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THE NEW “*EXTRA-ORDINARY*” OBSERVER TEST FOR DESIGN PATENT  
INFRINGEMENT—ON A CRASH COURSE WITH THE SUPREME COURT’S  
PRECEDENT IN *GORHAM V. WHITE*

CHRISTOPHER V. CARANI

## ABSTRACT

Over one hundred and thirty-five years ago the U.S. Supreme Court, in *Gorham v. White*, laid down the test for design patent infringement called the “ordinary observer” test—one that is administered through the eyes of men generally. It has remained the test ever since. Recently, in *Arminak & Assoc., Inc. v. Saint-Gobain Calmar, Inc* and *Egyptian Goddess, Inc. v. Swisa, Inc.*, the Federal Circuit has improperly replaced this “ordinary observer” test with an “*extra-ordinary* observer” test—one that uses persons who are versed in the trade. In order to bring design patent jurisprudence in line with the U.S. Supreme Court’s jurisprudence in *Gorham*, the Federal Circuit should restore the “ordinary” requirement in the “ordinary observer” test.

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THE NEW “*EXTRA-ORDINARY*” OBSERVER TEST FOR DESIGN PATENT  
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CHRISTOPHER V. CARANI\*

INTRODUCTION

Over one hundred and thirty-five years ago, the United States Supreme Court laid down the test for design patent infringement in *Gorham v. White*.<sup>1</sup> Ever since, the *Gorham* test has been the bedrock of design patent jurisprudence; neither the Court nor Congress has modified, or even addressed the test.<sup>2</sup> The *Gorham* Court held that the test for design patent infringement, which compares the overall appearance of the patented design with that of the accused design, is to be judged through the “eyes of men generally” and “ordinary observers,” and not through the eyes of a “persons versed in . . . the trade.”<sup>3</sup> Graphically, the decision of *Gorham* can be depicted as follows:

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<sup>1</sup> 81 U.S. (14 Wall.) 511, 528 (1872).

<sup>2</sup> See *Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d 665, 678 (Fed. Cir. 2008) (en banc) (applying the *Gorham* test to the 2008 decision), *cert. denied*, 77 U.S.L.W. 3556 (U.S. Apr. 6, 2009) (No. 08-1031). In *Egyptian Goddess*, the Appellee argued that the Supreme Court's decision in *Smith v. Whitman Saddle Co.*, 148 U.S. 674 (1893) augmented the *Gorham* Court's ordinary observer test with a separate and distinct “point of novelty” inquiry. *Id.* at 672. The *en banc* court rejected this argument stating “[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.” *Id.* The *en banc* court concluded that “the ‘ordinary observer’ test should be the sole test for determining whether a design patent has been infringed.” *Id.* at 678.

<sup>3</sup> *Gorham*, 81 U.S. at 527–28.

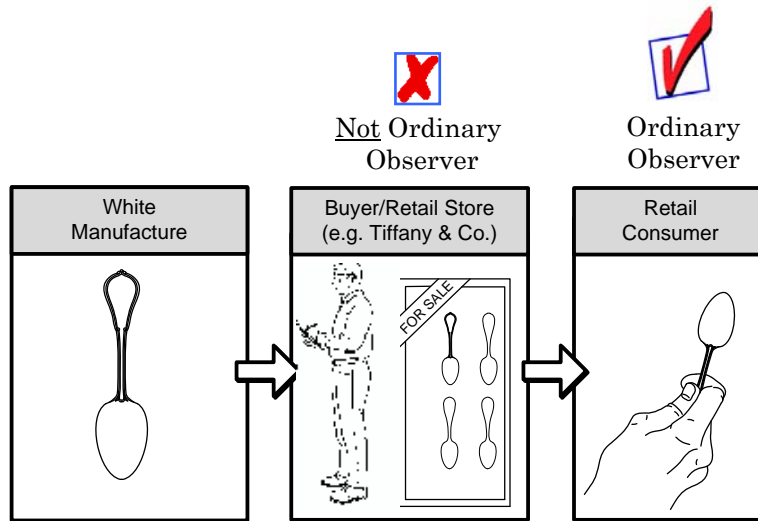


Figure 1

The Court reasoned that a test based on the observations of “persons versed in . . . the trade” would “destroy all the protection, which the act of Congress intended to give.”<sup>4</sup> This is because persons versed in the trade can readily discern subtle and inconsequential variations or differences between similarly-designed products.<sup>5</sup> As a result, these “*extra-ordinary* observers” will rarely, if ever, be deceived by similarly-designed products, making it virtually impossible for a design patent holder to prove design patent infringement.<sup>6</sup> Indeed, under an “*extra-ordinary* observer” test, the only cases in which infringement would be found are those in which the infringing party sold an exact replica of the patented design.<sup>7</sup> This is not the result intended by the *Gorham* Court when it established the “ordinary observer” test, or by Congress when it passed the Patent Act.<sup>8</sup>

Two recent Federal Circuit opinions, *Arminak & Assoc., Inc. v. Saint-Gobain Calmar, Inc.*<sup>9</sup> and *Egyptian Goddess, Inc. v. Swisa, Inc.*,<sup>10</sup> appear to have placed design patent jurisprudence at odds with *Gorham* and in a perilous state. Both *Arminak* and *Egyptian Goddess* wrongly replace the “ordinary observer” test with an “*extra-ordinary* observer” test.<sup>11</sup>

<sup>4</sup> *Id.*

<sup>5</sup> *Id.*

<sup>6</sup> *Id.*

<sup>7</sup> *Id.* at 529–30.

<sup>8</sup> *See id.* at 524 (“The acts of Congress which authorize the grant of patents for designs were plainly intended to give encouragement to the decorative arts.”). “The law manifestly contemplates that giving 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.” *Id.* at 525.

<sup>9</sup> 501 F.3d 1314 (Fed. Cir. 2007), *cert. denied*, 128 S. Ct. 2906 (2008).

<sup>10</sup> 543 F.3d 665 (Fed. Cir. 2008) (en banc), *cert. denied*, 77 U.S.L.W. 3556 (U.S. Apr. 6, 2009) (No. 08-1031).

<sup>11</sup> *See Egyptian Goddess*, 543 F.3d at 676; *Arminak*, 501 F.3d at 1324.

In *Arminak*, the Federal Circuit rejected a design patent infringement test based on the “eyes of men generally,”<sup>12</sup> and instead created a test that relies on the perceptions of “persons in the trade,” namely, industrial buyers (also known as organization buyers).<sup>13</sup> Graphically, the *Arminak* holding can be depicted as follows:

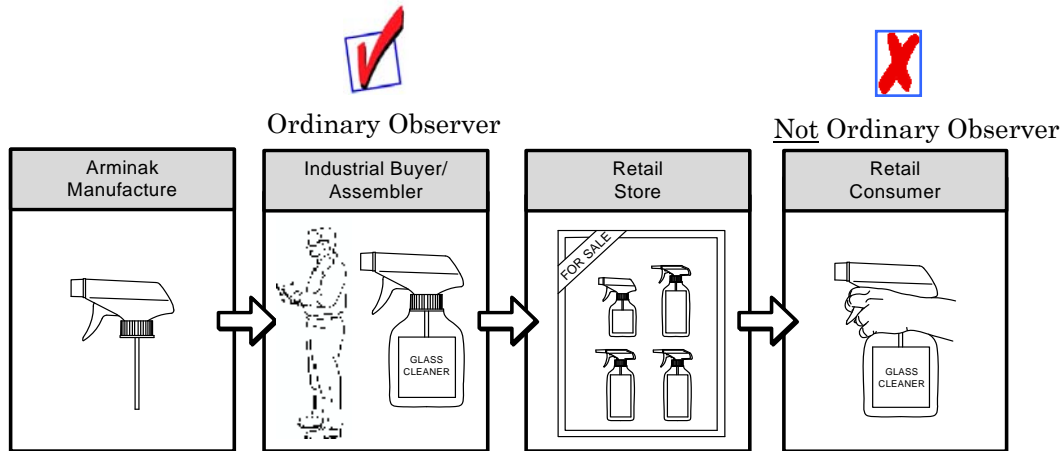


Figure 2

The *Arminak* holding, by using the perceptions of industrial buyers to determine infringement, is in direct conflict with the Court’s holding in *Gorham*. *Gorham* expressly prohibits the use of the perceptions of “persons versed in the trade” for making design patent infringement determinations.<sup>14</sup> Simply put, industrial buyers are “persons versed in the trade.”<sup>15</sup> They are trained professionals whose jobs depend on their ability to discern minor differences between products; rarely, if ever, will they be deceived by a design other than an exact copy.<sup>16</sup> In a word, the perceptions of industrial buyers are anything but “ordinary.”

Shortly after its holding in *Arminak*, the Federal Circuit, in its *en banc* decision in *Egyptian Goddess*, set forth a design patent infringement test that tacitly

<sup>12</sup> *Arminak*, 501 F.3d at 1323.

<sup>13</sup> *Id.* at 1324.

<sup>14</sup> See *Gorham*, 81 U.S. at 527–28. The prohibited use of the personal perceptions of “persons versed in the trade” is very different from the permitted use of the observations of persons “versed in the trade” regarding the perceptions of ordinary observers. See *id.* In other words, whereas observations of a retail salesperson regarding the perceptions of ordinary purchasers could be permitted, the personal perceptions of a retail salesperson regarding the similarity/dissimilarity of an accused and patented design should not. *Id.* At the end of the day, however, and as recommended in Part IV, the design patent infringement analysis should be left to the ladies and gentlemen in the jury box with their everyday sensibilities and perceptions. In a bench trial, the judge, sitting as the fact-finder, is said to share the ordinary sensibilities of an ordinary juror. *Jackson v. Virginia*, 443 U.S. 307, 317 (1979) (holding that the court acts as the fact-finder in cases where a jury has not been demanded).

<sup>15</sup> See *Arminak*, 501 F.3d at 1323 (describing the business of purchasing and assembling component parts of a sprayer device and that an industrial buyer is a part of that business).

