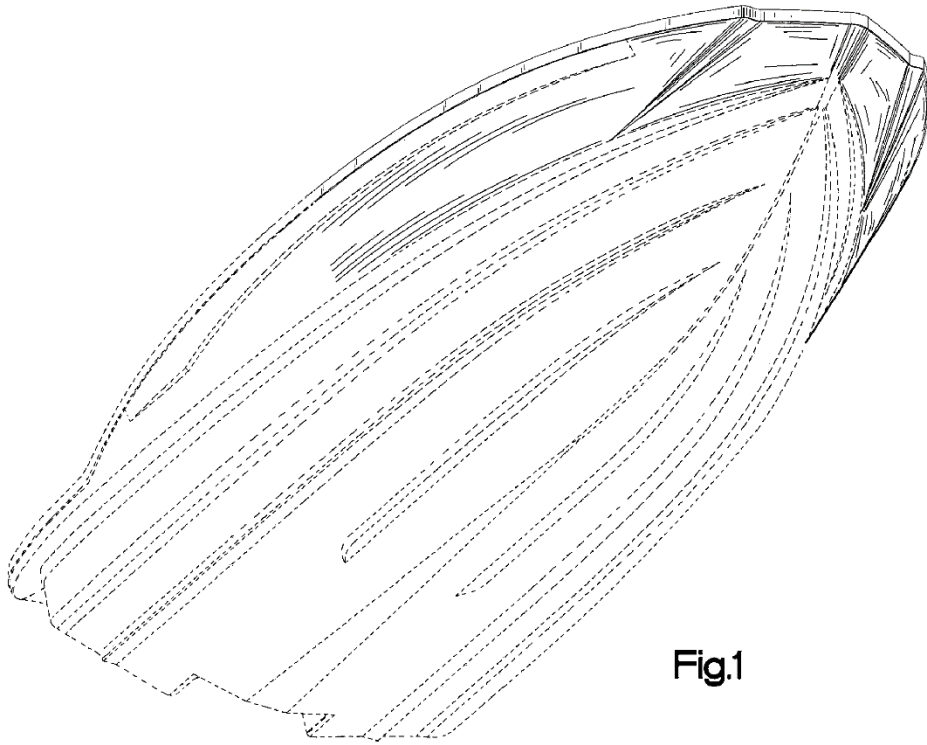


Fig.1

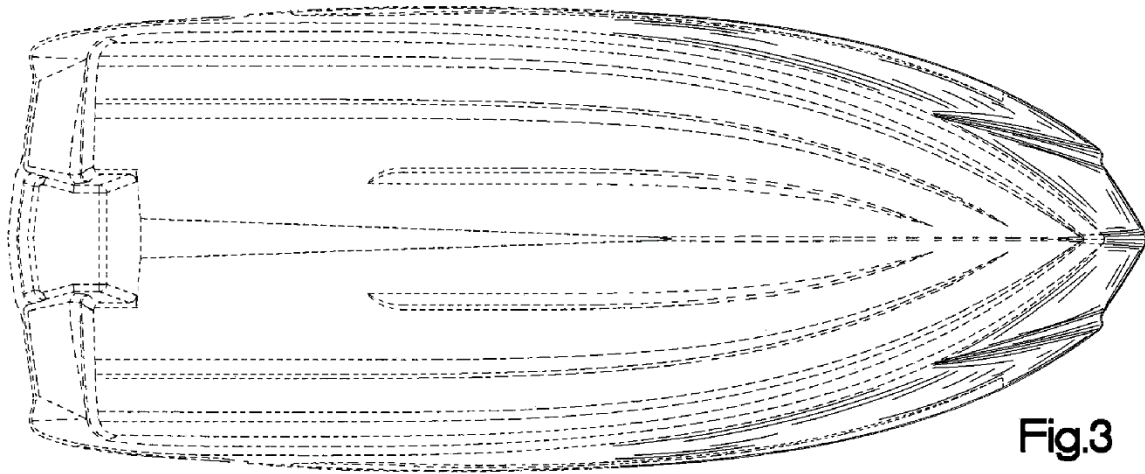


Fig.3



Design patents are valid for 15 years from the date of issue if filed on or after May 13, 2015, or 14 years from the date of issue if filed prior to May 13, 2015.⁷ A design patent is infringed by an accused design “if, in the eye of an ordinary observer, giving such attention as a purchaser usually gives, two designs are substantially the same, if the resemblance is such as to deceive such an observer, inducing him to purchase one supposing it to be the other, the first one patented is infringed by the other.”⁸ This test for infringement is known as the “ordinary observer” test.

