

## MAJOR NEW DECISION FOR DETERMINING DESIGN PATENT INFRINGEMENT

In a decision favorable to holders of design patents, the United States Court of Appeals for the Federal Circuit in *Egyptian Goddess, Inc. v. Swisa, Inc.*, has removed a major element previously required to prove design patent infringement. The court ruled that the “ordinary observer” test, first set out in 1871 by the U.S. Supreme Court decision *Gorham v. White*, is the “sole test for determining whether a design patent has been infringed.”

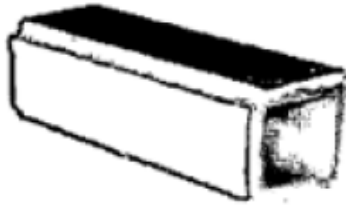
Previously, two distinct tests had to be satisfied in order to prove design patent infringement, namely the “ordinary observer” test and the “point of novelty” test. (see e.g. *Contessa Food Products, Inc. v. Conagra, Inc.*, 282 F.3d 1370, 1377 (Fed. Cir. 2002)). The “ordinary observer” test as set out in *Gorham* requires substantial similarity between the patented design and the accused design when viewed by an ordinary observer. The “point of novelty” test required a court to determine whether the accused device appropriated the novelty in the patented device which distinguished the patented design from the prior art.

Even with the elimination of the “point of novelty” test, reference to prior art designs will continue to be necessary in many cases. This is because the similarity under the ordinary observer test is to be considered from the perspective of an ordinary observer who is familiar with the prior art. The Federal Circuit stated:

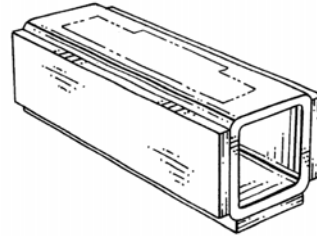
In some instances, the claimed design and the accused design will be sufficiently distinct that it will be clear without more that the patentee has not met its burden of proving the two designs would appear “substantially the same” to the ordinary observer, as required by *Gorham*. In other instances, when the claimed and accused designs are not plainly dissimilar, resolution of the question whether the ordinary observer would consider the two designs to be substantially the same will benefit from a comparison of the claimed and accused designs with the prior art.... Where there are many examples of similar prior art designs ... differences between the claimed and accused designs that might not be noticeable in the abstract can become significant to the hypothetical ordinary observer who is conversant with the prior art.

A second pro-patentee rule that emerges from this case is that the burden of production of prior art designs will fall on the accused infringer. Under the “point of novelty” test, the patentee was required to produce prior art designs and identify one or more points of novelty relative to those designs. The court also decided that a 'verbal description' of the diagrams is not required.

As to the facts of the case, the Egyptian Goddess holds Design Patent No. 467,389 directed to the design of a four-sided buffer for fingernails/toenails. Egyptian Goddess asserted that a Swisa buffer infringes the '389 patent. The key distinctions between the '389 patent and the Swisa buffer are that the patented design includes buffing blocks on three of the four sides of the buffer, and the Swisa buffer includes buffing blocks on all four sides of the buffer.



Swisa Buffer

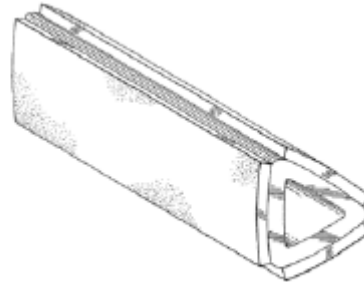


'389 Patent

The court analyzed prior art buffer designs, including a four-sided “Falley” buffer block, and a three-sided tubular “Nailco” design patent, each of which included buffers on each side of the buffer block. The court concluded that an ordinary observer, taking into account the prior art, would not view the accused design to be the same as the patented design. Therefore, the Swisa buffer does not infringe the '389 patent.



Falley Buffer Block



Nailco Patent

Although this case is favorable for holders of design patents, the patentee here actually lost the case. The court’s application of the law shows that proving infringement under the ordinary observer test will continue to be a difficult task for design patent holders. Many cases will likely turn on technical points of similarity between designs rather than simply a broader totality of similarity. Yet, despite the potential difficulties, the situation is much improved from the hardships faced by a patent holder under the “point of novelty” test.

For questions regarding design patent issues, please contact:

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