<sup>16</sup> *Gorham*, 81 U.S. at 527.

approves an “*extra*-ordinary observer test.”<sup>17</sup> Specifically, *Egyptian Goddess* states that the “ordinary observer” is one who is “aware of the great number of closely similar prior art designs” and “conversant with the prior art.”<sup>18</sup> By defining the observer as someone with such heightened knowledge of the prior art, the *Egyptian Goddess* court effectively elevated the “ordinary observer” to an “*extra*-ordinary observer,” similar to its decision in *Arminak*.<sup>19</sup> This “*extra*-ordinary observer” is precisely the class of individuals that *Gorham* cautioned against—“persons versed in the design in the particular trade in question.”<sup>20</sup> While it is true that the freshly-minted *Egyptian Goddess* opinion contains several potential tests for design patent infringement, if this “*extra*-ordinary-observer” test of *Egyptian Goddess* takes root, it will create a test for design patent infringement that, like *Arminak*, will be on a crash course with the Supreme Court’s precedent in *Gorham*.<sup>21</sup>

Yet, both *Arminak*’s and *Egyptian Goddess*’ tests for determining the identity of the ordinary observer wrongly disqualify everyday observers, such as everyday jurors, from serving as ordinary observers, placing them in conflict with *Gorham*. *Arminak* reasons that these persons are disqualified from serving as ordinary observers because they do not possess “the capability of making a reasonably discerning decision” regarding infringement.<sup>22</sup> Similarly, *Egyptian Goddess*, with its *supra*-intelligence requirement, disqualifies the average ordinary observer (of ordinary intelligence) from serving as the arbiter of design patent infringement, presumably because the court is skeptical that an ordinary observer can adequately weigh the prior art when conducting the infringement analysis.<sup>23</sup> Everyday observers, such as the average juror and the retail consumer, possess precisely the everyday perceptions and sensibilities that *Gorham* sought to employ with its “ordinary observer” test.<sup>24</sup> After all, jurors represent a cross-section of the community and by their very nature are “ordinary.”<sup>25</sup>

In Part I of this article, I will discuss the “ordinary observer” test that the Supreme Court laid down in *Gorham*. In Part II, I will discuss the holding of *Arminak* and how it conflicts with *Gorham*. Next, in Part III, I will discuss the holding of *Egyptian Goddess* and how it risks running afoul of *Gorham* depending on how it is interpreted. Lastly, in Part VI, I will discuss a solution to the pitfalls of *Arminak* and *Egyptian Goddess* that brings the test for design patent infringement back in-line with *Gorham*.

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<sup>17</sup> See *Egyptian Goddess*, 543 F.3d at 676. As explained herein, when commenting on the potential conflict between *Egyptian Goddess* and *Gorham*, I am specifically referencing the portion of the *Egyptian Goddess* opinion that I refer to herein as the “*Extra*-Ordinary Observer Test.” See *infra* Part III.

<sup>18</sup> *Egyptian Goddess*, 543 F.3d at 676.

<sup>19</sup> *Id.*

<sup>20</sup> *Gorham*, 81 U.S. at 528.

<sup>21</sup> *Egyptian Goddess*, 543 F.3d at 676.

<sup>22</sup> *Arminak & Assocs., Inc. v. Saint-Gobain Calmar, Inc.*, 501 F.3d 1314, 1323 (Fed. Cir. 2007), *cert denied*, 128 S. Ct. 2906 (2008).

<sup>23</sup> *Egyptian Goddess*, 543 F.3d at 676.

<sup>24</sup> See *Gorham Co. v. White*, 81 U.S. (14 Wall.) 511, 527–28 (1872).

<sup>25</sup> See *New York v. McCray*, 461 U.S. 961, 967 (1983) (affirming that the right to a jury includes the right that the jury represents a fair cross-section of the community).

I. *GORHAM* MANDATES THAT THE DESIGN PATENT INFRINGEMENT TEST IS TO BE CONDUCTED THROUGH THE EYES OF ORDINARY OBSERVERS, NOT EXPERT OBSERVERS.

In *Gorham v. White*, the Supreme Court was confronted with the following fundamental and crucial issue: Should the test for design patent infringement, which compares the overall appearance of the patented design with that of the accused design, be judged through the “eyes of persons versed in the trade” or through the “eyes of men generally?”<sup>26</sup> In short, the *Gorham* Court decided that (1) the eyes of men generally are to be used (*i.e.*, ordinary observers),<sup>27</sup> and (2) it is legal error to use the eyes of persons versed in the trade.<sup>28</sup> The design patent infringement test that yields from the venerable *Gorham* holding is now commonly referred to as the “ordinary observer test.” A brief history of the lower court’s decision in *Gorham* helps elucidate not only the issue before the Court, but also the Court’s ultimate decision.

*Gorham* begins with Gorham Manufacturing Co. filing suit in the Circuit Court for the Southern District of New York alleging infringement of its Design Patent No. 1,440 entitled “Spoon and Fork Handle.”<sup>29</sup> Gorham brought suit against George C. White for White’s handle designs on certain “spoons and other articles.”<sup>30</sup> In Figure 1 below, Gorham’s patented handle design is on the left, and White’s accused handle design is on the right:

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<sup>26</sup> *Id.* at 526–27.

<sup>27</sup> *Id.* at 528.

<sup>28</sup> *Id.*

<sup>29</sup> *Gorham Mfg. Co. v. White*, 10 F. Cas. 827, 828 (C.C.S.D.N.Y. 1870) (No. 5,627) [hereinafter *Gorham Dist. Ct.*], *rev’d*, 81 U.S. (14 Wall.) 511 (1872); *see also* Charles Spencer Curb & Cooper C. Woodring, *The Trial of the Century: Gorham Versus White, 1871*, SILVER MAG., Jan./Feb. 2004.

<sup>30</sup> *Id.* at 828.



*Figure 3*<sup>31</sup>

During the lower court proceedings in *Gorham*, the district court heard evidence from both sides regarding the similarity of designs.<sup>32</sup> The defendant White submitted that the court should use the perceptions of persons versed in the trade for purposes of making the infringement decision.<sup>33</sup> White argued that *only* persons versed in the trade were qualified to make informed decisions on the relative appearances of the accused and claimed designs.<sup>34</sup> Accordingly, White proffered testimony from scores of “persons in the trade”—*e.g.*, merchants, dealers, brokers, designers, etc.—who testified that, in their opinion, the two designs were substantially different.<sup>35</sup> These individuals pointed to several differences in the accused and claimed designs.

The plaintiff Gorham, on the other hand, urged the lower court to use the perceptions of the “ordinary observer” as the proper test for determining design patent infringement.<sup>36</sup> Gorham argued that the accused design was intended to

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<sup>31</sup> See *Gorham*, 81 U.S. at 522. As later will be discussed herein, the patents-in-suit in both *Arminak* and *Gorham* only cover a *portion* of an article of manufacture. *Arminak & Assocs. v. Saint-Gobain Calmar, Inc.*, 501 F.3d 1314, 1318 (Fed. Cir. 2007), *cert. denied*, 128 S. Ct. 2906 (2008); *Gorham Dist. Ct.*, 10 F. Cas. at 828. Gorham’s patent claimed a handle for a spoon or fork, while Arminak’s patent claims a sprayer shroud for a sprayer bottle. *Arminak*, 501 F.3d at 1318; *Gorham Dist. Ct.*, 10 F. Cas. at 828. Neither patent-in-suit sought coverage for an *entire* article of manufacture.

<sup>32</sup> See *Gorham*, 81 U.S. at 513, 518.

<sup>33</sup> *Id.* at 530–31.

<sup>34</sup> *Id.* at 518.

<sup>35</sup> *Id.*

<sup>36</sup> *Id.* at 513.

deceive the ordinary observer, not persons versed in the trade.<sup>37</sup> After all, Gorham pointed out, the ordinary observer would be the ultimate consumer of the spoons and forks to which the ornamental handles were applied.<sup>38</sup> If the ordinary observer was deceived, Gorham argued, then the design patentee suffered an injury.<sup>39</sup> In support of its argument, Gorham introduced evidence showing that “ordinary observers” would perceive the two designs as substantially similar, and thus, infringing.<sup>40</sup> The testimony proffered by Gorham showed that ordinary observers would not be as discerning as the persons versed in the trade, and would, in fact, mistake the accused design for the patented design.<sup>41</sup>

The lower court considered both arguments, and flatly rejected the ordinary observer test: “*It is impossible to assent to the view, that the test, in regard to a patent for a design, is the eye of an ordinary observer.*”<sup>42</sup> Not only did the lower court reject the ordinary observer test, but it also affirmatively held that design patent infringement must be based on the perceptions of persons versed in the trade—effectively an “*extra-ordinary* observer”:

[T]hat test can only be . . . substantial identity . . . in view of the observation of a person versed in designs in the particular trade in question—of a person engaged in the manufacture or sale of articles containing such designs—of a person accustomed to compare such designs one with another, and who sees and examines the articles containing them side by side.<sup>43</sup>

Applying this “*extra-ordinary* observer” test, the lower court found that the White design did not infringe Gorham’s design patent:

[C]omparing the designs of White with the plaintiffs’ design, it is satisfactorily shown, by the clear weight of testimony, that the designs of White are not substantially the same as the plaintiffs’ design. . . . The substance of the evidence of the most intelligent of them, persons in the trade, is merely to the effect, that the White designs are not substantially the same as the plaintiffs’ design, but were intended to appear to be the same to an ordinary purchaser, and will so appear to him, but that a person in the trade will not be deceived, by the resemblance, into purchasing an article of the one design for an article of the others.<sup>44</sup>

Thus, despite the lower court’s recognition that ordinary observers would be, in fact, deceived, because persons versed in the trade would not, the court held that there was no infringement.<sup>45</sup> Gorham appealed.<sup>46</sup>

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<sup>37</sup> *Id.*

<sup>38</sup> *Id.*

<sup>39</sup> *Id.* at 528.

<sup>40</sup> *Id.* at 513.

<sup>41</sup> *Id.*

<sup>42</sup> *Gorham Dist. Ct.*, 10 F. Cas. 827, 830 (C.C.S.D.N.Y. 1870) (No. 5,627), *rev’d*, 81 U.S. (14 Wall.) 511 (1872) (emphasis added).

<sup>43</sup> *Id.*

<sup>44</sup> *Id.*

<sup>45</sup> *Id.*

The Supreme Court reviewed the matter and reversed the lower court, finding that the design patent was infringed. In reaching its conclusion, the Court expressly rejected the lower court’s design patent infringement test and, of particular relevance to this article, the lower court’s reasoning.<sup>47</sup> Specifically, the Court stated:

The learned judge thought there could be no infringement unless there was “substantial identity” “in view of the observation of a person versed in designs in the particular trade in question—of a person engaged in the manufacture or sale of articles containing such designs—of a person accustomed to compare such designs one with another, and who sees and examines the articles containing them side by side.” There must, he thought, be a comparison of the features which make up the two designs. *With this we cannot concur. Such a test would destroy all the protection which the act of Congress intended to give.* There never could be piracy of a patented design, 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. No counterfeit bank note is so identical in appearance with the true that an experienced artist cannot discern a difference. It is said an engraver distinguishes impressions made by the same plate. Experts, therefore, are not the persons to be deceived. Much less than that which would be substantial identity in their eyes would be undistinguishable in 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.<sup>48</sup>

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<sup>46</sup> *Gorham*, 81 U.S. at 524.

<sup>47</sup> *Id.* at 527–28.

<sup>48</sup> *Id.* at 527 (emphasis added).