2. Utility Patent

As discussed above, a utility patent generally protects the way an article is used and works.⁹ When people refer to a patent, they are typically referring to a utility patent as these are the most common type of patent. In contrast to design patents, the term of a utility patent is 20 years from the earliest effective filing date. The patent application must include a specification that completely describes the invention in a manner that enables a skilled artisan to practice the invention without undue experimentation.¹⁰ Unlike a design patent where the drawings define the scope of protection, in a utility patent, it is the words of the claims that define the scope of protection provided by the patent. The claims are the most important part of the patent application as they define what the patent covers. In order to obtain a utility patent, an applicant

⁷ 35 U.S.C. § 173.

⁸ 81 U.S. 511, 528 (1871).

⁹ 35 U.S.C. § 101.

¹⁰ 35 U.S.C. § 112.

submits a patent application to the USPTO. The utility patent application may also include drawings of the invention, and typically does include drawings. A patent examiner at the USPTO reviews the application (primarily the claims) to determine whether it meets the requirements of the patent laws. Once the Examiner allows the application, a patent will issue after the payment of a government fee.

Vessel hull designs have been protected by utility patents. For example, shown below are exemplary figures from a utility patent (U.S. Patent No. 9,162,732) directed to a stepped hull.

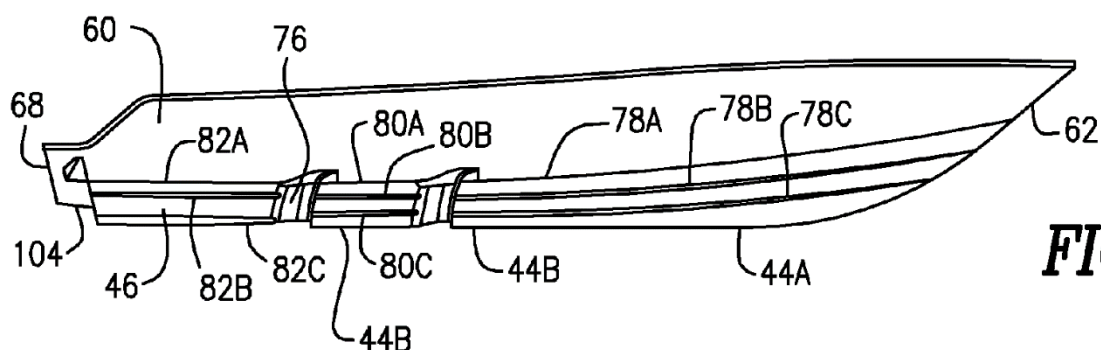


FIG. 5

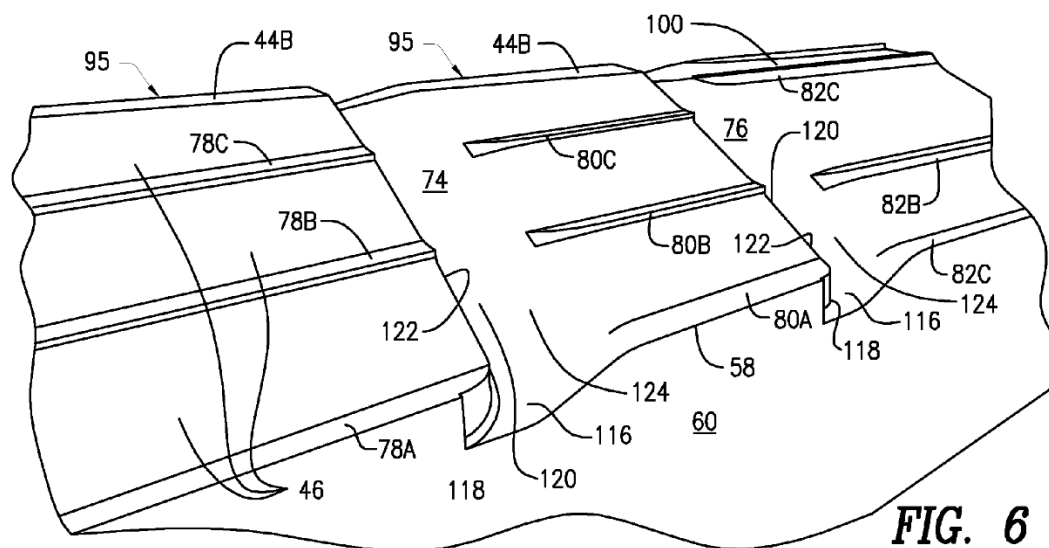


FIG. 6

Some examples of other vessel components that have received utility patents include: exhaust systems, adjustable seats, an adjustable bunk, anti-fouling films for a boat hull, and a wake shaping device.

