

*Egyptian Goddess: Rebooting Design Patents and Resurrecting *Whitman Saddle**

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Introduction

Design patents are often construed narrowly, and the late Judge Rich once stated that “[d]esign patents have almost no scope.”¹ Drawings serve as the “claim” that defines the scope of patent protection for an ornamental design.² The scope of the patented design “encompasses ‘its visual appearance as a whole,’ and in particular ‘the visual impression it creates.’”³ To infringe, it is well established that the accused design must appear substantially the same to an “ordinary observer.”⁴ In recent years, however, the law pertaining to design

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¹ *In re Mann*, 861 F.2d 1581, 1582 (Fed. Cir. 1988); *see also In re Salmon*, 705 F.2d 1579, 1582 (Fed. Cir. 1983) (Nichols, J., dissenting) (“[Design patents] are practically without scope.”).

² *Mann*, 861 F.2d at 1582; *see also Salmon*, 705 F.2d at 1582 (Nichols, J., dissenting) (“[Design patents] are limited to what the drawings show.”). Whereas utility patents protect new and useful processes, machines, manufactures, compositions of matter, or improvements thereof, design patents protect ornamental designs for articles of manufacture. *See* 35 U.S.C. §§ 101, 171 (2006); *cf. Gorham Co. v. White*, 81 U.S. 511, 525 (1871) (“[G]iving certain new and original appearances to a manufactured article may enhance its salable value, may enlarge the demand for it, and may be a meritorious service to the public.”).

³ *Contessa Food Prods., Inc. v. Conagra, Inc.*, 282 F.3d 1370, 1376 (Fed. Cir. 2002) (quoting *Durling v. Spectrum Furniture Co.*, 101 F.3d 100, 104–05 (Fed. Cir. 1996)); *see also Ashley v. Weeks-Numan Co.*, 220 F. 899, 903 (2d Cir. 1915) (emphasizing whether an ordinary buyer, after having seen the patented design, would be likely to mistake the accused design for it, when seen in a similar environment).

⁴ *Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d 665, 678 (Fed. Cir. 2008) (en banc), *cert. denied*, U.S.L.W. 3557 (U.S. Apr. 6, 2009). The “ordinary observer” test bears some similarity to the “likelihood of confusion” test for trademark infringement, but they are not the same. *See Unette Corp. v. Unit Pack Co.*, 785 F.2d 1026, 1029 (Fed. Cir. 1986) (“Likelihood of confusion as to the source of the goods is not a necessary or appropriate factor for determining infringement of a design patent.”); *Braun Inc. v. Dynamics Corp. of*

patents became ever more convoluted and confusing, especially with respect to the additional “point of novelty” test for infringement. Indeed, before the Federal Circuit’s en banc decision in *Egyptian Goddess, Inc. v. Swisa, Inc.*,⁵ one commentator noted that “design patent law is in the weakest and most confused state since before the Supreme Court’s landmark 1871 decision of *Gorham v. White*,” which originally established the ordinary observer test.⁶

In *Egyptian Goddess*, the Federal Circuit reinterpreted its controlling precedents, including the Supreme Court’s early decisions in *Gorham Co. v. White*⁷ and *Smith v. Whitman Saddle Co.*,⁸ and rebooted the law of design patents by abolishing the “point of novelty” test, which had been part of Federal Circuit jurisprudence for some twenty-five years.⁹ Having the ordinary observer test as the sole test for design patent infringement will likely strengthen design patents that are drafted with careful attention to the novel ornamental features to be protected. Although the court stated that it would “leave it to future cases to further develop the application of this standard,” the early Supreme Court and Circuit Court decisions, as well as the specific facts of *Egyptian Goddess* itself, may help illuminate this back-to-basics approach to design patents.¹⁰

America, 975 F.2d 815, 820 (Fed. Cir. 1992) (“Design patent infringement does not concern itself with the broad issue of consumer behavior in the marketplace.”); cf. Dennis Crouch, *Re-Litigating Gorham v. White: Design Patents at the Supreme Court*, PATENTLY-O, Apr. 4, 2008, <http://www.patentlyo.com/patent/2008/04/re-litigating-g.html> (“[T]he justification for design patent protections is more akin to traditional trademark policy than utility patent policy.”). In addition, the test for substantial similarity in copyright infringement also queries whether, in comparing two works, “the ordinary observer, unless he set out to detect the disparities, would be disposed to overlook them, and regard their aesthetic appeal as the same.” *Hamil Am., Inc. v. GFI*, 193 F.3d 92, 100 (2d Cir. 1999) (quoting *Peter Pan Fabrics, Inc. v. Martin Weiner Corp.*, 274 F.2d 487, 489 (2d Cir. 1960)).

⁵ 543 F.3d 665 (Fed. Cir. 2008) (en banc), *cert. denied*, U.S.L.W. 3557 (U.S. Apr. 6, 2009).

⁶ Dennis Crouch, *Egyptian Goddess v. Swisa (en banc 2008)*, PATENTLY-O, Feb. 11, 2008, <http://www.patentlyo.com/patent/2008/02/egyptian-goddess.html>.

⁷ 81 U.S. 511 (1871).

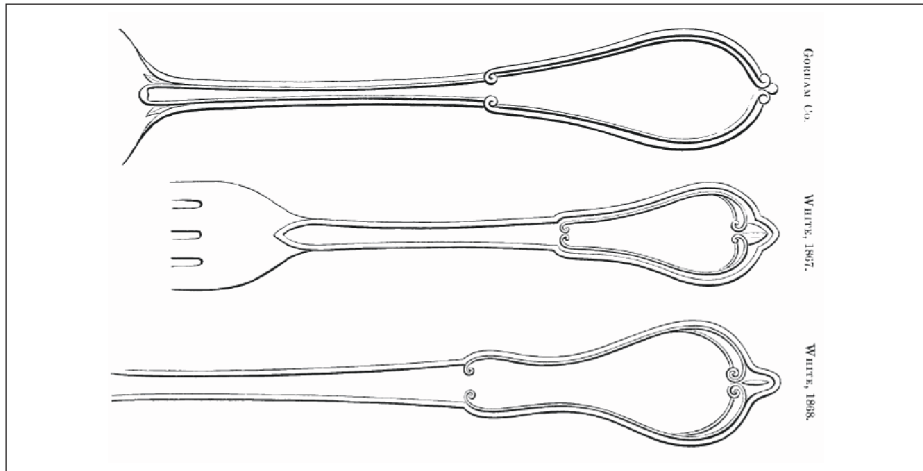
⁸ 148 U.S. 674 (1893).

⁹ *Egyptian Goddess*, 543 F.3d at 678. The Federal Circuit has been returning to Supreme Court precedents in developing and reevaluating its patent law jurisprudence. For example, *In re Bilski*, 545 F.3d 943 (Fed. Cir. 2008) (en banc) is another recent en banc decision that abolished a long-standing Federal Circuit test, namely the “useful, concrete and tangible result” inquiry otherwise known as the Freeman-Walter-Abele test for patentable subject matter under 35 U.S.C. § 101, in favor of the machine-or-transformation test that the Federal Circuit held was developed in earlier Supreme Court decisions such as *Diamond v. Diehr*, 450 U.S. 175 (1981). *Bilski*, 545 F.3d at 954 & n.7, 959–60.

¹⁰ *Egyptian Goddess*, 543 F.3d at 679.