Thus, *Gorham* not only mandates whose perceptions are employed for determining design patent infringement—*i.e.*, “ordinary observers”—but it also mandates whose perceptions should *not* be employed—*i.e.*, “persons versed in the trade.”<sup>49</sup> Graphically, *Gorham* can be depicted as follows:

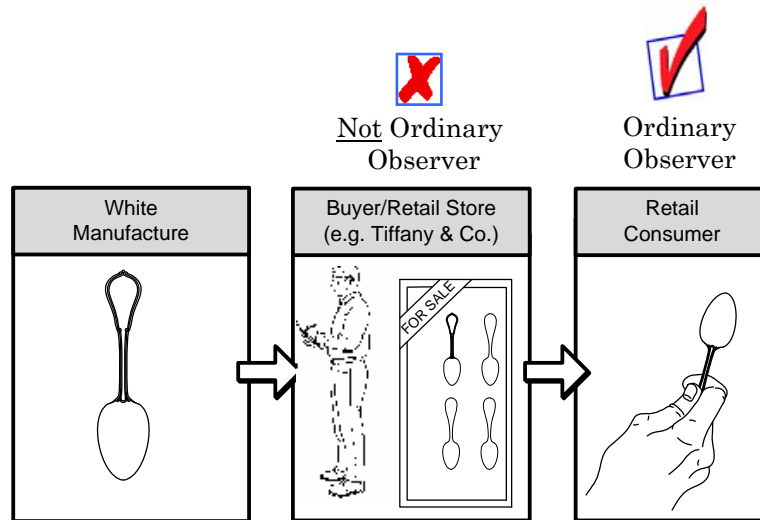


Figure 4

A first holding from *Gorham* is the oft-cited portion of the opinion that is now commonly known as the “ordinary observer” test:

[I]n 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.<sup>50</sup>

The Court elaborated on its definition of “ordinary observers” holding them to be:

- “observers of ordinary acuteness”<sup>51</sup>
- “men of ordinary intelligence,”<sup>52</sup> and
- “men generally.”<sup>53</sup>

A second holding of the opinion, while cited much less often, is equally important. Specifically, the Court expressly disqualified the observations of the following

<sup>49</sup> *Id.* at 527–28.

<sup>50</sup> *Id.* at 528 (emphasis added).

<sup>51</sup> *Id.*

<sup>52</sup> *Id.*

<sup>53</sup> *Id.*

“persons in the trade” for purposes of making design patent infringement determinations:

- “a person versed in designs in the particular trade in question”<sup>54</sup>;
- “a person engaged in the manufacture or sale of articles containing such designs”<sup>55</sup>; and
- “a person accustomed to compare such designs one with another, and who sees and examines the articles containing them side by side.”<sup>56</sup>

Simply put, “persons versed in the trade” are not *ordinary* observers, but instead, are defined by the Court as “experts,” and thus, *extra-ordinary* observers.<sup>57</sup>

In sum, *Gorham* includes, at least, *two* fundamental holdings: (1) design patent infringement determinations must be based on the perceptions of “the eyes of men generally,” “observers of ordinary acuteness” and “men of ordinary intelligence”<sup>58</sup> (*i.e.*, “ordinary observers”), and (2) design patent infringement determinations must *not* be based on the perceptions of persons versed in the trade<sup>59</sup> (*i.e.*, “experts”). As the *Gorham* Court made clear, these principles must be adhered to in order to provide meaningful protection to design patentees.<sup>60</sup> As discussed herein, however, in its recent opinions in *Arminak* and *Egyptian Goddess*, it appears that the Federal Circuit has strayed from these fundamental holdings.

## II. *ARMINAK*’S SELECTION OF AN INDUSTRIAL BUYER AS THE “ORDINARY OBSERVER” VIOLATES *GORHAM*

The facts of *Arminak* can be fairly stated as follows: a Manufacturer creates and combines Product A and Product B yielding Product AB, which is then sold by the Manufacturer to an Industrial Buyer who, in turn, assembles Product AB with Product C.<sup>61</sup> The resulting finished Product ABC is, in turn, sold by the Industrial Buyer to a Retailer, who then sells finished Product ABC to a Consumer.<sup>62</sup> Applying this general framework to the specific facts in *Arminak*, Product A is a patented sprayer shroud, which is part of a trigger sprayer device; Product B comprises the other parts of a trigger sprayer device, including the nozzle, trigger and tube.<sup>63</sup> Product C is a labeled bottle with liquid (*e.g.*, glass cleaner).<sup>64</sup> Thus, finished Product ABC (*e.g.*, a bottle of Windex® glass cleaner) is assembled and sold by an Industrial Buyer (*e.g.*, Procter & Gamble) to a retailer (*e.g.*, Wal-Mart) who resells it

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<sup>54</sup> *Id.*

<sup>55</sup> *Id.*

<sup>56</sup> *Id.*

<sup>57</sup> *Id.*

<sup>58</sup> *Id.* at 527.

<sup>59</sup> *Id.* at 528.

<sup>60</sup> *Id.* at 527.

<sup>61</sup> See *Arminak & Assocs., Inc. v. Saint-Gobain Calmar, Inc.*, 501 F.3d 1314, 1318 (Fed. Cir. 2007), *cert denied*, 128 S. Ct. 2906 (2008).

<sup>62</sup> *Id.*

<sup>63</sup> *Id.* at 1318, 1320.

<sup>64</sup> *Id.* at 1318.

to a Consumer.<sup>65</sup> Below is a graphical representation of the stream of commerce in *Arminak*:

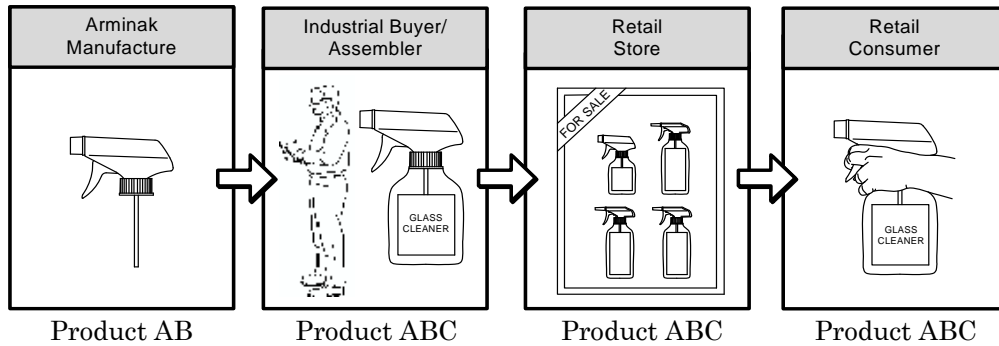


Figure 5

Analyzing the issue of infringement, the *Arminak* court sought to determine who should be the ordinary observer: the Industrial Buyer who purchased Product AB, or the Retail Consumer who purchased Product ABC.<sup>66</sup> The *Arminak* court concluded that the ordinary observer was the Industrial Buyer, and not the Retail Consumer.<sup>67</sup> Graphically, the *Arminak* court's holding can be depicted as follows:

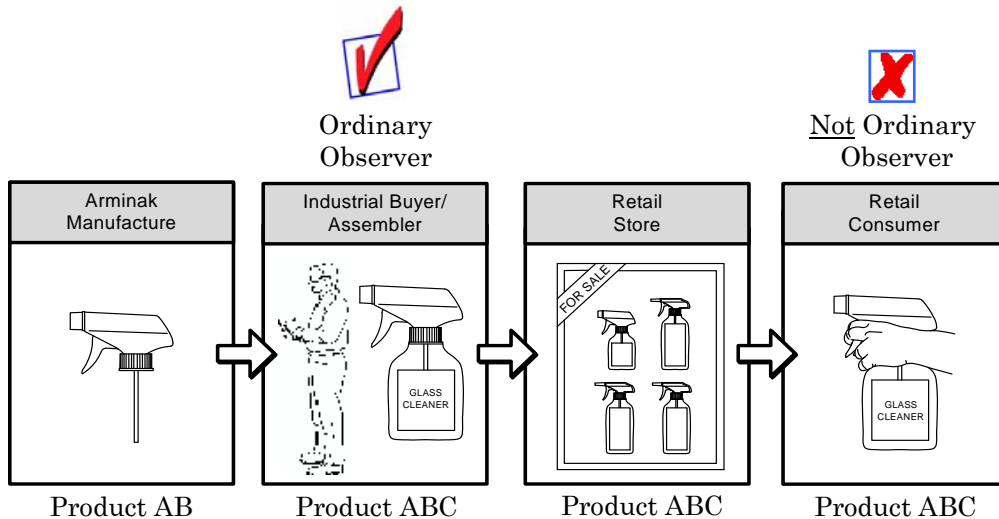


Figure 6

<sup>65</sup> *Arminak & Assocs., Inc. v. Saint-Gobain Calmar, Inc.*, 424 F. Supp.2d 1188, 1190 (S.D. Cal. 2006) [hereinafter *Arminak Dist. Ct.*], *aff'd*, 501 F.3d 1314 (Fed. Cir. 2007), *cert. denied*, 128 S. Ct. 2906 (2008).

<sup>66</sup> *Arminak*, 501 F.3d at 1322.

<sup>67</sup> *Id.* at 1324.

In general terms, the *Arminak* court reached the same erroneous conclusion as the lower court in *Gorham*.<sup>68</sup> Just as the lower court in *Gorham* judged the ordinary observer to be “casual, heedless and unintelligent,”<sup>69</sup> and thus not the proper arbiter of design patent infringement, the *Arminak* court determined that the retail consumer lacked the “capability of making a reasonably discerning decision when observing the accused item's design whether the accused item is substantially the same as the item claimed in the design patent.”<sup>70</sup> Both courts erroneously rejected—and seemingly mistrusted—the perceptions of ordinary persons, in exchange for the perceptions of “persons versed in the trade.”<sup>71</sup>

While it is true that *Arminak* acknowledged *Gorham*'s prohibition on the use of the observations of “persons versed in the trade” for design patent infringement determinations, it never answered, or even addressed, whether the Industrial Buyer was, in fact, a “person versed in the trade.”<sup>72</sup> As explained below, Industrial Buyers fall into not just one, but all three, of the very classes of persons that *Gorham* expressly prohibited from the design patent infringement determination:

- 1) “person[s] versed in designs in the particular trade in question”<sup>73</sup>
  - An *Industrial Buyer* inspects and analyzes a wide range of products incorporating the accused design during the course of making purchasing decisions.<sup>74</sup>
  
- 2) “person[s] engaged in the manufacture or sale of articles containing such designs”<sup>75</sup>
  - *Industrial Buyer* is engaged in the sale of the products incorporating the accused design as they negotiate price and quantity.<sup>76</sup>
  - An *Industrial Buyer* purchases products incorporating the accused design with full knowledge of the manufacturing and assembly processes into which such designs will be integrated.<sup>77</sup>
  
- 3) “person[s] accustomed to comparing such designs one with another, and who sees and examines the articles containing them side by side”<sup>78</sup>
  - An *Industrial Buyer* inspects and analyzes a wide range of products incorporating the accused design, comparing such designs with another while making purchasing decisions.<sup>79</sup>

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<sup>68</sup> Compare *Gorham Co. v. White*, 81 U.S. (14 Wall.) 511, 527 (1872) (rejecting the lower court's holding that the “ordinary observer” is the “person versed in the trade”), with *Arminak*, 501 F.3d at 1324 (holding that the “ordinary observer” is the industrial buyer).