Remedies available to a patent owner for infringement of a design or utility patent include injunctions, monetary damages, and attorney fees.¹¹ Damages can also be increased by up to three times for willful infringement.

3. The VHDPA

A design registration under the VHDPA is a relatively new type of intellectual property protection. In 1998, the VHDPA (Title 17, Chapter 13 of the United States Code) went into effect as part of the Digital Millennium Copyright Act (DMCA). Title 17 of the United States Code pertains to copyright and related laws, but interestingly, Chapter 13 does not pertain to copyright laws. Rather, Chapter 13 is entitled “Protection of Original Designs,” and provides protection for an original design of a vessel hull that is embodied in an actual vessel hull. Vessel designs that only exist in models or drawings cannot be protected under the VHDPA. The VHDPA was created to prevent what is known as “hull splashing.” “Hull splashing” is a process in which a vessel hull can be copied. The hull of an existing vessel is used to create a mold, and then fiberglass or another material is inserted into the created mold to produce a copy of the hull of the existing vessel. Over 500 vessel hull designs have been registered since the VHDPA was introduced in 1998. Manufacturers that have obtained design registrations include some of the

¹¹ 35 U.S.C. §§ 283-285.

biggest names in the industry, such as Sea Ray, Formula, Wellcraft, Four Winns, Grady-White, Crownline, Crestliner, Chaparral, Maverick, Zodiac, and Scout.

The VHDPA provides protection for the design of a vessel hull, deck, or combination of a hull and deck, including a plug or mold.¹² Under the statute, the design must be “an original design of a useful article which makes the article attractive or distinctive in appearance to the purchasing or using public.”¹³ A design is “original” if it is the result of the designer’s creative endeavor that provides a distinguishable variation over prior work pertaining to similar articles which is more than merely trivial and has not been copied from another source.¹⁴ A “vessel” is a craft (a) that is designed and capable of independently steering a course on or through water through its own means of propulsion; and (b) that is designed and capable of carrying and transporting one or more passengers.¹⁵ A “hull” is the exterior frame or body of a vessel, exclusive of the deck, superstructure, masts, sails, yards, rigging, hardware, fixtures, and other attachments.¹⁶ A “plug” is a device or model used to make a mold for the purpose of exact duplication, regardless of whether the device or model has an intrinsic utilitarian function that is not only to portray the appearance of the product or to convey information.¹⁷ A “mold” is defined as a matrix or form in which a substance for material is used, regardless of whether the matrix or form has an intrinsic utilitarian function that is not only to portray the appearance of

¹² 17 U.S.C. § 1301(a)(2).

¹³ Id. § 1301(a)(1).

¹⁴ Id. § 1301(b)(1).

¹⁵ Id. § 1301(b)(3).

¹⁶ Id. § 1301(b)(4).

¹⁷ Id. § 1301(b)(5).

the product or to convey information.¹⁸ A “deck” is the horizontal surface of a vessel that covers the hull, including exterior cabin and cockpit surfaces, and exclusive of masts, sails, yards, rigging, hardware, fixtures, and other attachments.¹⁹

The VHDPA is useful as it can provide protection before a design patent issues. However, the issuance of a design patent on the hull design terminates the design protection under the VHDPA.²⁰ Obtaining a design registration under the VHDPA is simpler and likely cheaper than obtaining a patent, but provides only ten years of protection. Specifically, the design registration expires ten years from the earlier of (A) the date of publication of the registration by the Copyright Office or (B) the date the design is first “made public.”²¹ A design is “made public” when an existing useful article embodying the design is anywhere publicly exhibited, publicly distributed, or offered for sale or sold to the public by the owner of the design or with the owner’s consent.²² The term of the design protection lasts until the end of the calendar year in which it would otherwise expire.²³

In order to protect a hull design under the VHDPA, Application Form D-VH is completed and submitted via mail to the Copyright Office along with a pictorial representation of the design and a nonrefundable filing fee (currently \$400). Application Form D-VH can be obtained from the U.S. Copyright Office website at

¹⁸ Id. § 1301(b)(6).