I. The Supreme Court Sets the Table with *Gorham*

In *Gorham Co. v. White*, two handle designs by White were accused of infringing Gorham’s design patent for spoon and fork handles which were popularly known as the “cottage pattern.”¹¹ The patented Gorham design is reproduced below, followed by the two allegedly infringing tableware designs by White.¹²



The Circuit Court had held that the infringement of a patented design was based on the observation of “a person accustomed to compare such designs one with another [i.e., an expert in the trade], and who sees and examines the articles containing them side by side.”¹³ Comparing the details of the two designs, the Circuit Court found no infringement because “a person in the trade will not be deceived . . . into purchasing an article of the one design for an article of the other.”¹⁴

The Supreme Court, however, rejected the Circuit Court’s test.¹⁵ “There never could be piracy of a patented design [under the Circuit Court’s test], for human ingenuity has never yet produced a design, in all its details, exactly like another, so like, that an expert could not distinguish them.”¹⁶ Instead,

¹¹ *Gorham*, 81 U.S. at 512.

¹² *Id.* at 521. Both Gorham and White had obtained patents for their respective designs. *Id.* at 512. Gorham obtained its design patent in 1861, and White obtained his two design patents in 1867 and 1868. *Id.*

¹³ *Id.* at 523.

¹⁴ *Id.* at 523–24.

¹⁵ *See id.* at 527.

¹⁶ *Id.* “No counterfeit bank note is so identical in appearance with the true that an experienced artist cannot discern a difference.” *Id.* at 527–28.

infringement of a design patent depends upon the impression of an ordinary observer, rather than an expert,¹⁷ with respect to the whole design.¹⁸

We hold, therefore, that if, 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.¹⁹

After reviewing the evidence of record, the Supreme Court noted that Gorham had “[a] large number of witnesses, familiar with designs, and most of them engaged in the trade, testify that, in their opinion, there is no substantial difference in the three designs, and that ordinary purchasers would be likely to mistake the White designs for the [patented Gorham design].”²⁰ For example, one jewelry tradesman had testified that “the patterns are substantially like one another,” and “an ordinary purchaser would be likely to take one for the other.”²¹ Another jewelry dealer also opined that an ordinary observer would not “notice any difference *on a casual observation*.”²² And a witness “whose principal occupation was the examination of machinery, inventions, and patents,” testified that he had considered the Gorham and White designs to be “of the same design” until he “laid them side by side and compared them minutely.”²³

¹⁷ *Id.* at 528 (“[Patent protection for designs would be destroyed] if, while the general appearance of the design is preserved, minor differences of detail in the manner in which the appearance is produced, observable by experts, but not noticed by ordinary observers, by those who buy and use, are sufficient to relieve an imitating design from condemnation as an infringement.”); *cf.* *Arminak & Assocs., Inc. v. Saint-Gobain Calmar, Inc.*, 501 F.3d 1314, 1322 (Fed. Cir. 2007) (holding that the ordinary observer was an institutional or corporate buyer rather than a consumer end-user for trigger sprayers sold as components to producers of liquid household products), *cert. denied*, 128 S. Ct. 2906 (2008).

¹⁸ *Gorham*, 81 U.S. at 530 (“[I]s the effect of the whole design substantially the same?”); *see also* *Elmer v. ICC Fabricating, Inc.*, 67 F.3d 1571, 1578 (Fed. Cir. 1995) (“Under *Gorham*, the focus is on the *overall* ornamental appearance of the claimed design, not selected ornamental features.” (emphasis in original)).

¹⁹ *Gorham*, 81 U.S. at 528; *see also* *Jennings v. Kibbe*, 10 F. 669, 670 (C.C.S.D.N.Y. 1882) (“[*Gorham*] held that the true test of identity of design is sameness of appearance,—in other words, sameness of effect upon the eye; that it is not necessary that the appearance should be the same to the eye of an expert, and that the test is the eye of an ordinary observer, the eyes of men generally, of observers of ordinary acuteness, bringing to the examination of the article upon which the design has been placed that degree of observation which men of ordinary intelligence give.”).

²⁰ *Gorham*, 81 U.S. at 530.

²¹ *Id.* at 513.

²² *Id.* at 514 (emphasis in original).

²³ *Id.* at 515–16. *But cf.* *Ashley v. Weeks-Numan Co.*, 220 F. 899, 902 (2d Cir. 1915) (stating that a side-by-side comparison of the accused product with the patented design “is

The defendant's witnesses, on the other hand, identified what the Court deemed as "minor differences in the ornamentation" in the designs, and the Court noted that none had denied that the appearance of the designs was substantially the same, or that ordinary purchasers would "be led by their similarity to mistake one for another."²⁴

It leaves undisputed the facts that whatever differences there may be between the plaintiffs' design and those of the defendant in details of ornament, they are still the same in general appearance and effect, so much alike that in the market and with purchasers they would pass for the same thing—so much alike that even persons in the trade would be in danger of being deceived.²⁵

Although categorically stating that infringement was based on the eye of an ordinary observer rather than that of an expert, the Court nonetheless relied upon testimony from tradesmen "familiar with designs" to establish how ordinary purchasers would view the patented and accused designs, and found no infringement.²⁶

II. The Supreme Court Gets Back in the Saddle

Some twenty years later, the Supreme Court revisited the law of design patents in *Smith v. Whitman Saddle Co.*²⁷ The design patent at issue was Whitman's U.S. Patent No. D10,844 (filed Sept. 2, 1878) for a saddle, which the Court described as a combination of two known saddles.²⁸ The back (or cantle) of the saddle was substantially the same as the saddle known as the "Jenifer" tree, while the front (or pommel) of the saddle was substantially that of the well-known "Granger" tree, except that rather than the "slight curved drop at the rear of the pommel" typical of the Granger saddle, there was instead a sharp drop (i.e., "a nearly perpendicular drop of some inches").²⁹

not a proper test" for infringement).

²⁴ *Gorham*, 81 U.S. at 530–31.

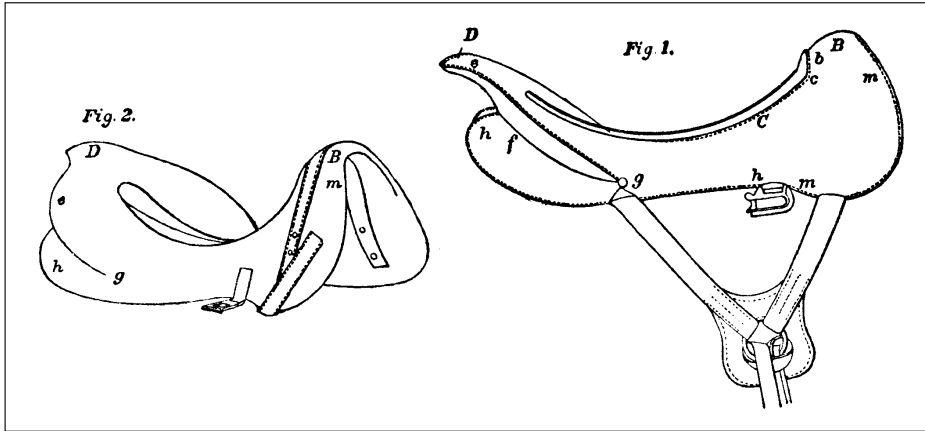
²⁵ *Id.* at 531.

²⁶ *Id.* at 530.

²⁷ 148 U.S. 674 (1893).

²⁸ *Id.* at 674–75.

²⁹ *Id.* at 680, 682. The tree or saddletree is the frame of a saddle. *THE AMERICAN HERITAGE DICTIONARY* 1586 (3d ed. 1992).



