Egyptian Goddess v. Swisa: Retooling Design Patent Infringement

By Darrell G. Mottley

Design patents have been recognized as important tools for companies that invest in product development. In 2007, the U.S. Patent and Trademark Office (USPTO) issued just over 24,000 design patents, an increase on the order of 15 percent from the 20,965 design patents issued in 2006.1 U.S. design patent protection is available for new, original, and ornamental designs for articles of manufacture.2

Egyptian Goddess v. Swisa3 is the first en banc U.S. design patent case litigated before the U.S. Court of Appeals for the Federal Circuit, and it is a significant decision with respect to the question of how best to determine whether a design patent has been infringed. It pertained to whether the so-called point of novelty test should be utilized and whether claim construction should apply to design patent infringement analysis.

The trilogy of Supreme Court decisions in Gorham Mfg. Co. v. White, Lehnbeuter v. Holthaus, and Smith v. Whitman Saddle4 provided guidance for determining whether a design patent has been infringed. All three cases were decided in the late 1800s. None of them, however, squarely addressed a separate point of novelty test and claim construction in design patent infringement analysis.

Background
Thirty-five U.S.C. section 289 sets forth additional remedies available for the infringement of a design patent. This statute also focuses the infringement inquiry on whether or not the claimed design has been applied to an article of manufacture. The statute reads in part:

Whenever during the term of a patent for a design, without license of the owner, (1) applies the patented design, or any colorable imitation thereof, to any article of manufacture for the purpose of sale, or (2) sells or exposes for sale any article of manufacture to which such design or colorable imitation has been applied shall be liable to the owner . . .5

As suggested by the language of section 289, a proper infringement inquiry focuses on whether or not the claimed design has been appropriated.

Overview of Prior Design Patent Infringement Case Law
Prior to the en banc case, Federal Circuit design patent infringement jurisprudence required that federal courts apply a two-pronged judicially created test.

The First Prong: The Ordinary Observer Test
The first part of this test was set forth in Gorham Mfg. Co. v. White,6 which held that a design patent is infringed by a second design if, in the eyes of an ordinary observer, the two designs are substantially the same, i.e., if the resemblance deceives the ordinary observer giving such attention as a purchaser usually gives and induces him to purchase one supposing it to be the other.7 In evaluating “resemblance,” the U.S. Supreme Court counseled that it is not necessary that every aspect of the designs be identical.8

The Second Prong: The Point of Novelty Test
In addition to similarity of the overall appearance of the design, the Federal Circuit has held that the test for infringement also requires that the accused device must appropriate the novelty in the patented design that distinguished it from the prior art. Under the point of novelty test first articulated by the Federal Circuit in Litton Systems v. Whirlpool Corp., a court must determine whether “the accused device . . . appropriates[s] the novelty in the patented device which distinguishes it from the prior art.”9 In Litton, the Federal Circuit adopted regional case law articulated in Sears Roebuck & Co. v. Talge,10 as well as the district court opinion in Horwitt v. Longines Wittnauer Watch Co.11

Supreme Court Cases: The Point of Novelty Is Not Clear
At least one U.S. Supreme Court decision found infringement without addressing any point of novelty test. In Lehnbeuter v. Holthaus,12 the Court held that the infringement was “clearly established” for a “servile” copy of the design patentee’s patent.13 The patentees, Joseph Lehnbeuter and Casper Claes, filed suit against Arnold Holthaus and Anton Holthaus, charging infringement of U.S. Design Patent No. 8814 for show-cases, which had been issued on Nov. 30, 1875. The sole figure from the design patent is provided below.

