



FEDERAL CIRCUIT STRENGTHENS DESIGN PATENTS BY MAKING IT EASIER TO PROVE INFRINGEMENT

Major changes in U.S. design patent law are upon us with the **Federal Circuit Court of Appeals** en banc decision in *Egyptian Goddess, Inc. v. Swisa, Inc.* (September 22, 2008). The case stems from claims of infringement by Egyptian Goddess relating to their nail buffing product line.

In the *Egyptian Goddess* case, the Federal Circuit Court of Appeals upheld the district court's finding of non-infringement by the defendant (Swisa). Nevertheless, the en banc panel of judges plainly chartered new law by doing away with the "points of novelty" test as one of the steps necessary to prove design patent infringement. The court clearly stated that the only test necessary was the "ordinary observer" test which has existed since the *Gorham Co. v. White* decision was handed down by the **Supreme Court** in 1871.



"No matter whom the 'ordinary observer' may be, it is important to make sure that good broad claims are presented when filing a design patent application."

*Michael Griggs
Boyle Fredrickson*

"In *Gorham v. White*, the Supreme Court articulated the ordinary observer test used for determining infringement of a design patent, which essentially is this: infringement of a design patent occurs when the accused design would deceive an ordinary observer, giving such attention as a purchaser usually gives, into thinking that it was the patented design," says Boyle Fredrickson Atty. **Michael Griggs**. "In *Egyptian Goddess v. Swisa*, the Federal Circuit reiterated that that test has not changed at all over the years and is in fact the only test necessary for proving design patent infringement."

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"Laws are like spider's webs which, if anything small falls into them they ensnare it, but large things break through and escape."

– Solon

Although the Federal Court was clear in its holding that the ordinary observer test is the sole test for proving infringement, the analysis can be complicated by uncertainty surrounding the identification of the “ordinary observer.” Some argue that the ordinary observer is the end user or consumer. Others claim that it’s the supplier or first customer. And some believe that an ordinary observer refers to those having average experience in that particular field, industry or knowledge base.

The Federal Circuit did address the characterization of the “ordinary observer” in *Arminak & Associates, Inc. v. Saint-Gobain Calmar, Inc.* There, a three-judge panel said that the ordinary observer was, in fact, a buyer having a good deal of expertise in that particular field (purchasing spray bottle actuators) and able to make a reasonably discerning decision.

“No matter whom the ‘ordinary observer’ may be, it is important to make sure that good broad claims are presented when filing a design patent application,” says Griggs. “Merely filing detailed drawings of the commercial embodiment is simply not good enough.”

When drafting any patent application, whether it be design or utility, great care must be taken to analyze the prior art and then claim the unique features that differentiate the invention from the prior art. Including more features and more lines in your design patent drawings may unnecessarily limit your protection when it comes to applying the “ordinary observer” test in a design patent infringement situation.

For further information on this subject, please contact your Boyle Fredrickson attorney or Michael Griggs at 414-225-9755.

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CLIENT SPOTLIGHT: EXPANDED TECHNOLOGIES

Boyle Fredrickson Atty. **Peter Stomma** has worked with **Expanded Technologies** for 10 years. In that time, he has helped Expanded Technologies

President and CEO Richard Bushey obtain several patents and trademark registrations and negotiated several licensing agreements on his behalf. Expanded Technologies' product lines are essential in numerous environments including homes, offices, hospitals, restaurants, hotels and schools.



Expanded Technologies' New Safety Release® Flip Down Door Stop

"We're both in the protection business." says Stomma. "Expanded Technologies protects our floors from scratches and gouges. Boyle Fredrickson protects their innovations from infringement and piracy."

Richard Bushey first began manufacturing heavy duty felt pads in 1981. Six years later, he founded Expanded Technologies, now headquartered in Kenosha, Wisconsin. Since that time, Expanded Technologies has grown into the country's third largest company in its market. According to Bushey, Expanded Technologies has benefited greatly from its partnership with Boyle Fredrickson as Stomma continues to expertly manage its existing patents and obtains new patents for its surface protection products.

"Patent protection is critical for success in this industry," remarks Bushey. "Our intellectual property is often the only thing that separates us from our competition. We usually call on Peter and Boyle Fredrickson three to four times a year for various projects. Their efforts help us remain successful in an industry where securing and owning patents is a must."

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BOYLE FREDRICKSON AND KIKKOMAN REPRESENTATIVES DISCUSS INTERNATIONAL RELATIONS

Boyle Fredrickson Vice President, Atty. **Michael Gratz**, recently welcomed **Kikkoman** Chairman and CEO Yuzaburo Mogi and General Counsel Mick Neshek to Milwaukee as part of the 2008 Midwest U.S. – Japan Association Conference. Together Mogi, Neshek and Gratz discussed the conference, the status of trade relations between Japan and the U.S. and the impact American entrepreneurs have on the Japanese economy.



Kikkoman Chairman and CEO Yuzaburo Mogi Speaking at the Midwest U.S. – Japan Association Conference in Milwaukee

“Both Mr. Mogi and Mr. Neshek were impressed by the U.S. business representatives speaking at the conference,” notes Gratz. “It was a pleasure to have met with them on their visit to Milwaukee. As a nation that relies on innovation and technical expertise to help drive their economy, the Japanese have a great reliance on intellectual property. I look forward to our continued relationship and the opportunity to continue our lively discussions.”

With a history dating back over 300 years, Kikkoman is among the most recognized names in food condiments. Kikkoman currently maintains production facilities in Japan, the United States, the Netherlands, Singapore, Taiwan and China. Boyle Fredrickson has served Kikkoman on trademark and licensing matters in the U.S. for the past six years.