“The evidence established that there were several hundred styles of saddles or saddle-trees belonging to the prior art, and that it was customary for saddlers to vary the shape and appearance of saddle-trees in numerous ways according to the taste and fancy of the purchaser.”³⁰ It was common to add a known cantle to a known saddle, and “the Jenifer cantle was used upon a variety of saddles.”³¹ While no prior art saddle specifically combining a Jenifer cantle with a Granger pommel was identified,³² the Court stated that “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.”³³

The accused saddle was described as “being substantially the Granger saddle with the Jenifer cantle.”³⁴ The accused saddle had a slight curved drop at the

³⁰ *Whitman Saddle*, 148 U.S. at 681.

³¹ *Id.*

³² Indeed, the Circuit Court had actually found that “[n]o saddle-tree in existence prior to 1878 [the filing date of the Whitman design patent] has been produced which at all resembles the patented shape,” thereby suggesting that there was no such combination in the prior art. *Whitman Saddle Co. v. Smith*, 38 F. 414, 415 (C.C.D. Conn. 1889), *rev’d*, 148 U.S. 674 (1893).

³³ *Whitman Saddle*, 148 U.S. at 681; *cf.* *KSR Int’l Co. v. Teleflex, Inc.*, 550 U.S. 398, 421 (2007) (“When there is a design need or market pressure to solve a problem and there are a finite number of identified, predictable solutions, a person of ordinary skill has good reason to pursue the known options within his or her technical grasp. If this leads to the anticipated success, it is likely the product not of innovation but of ordinary skill and common sense. In that instance the fact that a combination was obvious to try might show that it was obvious under § 103.”). The Circuit Court in *Whitman Saddle*, on the other hand, had found that the fusing together of two diverse shapes, the two halves of old trees (i.e., the so-called Jenifer and Granger saddles), to create “a harmonious and novel whole” was not destitute of invention. *Whitman Saddle*, 38 F. at 416.

³⁴ *Whitman Saddle*, 148 U.S. at 680.

rear of the pommel consistent with the known Granger saddle, rather than the sharp drop at the rear of the pommel in the patented Whitman design.³⁵ The Court held that if the sharp drop at the rear of the pommel was “material to the design,” it would have rendered the design “patentable,” so there was no infringement by a saddle lacking that feature.³⁶ Otherwise, the patented design would be no different from an old saddle with an old cantle added, which was “an addition frequently made.”³⁷ The Court held that the lack of the sharp drop at the rear of the pommel “was so marked that . . . the defendants’ saddle could not be mistaken for the [patented] saddle,” and reversed the decree of infringement.³⁸

III. The Progeny of *Gorham* and *Whitman Saddle* Prior to the Federal Circuit

The use of prior art in the infringement analysis for design patents was further developed in the Courts of Appeals after the Supreme Court decisions of *Gorham* and *Whitman Saddle*.³⁹

A. The Ordinary Observer Has “General Knowledge” of the Prior Art

The Ninth Circuit Court of Appeals later cited *Whitman Saddle* in *Zidell v. Dexter*⁴⁰ to support its conclusion that a general understanding of the prior art is part of the ordinary observer test for determining design patent infringement:

In a design invention, which consists only of bringing together old elements with slight modifications of form, the invention consists only in those modifications, and another who uses the same elements with his own variations of form does not infringe, if his design is distinguishable by the ordinary observer from the patented design.⁴¹

³⁵ *Id.* at 682.

³⁶ *Id.* The Circuit Court in *Whitman Saddle*, however, had arrived at a different conclusion. Although recognizing that the specification of Whitman’s design patent had stated “that the pommel, on its rear side, falls nearly perpendicularly for some inches, when it is joined by the line forming the profile of the seat; and in the picture the point of junction is an angle, whereas in the [accused] manufactured articles it is a curve,” the Circuit Court had concluded that “[t]he difference between the patented and the manufactured shapes is not important enough to justify a serious question in regard to the fact of infringement.” *Whitman Saddle*, 38 F. at 415.

³⁷ *Whitman Saddle*, 148 U.S. at 682.

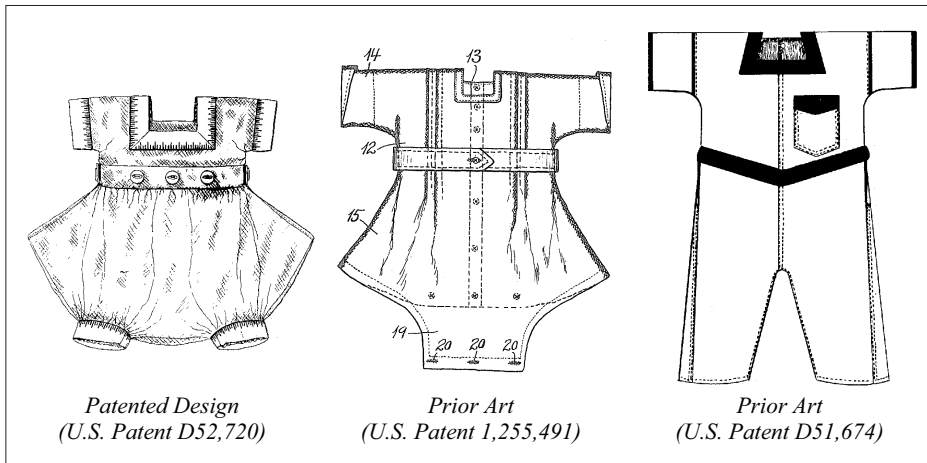
³⁸ *Id.*

³⁹ See *infra* Parts III.A–C.

⁴⁰ 262 F. 145 (9th Cir. 1920).

⁴¹ *Id.* at 146.

The design patent in *Zidell* was for garments known as “children’s rompers.”⁴²



Addressing validity, the court noted that “there is nothing new in any of the features of the [patented] design,” which merely brought together elements that were “old and well known,” such as single piece rompers with belts, square Dutch collars, and peg-shaped trousers.⁴³ “The fact that the elements were old, however, does not prove want of invention in assembling them into a single design.”⁴⁴ The court also gave consideration to the fact that “the design was favorably accepted by the public.”⁴⁵

After upholding the validity of the asserted design patent, the court then looked to the question of infringement where “both the character of the design and the nature of the fabric to which it is applied are to be taken into account.”⁴⁶

The evidence shows that at and prior to the conception of this design there were in use and on sale very many similar garments, with variations in design so slight as to leave to the ordinary observer the impression of a very general resemblance, and we

⁴² *Id.* at 145.

⁴³ *Id.* at 146. U.S. Patent No. 1,255,491 (filed Oct. 15, 1917) discloses “a ‘child’s garment,’ in which is shown a square neck, short sleeves, flaring or peg-shaped skirts, and a belt, all in general resemblance to the appellant’s design.” *Zidell*, 262 F. at 146. U.S. Patent No. D51,674 (filed Oct. 26, 1915), for a “‘child’s one-piece outer garment,’ exhibits the general features of the appellant’s design, with the single exception that the trousers are long and have not the peg shape.” *Zidell*, 262 F. at 146.

⁴⁴ *Zidell*, 262 F. at 146; *see also* *Ashley v. Weeks-Numan Co.*, 220 F. 899, 902 (2d Cir. 1915) (“[T]he fact that each separate element in a patented design was old does not negative invention, which may reside in the manner in which they are assembled . . .”).

⁴⁵ *Zidell*, 262 F. at 146; *cf.* *Graham v. John Deere Co.*, 383 U.S. 1, 17–18 (1966) (stating that commercial success is an objective indicia of nonobviousness for patentability).

