

**Keywords:** design patent; point of novelty

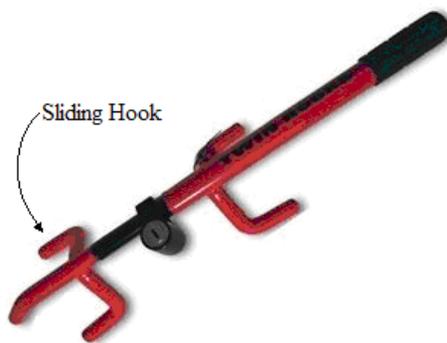
**General:** When determining whether a design infringes a design patent, a point of novelty is not formed by a combination of old elements if so many old elements are combined in the point of novelty that they capture the overall appearance of the design.

*Lawman Armor Corp. v. Winner International, LLC*  
437 F.3d 1383 (Fed. Cir. 2006)  
Decided May 31, 2006

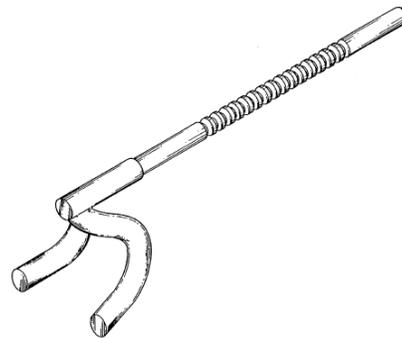
## I. Facts

Lawman Armor Corporation (“Lawman”) sued Winner International, LLC (“Winner”) for infringing Design Patent No. D357,621 (“the ‘621 patent”). Lawman’s design patent relates to a car steering-wheel lock and claims an ornamental design for a component of the lock, specifically a sliding hook. The patent discloses one embodiment of the sliding hook, which is shown below in the figure labeled “The Patented Design.”

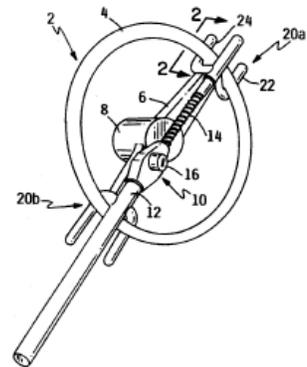
Winner sells a line of steering wheel locks, including “The Club”—a device that prevents an aspiring car thief from turning a car’s steering wheel—and a variant of “The Club” called “The Club-Twin Lock System,” which precipitated this suit. The accused device is similar to “The Club,” except that, instead of mounting to the steering wheel by sliding apart two-opposing hooks, the accused device grasps the steering wheel by sliding apart four-opposing hooks, with two hooks on each end of the device. This device is shown below in the figure labeled “The Accused Device.” As illustrated, two of the hooks extend from a sliding hook, labeled as such, that bears some similarity to the patented design.



The Accused Device



The Patented Design



The Prior Art

At trial, Winner moved for summary judgment of non-infringement. To determine whether Winner infringed Lawman’s patent, the district construed Lawman’s claim and then applied the traditional, two-step analysis for design patents. Under this test, infringement requires an affirmative answer to both of the following questions:

- 1) would an ordinary observer think that the patented design, as a whole, is substantially the same as the accused design; and
- 2) does the accused device include one of the patented design’s points of novelty, i.e., features that distinguish the patented design from the prior art?

The court answered the first question in the affirmative, but the second question proved more problematic for the Plaintiff. Lawman asserted eight-different points of novelty, including, for example, the symmetrical curvature of the hooks, the relative orientation of the hooks, and the

pattern of ridges on the shaft. After comparing the patented design and several prior-art references, one of which is shown above, the court concluded that the patented design does not have *any* points of novelty. That is, the court found all eight points of novelty in the prior art, though not necessarily in a single reference. As such, the accused device could not include one of the patented designs points of novelty, because it does not have one. Having answered the second question in the negative, the court granted Winner's of motion for summary judgment of non-infringement.

The Plaintiff appealed this holding and argued that the district court should have considered a ninth point of novelty: the combination of the eight points of novelty. Although the Plaintiff did not make this argument before the district court, they argued that the combination in a single design of the eight non-novel points constitutes a ninth point of novelty that the district court should have considered. Because the district court did not do this, the Plaintiff argued that summary judgment was improper.

## II. Issue

Does a combination of old elements shown in the prior art constitute a point of novelty of a new design?

## III. Discussion

The answer is no, at least under some circumstances. The Federal Circuit held that a point of novelty is not formed by a combination of too many old elements, where "too many" means so many elements that together they capture the overall appearance of the design.

The first time the appeals court addressed this case, they began their analysis by reiterating the purpose of the point of novelty test, stating:

"The purpose of the 'points of novelty' approach ... is to focus on those aspects of a design which render the design different from prior art designs." [Citation omitted, ellipsis in original.] "New" designs frequently involve only a relatively small change in the shape, size, placement, or color of elements of old designs. It is those changes in and departures from the old designs that constitute the "points of novelty" in the patented new design.

