

DESIGN PATENTS:

Court of Appeals for the Federal Circuit Unanimously Scraps “Points Of Novelty” Infringement Analysis

On September 22, 2008, the Court of Appeals for the Federal Circuit (“CAFC”) upheld the district court’s finding of non-infringement of design patent number D467,389 (the “389 patent) in Egyptian Goddess, Inc. v. Swisa, Inc., (Appeal No. 2006-1562, September 22, 2008). At issue was a four-sided nail buffer having raised buffer pads on three sides. The defendant’s nail buffer and other prior art nail buffers have raised buffer pads on all four sides. This distinction sufficiently precluded a finding of patent infringement.

In the underlying decision of non-infringement, the district court applied the long standing “points of novelty” test for infringement analysis, which focused “on those aspects of a design which render the design different from prior art designs” (citing Sun Hill Indus., Inc., 48 F.3d at 1197, quoting Winner Int’l Corp. v. Wolo Mfg. Corp., 905 F.2d 375, 376 (Fed. Cir. 1990)). The district court described “in words” the claimed design, and identified aspects of the design that rendered the design distinct from the prior art.

The CAFC Egyptian Goddess decision is significant because the Court abandoned the historic points of novelty test that was applied by the district court. The Court held, instead, that the “ordinary observer test” should be applied to determine whether a design patent is infringed. Citing to the ordinary observer test discussed in the historic U.S. Supreme Court decision, Gorham v. White, infringement will be found when the accused article “embod[ies] the patented design” (citing Goodyear Tire & Rubber Co., 162 F.3d at 1116-1117).

Even though the CAFC stated that it abandoned the points of novelty test, it also stated that a comparison of the claimed design with the prior art may still be required. The court pointed out that when the claimed design and accused article are not “plainly dissimilar,” then the question is whether an “ordinary observer would consider the two designs to be substantially the same” (Egyptian Goddess, at 22). The basis of such a consideration includes a “comparison of the claimed and accused designs with the prior art” (Id.).

While in a typical patent infringement case, the burden of proving infringement is on the patentee, the CAFC however placed the burden on the accused infringer to produce the prior art from which the comparison between the accused design and the prior art can be made. The CAFC departed from requiring patentees to “introduce” prior art under the points of novelty test, to imposing a burden of production of prior art on accused infringers under the “ordinary observer” test. The Court reasoned that accused infringers would be motivated to point out close prior art that would cause an ordinary observer to recognize differences between the claimed design and the accused design and find for non-infringement.

The CAFC's decision in Egyptian Design can be viewed as favoring design patent owners because the Court eliminated an approach to determining design patent infringement that relies upon words to relying on a visual approach. Whenever words are used to describe a design, an accused infringer can distinguish its design using different words. This gives the (verbal) impression that two designs are distinct, when in fact they may be substantially similar or even identical. Further, the CAFC decision frees patentees from having to identify points of novelty that distinguish over prior art designs, and also burdens accused infringers to produce comparable prior art. This increases the likelihood that designs in total will be viewed in an infringement analysis, as opposed to focusing attention on one or two details in a design that might otherwise avoid a finding of infringement.