⁴⁶ *Zidell*, 262 F. at 147.

must assume that to womankind, who are the purchasers in the main of this class of garment, these various coincident forms of garments were known, and whether such purchasers would be deceived into taking the garments which are alleged to infringe for a garment of the patented design would necessarily depend largely upon that *general knowledge*.⁴⁷

The Ninth Circuit upheld the district court's decision of non-infringement for designs that had differently shaped trousers or that were not single-piece garments.⁴⁸

B. The Ordinary Observer Has “Reasonable Familiarity” with the Prior Art

Similarly, the Sixth Circuit also asked the question: “[w]hat does the ordinary observer . . . know of the prior art?” in *Applied Arts Corp. v. Grand Rapids Metalcraft Corp.*⁴⁹ The court concluded that “[a] careful analysis of *Gorham v. White*, and other adjudicated cases supplies the answer.”⁵⁰

The ordinary observer is not any observer, but one who, with less than the trained faculties of the expert, is ‘a purchaser of things of similar design,’ or ‘one interested in the subject.’ The mythical prudent man in negligence cases is not the Hottentot or Abyssinian who has never seen a locomotive or driven an automobile, but one who has average familiarity with such instrumentalities, and can form a reasonable judgment as to their speed and mode of operation. So is the average observer not one who has never seen an ash tray or a cigar lighter, but one who, though not an expert, has *reasonable familiarity* with such objects, and is capable of forming a reasonable judgment when confronted with a design therefor as to whether it presents to his eye distinctiveness from or similarity with those which have preceded it. This view is confirmed by the factual analysis which the Supreme Court gave to the evidence in the *Gorham Case*, laying its greatest stress upon the evidence of sameness there given by the large number of witnesses ‘familiar with designs, and most of them engaged in the trade.’⁵¹

The court concluded that “while there is some similarity between the patented and alleged infringing designs, which without consideration of the prior art might seem important,” such similarity “is no greater” than that between the patented design and the prior art.⁵² Examples of the patented design and the prior art appear below:

⁴⁷ *Id.* (emphasis added).

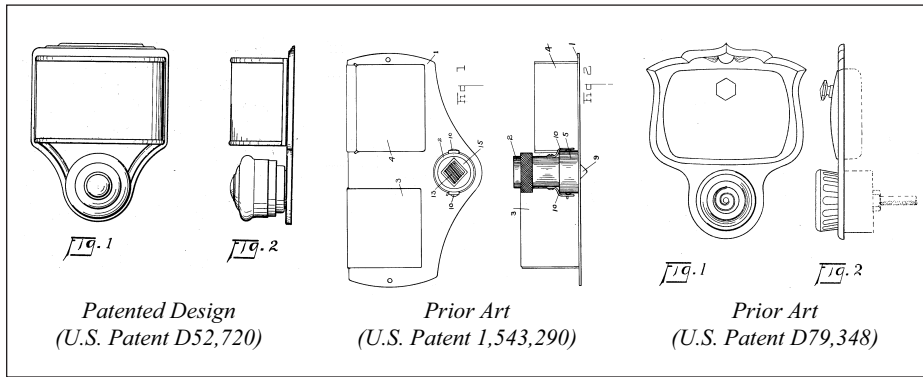
⁴⁸ *Id.*

⁴⁹ 67 F.2d 428, 429–30 (6th Cir. 1933).

⁵⁰ *Id.* at 430 (italics added).

⁵¹ *Id.* (emphasis added).

⁵² *Id.*; see also *Bevin Bros. Mfg. Co. v. Starr Bros. Bell Co.*, 114 F. 362, 363 (C.C.D. Conn. 1902) (“The shape of defendants’ bell differs from plaintiff’s more widely than plaintiff’s differs from the [prior art], and therefore defendants’ construction does not infringe [plaintiff’s patented design].”). The court also noted that the patented design for a combination ash tray and electric lighter was largely functional rather than ornamental in nature. *Applied Arts*,



“Conceding validity to the patent, it is quite clear it is entitled to a very limited interpretation, and that so limited the defendant’s designs do not infringe.”⁵³ Recognizing that infringement of a design patent “is not to be determined by making too close an analysis of detail,” the court nonetheless concluded that “where in a crowded art the composite of differences presents a different impression to the eye of the average observer (as above defined), infringement will not be found.”⁵⁴

C. Two Considerations in the Infringement Analysis

Relying on *Whitman Saddle* and *Applied Arts*, the Eighth Circuit stated in *Sears, Roebuck & Co. v. Talge*⁵⁵ that the infringement test of whether “the appearance of the two designs is substantially the same” involves two considerations.⁵⁶ First, “the identity of appearance, or sameness of effect as a whole upon the eye of an ordinary purchaser must be such as to deceive him, inducing him to purchase one, supposing it to be the other”; second, “the accused device must appropriate the novelty in the patented device which distinguishes it from the prior art.”⁵⁷ In view of these two considerations, “whether the conclusion [of infringement] reached by the district court is clearly erroneous requires

67 F.2d at 430 (“To hold that general configuration made necessary by function must give to a patented design such breadth as to include everything of similar configuration, would be to subvert the purpose of the law, which is to promote the decorative arts rather than to effectuate it. It is as though we were to say that since all dining room chairs are similar in that they have four legs, a seat and a back, the great master designers of the classical periods were merely slavish imitators of their predecessors . . .” (internal citation omitted)).

⁵³ *Applied Arts*, 67 F.2d at 430.

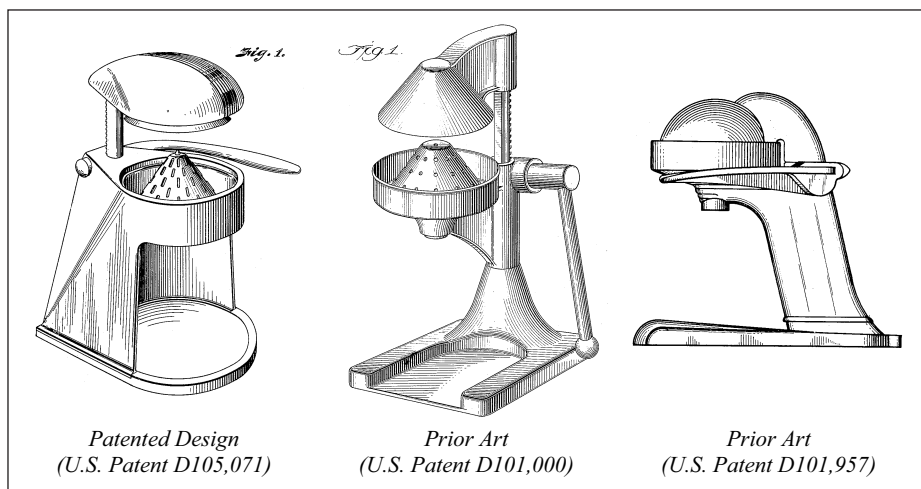
⁵⁴ *Id.*

⁵⁵ 140 F.2d 395 (8th Cir. 1944).

⁵⁶ *Id.* at 395.