The Midwest U.S. – Japan Association is comprised of ten states (Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, Ohio and Wisconsin) and supports the Midwest business community’s growing understanding of Japan’s markets and resources, showcasing the Midwest as America’s most dynamic business environment and expressing the many investment opportunities and export potential that lie within Midwest communities and businesses. Those

interested in the full agenda and speaker listing from the 2008 Conference can click **HERE**.

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SEEN & HEARD: BAXTER COMMENTS ON BILSKI; LALOR SETS SPEED RECORD

This past October, *In re Bilski* was a hot topic in the intellectual property field. Bernard L. Bilski had hoped to patent a three-step, non-mechanical process for managing risk consumption of a commodity. In 2006, the **United States Patent and Trademark Office** rejected Bilski's patent application, ruling that his claim resembled an abstract idea and not a patentable process. Bilski then took his rejected claim to the **U.S. Court of Appeals for the Federal Circuit**.

Bilski claims that while his process is not tied to a machine, nor does it transfer something tangible (requirements for issuing patents), his process leads instead to a "practical result." As such, Bilski felt his business methods should not be judged by the same criteria as the majority of other patents.

In the days leading up to the Court's decision, Boyle Fredrickson Atty. **Keith Baxter** was contacted by the **Wisconsin Law Journal** to provide additional perspective on the case. In the **resulting article**, Baxter correctly predicted the **Court's decision** handed down on October 30, 2008. The Federal Circuit affirmed the USPTO's, ruling citing in a majority decision that although business methods in some instances may indeed be patentable, *In re Bilski* did not offer the proper grounds for doing so. The judges referred back to Bilski's method failing the "machine-to-transformation" test as the lead basis for their ruling.

Also in the news recently, Boyle Fredrickson's **Eric Lalor** was featured in the *BizTimes Bubbler Weekly*, a subsection of the **BizTimes Milwaukee** for breaking a land speed record. Lalor, an avid motorcycle enthusiast, raced his self-built machine at the Bonneville Salt Flats in Utah on a five-mile straightaway. Lalor averaged 75.38 mph, a national land speed record, over a timed one-mile portion of

the track. He is currently awaiting confirmation from officials for a world record.



**Boyle Fredrickson Attorney
Eric Lalor on His Record-Breaking
Motorcycle**

Lalor's foray into the world of motorcycle racing was met with initial apprehension from friends, family and Boyle Fredrickson colleagues. However, his passion for the sport slowly won over his critics and has since turned them into some of his staunchest supporters.

"At first my wife (Amie) was really worried, but I named the racing company (El-Conn Racing) after my kids, Ellie and Connor, and got them really involved in the whole process," Lalor says. "They had a lot of fun traveling with me out to Utah, and after the event my wife was the one already trying to make reservations for next year's race."

To read further about Lalor's racing exploits, click **HERE**.

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USPTO PATENT ALLOWANCE RATES DROP TO RECORD LOW

Speaking at the **BIO Intellectual Property Counsel Committee's** Fall Conference and Committee Meeting, the **United States Patent and Trademark Office's** (USPTO) Commissioner for Patents John J. Doll commented on the trends in patent application allowance. According to presented data, patent allowance rates continue their steady drop. Final patent allowance rates for 2007 dipped below 45 percent – the lowest in United States history.

The USPTO states that record lows reflect the tighter measures for reviewing and accepting applications, resulting in an increase in the overall quality of accepted patents. As recently as 2000, patent

acceptance rates hovered over 70 percent. Since that time, the USPTO has focused its efforts to lower the rates. However, some remain convinced that lower acceptance rates contribute to increasing backlogs in the USPTO as Requests for Continued Examination (RCE) filings continue to grow.

"It is important that everyone in the industry, from inventors to patent counsel, is aware of the recent statistics relating to patent application acceptance," says Boyle Fredrickson President, Atty. **Andrew McConnell**. "The USPTO has clearly made a conscious effort to put in place a stricter review process. It now becomes imperative that applications are thoroughly researched and properly filed. It is also important for all parties to maintain realistic expectations in view of the current downward trend in USPTO allowance rates."

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CAMP INVENTION EXCITES CHILDREN ABOUT MATH AND SCIENCE

Boyle Fredrickson Vice President, Atty. **Michael Gratz**, has long been an advocate and active participant in **Camp Invention**. For the past several years, Gratz has helped Camp Invention staff reach out to elementary school children and get them excited about science and math through a host of fun and interactive learning activities. This past summer, Gratz teamed up with inventor Dave Engsborg of **Joral Devices** to talk to the children about what patent attorneys and inventors do and how they interact with one another.



Camp Invention summer programs are weeklong experiences aimed at children in first through sixth grades. Their programs have been critically acclaimed for helping educate America's youngsters and

break down the fallacies that science and math are “boring” or “too hard.” Camp Invention curriculums are provided to interested schools and organizations and their programs are led by local teachers to help ensure a safe learning environment.

“As an intellectual property law firm relying heavily on the development of new technologies, it is important for Boyle Fredrickson to support programs that help foster innovation,” says Gratz. “Focusing on our children just seems like a logical choice. With Camp Invention, not only are kids immersed in the world of science and mathematics, children are also taught the value of teamwork and gain a new appreciation for discovery,” says Gratz. “Or as the program heads like to say ‘it’s learning disguised as fun!’”

Camp Invention is the brainchild of the **National Inventors Hall of Fame Foundation** with support from the **United States Patent and Trademark Office**. Since its inception in 1990, the program has grown to include more than 900 sites in 47 states. With the United States seeing fewer students following career paths in science and mathematics, programs like Camp Invention can have a positive impact in reversing this trend. Those interested in enrollment or sponsorship information for Camp Invention are encouraged to contact Camp Invention’s Regional Coordinator **Stephanie Stortz**.

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