In Lehnbeuter there was no consideration of any form of a point of novelty test. While the Lehnbeuter Court did not refer to its earlier decision in Gorham, it did perform a visual comparison of the accused product with the design patent, and it found infringement. The Court stated that

A comparison of the drawing which is appended to patent No. 8814, with cut No. 34 of the Holthaus Circular, which it is admitted represents show-cases manufactured and sold by the defendants, during and since January, 1877, makes it clear that the latter is a servile copy of the former, excepting a slight inclination backwards, hardly perceptible to the naked eye, of the glass constituting the front of the elevated portions of the case. We think, therefore, that the infringement is clearly established.14

Smith v. Whitman Saddle15 constitutes the third and last Supreme Court opinion that discusses design patent infringement. This opinion has been cited to support a point of novel-

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ty analysis. Royal E. Whitman had been awarded U.S. Design Patent No. 10,844 on September 24, 1878 (filed on September 2, 1878), directed to a “Design for a Riding Saddle.” A side view of the patented saddle is provided below.

Whitman Saddle Company brought a suit against Charles B. Smith and others alleging infringement of Design Patent No. 10,844. In the circuit court, defendant Smith was ultimately held liable for infringement of the noted design patent. At issue during trial was whether the design for the saddle was patentable and infringed. The circuit court found clear infringement by applying the Granger saddle. The other issue at trial was whether the design patent was valid. In reaching its decision, the circuit court compared riding saddles prior to the 1878 filing of the design patent application of Whitman. The saddles in the prior art were a “Jenifer” or “Jenifer-McClellan,” and a “Granger” saddle.

It was urged by the defendants that the patented Whitman’s saddle design was basically a combination of the front half, or pommel, of the Granger saddle and the rear half, or cantle, of the Jenifer saddle. The circuit court, while noting the argument by the defendants, held that the patented design was patentable and was infringed. Smith appealed the decision.

In Smith v. Whitman Saddle, the Supreme Court reversed the circuit court’s findings that (1) the saddle design in suit was patentable, and (2) the accused design infringed the design patent. It seems that the ultimate decision was decided on the basis of invalidity of the design patent in suit, rather than a point of novelty type infringement analysis. In this regard, the Smith Court recognized that the Granger and Jenifer saddles were prior art to the design patent. The saddle design described in the specification differs from the Granger saddle in the substitution of the Jenifer cantle for the low, broad cantle of the Granger tree. In other words, the front half of the Granger and the rear half of the Jenifer, or Jenifer-McClellan, make up the saddle in question, though it differs also from the Granger saddle in that it has a nearly perpendicular drop of some inches at the rear of the pommel, that is, distinctly more of a drop than the Granger saddle had.

The Smith Court discussed the issue of patentability of the Whitman patent. The experienced [district] judge by whom this case was decided conceded that the design of the patent in question did show prominent features of the Granger and Jenifer saddles, and united two halves of old trees, but he said: “A mechanic may take the legs of one stove, and the cap of another, and the door of another, and make a new design which had no element of invention; but it does not follow that the result of the thought of a mechanic who has fused together two diverse shapes, which were made upon different principles, so that new lines and curves and a harmonious and novel whole are produced, which possesses a new grace, and which has a utility resultant from the new shape, exhibits no invention.” And he held that this was effected by the patentee, and that the shape that he produced was, therefore, patentable. But we cannot concur in this view.

The Smith Court then reviewed the prior art and held that:

The evidence established that there were several hundred styles of saddles or saddletrees belonging to the prior art, and that it was customary for saddlers to vary the shape and appearance of saddletrees in numerous ways, according to the taste and fancy of the purchaser. . . . The presence or the absence of the central open slot was not material, and we do not think that the addition of a known cantle to a known saddle, in view of the fact that such use of the cantle was common, in itself involved genius or invention, or produced a patentable design.

The Court found that the patented saddle design was not inventive. Additionally, the Smith Court expanded on the ordinary observer rule cited in Gorham to support noninfringement in the event the saddle design was patentable. In its analysis, the Smith Court articulated the main difference between the prior art and design patent and opined on patentability of the saddle. The feature different from the prior art pertained to an “accentuated drop” of the pommel. The Smith Court opined that, “if, therefore, this drop were material to the design, and rendered it patentable as a complete and integral whole, there was no infringement.” The Smith Court, apparently relying on Gorham precedent, indicated that “. . . [the] difference was so marked that in our judgment the defendant’s saddle could not be mistaken for the saddle of the complainant.”