<sup>69</sup> See *Gorham Dist Ct.*, 10 F. Cas 827, 830 (C.C.S.D.N.Y. 1870) (No. 5,627), *rev'd*, 81 U.S. (14 Wall.) 511 (1872).

<sup>70</sup> *Arminak*, 501 F.3d at 1323.

<sup>71</sup> See *Gorham*, 81 U.S. at 527; *Arminak*, 501 F.3d at 1323.

<sup>72</sup> *Id.* at 1321–22.

<sup>73</sup> *Gorham*, 81 U.S. at 527.

<sup>74</sup> See *Arminak*, 501 F.3d at 1323.

<sup>75</sup> *Gorham*, 81 U.S. at 527.

<sup>76</sup> See, e.g., *Super Tire Eng'g Co. v. McCorkle*, 416 U.S. 115, 117 n.1 (1974).

<sup>77</sup> See *Arminak*, 501 F.3d at 1323.

<sup>78</sup> *Gorham*, 81 U.S. at 527.

Simply put, the Industrial Buyer are precisely the “persons versed in the trade” that *Gorham* precludes from serving as ordinary observers.<sup>80</sup>

At first blush, one might attempt to defend the *Arminak* selection of the ordinary observer on the premise that the Industrial Buyer was the *only* purchaser of the patented item.<sup>81</sup> In other words, the parties downstream from the Industrial Buyer do not qualify as the ordinary purchaser because they did not purchase “the” patented item in isolation; rather they purchased the patented item in combination with other non-patented components.<sup>82</sup> Indeed, the district court in *Arminak* used this argument to support its selection of the Industrial Buyer, which the Federal Circuit ultimately withheld.<sup>83</sup> Not only is this argument irrelevant (as explained herein), but it is also based upon a false understanding of the “patented item” in *Arminak*.

A close look at *Arminak’s* facts reveals that no one actually purchased the patented item in isolation, not even the Industrial Buyer. In the patent-in-suit, Calmar’s U.S. Pat. No. D381,581 (“’581 patent”), both the title and the claim are directed to a “Sprayer Shroud.”<sup>84</sup> As shown below in the ’581 patent’s drawings, the sprayer shroud is the only portion of the trigger sprayer device shown in solid lines.<sup>85</sup>

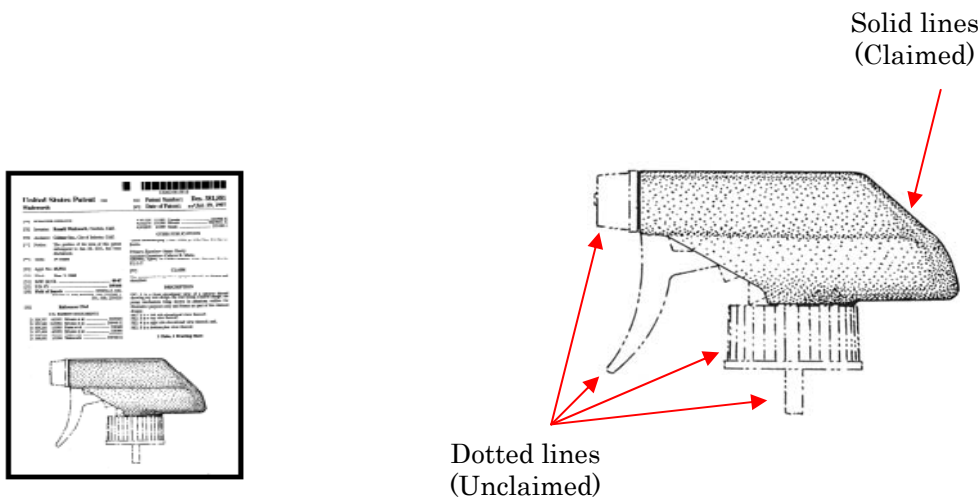


Figure 7<sup>85</sup>

<sup>79</sup> See *Arminak*, 501 F.3d at 1323.

<sup>80</sup> See *Gorham*, 81 U.S. at 527; *Arminak*, 501 F.3d at 1323.

<sup>81</sup> *Arminak*, 501 F.3d at 1323.

<sup>82</sup> *Id.* at 1324.

<sup>83</sup> *Arminak Dist. Ct.*, 424 F. Supp. 2d 1188, 1198 (C.D. Cal. 2006) (“Although an end user necessarily obtains the shrouds when she buys the complete household product, she is not the “ordinary observer” because she purchases a product into which the patented item is incorporated.”), *aff’d*, 501 F.3d 1314 (Fed. Cir. 2007), *cert denied*, 128 S. Ct. 2906 (2008).

<sup>84</sup> Sprayer Shroud, U.S. Patent No. 381,581 (filed July 29, 1997).

<sup>85</sup> *Id.*

Accordingly, the patented item in *Arminak* was *only* the sprayer shroud. The other parts of the trigger sprayer device (*e.g.*, nozzle, trigger, cap and tube) are all depicted in dotted lines, and thus, form no part of the patented design.<sup>87</sup> Neither the Industrial Buyer, the Retailer, nor the Retail Consumer purchased the ‘581 “patented item” in isolation.<sup>88</sup> Rather, all parties in the stream of commerce purchased the patented item in combination with other non-patented components.<sup>89</sup> The Industrial Buyer purchased the patented item (*i.e.*, the shroud) in combination with non-patented components (*i.e.*, nozzle, trigger, cap and tube)<sup>90</sup> and the Retailer and Retail Consumer purchased the patented item (*i.e.*, the shroud) in combination with non-patented components (*i.e.*, nozzle, trigger, cap, tube, bottle and fluid).<sup>91</sup> Thus, it cannot be said that the Industrial Buyer is the ordinary observer because it is the only party in the stream of commerce that purchased the patented item in isolation.<sup>92</sup> Under the facts of *Arminak*, no one purchased the patented item in isolation.<sup>93</sup>

Not only should the determination of the “ordinary observer” not hinge on who buys the patented item in “isolation,” but it also should not hinge on who is the first purchaser/user of the *accused product*, as suggested by the Federal Circuit in *Goodyear Tire & Rubber Co. v. Hercules Tire & Rubber Co.*,<sup>94</sup> a case *Arminak* relied on.<sup>95</sup> Such tests lead potentially to inconsistent infringement results depending on who the patentee sues.<sup>96</sup> To illustrate this flaw, assume for the moment that the patentee Calmar sued not only *Arminak* for its sales of the trigger sprayer (incorporating the accused sprayer shroud), but also Wal-Mart for its sales of the complete Windex® bottle (incorporating the same accused sprayed shroud). Under this scenario, and when the ordinary observer is pegged off of who is the first purchaser/user of the accused product, there are two separate “ordinary observers” for determining infringement of the exact same patented item: (1) the ordinary observer for the suit against *Arminak* would be the Industrial Buyer, and (2) the ordinary observer for the suit against Wal-Mart would be the Retail Consumer.<sup>97</sup> Simply put, such a conclusion is illogical and provides an unworkable framework for fairly resolving design patent infringement suits.<sup>98</sup> As explained in detail herein (*infra* Section IV), attempts to precisely define a subclass of extraordinary observers

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<sup>86</sup> *Id.* (notations and commentary added).

<sup>87</sup> *Id.*; see also *In re Zahn*, 617 F.2d 261, 267 (C.C.P.A. 1980) (ratifying the use of dotted lines to disclaim portions of the design); U.S. PAT. & TRADEMARK OFFICE, U.S. DEP’T OF COMMERCE, MANUAL OF PATENT EXAMINING PROCEDURE § 1503.02 (8th ed., 7th rev, 2008) (discussing guidelines for drawings submitted with design patents and specifically the use of “broken lines” in the drawings).

<sup>88</sup> See *Arminak*, 501 F.3d at 1318.

<sup>89</sup> *Id.*

<sup>90</sup> *Arminak Dist. Ct.*, 424 F. Supp. 2d 1188, 1190 (C.D. Cal. 2006), *aff’d*, 501 F.3d 1314 (Fed. Cir. 2007), *cert denied*, 128 S. Ct. 2906 (2008).

<sup>91</sup> *Arminak*, 501 F.3d at 1318.

<sup>92</sup> *Id.* at 1321.

<sup>93</sup> *Id.*

<sup>94</sup> 162 F.3d 1113, 1117 (Fed. Cir. 1998).

<sup>95</sup> *Arminak*, 501 F.3d at 1322.

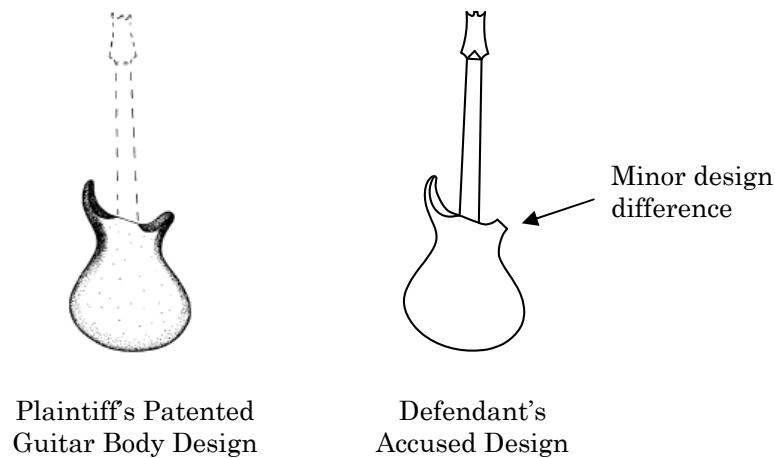
<sup>96</sup> *Goodyear*, 162 F.3d at 1117.

<sup>97</sup> See *Arminak*, 501 F.3d at 1324; *Goodyear*, 162 F.3d 1117.

