

# Unique by Design

## A RECENT COURT RULING STRENGTHENS DESIGN PATENTS FOR INVENTORS.

By Peter Strozniak

**W**hat do a Coca Cola bottle, an Apple iPod, a Chevy Corvette and a Bose radio system have in common? All of these successful products have a distinguishing brand design that consumers easily recognize and buy.

Because the design of a product can contribute to its commercial success, companies secure design patents, prohibiting anyone from copying the design of a product and selling it. In 1984, however, a ruling by the United States Court of Appeals for the Federal Circuit weakened design patent protections, leaving companies vulnerable to unscrupulous competitors.

In an 1871 case, the United States Supreme Court set the standard that enabled patent holders to prove patent design infringement in the case *Gorham v. White*. This standard, the “ordinary observer test,” indicated that the design patent is infringed by a second design if, in the eyes of an ordinary observer, the two designs are substantially the same. It was the only test that could prove design patent infringement for more than a century — until 1984, when the Federal Circuit decided a second test was needed: the “point of novelty test.” To prove infringement, the accused design must also have incorporated the novelty of the patented product.

“Over time, it became difficult for patent owners to prove infringement based on the point of novelty test,” says Steve Auvil, partner and chair of the



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PARTNER AND CHAIR OF THE  
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Intellectual Property Practice Group at Benesch. “A sophisticated copyist can copy a lot of features of a patented design product, but not all of them, and avoid infringements.”

But in September, the Federal Circuit reversed itself in a watershed decision and eliminated the point of novelty test, making it easier for inventors to prove infringement and protect the patented designs.

“The reaction among patent lawyers has been ‘Wow! This is a significant change in the law,’” says Auvil.

The decision came from a 2003 suit by Texas-based beauty product manu-

facturer Egyptian Goddess, which sued Swisa Inc., another Texas beauty products manufacturer, for infringing on its design patent of a nail buffer. Although the court ruled Swisa’s nail buffer did not infringe the Egyptian Goddess product, it granted Egyptian Goddess a rare en banc rehearing in 2007 to address the two standards used to assess design patent infringement.

The court eliminated the point of novelty test, because it was inconsistent with the *Gorham v. White* decision. The ruling by the U.S. Court of Appeals not only makes it easier for companies to prove design patent infringement, but also it makes a design patent a stronger and more valuable intellectual property.

“This case really puts the teeth back into design patents,” Auvil says.

What’s more, design patents take less time to get than utility patents, which protect the function and technology of a product. They’re less expensive, too: A design patent may cost a company about \$2,000 in attorney fees. Compare that to a utility patent, which can cost 10 times as much.

The appeals court ruling also means companies that launch new products need to exercise due diligence of other design patents.

“Because this ruling should make it easier to infringe a design patent, companies launching new products need to be more concerned about other design patents,” Auvil cautions.