

DESIGN PATENT PERSPECTIVE: Prior Art and the Ordinary Observer Test

PART 2



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In Part 1 we took up the issue of what prior art should be considered in the design patent infringement ordinary observer test. A question that frequently arises is whether the prior art should be restricted to designs of the same type and that have the same purpose as the patented and accused designs. The answer to this question is important because typically the more prior art that is considered, the keener the ordinary observer's ability to distinguish between designs based upon small differences. As stated in *Egyptian Goddess v. Swisa*¹ "[w]here the frame of reference consists of numerous similar prior art designs, those designs can highlight the distinctions between the claimed design and the accused design as viewed by the ordinary observer."²

Part 1 ended with the general observation that the answer to the foregoing question may depend on whether the ordinary observer test is considered as occurring within the context of a purchasing decision or environment, or whether it is considered as merely an abstract comparison. If the ordinary observer test is considered in the context of a purchase, then it makes sense that the prior art should be restricted to designs of the same type and having the same purpose. That is because, in general, a purchaser likely is not thinking about and likely will not be offered choices of products that do not have a similar purpose as that desired by the purchaser, even though the appearance of such products may be similar.

Conversely, if the ordinary observer test is considered as merely an abstract comparison unrelated to the purchasing environment, then it may make sense to include similar appearing prior art that the ordinary observer is generally familiar with even though the prior art has a different purpose than the patented design.

Four questions were posed at the end of Part 1: (1) which approach (purchasing environment v. abstract comparison) is more firmly grounded in precedent?; (2) which approach makes more sense and is more appealing as a matter of policy?; (3) which approach is the Federal Circuit currently favoring?; and (4) would a more limited prior art approach adversely affect the ability of the ordinary observer test "to cabin unduly broad assertions of design patent scope by ensuring that a design that merely embodies or is substantially similar to prior art designs is not found to infringe"³ (an issue discussed in *Egyptian Goddess*). The first three questions are taken up in this column.

Let's first review the precedent. In *Gorham v. White*,⁴ a case involving silverware handle designs, the Supreme Court used both the terms "ordinary observer" and "purchaser" in the ordinary observer test, stating "[w]e 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."⁵ (emphasis added).

The two primary issues of law decided by *Gorham* were (i) whether the infringement test should focus solely on design appearance or also should include the mode by which the design was produced and (ii) whether the test should be conducted through the eyes of an expert or an ordinary observer. In deciding that the test should focus solely on appearance through the eyes of an ordinary observer, the Court repeatedly emphasized the purchasing environment. For example:

"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."⁶

"Manifestly the mode in which those appearances are produced has very little, if anything, to do with giving increased salableness to the article."⁷

"It is persons of the latter class [ordinary observers] who are the principal purchasers of the articles to which designs have given novel appearances, and if they are misled, and induced to purchase what is not the article they supposed it to be ... the patentees are injured, and that advantage of a market which the patent was granted to secure is destroyed."⁸

Although the *Gorham* court emphasizes "saleability," "markets," and expressly includes the term "purchaser" in the ordinary observer standard, the Federal Circuit in two relatively recent cases appeared to move closer to an abstract expression of the test by excluding the term "purchaser." In *Crocs, Inc. v. International Trade Commission*,⁹ the Court stated "[t]o show infringement under the proper test, an ordinary observer, familiar with the prior art designs, would be deceived into believing that the accused product is the same as the patented design."¹⁰ Similarly, in *Richardson v. Stanley Works, Inc.*,¹¹ the Court stated "[t]he patentee must establish that an ordinary observer, familiar with the prior art designs, would be deceived into believing that the accused product is the same as the patented design."¹²

Both *Crocs* and *Richardson* cite for authority page 681 of *Egyptian Goddess*, which contains the passage "[t]he question

before this court under the standard we have set forth above is whether an ordinary observer, familiar with the prior art Falley and Nailco designs, would be deceived into believing the Swisa buffer is the same as the patented buffer.”¹³ The quoted passage omits the language from *Gorham* “giving such attention as a purchaser usually gives”.

Should the omission of “purchaser” in *Egyptian Goddess* be read as changing the *Gorham* standard? It appears not,¹⁴ as the final sentence from *Egyptian Goddess* (not quoted by either *Crocs* or *Richardson*) states “[i]n the language used by the Supreme Court in *Gorham*, 81 U.S. at 528, we hold that the accused design could not reasonably be viewed as so similar to the claimed design that a purchaser familiar with the prior art would be deceived by the similarity between the claimed and accused designs, “inducing him to purchase one supposing it to be the other.”¹⁵

Notably, the *Egyptian Goddess* opinion never explains how the term “purchaser” and the concept of “purchasing” might fit into the analytical framework of the ordinary observer test. Although the opinion uses the term “purchaser” nine times, eight of the times it is included simply as part of a quote from a case or from an expert declaration. The ninth mention is in the sentence quoted in the preceding paragraph. But nowhere does *Egyptian Goddess* explain the significance of the phrase that includes the term “purchase” in the *Gorham* ordinary observer test.