Alternatively, an early form of a modern point of novelty analysis detectable in the Smith Court discussion on patentability may be observed in the Court’s analysis that defendant’s saddle pommel did not have the same accentuated drop as in the design patent. A point of novelty analysis was not clearly made. However, in the author’s view, this is because the Smith Court ultimately held that the design patent was unpatentable for lack of inventiveness, and it opined in the alternative that if the design was patentable, the defendant’s saddle could not be mistaken for the saddle of the design patent, as a whole, under the ordinary observer teachings of Gorham. In other words, if the design was patentable, the accused saddle of Smith did not resemble the saddle in the design patent closely enough to find infringement.

Against this backdrop of more than a century of design patent jurisprudence emanating from three U.S. Supreme Court decisions, Egyptian Goddess v. Swisa appeared.

**Egyptian Goddess v. Swisa at the Federal Circuit**

**Egyptian Goddess I**

On November 26, 2007, Federal Circuit granted a petition for rehearing en banc and vacated what may be called Egyptian Goddess I—the majority opinion issued
by the Federal Circuit on August 29, 2007. Though this panel opinion was vacated, a discussion of it is useful for placing the issues of the en banc rehearing in context. Egyptian Goddess, Inc., is the exclusive licensee of U.S. Design Patent No. D467,389, issued December 17, 2002. Egyptian Goddess sells fingernail buffers used in nail care. Swisa, Inc., is engaged in the same nail care business. Egyptian Goddess alleges that Swisa has sold a nail buffer that is substantially similar to the patented design. Patent owner Egyptian Goddess brought suit against Swisa, alleging infringement of D467,389. This patent pertains to an ornamental design for a nail buffer. Above is a representative figure of the design of the patent-in-suit and the accused nail buffer.

In support of its infringement case, Egyptian Goddess asserted that the point of novelty of D467,389 was the appearance of a unique combination of four design elements, all individually known in the prior art. Swisa asserted non-infringement based on the theory that there was no infringement under the point of novelty or the ordinary observer test. The district court granted Swisa summary judgment of non-infringement, holding that Egyptian Goddess failed to show that the accused design appropriated the point of novelty in the patented design of D467,389. Egyptian Goddess appealed the judgment of the district court.

The majority opinion restated the current law regarding the two requirements for the establishment of patent infringement. First, citing Gorham Co. Mfg. v. White, the court relied on the ordinary observer test, which requires that an ordinary observer must find the two designs substantially the same to an extent that he or she is induced to purchase one of them supposing it to be the other one. The second requirement for design patent infringement, according to the district court, pertains to the point of novelty test. The test requires that “no matter how similar two items look, ‘the accused device must appropriate the novelty in the patented device which distinguishes it from the prior art.’”

The Non-Trivial Advance Test for a Point of Novelty. According to the majority of the panel, “[f]or a combination of individually known design elements to constitute a point of novelty, the combination must be a non-trivial advance over the prior art.” Patent design practitioners believed that this non-trivial advance test was a new, judicially created hurdle which further restricted the availability of the point of novelty basis for liability. It is clear that this new test was the genesis of the en banc rehearing because it could have potentially led to an overthrow of design patent infringement analysis.

Asserted Points of Novelty. Egyptian Goddess’s asserted points of novelty of the patented design contain four elements: “(1) an open and hollow body, (2) square cross-section, (3) raised rectangular pads, and (4) exposed corners.” The majority held that Egyptian Goddess’ points of novelty were not a non-trivial advance over the prior art because all of the elements were known in the prior art. Hence, the points of novelty would not be a non-trivial advance under the panel majority opinion’s point of novelty test.