<sup>98</sup> See *Arminak*, 501 F.3d at 1324; *Goodyear*, 162 F.3d 1117.

is not only in violation of *Gorham* and unnecessary, but it also leads to arbitrary and inappropriate infringement findings.<sup>99</sup> The most sensible approach is to leave the question of design patent infringement to actual ordinary observers—the ladies and gentleman of the jury.<sup>100</sup>

As a matter of policy, the *Arminak* holding threatens the enforceability of the majority of design patents.<sup>101</sup> This is because an “*extra*-ordinary observer,” such as the Industrial Buyer who is well-versed in the trade, can readily discern subtle variations or differences between similarly-designed products, even when the designs deceive the ordinary purchaser. The following short example highlights the flaw in the *Arminak* test. Assume that a plaintiff-patentee asserts that its design patent (on the left) is infringed by the accused design (on the right), which is similar in all material respects, save for one minor and inconsequential design difference (as noted).



*Figure 8*

Like the asserted patents in *Gorham* and *Arminak*, the patented design does not claim the entire product; it claims only the guitar body—a portion of a finished retail product.<sup>102</sup> Also, the *accused product* is not a final retail product in that it does not

<sup>99</sup> See *Gorham Co. v. White*, 81 U.S. (14 Wall.) 511, 527–28 (1872).

<sup>100</sup> *Id.*

<sup>101</sup> Almost 30 years after *In re Zahn*, the majority of design patents now claim only a *portion* of an article of manufacture. Specifically, applicants routinely only claim a portion of the article of manufacture by using dotted lines to disclaim immaterial, unimportant, or simply unwanted aspects of the design. U.S. Patent and Trademark Office records show that in the 1981—the year immediately following the *Zahn* decision—only seven percent of the issued U.S. design patents utilized dotted lines to disclaim portions of an article of manufacturer. In 2008, the number has increased to over fifty percent. As a result of this trend, even if it were contained to only factual situations where the patented item is but a component of a larger product, the *Arminak* decision still has a very significant impact.

<sup>102</sup> See *Zahn*, 617 F.2d at 267. A patentee is entitled to disclaim portions of its design by depicting such portions in dotted lines. *Id.* Here, the neck of the guitar is shown in dotted lines in the patent and thus form no part of the claimed design. Similarly, in Calmar’s ‘381 patent, the nozzle, trigger, cap, and tube form no part of the claimed design, as they, too, are depicted in dotted lines. *Arminak*, 501 F.3d at 1325.

include strings, frets, tuning pegs, a bridge or electronics. As in *Arminak*, the industrial buyer adds these components, yielding the finished retail product.<sup>103</sup> Below is an illustration of the stream of commerce in which the defendant’s product travels, beginning with the defendant’s manufacturer of the accused product, and ending with the retail consumer’s ultimate purchase.

**Defendant’s Stream of Commerce**

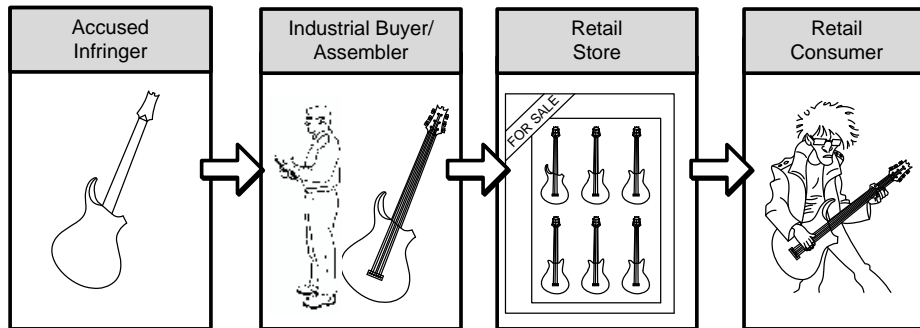


Figure 9

Under *Arminak*, the ordinary observer would be the industrial buyer, and *not* the retail consumer.<sup>104</sup>

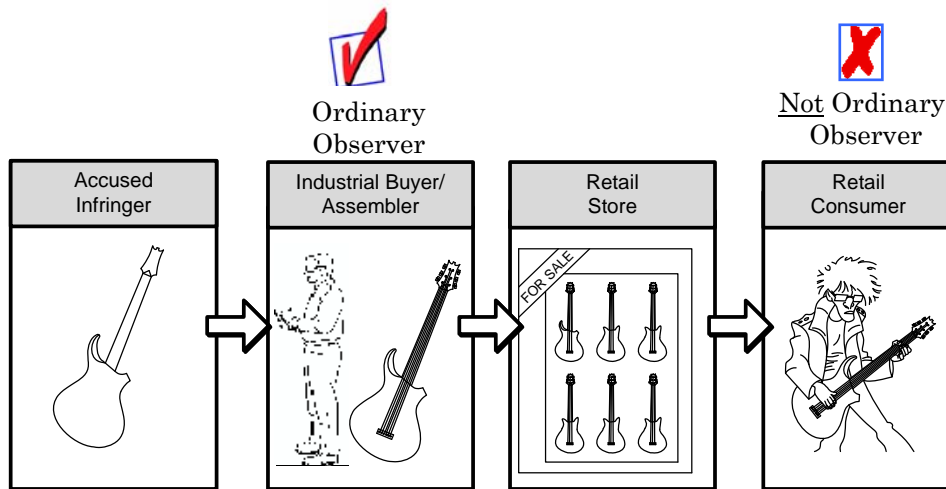


Figure 10

<sup>103</sup> See *Arminak Dist. Ct.*, 424 F. Supp.2d 1188, 1190 (C.D. Cal. 2006), *aff'd*, 501 F.3d 1341 (Fed. Cir. 2007), *cert. denied*, 128 S. Ct. 2906 (2008).

<sup>104</sup> *Arminak*, 501 F.3d at 1323–24 (finding an industrial purchaser of product components to be the ordinary observer).

Using the trained faculties of the industrial buyer, an unjust finding of non-infringement most assuredly results.<sup>105</sup> While unnoticeable to the retail consumer, the minor and inconsequential differences would be noticed by the industrial buyer, and thus, mandating a finding of non-infringement. Yet, inasmuch as the retail consumer is deceived, the “patentee is injured, and the advantage of a market which the patent was granted to secure is destroyed.”<sup>106</sup> *Arminak* completely ignores this injury to the patentee.<sup>107</sup> As a result, under such scenario, design patentees are left without effective means to protect their patented designs in the marketplace.<sup>108</sup> Under *Arminak*, the only cases in which infringement would be found are those in which the infringing party sold an exact replica of the patented design. This is not the result intended by the Court when it established the “ordinary observer” test, or by Congress when it passed the Patent Act.

### III. *EGYPTIAN GODDESS*’ ELEVATION OF THE ORDINARY OBSERVER TO ONE VERSED IN THE PRIOR ART RISKS RUNNING AFOUL OF *GORHAM V. WHITE*

Shortly after the holding in *Arminak*, the *en banc* Federal Circuit again used language in its decision in *Egyptian Goddess* that tacitly approved an “extraordinary observer test.”<sup>109</sup> Specifically, *Egyptian Goddess* stated that the “ordinary observer” is one who is “aware of the great number of closely similar prior art designs” and “conversant with the prior art.”<sup>110</sup>

Prior to the *en banc Egyptian Goddess* decision, a finding of design patent infringement required the satisfaction of two distinct tests, namely, the *Gorham* “ordinary observer” test and the so-called “point of novelty” test.<sup>111</sup> Given the considerable confusion regarding the latter test, the *en banc* Federal Circuit, in its order granting rehearing, bluntly asked whether the point of novelty test should be part of the design patent infringement test any longer.<sup>112</sup> Ultimately, the *en banc* court scrapped the point of novelty test.<sup>113</sup> To fill the void left by the abrogated test, and thereby address the “false positive infringement issue,” the court defined the ordinary

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<sup>105</sup> *Id.* at 1324 (“The record establishes that the ordinary observer would not be deceived by the similarities between Arminak’s AA Trigger shroud and Calmar’s patented sprayer shroud.”).

<sup>106</sup> *Gorham Co. v. White*, 81 U.S. (14 Wall.) 511, 528 (1872).

<sup>107</sup> *See Arminak*, 501 F.3d at 1323 (focusing only on the industrial purchaser as the ordinary observer).

<sup>108</sup> *See id.* at 1317, 1323–24 (stating that an industrial buyer, not the retail consumer is the ordinary observer, and thus, affirming non-infringement of the patented article because such an observer would not be deceived by similarities in design).

<sup>109</sup> *Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d 665, 677–78, 683 (Fed. Cir. 2008) (*en banc*), *cert. denied*, 77 U.S.L.W. 3556 (U.S. Apr. 6, 2009) (No. 08-1031).

<sup>110</sup> *Id.* at 676, 678.

<sup>111</sup> *See, e.g., Contessa Food Prods. Inc. v. Conagra, Inc.*, 282 F.3d 1370, 1377 (Fed. Cir. 2002) (“Comparison to the accused product includes two distinct tests, both of which must be satisfied in order to find infringement: (a) the ‘ordinary observer’ test, and (b) the ‘point of novelty test.’”).

<sup>112</sup> *Egyptian Goddess*, 543 F.3d at 669.

<sup>113</sup> *Id.* at 678.

observer as someone with heightened intelligence and knowledge of the prior art.<sup>114</sup> By doing so, however, the decision risks running afoul of *Gorham*.<sup>115</sup>

To understand the *en banc* court’s predicament and its attempted solution to the “false positive infringement issue, a brief history of the abrogated point of novelty test is informative.<sup>116</sup> The primary and original purpose of the point of novelty test was to take into account the prior art in the design patent infringement analysis.<sup>117</sup> Specifically, the point of novelty test aimed to prevent findings of infringement where the accused design was substantially similar to both the claimed design *and* the prior art (“false positive infringement issue”).<sup>118</sup> Stated another way, it prevented findings of infringement where the accused design was merely “practicing the prior art.”<sup>119</sup> For example, consider the following situation wherein a Claimed Design is on the left and an accused design on the right:

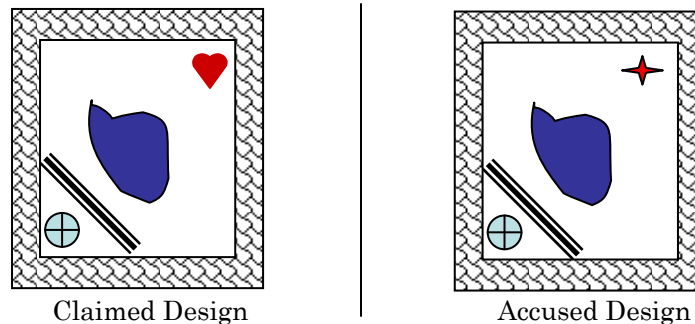


Figure 11

Simply applying the ordinary observer test *in a vacuum*—*i.e.*, not taking into account the prior art—a fact-finder might reasonably conclude that the overall visual appearances of the Claimed and Accused Designs are “substantially similar,” and thus,

<sup>114</sup> *Id.*

<sup>115</sup> *Compare id.* (stating that the “ordinary observer” is “aware of the great number of closely similar prior art designs” and “conversant with the prior art”), *with Gorham*, 81 U.S. at 527–28 (holding that the “ordinary observer” is the person of “ordinary intelligence”).