In addition to the omission of the term “purchaser” in both *Crocs* and *Richardson*, and the lack of attention paid in *Egyptian Goddess* to its potential impact on the ordinary observer test, another factor has been shifting the focus away from the concept of the purchasing environment. In a line of cases beginning with *Contessa Food Products v. Conagra*,¹⁶ the Federal Circuit has held that the “ordinary observer” test is “not limited to those features visible at the point of sale, but instead must encompass all ornamental features visible at any time during normal use of the product.”¹⁷ The term “normal use” has been defined as including the period “extending from the completion of manufacture or assembly until the ultimate destruction, loss, or disappearance of the article.”¹⁸ These cases seem to suggest that, at least in some circumstances, the ordinary observer test is not limited to the context of a purchase.

Lying chronologically between *Gorham v. White* and Federal Circuit precedent are

the cases mentioned in Part 1 of *Applied Arts Corp. v. Grand Rapids Metalcraft Corp.*,¹⁹ *Sears, Roebuck & Co. v. Talge*,²⁰ *Bevin Brothers Manufacturing Co. v. Starr Brothers Bell Co.*²¹ and *Zidell v. Dexter*.²²

The holdings in these cases are not entirely consistent, as *Bevin Brothers* suggests that the prior art considered should extend to designs of articles that may not have the same purpose as the patented and accused designs, while the remaining three cases seem to suggest that the scope of the prior art should be limited to articles of the same type and that have the same purpose as the patented and accused designs. Additionally, and significantly, *Applied Arts* states “[t]he 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.’”²³ The statement appears to broaden the concept of an “ordinary observer” to include non-purchasers who are merely “interested in the subject.”

Is there a way to reconcile or at least make sense of the foregoing precedent in the context of the questions posed earlier regarding the scope of the prior art to be used in the ordinary observer test?

Gorham is Supreme Court precedent and in the absence of a significant statutory change or presentation of new fact patterns justifying a modified standard, the ordinary observer test as expressed in *Gorham* should be followed. To repeat, *Gorham* uses both the terms “ordinary observer” and “purchaser” in the expression “[w]e 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.”²⁴ (emphasis added).

Applied Arts suggests that an ordinary observer can include not only “purchasers” but also those “interested in the subject.” The broader view of *Applied Arts* makes sense because it usually is a reasonable assumption that an “ordinary observer” will have general knowledge of similar designs that do not share the same purpose. To use the example presented in Part 1, an ordinary observer interested in purchasing a nail buffer with retractable nail clippers (buffer with clippers) likely will have a general knowledge of nail buffer designs as well. Does this then mean that nail buffers without clippers should become part of the prior art used as a frame of reference when



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determining whether an accused nail buffer with clippers infringes a patented nail buffer design with clippers under the ordinary observer test?

To begin our search for a possible answer, let’s take a closer look at the *Gorham* decision. As previously discussed, *Gorham* repeatedly refers to the “saleability” of the article and makes reference to “markets.” The infringement analysis repeatedly refers to “ordinary purchasers” and “customers” that would be confused by the similarity in design. The Supreme Court concludes its infringement analysis by stating “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 (emphasis added).

Since “purchasers,” “customers,” and the market environment are an integral part of the *Gorham* infringement analysis, how then should the ordinary observer test be interpreted? Simply omitting or ignoring the phrase “giving such attention as a purchaser usually gives” does not appear to be

a reasonable option. And since the phrase should be treated as meaningful, the issue then becomes determining what the proper meaning should be.

Perhaps a good approach is to recognize that an ordinary observer who is merely “interested in the subject” may view an article differently than an ordinary observer who is actually contemplating a purchase. That is, it seems reasonable that an ordinary observer who has passed through the initial stage of interest and who is now thinking about purchasing an article will begin to view it more discriminately. And perhaps more importantly, it also seems a fair assumption that a prospective purchaser of an article will be considering the *purpose* that the article performs as well.²⁶

If this is a fair interpretation of the *Gorham* ordinary observer test, and in particular of the phrase “giving such attention as a purchaser usually gives,” then the impact on the answer to the seminal question in this Part 2 becomes significant. For if the filter through which prior art must pass to qualify includes not only awareness of appearance by an ordinary observer, but also careful discrimination by a potential purchaser who is considering the purpose of the article as well, then the comparative prior art should be limited to designs of the same type and that have the same purpose as the patented and accused designs.

For example, in the nail buffer with clippers example we have been using, even though it may be reasonable to assume that an ordinary observer will be generally familiar with nail buffers without clippers, it is not necessarily a reasonable assumption that an ordinary observer who is considering the purchase of a nail buffer with clippers *also will have considered purchasing* nail buffers without clippers. And without the experience of actually considering a purchase of a nail buffer without clippers, the ordinary observer will not have developed the appropriate ability to discriminate between nail buffers without clippers, which is an ability presumed to be possessed by the ordinary observer who is considering a purchase. Since such a discriminatory ability cannot reasonably be presumed to exist, it would seem inappropriate to include nail buffers without clippers in the prior art.²⁷

Another way of thinking about it is to understand that two things appear to be occurring in the ordinary observer test and that neither should be omitted for the test to function properly. First, the objective standard is that of an “ordinary observer,”

and that “[t]he 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.’”²⁸ The second part of the test is that when observing the designs, the ordinary observer “giv[es] such attention as a *purchaser* usually gives.” It is the presence and functioning of both parts of the test that give the ordinary observer the presumed ability to distinguish prior art designs from each other and from the patented and accused designs as the three way comparison occurs.

