ARE Design Patent Law Alert:
Amster, Rothstein & Ebenstein LLP Design Patent Alert

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On September 22, 2008, the U.S. Court of Appeals for the Federal Circuit, reconsidered (and rejected) the test it had used since 1984 to determine whether a design patent is infringed in its unanimous en banc opinion in *Egyptian Goddess v. Swisa*, No. 2006-1562, slip op. (Fed. Cir. Sept. 22, 2008) (en banc).

For over 24 years, the Federal Circuit has applied a two part test to determine patent infringement of a design patent:

1. First, based on the Supreme Court's 1872 decision in *Gorham Co. v. White*, the fact finder would apply the "ordinary observer" test:

"[I]f, 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." *Gorham Co. v. White*, 81 U.S. 511, 528 (1872).

2. Then, the fact finder would apply the "point of novelty" test crafted by the Federal Circuit:

Whether the particular novelty in the claimed design was present in the accused design. In other words, "the accused design must appropriate the novelty that distinguished the patented design from the prior art, ..."

In *Egyptian Goddess*, the Federal Circuit rejected the "point of novelty" test, and held that the 1872 *Gorham v. White* "'ordinary observer' test should be the sole test for determining whether a design patent has been infringed." (Emphasis added). While the new analysis is more akin to historical Supreme Court law, it may give more leeway to the fact-finder to use its subjective observations, and thus make it more difficult to counsel at an early stage whether a design infringes. On the other hand, the merger of the tests avoids some of the problems created by the separate point of novelty test, namely, how to apply the test in cases where "there are several different features that can be argued to be points of novelty in the claimed design."

Observers of patent case law may note that the U.S. Supreme Court has recently criticized the Federal Circuit for deviating from its prior holdings and drawing sharp lines which do not otherwise exist in prior Supreme Court precedent. In the present decision, the full Court of the

Federal Circuit appears to have taken those guiding principles to heart, and has resurrected the Supreme Court's own historical precedent, with a twist. The Federal Circuit has instructed the bar and the trial courts to consider the concept of the patented design's novelty (but not necessarily the "points of novelty") as part of the ordinary observer test.

For a detailed analysis of this new development in design patent law, please see our Guest Column in IP Law 360, which will be available shortly at our firm website. *See* Chester Rothstein, Charles R. Macedo and David Boag, *Egyptian Goddess v. Swisa: Revising The Test To Determine Infringement of Design Patents*, IP Law 360, Portfolio Media, New York (September 23, 2008) (available at www.arelaw.com/articles).

Please feel free to contact us to learn more about this decision and its impact on U.S. Design Patent law.