¹⁹ Id. § 1301(b)(7).

²⁰ Id. § 1329.

²¹ Id. § 1304.

²² Id. § 1310(b).

²³ Id. § 1305(b).

<http://www.copyright.gov/forms/formdvh.pdf>. The required pictorial representation of the design is satisfied by providing two copies of a drawing or other pictorial representation of the useful article embodying the design, having one or more views, adequate to show the design, in a form and style suitable for reproduction.²⁴ The application for design registration must be filed within two years of the design being “embodied in a useful article that was made public by the designer or owner in the United States or a foreign country.”²⁵

After the application form and required materials are submitted, the Copyright Office examines the application to determine if any required items have been omitted. If there are no deficiencies with the application, a registration certificate is issued by the Copyright Office that includes a reproduction of the drawings or other pictorial representations of the design.²⁶ The effective date of the design registration is the date the Copyright Office publishes notice of the registration.²⁷ Notice of registration of the design is typically published by the Copyright Office one month after a complete application has been received. The published design registrations can be viewed on the Copyright Office website.

A vessel design for which protection is sought under the VHDPDA must be marked legibly with a design notice that includes: (1) the words “Protected Design,” the abbreviation “Prot’d Des.,” or the letter “D” within a circle, or the symbol “*D*”; (2) the year of the date on which protection for the design commenced; and (3) the name of the owner, an abbreviation by which

²⁴ Id. § 1310(h).

²⁵ Id. § 1302(5).

²⁶ Id. § 1314.

²⁷ Id. § 1313.

the name can be recognized, or a generally accepted alternative designation of the owner.²⁸

After registration of the design, the format above can still be used, or the registration number can be used instead of the year and owner name.²⁹ The design notice must be located and applied as to give reasonable notice of design protection while the useful article embodying the design is passing through its normal channels of commerce.³⁰ Once the design registration expires, you can no longer mark your vessel with the design notice or else you could be penalized for false marking.³¹ The VHDPA only protects designs within the United States; it does not provide international protection.

An owner who has obtained a design registration can institute an infringement action against an infringer of their design in federal court.³² Remedies that can be obtained include damages, the infringer's profits, attorney's fees, an injunction, and destruction of infringing articles.³³ Recovery is barred under the statute of limitations for any infringement that occurred more than three years before the date the complaint is filed.³⁴ Instead of an infringement action in federal court, arbitration could be used to resolve part or all of the dispute.

²⁸ Id. § 1306(a)(1).

²⁹ Id. § 1306(a)(2).

³⁰ Id. § 1306(b).

³¹ Id. § 1326.

³² Id. § 1321(a).

³³ Id. §§ 1321-1324.

³⁴ Id. § 1323(c).

4. Trade Dress

Trade dress is a type of trademark protection that protects the image and overall appearance of a product. A product's trade dress is protected under the Lanham Act,³⁵ and a product's trade dress can be protected by registering the product with the USPTO or without registering the product with the USPTO. Trade dress protection can be difficult to receive, as the applicant must establish that the design has secondary meaning to consumers in the market by identifying the source of the product, and the design also cannot be functional.

In contrast to patents, protection for trade dress can last for as long as the trade dress is used in commerce. Trade dress infringement exists when consumers are likely to be confused as to the source of the goods when comparing the two designs to each other. Available remedies for trade dress infringement include injunctions, monetary damages, and attorneys' fees.

In the context of a vessel hull, the appearance of the graphics (color, shapes, etc.) on a vessel hull could be protected as trade dress for example. An interesting case that focused on whether there was trade dress infringement of a boat hull design is *Yellowfin Yachts, Inc. v. Barker Boatworks, LLC et. al.*, No. 8:15-cv-990-T-23TGW, 2015 WL 6736792 (M.D. Fla. 2015). Yellowfin asserted that its unique sheer line design (the line formed at the intersection of the hull and the deck) was trade dress as customers associated it with the company. However, the court stated that the sheer line was functional, and consequently held that there was no trade dress infringement.

³⁵ 15 U.S.C. § 1051 *et seq.*

5. Conclusion

It is great that boat manufacturers have several types of intellectual property protection they can use to cover their novel design of a vessel hull. The determination of which type or types of intellectual property protection a manufacturer should pursue depends on the situation and the business objectives of the manufacturer, and thus it is best that they consult with an intellectual property attorney to guide their decision and pursue the needed protection to cover such a core component to their business.