⁵⁷ *Id.* at 395–96.

a comparison of the features of the patented designs with the prior art and with the accused design.”⁵⁸



The Eighth Circuit identified “a wide metal skirt with a deep cove for receiving and partly concealing the juice receptacle,” and a semi-ovoid shaped pressure head, as “novel elements” of the patented designs.⁵⁹ Comparing the patented designs with the accused design, the court concluded that the accused device, below its head, “can not be distinguished from the prior art,” and had “none of the novel features” of the patented designs.⁶⁰ For example, neither the prior art nor the accused device had the “novel” skirt of the patented designs.⁶¹ Even though this was a “striking” difference that was “at once obvious,” the court did not rely solely on the absence of this “novel” skirt in the accused device as a basis for non-infringement.⁶²

Instead, the court continued its infringement analysis with respect to the remaining novel element that it had identified.⁶³ “If there be infringement, . . . it must be found in the cap or head of the device.”⁶⁴ The court found that the similarity between the head portion of the designs was “purely incidental.”⁶⁵ “Identity of a single line in designs comprising many lines, where such line is in no way peculiar or novel and does not determine the character of the

⁵⁸ *Id.* at 396.

⁵⁹ *Id.*

⁶⁰ *Id.*

⁶¹ *Id.*

⁶² *Id.*

⁶³ *Id.*

⁶⁴ *Id.*

⁶⁵ *Id.*

whole, does not constitute infringement.”⁶⁶ The court concluded that there was no “identity of appearance” or “sameness of effect” between the patented and the accused designs as a whole that would deceive an intelligent purchaser.⁶⁷

Ultimately, the Eighth Circuit held that the district court had erred in not taking the importance of prior art into consideration and in not limiting “the comparison of the accused device to the novel features of the patents.”⁶⁸ The court concluded that “[w]hen the patented and the accused designs are viewed as a whole,” there was no infringement.⁶⁹ This emphasis on viewing the designs “as a whole” suggests that the court based its finding of non-infringement on the ordinary observer test, using the prior art to focus its infringement inquiry and to give context to any similarities between the patented and accused devices. Thus, the pre-Federal Circuit decisions applied the ordinary observer test in light of the prior art, although the Eighth Circuit in *Sears, Roebuck* identified the prior art as a separate consideration.⁷⁰

IV. The Federal Circuit’s Approach to Design Patents

In *Litton Sys, Inc. v. Whirlpool Corp.*,⁷¹ the Federal Circuit relied on *Sears, Roebuck* for the proposition 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.’”⁷² The Federal Circuit christened this as the “point of novelty” approach.⁷³

The court then referred back to its prior validity analysis of the design patent at issue, which had been affirmed as non-obvious.⁷⁴ The design patent was for a microwave oven, for which the court previously identified the patentable combination of a three-stripe door frame, a door without a handle, and a latch release lever on the control panel.⁷⁵ The accused Whirlpool design did not contain any of these features.⁷⁶ To support its conclusion that these were not “minor differences,” the court cited *Applied Arts* and reasoned that the differences between the patented and accused designs were as great as between the patented design and the prior art where the field was “crowded

⁶⁶ *Id.* at 396–97.

⁶⁷ *Id.* at 396.

⁶⁸ *Id.* at 397.

⁶⁹ *Id.* at 396.

⁷⁰ *Id.*

⁷¹ 728 F.2d 1423 (Fed. Cir. 1984).

⁷² *Id.* at 1444 (quoting *Sears, Roebuck*, 140 F.2d at 396).

⁷³ *Id.*

⁷⁴ *Id.*

⁷⁵ *Id.* at 1426, 1443.

⁷⁶ *Id.*

with many references relating to the design of the same type of appliance.”⁷⁷ In sum, the *Litton* court appears to have relied on its prior validity analysis as an expedient way to establish why the specific features of the designs at issue would cause an ordinary observer to believe that the two designs as a whole were not substantially the same.

Subsequent Federal Circuit decisions further developed the “point of novelty” test for infringement as a distinct test separate from *Gorham*’s ordinary observer test of the design as a whole.⁷⁸ Generally, the “point of novelty” test requires an identification of the novel difference or differences between the prior art and the patented design and a determination of whether the accused design has appropriated those novel features that distinguished the patented design from the prior art.⁷⁹ The more points of novelty that are identified, the more opportunities there are for a defendant to argue that its accused design does not infringe because it has not appropriated all of the points of novelty.⁸⁰

In *Lawman Armor Corp. v. Winner International, L.L.C.*,⁸¹ the patentee identified eight “points of novelty.”⁸² Although all eight points of novelty could be found in the accused design, the accused infringer avoided infringement by locating each point in a different prior art reference.⁸³ Later, the original panel for *Egyptian Goddess, Inc. v. Swisa, Inc.*, promulgated a refinement of

⁷⁷ *Id.* at 1444 (citing *Applied Arts Corp. v. Grand Rapids Metalcraft Corp.*, 67 F.2d 428, 430 (6th Cir. 1933)).

⁷⁸ See *Unidynamics Corp. v. Automatic Prods. Int’l, Ltd.*, 157 F.3d 1311, 1323–24 (Fed. Cir. 1998) (holding that the ordinary observer and point of novelty tests are two distinct tests, and “[t]he merger of the point of novelty test and the ordinary observer test is legal error”); see also *Sun Hill Indus., Inc. v. Easter Unlimited, Inc.*, 48 F.3d 1193, 1197 (Fed. Cir. 1995); *Winner Int’l Corp. v. Wolo Mfg. Corp.*, 905 F.2d 375, 376 (Fed. Cir. 1990); *Shelcore, Inc. v. Durham Indus., Inc.*, 745 F.2d 621, 628 n.16 (Fed. Cir. 1984) (noting that *Litton* “supplements” the ordinary observer test of *Gorham*).

⁷⁹ See *Bernhardt, L.L.C. v. Collezione Europa USA, Inc.*, 386 F.3d 1371, 1384–85 (Fed. Cir. 2004).

⁸⁰ See *Goodyear Tire & Rubber Co. v. Hercules Tire & Rubber Co.*, 162 F.3d 1113, 1121 (Fed. Cir. 1998); see also Karl G. Hanson, *Intellectual Property Strategies for Protecting the Looks of a New Product*, 81 J. PAT. & TRADEMARK OFF. SOC’Y 887, 901 (1999) (“The inclusion of too many novel elements in Goodyear’s design patent effectively limited the patent’s scope, making it easier for Hercules to avoid infringement.”).

⁸¹ 437 F.3d 1383 (Fed. Cir. 2006).

⁸² *Id.* at 1385.

⁸³ *Id.*; see also *Sharper Image Corp. v. Target Corp.*, 425 F. Supp. 2d 1056, 1070 (N.D. Cal. 2006) (holding that there was no triable issue of material fact under the point of novelty test where “virtually none of those proffered by Plaintiff as points of novelty are, in fact, new”).

the “point of novelty” test in which the patentee would have to prove that the design patent’s point of novelty was a “non-trivial advance of the prior art.”⁸⁴

A. The En Banc Decision to Reboot the Law of Design Patents

The Federal Circuit later granted an en banc rehearing of the *Egyptian Goddess* case “to address the appropriate legal standard to be used in assessing claims of design patent infringement.”⁸⁵ The patentee Egyptian Goddess, Inc. (“EGI”) and several of the amici argued that, rather than using a separate point of novelty test, the proper approach is to make “a three-way visual comparison between the patented design, the accused design, and the closest prior art.”⁸⁶ Swisa, Inc., the accused infringer, on the other hand, argued that the point of novelty test was “soundly based on *Whitman Saddle*.”⁸⁷

Before *Egyptian Goddess*, *Whitman Saddle* had not been cited in any reported court decision since 1980.⁸⁸ The en banc panel in *Egyptian Goddess*, however, relied heavily on *Whitman Saddle* in its analysis.⁸⁹ The court noted that “[a] close reading of *Whitman Saddle* and subsequent authorities indicates that the Supreme Court did not adopt a separate point of novelty test for design patent infringement cases.”⁹⁰ Furthermore, “the point of novelty test, as a second and free-standing requirement for proof of design patent infringement, is inconsistent with the ordinary observer test laid down in *Gorham*”⁹¹

In addition, the court endorsed the *Applied Arts* court’s reading of *Gorham*, agreeing that the ordinary observer was a non-expert who had reasonable

⁸⁴ *Egyptian Goddess, Inc. v. Swisa, Inc.*, 498 F.3d 1354, 1357 (Fed. Cir. 2007).