Judge Dyk wrote a strong dissent. First, he criticized the majority’s creation of a new rule in which a combination of elements could not be used to create a point of novelty in a design patent case unless the combination constituted a non-trivial advance over the prior art. Second, he opined that this new test shifted the burden of proof for obviousness from the accuser to the patent owner, thus defying the statutory presumption of validity of a patent. Third, the dissent believed the court was ill-suited to determine whether there was a non-trivial advance over the prior art. Such a determination, he indicated, should be made by a jury. Finally, the dissent went on to state the case law cited by the majority did not support the contention that when the point of novelty is a combination of features, there must be a showing that the combination is a non-trivial advance over the prior art.

The En Banc Rehearing Order

The November 26 en banc order indicated that the court was to address the following issues on appeal:

1. Should point of novelty be a test for infringement of a design patent?
2. If so, (a) should the court adopt the non-trivial advance test adopted by the panel majority in this case; (b) should the point of novelty test be part of the patentee’s burden on infringement or should it be an available defense; (c) should a design patentee, in defining a point of novelty, be permitted to divide closely related or ornamentally integrated features of the patented design to match features contained in an accused design; (d) should it be permissible to find more than one point of novelty in a patented design; and (e) should the overall appearance of a design be permitted to be a point of novelty?. . .
3. Should claim construction apply to design patents, and, if so, what role should that construction play in the infringement analysis?

The En Banc Opinion

On September 22, 2008, the Federal Circuit issued its long-awaited decision in what may be called Egyptian Goddess II. Its decision clarified and overruled more than two decades of design patent infringement jurisprudence. The unanimous court ruled that the point of novelty test, first announced in Litton Systems Inc. v. Whirlpool Corp. as a second and free-standing requirement for proof of design patent infringement, is inconsistent with the 137-year-old Supreme Court precedent of Gorham Co. v. White.

The Point of Novelty Test: No Longer a Separate Test

The court appears to have adopted a more flexible approach to design patent infringement analysis and has eliminated the more rigid analysis of the point of novelty test. In rejecting its own precedent, the Federal Circuit held that the “point of novelty test” should no longer be used in the analysis of a claim of design patent infringement. Because we reject the “point of novelty test,” we also do not adopt the “non-trivial advance” test, which is a refinement of the “point of novelty” test. Instead, in accordance with Gorham and subsequent decisions, we hold that the “ordinary observer” test should be the sole test for determining whether a design patent has been infringed. Under that test, as this court has sometimes described it, infringement will not be found unless the accused article “embod[ied] the patented design or any colorable imitation thereof.”

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The Ordinary Observer Test Includes a Prior Art Analysis

In relying on Gorham, the Federal Circuit counsels that the ordinary observer test is the proper inquiry for analysis as to “whether the accused design has appropriated the claimed design as a whole.”43 In this regard, the Federal Circuit clarifies its precedent in Litton Systems, and predecessor cases are “more properly read as applying a version of the ordinary observer test in which the ordinary observer is deemed to view the differences between the patented design and the accused product in the context of the prior art.”44 Specifically, the court noted that the prior art gives the hypothetical ordinary observer “a frame of reference” from which to view the distinctions between the accused product and patented design.45 Applying the ordinary observer test and utilizing the frame of reference provided by prior art, the Federal Circuit affirmed the district court’s summary judgment ruling that the Swisa nail buffer did not infringe.