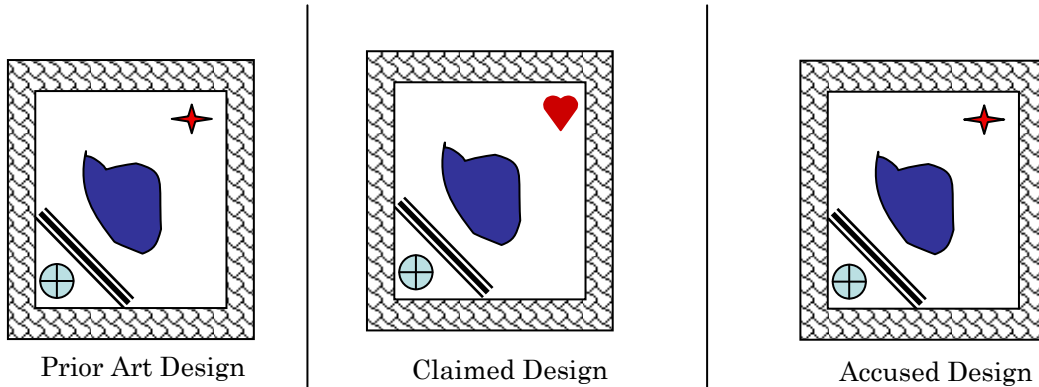
<sup>116</sup> For a more in-depth analysis of the issues with the “point of novelty” test see the briefs, at both the petition and *en banc* phases, of *Amicus Curiae* American Intellectual Prop. Law Ass’n in *Egyptian Goddess, Inc. v. Swisa, Inc.*, 437 F.3d 1383 (Fed. Cir. 2006) (No. 05-1253), and also, the briefs of Apple, Inc., and Nike, Inc., as *Amici Curiae*, and the Intellectual Property Owners Association, which provides excellent analysis of the history and maladies of the point of novelty test. Lastly, see Professor Crouch’s blog entitled “An Ugly Stepsister: CAFC Accepts En Banc Design Patent Case” at <http://www.patentlyo.com/patent/2008/09/en-banc-federal.html>.

<sup>117</sup> *See Litton Sys., Inc. v. Whirlpool Corp.*, 728 F.2d 1423, 1444 (Fed. Cir. 1984) (“[E]ven though the court compares two items through the eyes of the ordinary observer, it must nevertheless, to find infringement, attribute their similarity to the novelty which distinguishes the patented device from the prior art.”).

<sup>118</sup> *See id.*

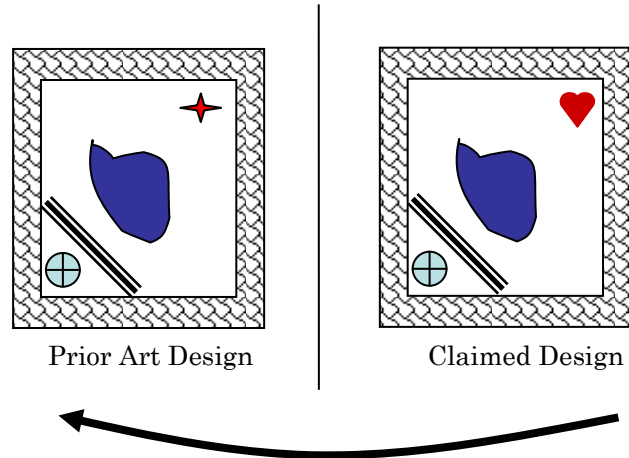
<sup>119</sup> *See id.*

find infringement.<sup>120</sup> But what if the Accused Design was merely practicing the Prior Art, as shown below?



*Figure 12*

In order to ensure that the perceived similarity was not based upon gross similarities between the Accused Design and the Prior Art, the point of novelty test analyzed the relationship between the Claimed Design and the Prior Art Design.<sup>121</sup> Specifically, the point of novelty test sought to identify the difference(s) between the Claimed Design and the Prior Art—*i.e.*, looking backward.<sup>122</sup>



*Figure 13*

<sup>120</sup> See *Egyptian Goddess*, 543 F.3d at 670 (describing the *Gorham* ordinary observer test, which gives rise to infringement when the designs are substantially the same in general appearance and effect).

<sup>121</sup> See, e.g., *Winner Int'l Corp. v. Wolo Mfg. Corp.*, 905 F.2d 375, 376 (Fed. Cir. 1990) (“[T]he purpose of the ‘point of novelty’ approach . . . is to focus on those aspects of a design which render the design different from prior art designs.”).

<sup>122</sup> *Litton*, 728 F.2d at 1444.

In this example, when comparing the Claimed Design to the Prior Art Design, the point of novelty over the prior art would be the red heart in the upper right-hand corner. Once identified, the point of novelty was then compared to the Accused Design to see if it had been appropriated—*i.e.*, looking forward.<sup>123</sup>

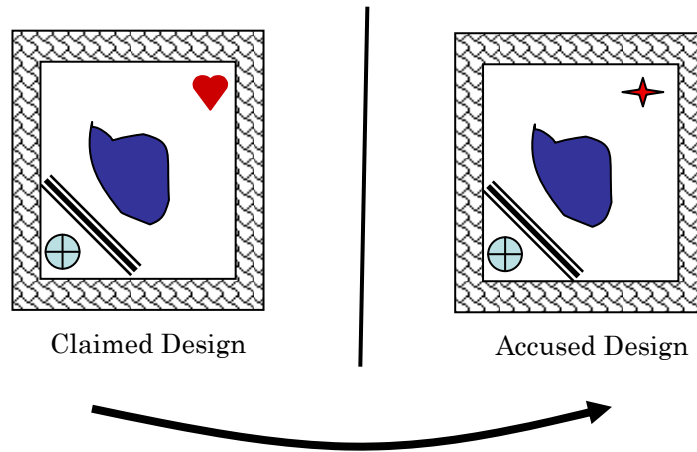


Figure 14

Here, because the Accused Design did not incorporate the identified point of novelty—*i.e.*, the red heart—there would be no infringement.<sup>124</sup> Thus, in this example, the point of novelty test successfully ferreted out the false positive finding of infringement that resulted when the Prior Art Design was not taken into account.<sup>125</sup>

While the point of novelty test addressed a legitimate concern (“the false positive infringement issue”), in practice, the test proved unworkable and fatally flawed. In particular, in situations where the claimed design had multiple points of novelty and multiple prior art references were considered, there was no principled way to determine the “correct” point of novelty. With the fact-finder forced to choose one, the design patent infringement determination became arbitrary. Not only was the test unworkable, but a separate and distinct point of novelty test was also unneeded, as shown below.

<sup>123</sup> *Id.*

<sup>124</sup> *Id.*

<sup>125</sup> *See id.* (holding that the district court clearly erred in its determination of infringement because it failed to consider the prior art).

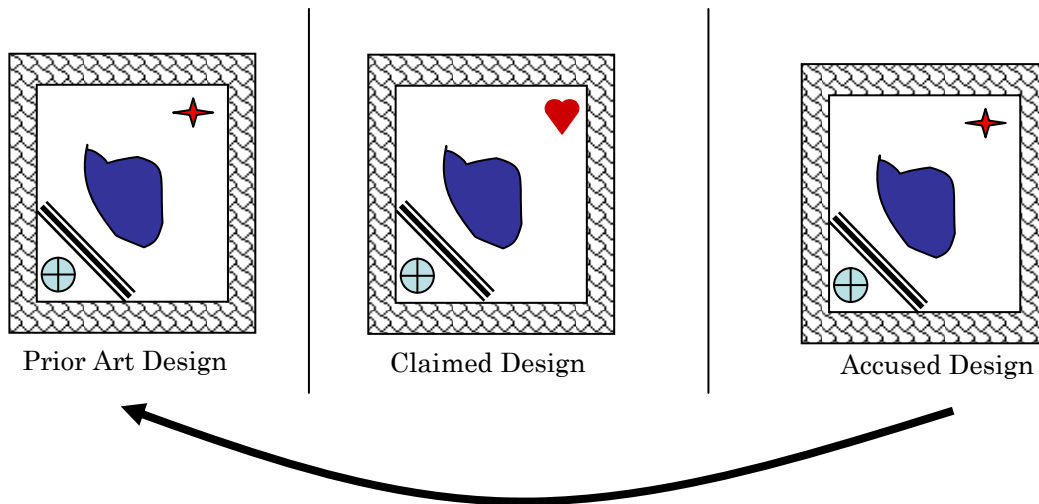


Figure 15

When placed in this proper context, *Gorham's* ordinary observer test yields the appropriate finding of non-infringement without the need for the additional point of novelty test.<sup>126</sup> Ultimately, the *Egyptian Goddess* court eliminated the “point of novelty.”<sup>127</sup> In its place, the *Egyptian Goddess* court implemented “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.*”<sup>128</sup> While the Federal Circuit should be applauded for eliminating the troublesome “point of novelty” test, a test in which it itself created 25 years ago in the wake of its momentous opinion, there is much confusion as to what now *is* the test for design patent jurisprudence.<sup>129</sup>

Much of the confusion is because the *Egyptian Goddess* opinion appears to contain several potential infringement tests that purport to take into account the prior art, with little guidance as to which test to apply. It is uncertain at this time which test or tests will take root. For purposes of this article, I will refer to the possible tests as follows: (1) Straight *Gorham*, (2) Contextual Test, (3) Sliding Scale Test, and (4) Extra-Ordinary Observer Test.<sup>130</sup> If the “Extra-Ordinary Observer Test,” takes root, *Egyptian Goddess*

<sup>126</sup> See *Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d 665, 676, 678 (Fed. Cir. 2008), *cert. denied*, 77 U.S.L.W. 3556 (U.S. Apr. 6, 2009) (No. 08-1031).

<sup>127</sup> *Id.* at 678.

<sup>128</sup> *Id.* at 676 (emphasis added).

<sup>129</sup> While it is not surprising that in the wake of a momentous opinion like *Egyptian Goddess* that the law is in a state of flux, the opinion does not help the matter by failing to provide guidance as to whether the various tests are intended as mere factors, separate tests, or, perhaps, even the same test. *Id.*

<sup>130</sup> *Id.* The Straight *Gorham* test looks only at the claimed design and the accused design. Under this test, there is no analysis of the prior art, as was the case in *Gorham* (hence the test’s name “Straight *Gorham*”). The *Egyptian Goddess* court endorsed the use of this two-way analysis when the claimed design and the accused design are “sufficiently distinct.” *Id.* at 678 (failing, however, to define the term

will have improperly elevated the required knowledge base of the ordinary observer to a level which violates *Gorham*.