⁸⁵ *Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d 665, 668 (Fed. Cir. 2008) (en banc), cert. denied, 77 U.S.L.W. 3557 (U.S. Apr. 6, 2009).

⁸⁶ *Id.* at 672; see also Brief of Amicus Curiae American Intellectual Property Law Association in Support of Neither Party at 6, *Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d 665 (Fed. Cir. 2008) (No. 06-1562) (“*Applied Arts* thus properly acknowledges that the ordinary observer test is not conducted in a vacuum, but rather *in view of the prior art*.” (emphasis in original)).

⁸⁷ *Egyptian Goddess*, 543 F.3d at 672.

⁸⁸ See *In re Zahn*, 617 F.2d 261, 267 (C.C.P.A. 1980). The original three-member panel in *Egyptian Goddess* had also relied on *Whitman Saddle* to support finding a “non-trivial advance” requirement for the point of novelty test. *Egyptian Goddess*, 498 F.3d at 1357.

⁸⁹ See generally *Egyptian Goddess*, 543 F.3d at 672–74.

⁹⁰ *Id.* at 672. The court later cited *Bevin Brothers Manufacturing Co. v. Starr Brothers Bell Co.*, 114 F. 362 (C.C.D. Conn. 1902), to “shed light on the Supreme Court’s analysis in *Whitman Saddle*.” *Egyptian Goddess*, 543 F.3d at 674. This reliance on *Bevin* is curious in that the *Bevin* court did not cite *Whitman Saddle* in its decision.

⁹¹ *Egyptian Goddess*, 543 F.3d at 672. “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.” *Id.* at 678.

familiarity with similar articles in the prior art.⁹² “The context in which the claimed and accused designs are compared, i.e., the background prior art, provides such a frame of reference and is therefore often useful in the process of comparison.”⁹³ An ordinary observer conversant with the prior art “will attach importance to differences between the claimed design and the prior art depending on the overall effect of those differences on the design.”⁹⁴ Moreover, “the ordinary observer test does not present the risk of assigning exaggerated importance to small differences between the claimed and accused designs relating to an insignificant feature simply because that feature can be characterized as a point of novelty.”⁹⁵ The court concluded that “the ‘ordinary observer’ test should be the sole test for determining whether a design patent has been infringed,” where the ordinary observer is familiar with the prior art.⁹⁶

The *Egyptian Goddess* court, however, apparently misapprehended one of the facts regarding the prior art in *Whitman Saddle*. Specifically, the court asserted that the prior art saddle designs in *Whitman Saddle* included a “design incorporating the Granger pommel and the Jenifer cantle.”⁹⁷ However, *Whitman Saddle* actually suggests that no prior art saddle incorporating the Granger pommel and the Jenifer cantle had been introduced into evidence.⁹⁸ The Supreme Court in *Whitman Saddle* had only stated that the Jenifer cantle was used upon other saddles, and did not expressly link the Jenifer cantle with a Granger pommel in a single prior art saddle.⁹⁹ No prior art saddle combining a Jenifer cantle with a Granger pommel was ever identified. Moreover, the Court of Appeals’ prior statement that “[n]o saddle-tree in existence prior to 1878 [i.e., the filing date of the *Whitman* design patent] has been produced which at all resembles the patented shape,”¹⁰⁰ suggests that there was no combination of a Jenifer cantle with a Granger pommel in the prior art.

Nonetheless, the Federal Circuit’s interpretation of the reasoning behind the Supreme Court’s decision in *Whitman Saddle* is still valid. The Federal Circuit concluded that “when the claimed design is close to the prior art

⁹² *Id.* at 675–76.

⁹³ *Id.* at 677.

⁹⁴ *Id.*

⁹⁵ *Id.*

⁹⁶ *Id.* at 678. The Federal Circuit also held that, while the patentee has the ultimate burden of proving infringement, the accused infringer has the initial burden of production of prior art to be considered in the ordinary observer test. *Id.*

⁹⁷ *Id.* at 676.

⁹⁸ See *Smith v. Whitman Saddle Co.*, 148 U.S. 674, 680 (1893); *supra* note 32–33 and accompanying text.

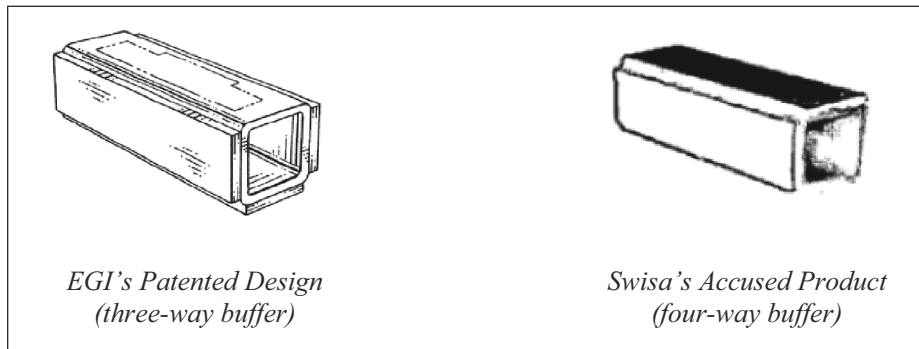
⁹⁹ *Whitman Saddle*, 148 U.S. at 681.

¹⁰⁰ *Whitman Saddle Co. v. Smith*, 38 F. 414, 415 (C.C.D. Conn. 1889), *rev’d*, 148 U.S. 674 (1893).

designs, small differences between the accused design and the claimed design are likely to be important to the eye of the hypothetical ordinary observer.”¹⁰¹ The *Whitman Saddle* court expressly stated the “difference” between the rear pommel’s sharp drop in the patented design and the slight curved drop of the Granger pommel in the accused design “was so marked that . . . the defendants’ saddle could not be mistaken for the saddle of the complainant.”¹⁰² Thus, the Supreme Court precedents of *Gorham* and *Whitman Saddle* actually support the Federal Circuit’s new formulation of the ordinary observer test.

B. The Nail Buffers at Issue in *Egyptian Goddess*

The designs at issue in *Egyptian Goddess* related to nail buffers.¹⁰³ EGI’s patented nail buffer design (U.S. Patent No. D467,389 (filed Feb. 13, 2002)) had a rectangular shape with raised buffing pads on three sides, while the accused nail buffer by Swisa had raised buffing pads on all four sides.¹⁰⁴ Both the patented and accused designs were hollow and had square cross-sections.¹⁰⁵ Illustrated examples of each appear below.¹⁰⁶



The prior art included a hollow triangular or prism-shaped nail buffer with raised buffing pads on all *three* sides (hereinafter referred to as the “Nailco Buffer”), and a solid rectangular nail buffer with raised buffing pads on all *four* sides (hereinafter referred to as the “Falley Buffer Block”).¹⁰⁷ Illustrated examples of each appear below.¹⁰⁸

¹⁰¹ *Egyptian Goddess*, 543 F.3d at 676.

