

CLIENT ALERT

Federal Circuit Eliminates “Point of Novelty” Test for Design Patent Infringement

September 30, 2008

Summary

On September 22, 2008, the United States Court of Appeals for the Federal Circuit issued a unanimous decision in *Egyptian Goddess, Inc. v. Swisa, Inc.* The court held that design patent infringement should be determined using the informed "ordinary observer" test and eliminated the "point of novelty" test.

Background

Design patents protect "new, original, and ornamental designs." Prior to *Egyptian Goddess*, a design patent holder proved infringement by showing that:

- (1) the accused design is substantially similar to the patented design so as to confuse an ordinary observer, and
- (2) the accused device incorporates the "point of novelty" that distinguished the patented design from the prior art.

The first test was derived from an 1871 Supreme Court case. The second test was formally adopted in 1984 by the Federal Circuit.

The Federal Circuit's "point of novelty" test had created trouble for the courts when attempting to analyze infringement with multiple points of novelty, not all of which are found in the accused product, and when reviewing multiple prior art references. The Federal Circuit granted a full court rehearing to determine whether the "point of novelty" test should continue to be a requirement for design patent infringement.

The New Ordinary Observer Test

The Federal Circuit formally rejected the "point of novelty" test as a requirement for infringement but incorporated much of the same analysis of pre-existing designs by holding that the "ordinary observer" should be assumed to have a knowledge of the prior art.

The court clarified that infringement of a design patent should be found if the claimed design creates an appearance deceptively similar to the accused design to an observer familiar with (but not necessarily an expert in) similar prior art designs. That is, such a person would not find infringement if the similarities between the patented design and accused product are prior art features. While the court indicated that the burden to prove infringement rests with the patentee, it noted that the burden to produce comparison prior art rests with the accused infringer.

This new test relates only to infringement—the court was careful not to disturb its validity test for design patents.

Use this link http://image.exct.net/lib/fefb1175776503/d/1/Egyptian_Goddess.pdf to access the complete decision.

Going Forward

The new streamlined test should make it easier for design patent holders to assert their rights, as it relaxes the burden of proof on patentees and moves the infringement analysis more toward the "confusingly similar" test faced in trademark cases or the "substantial similarity" test found in copyright cases.

Even so, many of the same factors of the previous two-part tests have now been conflated into the single "informed" ordinary observer test. In fact, although the Federal Circuit struck down the old test, it noted that it focused on the same questions as the previous panel and went on to affirm the prior holdings and uphold summary judgment of non-infringement.

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