The court provides some guidance to district court judges and litigators on how to apply the ordinary observer test in the context of the prior art in the infringement analysis. In one case, “[i]f the accused design has copied a particular feature of the claimed design that departs conspicuously from the prior art, the accused design is naturally more likely to be regarded as deceptively similar to the claimed design, and thus infringing.”46 In another case, the court indicates that, for claimed designs including a combination of old elements that provide a patentable overall appearance, the hypothetical ordinary observer “will attach importance to differences between the claimed design and the prior art depending on the overall effect of those differences on the design.”47 In this regard, “[i]f the [accused] design consists of a combination of old features that creates an appearance deceptively similar to the [claimed] design, even to an observer familiar with similar prior art designs, a finding of infringement would be justified. Otherwise, infringement would not be found.”48

As discussed in the dissent to Egyptian Goddess I, the point of novelty test defined the statutory presumption of validity of a patent. The Egyptian Goddess II court clarifies that the new approach “is not a test for determining validity, but is designed solely as a test of infringement.”49 The court counsels that the burden of production is on the accused infringer to provide prior art the hypothetical ordinary observer “is most likely to regard as highlighting the differences between the claimed and accused design.”50 Nevertheless, the patentee still has the burden of proof to demonstrate infringement.51

Claim Construction

The Federal Circuit has retained the principle of written claim construction in design patent cases but noted that it is preferable for a district court not to attempt to “construe” a design patent by providing a detailed verbal description of the claimed design. However, the ultimate decision on whether to provide detailed description was left to the discretion of the trial judges.

Briefing by Amici Curiae for the En Banc Rehearing

General themes emerged from the briefing by a number of amici curiae in Egyptian Goddess II, and it appears that the court used the valuable insights of the amici in preparing the final decision.

The Point of Novelty Test Should Be Eliminated

A number of amici in the en banc rehearing of Egyptian Goddess I urged the Federal Circuit to eliminate the point of novelty test. These amici included the American Intellectual Property Law Association (AIPLA), Industrial Designers Society of America (IDSA), Intellectual Property Owners Association (IPO), Nike, Inc., Electrolux Home Products, Inc., Fédération Internationale des Conseils en Propriété Industrielle (FICPI), and Intellectual Property Law Association of Chicago, Houston Intellectual Property Law Association (HIPLA), Apple Inc., Professor William T. Fryer III, and Ford Global Technologies LLC. The main reasons proffered included: (1) the test complicated design patent litigation; (2) it lacked precedence from the U.S. Supreme Court in the only three cases discussing design patent infringement; and (3) the test failed to consider the appearance of the patent design as a whole.52 In particular, as urged by IPO, the point of novelty test could allow an accused product to appear substantially the same as the patent drawings and yet avoid a finding of infringement.53

The Point of Novelty Test Should Be Retained

With respect to the central question of the point of novelty, several amici urged the Federal Circuit to retain the point of novelty test.54 The reasons for retaining the point of novelty test include: (1) it is supported in the Patent Act of 1952; (2) it provides a public notice function regarding the scope of design patents; and (3) the test is consistent with Supreme Court precedent, namely, Gorham and Smith v. Whitman Saddle.

There was substantial disagreement over the interpretation of the Supreme Court case law. The parties urging support of the point of novelty test argued that it is supported in Supreme Court cases. Conversely, the parties urging elimination of the test argued that the test was not supported in the same Supreme Court cases. Confusion was apparent in the design patent jurisprudence regarding the point of novelty test, and the Federal Circuit has brought a good degree of clarity to this issue in the final en banc decision.

If the Point of Novelty Test Survives, the Non-Trivial Advance Standard Should Not Be Adopted

The non-trivial advance test of a point of novelty was unworkable and unnecessarily complicated design patent litigation. Several amici, including AIPLA,55 IPO,56 HIPLA,57 FCBA,58 and Fryer,59 urged the Federal Circuit not to adopt the non-trivial advance standard of the panel opinion in Egyptian Goddess I. As discussed in the dissent of Egyptian Goddess I by Judge Dyk, the non-trivial advance breaks with Federal Circuit precedent. Another argument against the non-trivial advance standard was that it required an evaluation of the substance and quality of the differences between the prior art and the patented design.