Specifically, *Egyptian Goddess*’ “Extra-Ordinary Observer Test” states that the ordinary observer is one “who is conversant with the prior art” and “aware of the great number of closely similar prior art designs.”<sup>131</sup> Presumably, by defining the ordinary observer in this fashion, *Egyptian Goddess* was attempting to confront the false positive issue. In other words, an observer, with intimate knowledge of the prior art, would not incorrectly find infringement where the accused design was merely practicing the prior art.<sup>132</sup> Presumably, this observer knows what designs are new and what designs are old (and can be copied). However, while the proposed definition might resolve the false positive infringement issue, this language from *Egyptian Goddess* runs afoul of the Supreme Court’s precedent in *Gorham*. Simply put, the observer who is one “conversant with the prior art” and “aware of the great number of closely similar prior art designs” is not *ordinary*; they are extra-ordinary. As discussed in Part I, *infra*, *Gorham* expressly prohibits the use of the perceptions of “a person versed in designs in the particular trade in question.”<sup>133</sup> *Egyptian Goddess*’ proposed ordinary observer, who is “aware of the great number of closely similar prior art designs” and “conversant with the prior art,” falls squarely within this prohibited class of individuals.<sup>134</sup> As the Court stated in *Gorham*, relying on such expert perceptions “will destroy all the protection which the act of Congress intended to give.”<sup>135</sup>

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“sufficiently distinct”). On its face, this approach does not run afoul of *Gorham*’s prohibition against using the perceptions of “experts,” inasmuch as the test can be accomplished with the ordinary sensibilities of the fact-finder. The next test is the Contextual Test which requires application of the “ordinary observer” test “in view of the prior art.” *Id.* at 676–78. In other words, the fact-finder analyzes the accused design and claimed design for substantial similarity *in view of the prior art*. *Id.* If this test is interpreted to mean that the fact-finder is provided the claimed design, the accused design and the prior art, and then is asked to make a decision on infringement, this approach, on its face, does not run afoul of *Gorham*’s prohibition; the test can be accomplished with the ordinary sensibilities of the fact-finder. The “Sliding Scale” test of *Egyptian Goddess* asks the fact-finder whether the accused design is closer to the patented design than to the claimed design, then a finding of infringement is found. *Id.* at 677–78. Caution, however, should be exercised in employing the Sliding Scale test as both a test for, and defense against, infringement. If used as a test for infringement, an accused design may be (wrongly) determined to infringe because it is closer to the claimed design than to the prior art, despite the fact that an ordinary observer would not be deceived into thinking the accused design was the claimed design. *Egyptian Goddess* presumably advises that the Sliding Scale test should be only employed after it has been determined that the two designs are not “sufficiently distinct” under the Straight *Gorham* test. While this filter provides some comfort to this flaw with the Sliding Scale test, it is likely that the undefined “sufficiently distinct” filter will not weed out all such situations and thus should be exercised with care.

<sup>131</sup> *Id.* at 676–78.

<sup>132</sup> *See id.* at 678 (“Where there are many examples of similar prior art designs . . . differences between the claimed and accused designs that might not be noticeable in the abstract can become significant to the *hypothetical* ordinary observer who is conversant with the prior art.” (emphasis added)). In this portion of the opinion, *Egyptian Goddess* defines the ordinary observer as “hypothetical.” *Id.* In other areas, it does not. In any event, the point stands that the court has elevated improperly the knowledge base of the ordinary observer.

<sup>133</sup> *Gorham Co. v. White*, 81 U.S. (14 Wall.) 511, 527 (1871).

<sup>134</sup> *Compare Egyptian Goddess*, 543 F.3d at 676–78 (stating that the “ordinary observer” is “aware of the great number of closely similar prior art designs” and “conversant with the prior art”), *with Gorham*, 81 U.S. at 527 (stating that the “ordinary observer” is one of ordinary intelligence).

<sup>135</sup> *Gorham*, 81 U.S. at 528.

Indeed, the *Gorham* Court expressly cautioned against the use of individuals with heightened intelligence and knowledge, such as those “versed in designs in the particular trade” or those “accustomed to comparing such designs with another,” when determining questions of design patent infringement:

Much less than that which would be substantial identity in their eyes would be undistinguishable in 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. . . . The purpose of the law must be effected if possible; but, plainly, it cannot be 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.<sup>136</sup>

Under the “extra-ordinary observer” test of *Egyptian Goddess*, which calls for an observer having a heightened knowledge of the prior art, the enforceability of virtually all design patents is threatened. Like the Industrial Buyer in *Arminak*, an “extra-ordinary observer” is well-versed in the trade and can readily discern subtle variations or differences between similarly-designed products, even when the designs are intended to deceive the ordinary purchaser.<sup>137</sup> As a result, the “extra-ordinary observer” will only rarely, if ever, be deceived by similarly-designed products.<sup>138</sup> Here again, this is not the result intended by the Court when it established the “ordinary observer” test, or by Congress when it passed the Patent Act.<sup>139</sup>

#### IV. THE DESIGN PATENT INFRINGEMENT TEST SHOULD BE LEFT TO THE EVERYDAY SENSIBILITIES OF THE FACT-FINDER

*Arminak* and *Egyptian Goddess*<sup>140</sup> take the determination of design patent infringement out of the hands of every day observers and place it into the hands of extra-ordinary observers.<sup>141</sup> In both cases, the ordinary observer was apparently disqualified because the court felt that the ordinary observer was not up to the task. To avoid the pitfalls of *Arminak* and *Egyptian Goddess* and bring the design patent infringement test back in line with *Gorham*, the solution is simple: The test should

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<sup>136</sup> *Id.*

<sup>137</sup> *See id.* at 527–28.

<sup>138</sup> *See id.* at 527.

<sup>139</sup> *Id.*

<sup>140</sup> Again, here and elsewhere in the article, when I am criticizing the holding in *Egyptian Goddess*, I am specifically addressing the Extra-Ordinary Observer Test, as described in Part III.

<sup>141</sup> *Compare Gorham*, 81 U.S. at 527–28 (placing the determination of design patent infringement in the hands of persons of ordinary intelligence, and not experts), *with Arminak & Assocs., Inc. v. Saint-Gobain Calmar, Inc.*, 501 F.3d 1314, 1323 (Fed. Cir. 2007), *cert. denied*, 128 S. Ct. 2906 (2008) (placing the industrial buyer in the role of the ordinary observer), *and Egyptian Goddess, Inc. v. Swisa Inc.*, 543 F.3d 665, 676 (Fed. Cir. 2008) (en banc) (finding that the ordinary observer should be familiar with the prior art), *cert. denied*, 77 U.S.L.W. 3556 (U.S. Apr. 6, 2009) (No. 08-1031).

use the everyday sensibilities and perceptions of the ladies and gentlemen of the jury.<sup>142</sup>

In *Arminak*, the court felt that an everyday retail consumer was not “capable” of making a reasonably discerning decision as to whether the shape of one sprayer shroud was substantially similar to the shape of another sprayer shroud.<sup>143</sup> In *Egyptian Goddess*, under the Extra-Ordinary Observer Test, the court required an observer who is “aware of a great number of closely similar prior art designs,” because it was skeptical that an ordinary observer could properly take the prior art finger nail buffers into account when conducting the ordinary observer test. As discussed above, both *Arminak* and *Egyptian Goddess* violate *Gorham*. If the ordinary observer is deemed unfit to render an informed decision on the shape of simple and straight ahead product designs such as the sprayer shroud in *Arminak* and the finger nail buffers in *Egyptian Goddess*, then it is highly unlikely that an average juror will ever be considered capable of making a reasonably discerning decision regarding design patent infringement.

To be sure, a group of jurors possess ordinary sensibilities to make reasoned discernments regarding the relative appearances of items, including design on sprayer bottles with trigger sprayer devices (*Arminak*), and finger nail buffers (*Egyptian Goddess*). And if these ordinary observers are deceived, then the patentee suffers an injury.<sup>144</sup> There is simply no need to identify a specific subclass of “ordinary observer.”<sup>145</sup> Rather, the “ordinary observer” *is* the juror, using his or her everyday sensibilities and perceptions.<sup>146</sup> After all, jurors represent a cross-section of the community and by their very nature are “ordinary” observers.<sup>147</sup> When *Gorham* spoke of “ordinary” perceptions, it wisely chose the observations of “the eyes of men generally,” “observers of ordinary acuteness” and “men of ordinary intelligence.”<sup>148</sup> In essence, the Court intended to give effect to the word “ordinary,” which means “of no exceptional kind, quality, or degree.”<sup>149</sup>

Given that most design patents are for designs applied to retail and consumer products, everyday jurors are particularly equipped to assess the relative forms and spatial relationships of the designs applied to such products.<sup>150</sup> Of course, industrial designers design attractive products with these everyday observers in mind, not

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<sup>142</sup> As previously noted, in bench trial situations, the judge may properly serve as the fact-finder. *Jackson v. Virginia*, 443 U.S. 307, 317 (1979) (holding that the court acts as the fact-finder in cases where a jury has not been demanded).

<sup>143</sup> *Arminak*, 501 F.3d at 1322–23.

<sup>144</sup> *See id.* at 1323.

<sup>145</sup> *Cf. id.* at 1321 (“A question that is central to this case, and every design case, is the identity of the ‘ordinary observer’ of the design at issue . . .”).

<sup>146</sup> *See Gorham*, 81 U.S. at 528.

<sup>147</sup> *See id.* (stating that the ordinary observer is a purchaser of ordinary intelligence).

<sup>148</sup> *Id.*

<sup>149</sup> WEBSTER’S II, NEW COLLEGE DICTIONARY 771 (1995 ed.).

<sup>150</sup> *See* Robert Kreuzbauer & Alan J. Malter, *Embodied Cognition and New Product Design: Changing Product Form to Influence Brand Categorization*, 22 J. OF PROD. INNOVATION MGMT. 165, 165 (Mar. 2005); *see also* Nathan Crilly, James Moultrie, & P. John Clarkson, *Seeing Things: Consumer Response to the Visual Domain in Product Design*, 25 DESIGN STUDIES 547, 547 (Nov. 2004); Christine Page & Paul M. Herr, *An Investigation of the Processes by Which Product Design and Brand Strength Interact to Determine Initial Affect and Quality Judgments*, 12 J. OF CONSUMER PSYCHOLOGY 133 (2002).

middleman industrial buyers or extra-ordinary observers. While everyday jurors are pre-qualified to assess the majority of designs, situations may arise where the everyday juror, *without more* than their everyday sensibilities, is ill-equipped to make determination on infringement. For example, there may be situations where the designs in question are complex, such as a design for an intricate piece of machinery, used in a highly technical field, such as aeronautical engineering. In this situation, the everyday juror will likely need assistance and guidance from the litigants' advocates (and the court) to properly understand the significance of the prior art and the designs in question. However, a juror's lack of experience with the subject is no reason to disqualify them.<sup>151</sup> After all, in many areas of the law, jurors are commonly educated before they execute their fact-finding function—*e.g.*, utility patent cases, criminal cases, securities law cases, products liability cases, etc.<sup>152</sup> In this regard, design patent infringement determinations are not unique.