¹⁰² *Whitman Saddle*, 148 U.S. at 682.

¹⁰³ *Egyptian Goddess*, 543 F.3d at 668.

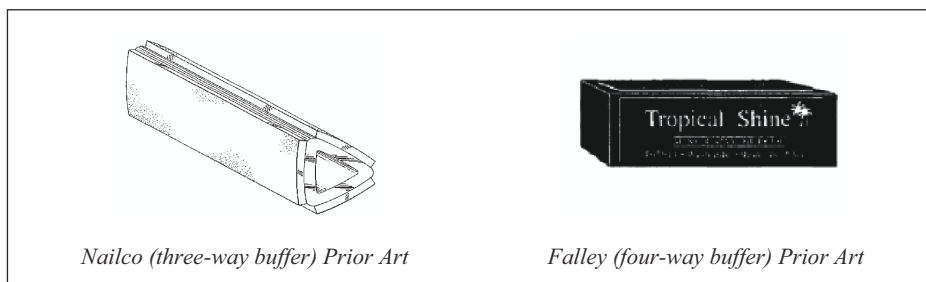
¹⁰⁴ *Id.*

¹⁰⁵ *Id.*

¹⁰⁶ *Id.* at 681.

¹⁰⁷ *Id.* at 680–81.

¹⁰⁸ *Id.* at 681.



Swisa argued on motion for summary judgment that its product did not infringe EGI's patented design under both the ordinary observer test and the point of novelty test.¹⁰⁹ Under the ordinary observer test, Swisa argued that consumers would immediately recognize the difference between a three-way buffer and a four-way buffer.¹¹⁰ The choice between three-way and four-way buffers had been "advertised conspicuously" and Swisa argued that stores "would not be carrying both three-way and four-way buffers [for their customers] unless the items were 'considered to be different.'"¹¹¹ Indeed, Swisa's expert had declared that:

The difference between a buffer with abrasive on three sides—a "three-way buffer"—and a buffer with abrasive on four sides—a "four-way buffer"—is immediately apparent to any consumer used to buying nail buffers. . . . I cannot imagine consumers would buy buffers with abrasive on four sides thinking that they were buying buffers with abrasive on three sides.¹¹²

Swisa further argued that it did not appropriate the patented design's point of novelty because Swisa's product has abrasive surfaces on all four sides, whereas the patented design had a fourth side without an abrasive surface.¹¹³ According to Swisa, the only difference between the patented design and the Nailco prior art was the addition of a fourth side without an abrasive surface.¹¹⁴ Swisa further argued that the claimed design was obvious because EGI's claimed design merely returns the three-sided Nailco Buffer to the four-sided, square ended shape of the original Falley Buffer Block while keeping the hollow aspect of the Nailco Buffer.¹¹⁵

¹⁰⁹ Defendants' Memorandum of Law in Support of Their Motion for Summary Judgment at 5, 12, *Egyptian Goddess, Inc. v. Swisa, Inc.*, No. 3:03-CV-0594-N (N.D. Tex. Dec. 14, 2005).

¹¹⁰ *Id.* at 5.

¹¹¹ *Id.* at 3, 6.

¹¹² *Egyptian Goddess*, 543 F.3d at 682.

¹¹³ Defendants' Memorandum at 15, *Egyptian Goddess* (No. 3:03-CV-0594-N).

¹¹⁴ *Id.*

¹¹⁵ *Id.* at 4.

While EGI's expert had declared that the accused and patented designs both had square cross-sections and multiple raised buffer pads, she "failed to address the fact that the design of the Nailco patent is identical to the accused device except that the Nailco design has three sides rather than four."¹¹⁶ The court suggested that the Nailco prior art buffer also closely resembled the accused design in that both designs have a hollow tube and multiple rectangular sides with raised pads mounted on each side.¹¹⁷

Endorsing the district court's conclusion that "[i]n the context of nail buffers, a fourth side without a pad is not substantially the same as a fourth side with a pad," the en banc panel held that no reasonable fact-finder could find that "an ordinary observer, taking into account the prior art, would believe the accused design to be the same as the patented design."¹¹⁸ Thus, the prior art pointed to an ornamental feature, to which the hypothetical ordinary observer would give emphasis when viewing a product such as the accused design in the marketplace.¹¹⁹

C. Categorizing Prior Art into Market Segments

Market segmentation exists where a market is categorized or classified into distinct subsets or segments that have similar product needs.¹²⁰ Where the industry or market has categorized or segmented its products (i.e., the prior art) according to certain criteria, those market segments can provide context to the prior art for the hypothetical ordinary observer. Since it is difficult to recognize broad market segmentation based on a few isolated prior art references, testimony from a person knowledgeable about the market for the patented product could give context to such prior art and the patented design under the ordinary observer test.

Having different market segments for the patented design and the accused design together with close prior art in both segments, as was the case in *Egyptian Goddess*, could provide a basis for finding non-infringement. In

¹¹⁶ *Egyptian Goddess*, 543 F.3d at 681.

¹¹⁷ *Id.* Such a description relating the features of the claimed design to the accused design and the prior art may be appropriate also as part of a court's obligation to construe the claimed invention as a matter of law for the fact-finder. *Id.* at 680.

¹¹⁸ *Id.* at 682.

¹¹⁹ *Id.* at 682–83.

¹²⁰ BusinessDictionary.com, <http://www.businessdictionary.com/definition/market-segmentation.html> (last visited Feb. 4, 2009) (Market segmentation was defined as the "[p]rocess of defining and sub-dividing a large homogenous market into clearly identifiable segments having similar needs, wants, or demand characteristics."); see also STEVEN STEVEN SILBIGER, *THE TEN-DAY MBA* 11 (rev. ed. 1999) ("Segments are homogenous groups of similar consumers with similar needs and desires.").

Egyptian Goddess, the defendant Swisa had essentially argued that three-way and four-way buffers occupied different market segments.¹²¹ The conclusory statement from EGI's expert that an ordinary observer would consider the patented design and accused buffer to be substantially similar, did not raise a material issue of fact with respect to Swisa's evidence that there were at least two market segments—one for three-way buffers, and one for four-way buffers.¹²² Accepting this market segmentation, it would follow that a fourth side without a pad is not substantially the same as a fourth side with a pad.

D. Avoiding Prior Art in the Ordinary Observer Test with Broken Lines

A patent applicant may limit the impact of prior art on the ordinary observer test by using broken or phantom lines in the design patent. The applicant should draw distinctive portions of the article's design using solid lines, and represent portions of the article that are not considered part of the claimed design with broken lines.¹²³ Using broken lines can effectively broaden the design patent by excluding unnecessary or extraneous features from the claimed design.¹²⁴

The U.S. Court of Customs and Patent Appeals, the predecessor of the Federal Circuit, ratified the use of broken lines in *In re Zahn*.¹²⁵ *In re Zahn* involved a design patent application claiming the shank of a drill bit where the cutting edges of the drill bit were drawn using broken lines.¹²⁶

¹²¹ Defendants' Memorandum of Law in Support of Their Motion for Summary Judgment, *supra* note 109, at 5 (arguing that an ordinary observer is not going to buy a four-way buffer thinking that it is "really" EGI's three-way buffer).

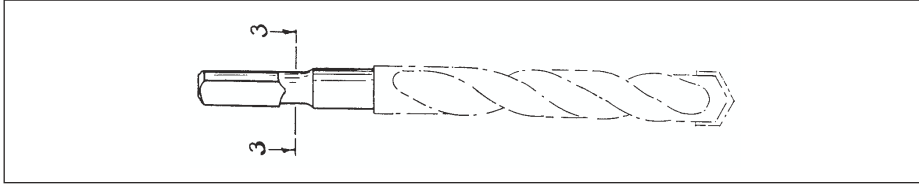
¹²² *Egyptian Goddess*, 543 F.3d at 682.

