

## Court of Appeals for the Federal Circuit Revises Design Patent Infringement Tests

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On September 22, 2008, the en banc Court of Appeals for the Federal Circuit (“CAFC”) handed down a unanimous decision in *Egyptian Goddess, Inc. v. Swisa, Inc.* The court used this case as a vehicle for reconsidering the applicability of the “point of novelty” test in design patent law. The decision reached in this case represents a significant development in the area of design patents. As a result of this decision, US courts will likely see an increase in foreign and domestic companies seeking to enforce design related intellectual property.

Egyptian Goddess, Inc. sued Swisa, Inc, claiming that certain fingernail buffers manufactured by Swisa infringed on a patent held by Egyptian Goddess. Swisa prevailed on summary judgment for non-infringement. On appeal, the Federal Circuit Panel affirmed the district court’s summary judgment of non-infringement. The reasoning behind the trial courts’ decision was based on the fact that Egyptian Goddess had failed to satisfy its burden under the “point of novelty” test, which is one of the two required tests for design patent infringement (the other test being the “ordinary observer” test).

The CAFC granted a rehearing en banc in order to address the appropriate legal standard to be used in assessing claims of design patent infringement. The CAFC did away with the “point of novelty” test that was first stated in *Litton Systems, Inc. v. Whirlpool Corp.* 728 F.2d 1014 (Fed.Cir.1984). The “point of novelty” test, as stated in *Litton* was understood to mean that no matter how similar two products looked to an ordinary observer, in order to find infringement, the court must attribute their similarity to the novelty which distinguishes the patented device from prior art. The CAFC found that the “point of novelty” test was largely unnecessary, and that the problems with the test created more confusion than clarification.

The court held that the “ordinary observer” test should be the sole test for determining whether a design patent has been infringed. The court further stated that the purpose of the “point of novelty” test had been to address the situation where an accused design merely reads on the prior art, but this situation was actually accounted for when the ordinary observer had knowledge of the prior art.

This court states that the proper test for patent infringement is applying the “ordinary observer” test with reference to prior art designs. Applying the test in this way avoids the problem created by the “point of novelty” test which gave a defendant more opportunity to argue that his design did not infringe because it did not copy *all* the points of novelty. The “ordinary observer” test asks how an observer with knowledge of the prior art designs would view the differences

between the patented and accused designs and this type of test is more likely to produce results in line with the purposes of design patent protection.

#### Sources

*Egyptian Goddess, Inc. v. Swisa, Inc.*, No. 2006-1562, 2008 WL 4290856 (Fed. Cir. Sept. 22, 2008).

Christopher V. Carani, *Egyptian Goddess v. Swisa: En Banc Federal Circuit Court Puts Teeth Back In Design Patents*, IP TODAY, Sept. 24, 2008, <http://www.iptoday.com/news-article.asp?id=2958&type=ip>.