The Federal Circuit, on occasion, has recognized that the ordinary observer is the everyday juror sitting in the jury box.<sup>153</sup> In *Braun Inc. v. Dynamics Corp. of America*,<sup>154</sup> the Federal Circuit noted that:

Nothing in *Gorham* suggests that, in finding design patent infringement, a trier of fact may not as a matter of law rely exclusively or primarily on a visual comparison of the patented design . . . and the accused device's design. . . . [I]n *Gorham*, the Supreme Court did not state, or suggest, that a panel of jurors was anything other than a panel of ordinary observers capable of making a factual determination as to whether they would be deceived by an accused device's design similarity to a patented design. Simply put, a jury, comprised of a sampling of ordinary observers, does not necessarily require empirical evidence as to whether ordinary observers would be deceived by an accused device's design.<sup>155</sup>

The *Braun* court rightly concluded that the jurors themselves were ordinary observers.<sup>156</sup>

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<sup>151</sup> See WILLIAM H. DANNE, JR. ET AL., CORPUS JURIS SECUNDUM JURIES § 291 (2008) (“In the absence of a constitutional or statutory provision to the contrary, a juror is not necessarily disqualified because the juror is lacking in education.”).

<sup>152</sup> See John T. WOODALL, COMMONSENSE PRINCIPLES OF CIVIL LITIGATION, 52 AM. JURIS. TRIALS 1, § 73 (2008) (“[M]embers of the jury must be made to understand, in a relatively short period of time, what it may have taken the lawyer months to learn.”).

<sup>153</sup> See *Braun Inc. v. Dynamics Corp. of Am.*, 975 F.2d 815, 821 (Fed. Cir. 1992).

<sup>154</sup> 975 F.2d 815 (Fed. Cir. 1992). In this case, the accused product was a hand-held kitchen blender. *Id.* at 818.

<sup>155</sup> *Id.* at 821.

<sup>156</sup> See *id.*; see also *Amini Innovation Corp. v. Anthony Cal., Inc.*, 211 F. App'x 938, 941 n.2 (Fed. Cir. 2007) (stating that the accused product was residential furniture, and also, rejecting proffer of sales representative testimony for use in ordinary observer test while stating that “a panel of jurors is a panel of ordinary observers capable of making factual determinations as to whether they would be deceived”); *Hosley Int'l Trading Corp. v. K Mart Corp.*, 237 F. Supp. 2d 907, 911 (N.D. Ill. 2002) (stating “*Gorham* does not prohibit a trier of fact from relying exclusively or primarily on a visual comparison of the patented design and the accused device's design in finding design patent infringement” (citing *Braun*, 975 F.2d at 821)); *E. Am. Trio Prods. v. Tang Elec. Corp.*, 97 F. Supp. 2d 395, 408 n.72 (S.D.N.Y. 2000) (“Although the *Gorham* test is phrased in terms of consumer confusion, a trier of fact may, as a matter of law, rely exclusively on a visual comparison of the

Historically speaking, in the only case cited by Justice Strong in the *Gorham* opinion, in *Holdsworth v. M’Crea*,<sup>157</sup> the House of Lords, too, left the design patent infringement decision to the everyday sensibilities of the jury.<sup>158</sup> In *Holdsworth*, the House of Lords affirmed a jury determination of design patent infringement.<sup>159</sup> Lord Westbury, affirming the jury’s design patent infringement verdict, stated that: “Whether, therefore, there be piracy or not is referred at once to an unerring judge, namely, the eye, which takes the one figure and the other figure, and ascertains whether they are or are not the same.”<sup>160</sup> “[T]he appeal is to the eye, and the eye alone is the judge of the identity of the two things.”<sup>161</sup> Because the controlling consideration was the effect on the eye, when viewing the two designs, the decision of “whether there was any difference in the effect be left to the jury.”<sup>162</sup> Accordingly, in order to prove design patent infringement, a design patentee need only convince an ordinary everyday jury, with everyday sensibilities and perceptions, that the accused design is substantially similar to the claimed design.

Both *Arminak* and *Egyptian Goddess* cited the 1933 Sixth Circuit opinion in *Applied Arts Corp. v. Grand Rapids Metalcraft Corp.*<sup>163</sup> While *Applied Arts* does suggest that the ordinary observer must have sufficient knowledge to make “reasonably discerning infringement decisions,”<sup>164</sup> *Applied Arts* does not provide support for the position that “persons versed in the trade” should be the arbiter of design patent infringement disputes, a position directly contrary to *Gorham*.<sup>165</sup>

*Applied Arts* holds that the fact-finder must have knowledge of, and thus consider, the prior art when making design patent infringement determinations.<sup>166</sup> *Applied Arts* cautioned that, without knowledge of the prior art, the fact-finder may improperly reach a finding of infringement when the accused infringer was merely practicing the prior art (*i.e.*, “false positive infringement issue”).<sup>167</sup> In essence, this is the same issue raised in *Egyptian Goddess*. Simply put, the issue is resolved by providing, and educating, the fact-finder with the relevant prior art during deliberations on infringement. Arming the fact-finder with knowledge of the prior art is very different from requiring that the ordinary observer be someone versed in the designs of the trade in question. In short, *Applied Arts* merely acknowledges that the ordinary observer test is not conducted in a vacuum, but rather *in view of the prior art*.

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patented design, the device that embodies the design, and the accused device's design, making empirical evidence of confusion unnecessary.”)

<sup>157</sup> (1867) 2 L.R.E. & I. App. 380 (H.L.) (appeal taken from L.R. Exch.).

<sup>158</sup> *Id.* at 381–82, 388. *Holdsworth* has been recognized as the English court’s seminal opinion regarding design patent infringement. See *Amp Inc. v. Utility Pty. Ltd.*, [1970] F.S.R. 162, 184 (A.C.).

<sup>159</sup> *Holdsworth*, 2 L.R.E. & I. App. at 384, 386, 389.

<sup>160</sup> *Id.* at 388.

<sup>161</sup> *Id.*

<sup>162</sup> *M’Crea v. Holdsworth*, (1870) 6 Ch. App. 418, 419–20 (A.C.).

<sup>163</sup> 67 F.2d 428 (6th Cir. 1933).

<sup>164</sup> See *id.* at 430.

<sup>165</sup> See *id.*

<sup>166</sup> *Id.* at 429 (“[I]t is clearly the rule that similitude of appearance is to be judged by the scope of the patent *in relation to the prior art.*” (emphasis added)).

<sup>167</sup> See *id.* at 429–30.

Accordingly, in order to prove design patent infringement, a design patentee should only need to convince an ordinary everyday jury, with everyday sensibilities and perceptions, that the accused design is substantially similar to the claimed design. These sensibilities and perceptions should be embraced and relied upon, not excluded, like the Federal Circuit concluded in *Arminak* and *Egyptian Goddess*.

#### CONCLUSION

Over one hundred and thirty-five years ago the U.S. Supreme Court laid down the “ordinary observer” test for design patent infringement in *Gorham v. White*.<sup>168</sup> It has remained the test ever since.<sup>169</sup> The Federal Circuit’s holdings in *Arminak* and *Egyptian Goddess* improperly replace the ordinary observer test with an “extraordinary observer” test.<sup>170</sup> In order to bring design patent jurisprudence in line with the U.S. Supreme Court’s in *Gorham*, the Federal Circuit should restore the “ordinary” requirement in the “ordinary observer” test for design patent infringement.<sup>171</sup> It is only until then that designers will be provided with “*the protection which the act of Congress intended to give.*”<sup>172</sup>

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<sup>168</sup> *Gorham Co. v. White*, 81 U.S. (14 Wall.) 511, 528 (1872).

<sup>169</sup> See *Egyptian Goddess, Inc. v. Swisa*, 543 F.3d 665, 677 (Fed. Cir. 2008) (en banc) (“The starting point for any discussion of the law of design patents is the Supreme Court’s decision in *Gorham Co. v. White*”), *cert. denied*, 77 U.S.L.W. 3556 (U.S. Apr. 6, 2009) (No. 08-1031).

As an aside, while it is directed not at infringement but at an “[a]dditional remedy for infringement of design patent,” 35 U.S.C. § 289 arguably sets forth a modified post-*Gorham* design patent infringement test that supersedes the “ordinary observer” test. Specifically, § 289 reads:

Whoever 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 to the extent of his total profit, but not less than \$250, recoverable in any United States district court having jurisdiction of the parties.

35 U.S.C. § 289 (2006). Significantly, the statute makes no mention of an “ordinary observer.” See *id.* Rather, the statute speaks only in terms of an analysis of the “patented design” and an “article of manufacture.” *Id.* Indeed, on occasion, the Federal Circuit has used the language of § 289 to define the design patent infringement test. See *Arminak & Assocs. v. Saint-Gobain Calmar, Inc.*, 501 F.3d 1314, 1319 (Fed. Cir. 2007) (“The elements of design patent infringement are set forth at 35 U.S.C. § 289.”), *cert. denied*, 128 S. Ct. 2906 (2008); see also *Goodyear Tire & Rubber Co. v. Hercules Tire & Rubber Co.*, 162 F.3d 1113, 1116–17 (Fed. Cir. 1998) (“Infringement of a design patent is the unauthorized manufacture, use, or sale of the article embodying the patented design or any colorable imitation thereof”). A review of published opinions to date, however, shows that no court has concluded that the language of § 289 supersedes the Court’s ordinary observer test.

<sup>170</sup> See *Egyptian Goddess*, 543 F.3d at 677 (using an ordinary observer familiar with the prior art in the ordinary observer test); *Arminak & Assocs., Inc. v. Saint-Gobain Calmar, Inc.*, 501 F.3d 1314, 1323 (Fed. Cir. 2007) (holding that the ordinary observer is the purchaser of a retail product’s component parts), *cert. denied*, 128 S. Ct. 2906 (2008).

<sup>171</sup> Until the Federal Circuit (or Supreme Court) has the opportunity to clarify these matters, it is the hope of this author that district courts will: (1) curb the effect of *Arminak* by limiting the holding to its specific facts; and (2) relegate those portions of *Egyptian Goddess* that elevate the ordinary observer to an extra-ordinary observer as mere *dicta*.

<sup>172</sup> *Gorham*, 81 U.S. at 527–28 (emphasis added).