¹²³ See *In re Zahn*, 617 F.2d 261, 267 (C.C.P.A. 1980). As part of the court's obligation to construe the claimed invention as a matter of law, a trial court can usefully guide the finder of fact by "describing the role of particular conventions in design patent drafting, such as the role of broken lines." *Egyptian Goddess*, 543 F.3d at 680 (citing 37 C.F.R. § 1.152 (2008)).

¹²⁴ *Zahn*, 617 F.2d at 267; see also *In re Salmon*, 705 F.2d 1579, 1582–83 (Fed. Cir. 1983) (Nichols, J., dissenting) (arguing that drawing "immaterial variations" of a design "in solid, instead of dotted lines" is "a trap for the unwary"); Hanson, *supra* note 80, at 898 ("[E]ach solid line [in the drawings of a design patent] can be another limitation that effectively narrows the scope of the claim.").

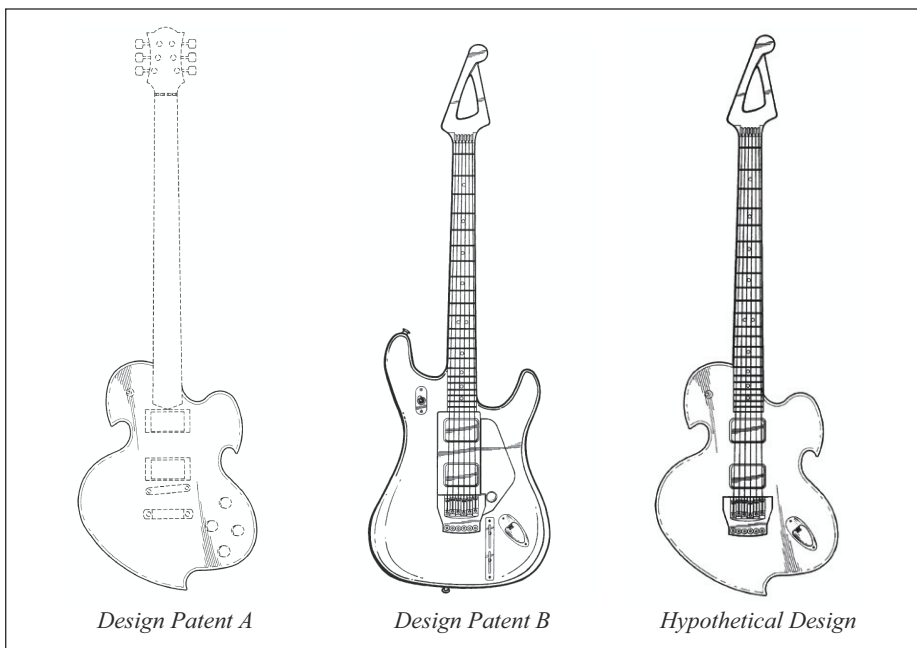
¹²⁵ 617 F.2d 261 (C.C.P.A. 1980).

¹²⁶ See *id.* at 262–63. The design application in question, Serial No. 611,034, was later issued as U.S. Patent No. D257,511 (filed Sept. 8, 1975).



The U.S. Patent and Trademark Office had rejected the application under 35 U.S.C. § 171 because the drill tool was an integral or one-piece article and the claimed design embodied less than all of “an article of manufacture.”¹²⁷ The *Zahn* court noted, however, that *Gorham* also had involved “a design for unitary, one-piece articles of manufacture where in [sic] the design was embodied in only part of the article”; and thereby affirmed that a combination of solid and broken or dotted lines may be used in that situation to claim a novel design that resides in only a portion of an article of manufacture.¹²⁸

The use of broken lines in a design patent can greatly affect the infringement analysis. In the following example, Design Patent A and Design Patent B are compared to a hypothetical accused design that contains ornamental features from each Design Patent. Illustrations of each design appear below:



The body of the guitar in Design Patent A is drawn using solid lines, whereas the neck and headstock are drawn using broken lines. The broken

¹²⁷ *Zahn*, 617 F.2d at 262, 267.

¹²⁸ *Id.* at 268.

lines indicate that the neck and headstock of the guitar in Design Patent A do not form part of the claimed design and need not be present in the accused design to find infringement. The body of the hypothetical accused design is exactly the same as that of the guitar in Design Patent A. Accordingly, one could make a strong case that the hypothetical accused design infringes Patent A.

In Design Patent B, on the other hand, the body as well as the neck and headstock are drawn using solid lines. In fact, the entire guitar in Design Patent B is drawn using solid lines and nothing appears in broken lines. Every illustrated feature is part of the claimed design. Therefore, even though the neck and headstock in the hypothetical accused design is the same as that drawn in Design Patent B, the differences in the guitar body between the two designs makes for a weaker case of infringement. Had the guitar body in Design Patent B been drawn using broken lines, then one could see that the guitar body is not part of the claimed design and the differences between the guitar bodies would not be an issue.

Using broken and solid lines may also be advantageous for avoiding infringement when conducting a market segmentation analysis. For instance, the guitar body in Design Patent B resembles a Fender Stratocaster, an iconic design in the guitar art, which the ordinary observer familiar with guitars would recognize.¹²⁹ If the hypothetical accused design occupies a different market segment from the iconic Fender Stratocaster, this could present an additional argument against finding infringement. Where a prior art design feature can define a market segment, and the patented design is not limited to that market segment, one may be able to avoid that prior art in the ordinary observer test by drawing the segment-defining feature with broken lines in the design patent.

Conclusion

Under the guidance of the Supreme Court's early decisions in *Gorham* and *Whitman Saddle*, the Federal Circuit has taken a more flexible approach to considering prior art and market realities, such as segmentation, in infringement analysis for design patents. The Supreme Court in *Gorham* established that a design infringes the first patented design if, in the eye of an ordinary observer giving such attention as a purchaser usually gives, the two designs are substantially the same.¹³⁰ Later, *Whitman Saddle* confirmed that the court

¹²⁹ RALPH DENYER ET AL, *THE GUITAR HANDBOOK* 57 (1982).

¹³⁰ See *Gorham Co. v. White*, 81 U.S. 511, 528 (1871). The patented and infringing designs must be so much alike that in the market and with purchasers they would pass for the same thing. *Id.* at 531.

should consider the prior art in this infringement analysis.¹³¹ Thus, the hypothetical ordinary observer is one who is familiar with the prior art, but not an expert in the art.¹³²

With the Federal Circuit having abolished “point of novelty” as a separate test for infringement, the ordinary observer test now stands as the sole test for determining design patent infringement.¹³³ No longer having to prove a separate point of novelty test for design patent infringement should strengthen design patents, especially those that have been drafted with careful attention to the novel features to be protected.

¹³¹ See *Smith v. Whitman Saddle Co.*, 148 U.S. 674, 681–82 (1893).

¹³² *Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d 665, 670, 683 (Fed. Cir. 2008) (en banc), *cert. denied*, 77 U.S.L.W. 3557 (U.S. Apr. 6, 2009); see also *Applied Arts Corp. v. Grand Rapids Metalcraft Corp.*, 67 F.2d 428, 430 (6th Cir. 1933).

¹³³ *Egyptian Goddess*, 543 F.3d at 678.