Claim Construction

With respect to claim construction, several amici, including IPO, AIPLA, Apple, and the Bar Association of the District of Columbia (BADC), urged the Federal Circuit to refrain from written claim construction. The inherent difficulty of verbalizing pictures and the potential for conflict with Gorham on the issue of reviewing the design as an integrated whole constituted the principal reasons these amici were against written claim construction. Nevertheless, several amici, including the FCBA, Intellectual Property Law Association of Chicago, and Elite Group
and Sensio, Inc., argued to the Federal Circuit that claim construction should be conducted by the courts.

**Retooling Design Patent Infringement**

As discussed above, the point of novelty test had many problems. One proposed way of keeping the infringement analysis consistent with *Gorham* was to determine the scope of the design patent claim that should cover all designs substantially the same to the eye of the ordinary observer, tempered by the prior art and prosecution history. Interestingly, the proposed infringement test essentially employed the teachings of *Gorham* to utilize the ordinary observer test bounded by a prior art analysis. The Federal Circuit appears to have adopted—in part—the elimination of the point of novelty test proposed by the amici.

**Implications of Egyptian Goddess II**

The resolution of the questions posed in *Egyptian Goddess II* will have a substantial and far-reaching effect on the future of design patent infringement analysis. The court has crafted the new test for infringement to resolve the many problems of the point of novelty test. This decision is a well-reasoned, balanced approach that provides a logical and fair treatment of prior art in the context of the test for infringement. The next few years may be “undiscovered country” for patent lawyers as new law is created to follow the precedent of *Egyptian Goddess v. Swisa II*, but this territory would seem to provide opportunities for more optimum resolution of infringement issues in design patent law.

### Endnotes


5. *Gorham*, at 528.


8. See generally *Egyptian Goddess II*.


12. See generally *Sears Roebuck & Co. v. Talge*, 140 F.2d 395, 396 (8th Cir. 1944).

13. *Sears Roebuck*, 140 F.2d at 396.


15. 105 U.S. 94 (1881).

16. *Sears Roebuck*, 140 F.2d at 396.

17. *Sears Roebuck*, 140 F.2d at 396.

18. Id. at 415 (emphasis added).

19. Id. at 415 ("The question of patentable novelty is the one in which most of the stress has been laid, and which has been exhaustively treated by the defendants.").

20. See id.

21. Id. at 416.

22. See supra note 3; see also *Sears Roebuck & Co. v. Talge*, 140 F.2d 395, 396 (8th Cir. 1944) (citing *Smith v. Whitman Saddle Co.*, 148 U.S. 676, 680 (1893)).

23. Id. at 23.

24. 38 F. 414.

25. 51. The Federal Circuit will allow subsequent cases to develop the standard.


29. Id. at 415 (emphasis added).


31. Id. at 415 (emphasis added).

32. Id. at 1357 (quotations and citation omitted).


42. See *IPO Brief*, supra note 40, at 11.

43. See *IPO Brief*, supra note 40, at 11.

44. See *FCBA Brief*, supra note 40, at 12.

45. See *FCBA Brief*, supra note 40, at 12.

46. See *FCBA Brief*, supra note 40, at 12.

47. See *FCBA Brief*, supra note 40, at 12.

48. See *FCBA Brief*, supra note 40, at 12.

49. See *FCBA Brief*, supra note 40, at 12.

50. See *FCBA Brief*, supra note 40, at 12.

51. The Federal Circuit will allow subsequent cases to develop the standards.

52. It was urged in the Apple Brief, see supra note 40, on page 17 that the test creates an unfair super standard for patent infringement. The test requires that the patentee prove a sub-combination of elements in patented design that are literally found in the accused product.

53. See *IPO Brief*, supra note 40, at 13.

54. See generally *Brief of Daisy Manufacturing, Brief of LQK, Brief of Elite Group, Inc. and Sensio, Inc.*, supra note 40.

55. See *APLA Brief*, supra note 40, at 11.

56. See *IPO Brief*, supra note 40, at 16.

57. See *HIPA Brief*, supra note 40, at 12.

58. See *FCBA Brief*, supra note 40, at 6.

59. See *Fryer Brief*, supra note 40, at 12.