As long as the prior art designs and the patented and accused designs are of the same type and have the same purpose, there is no problem. But if prior art is brought into the mix that is of a different type and purpose, then the comparative analysis breaks down. That is because an integral part of the three-way comparison is the ordinary observer’s presumed ability to distinguish prior art designs from each other, and unless the ordinary observer has compared such prior art designs with each other in the context of a potential *purchase*, the prior art designs have not undergone the type of visual examination contemplated by the *Gorham* test. Naturally if the prior art is of a different type and has a different purpose, it cannot reasonably be presumed that the ordinary observer, now engaged in comparing the patented and accused designs, was at some point considering purchase of prior art that has a different purpose.

The above analysis appears to be consistent with most of the precedent, but what about the line of cases holding that the “ordinary observer” test is “not limited to those features visible at the point of sale, but instead must encompass all ornamental features visible at any time during normal use of the product.”²⁹ These cases also are consistent if it understood that the comparative analysis need not occur at the actual point of purchase, but rather at any time an objective ordinary observer may observe the design with a potential purchase in mind. This can occur at any time during the normal use of the product by, for example, a hypothetical third party.

In sum, under the above analysis, the ordinary observer test occurs in the context of a potential purchase, which in turn suggests that the prior art used as a comparative frame of reference should be restricted to designs of the same type and that have the same purpose as the patented and accused designs. In Part 3 we will address the question of whether a more limited prior art

approach may adversely affect the ability of the ordinary observer test “to cabin unduly broad assertions of design patent scope by ensuring that a design that merely embodies or is substantially similar to prior art designs is not found to infringe”³⁰ (an issue discussed in *Egyptian Goddess*). **IP**

ENDNOTES

1. 543 F.3d 665 (Fed. Cir. 2008) (en banc).
2. *Id.* at 677.
3. *Id.* at 678.
4. 81 U.S. 511 (1872).
5. *Id.* at 528.
6. *Id.* at 525.
7. *Id.*
8. *Id.* at 528.
9. 598 F.3d 1294 (Fed. Cir. 2010).
10. *Id.* at 1303.
11. 597 F.3d 1288 (Fed. Cir. 2010).
12. *Id.* at 1295.
13. 543 F.3d at 681.
14. Note that post *Crocs* and *Richardson* the Federal Circuit continues to quote the full *Gorham* test as the correct legal standard. See *Revision Military, Inc. v. Balboa Manufacturing Company*, 700 F.3d 524 (Fed. Cir. 2012) (“The law of design patent infringement is stated in *Gorham Co. v. White*, 81 U.S. 511 (1871), as whether ‘in the eye of an ordinary observer, giving such attention as a purchaser usually gives, [the] two designs are substantially the same.’”
15. *Id.* at 683.
16. 282 F.3d 1370, 1381 (Fed. Cir. 2002).
17. *Id.* at 1381.
18. *Int’l Seaway Trading Corp. v. Walgreens Corp.*, 589 F.3d 1233, 1241 (Fed. Cir. 2009).
19. 67 F.2d 428 (6th Cir.).
20. 140 F.2d 395 (8th Cir. 1944).
21. 114 F. 362 (C.C.D. Conn 1902).
22. 262 F. 145 (9th Cir. 1920).
23. *Id.* at 430.
24. *Id.* at 528.
25. 81 U.S. at 531.
26. This does not mean that the ordinary observer is comparing the patented and accused designs based on function. Rather, it simply means that because articles generally are purchased for a reason and the reason for the purchase usually includes the article’s purpose, the article’s purpose appears to be a reasonable way to help select the appropriate prior art to be used as a comparative frame of reference.
27. It also should be noted that whether a reference is prior art is a question of fact. See *In re Clay*, 966 F.2d 656, 658, (Fed.Cir.1992). Further, the issue of how much attention an ordinary observer might give a particular article or design during the purchasing process is typically considered on a case-by-case basis. See *Liton Systems, Inc. v. Whirlpool Corp.*, 728 F.2d 1423, 1446 (Fed. Cir. 1984) (“The ordinary consumers of such [expensive] goods would exercise much more discriminating care in their purchases of those items than would the purchaser of an inexpensive, routinely purchased product such as a desk-style checkbook.”); *Braun, Inc. v. Dynamics Corp. of America*, 975 F.2d 815, 820 (Fed. Cir. 1992) (testimony that product was inexpensive and purchased on impulse helped support jury verdict of design patent infringement).
28. *Id.* at 430.
29. 282 F.3d at 1381.
30. 543 F.3d 678.