The court then reasoned that, in view of this purpose, Lawman's argument cannot be right because it proves too much. The court explained:

If the combination of old elements shown in the prior art is itself sufficient to constitute a "point of novelty" of a new design, it would be the rare design that would not have a point of novelty. The practical effect of Lawman's theory would be virtually to eliminate the significance of the "points of novelty" test in determining infringement of design patents, and to provide patent protection for designs that in fact involved no significant changes from the prior art.

Based on this reasoning, the panel held that the district court correctly granted summary judgment for Winner. The Federal Circuit held that the patent was not infringed because the ninth point of novelty, the only point Lawman appealed, was in fact not a point of novelty. It followed that the district court was correct to not consider this ninth point. Lawman responded to this judgment by filing a petition that requested the Federal Circuit reconsider this case *en banc*.

The Federal Circuit's reasoning did not impress the patent bar, many members of which viewed this case as creating a substantial barrier to enforcement of design patents. In support of the petition for rehearing, Nike and the American Intellectual Property Law Association filed *amicus* briefs. Collectively, the briefs made four arguments:

- 1) the court did not have to reach this issue because it was not raised before the lower court;
- 2) the holding contradicts well established precedent that holds known elements can be combined in a novel manner;
- 3) the point of novelty test should be consistent with the standard of novelty for patentability, a standard that provides for novel combinations of non-novel elements; and
- 4) the holding, in effect, undermines the statutory presumption of validity, because a defendant can leave a patent “uninfringeable” by merely proving by a preponderance of the evidence that each element is known, rather than proving invalidity by the higher, statutory standard of clear and convincing evidence.

Despite the support from the patent bar, the court denied Lawman’s petition for rehearing. However, the court did issue a supplemental opinion to clarify their position. In this opinion, the court remarked:

to whatever extent incorporating the eight points of novelty itself was a ninth point of novelty, we recognized that the overall appearance of a design cannot itself be a point of novelty. [Citation omitted.]

In our decision, we did not intend to cast any doubt upon our prior decisions indicating that in appropriate circumstances a combination of design elements itself may constitute a “point of novelty.” Such a combination is a different concept than the overall appearance of a design which, as indicated, our cases have recognized cannot be a point of novelty.

#### **IV. Conclusion**

In the end, Lawman is left with a patent that is valid but cannot be infringed, because it lacks a point of novelty, and holders of design patents are left with a precedent that potentially reduces the value of their intellectual property. This case suggests combinations of known elements do not constitute a point of novelty. As a result, patentees may have a more difficult time asserting their design patents, because defendants will argue that the asserted point of novelty is merely a combination of old elements. Litigants may distinguish this opinion by arguing that it only concerns points of novelty concurrent with the general appearance of a design and then pointing to aspects of their design that are not part of their point of novelty. However, this argument may not always be persuasive, as some designs have few features outside of those that constitute their point of novelty.

The Federal Circuit’s reasoning in this case is open to criticism, in particular when they stated “The practical effect of Lawman’s theory would be virtually to eliminate the significance of the ‘points of novelty’ test in determining infringement of design patents.”

As a matter of logic, this statement is wrong. In the situation that concerns the court--when the point of novelty combines so many old elements as to describe the overall appearance of a design--the point of novelty test still has a substantial effect. A highly detailed point of novelty is analogous to a narrow claim in a utility patent. They both define a monopoly of little scope. The more features that a plaintiff aggregates in a single point of novelty, the easier it will be for the defendant to prove that their design does not include the point of novelty, and the harder it will be for the defendant to identify prior art that does. In other words, when characterizing the point of novelty, a plaintiff makes a tradeoff between the risk of non-infringement and the risk of “uninfringability,” i.e., that there is no point of novelty. There is little reason to think that highly detailed points of novelty reduce the significance of the point of novelty test. Indeed, contrary to

the court's analysis, when a plaintiff asserts a very detailed point of novelty, the plaintiff increases the significance of the test.

Although its reasoning is suspect, this case suggests that the Federal Circuit intends to use the "point of novelty test" for a new purpose—to increase its discretion on questions of obviousness. Previously, the court required clear and convincing evidence to invalidate a design patent for obviousness. With this case, the court neutralizes a design patent for the same flaw but does so subject to the lower standard of a preponderance of the evidence. As a result, the court can justify their decision with fewer evidentiary constraints. The court's rationale supports this reading. The panel stated that they disregarded Lawman's argument because it would result in "patent protection for designs that in fact involved no significant changes from the prior art." Notably, this reasoning does not concern the scope of patent rights; it concerns their existence. By using the point of novelty test in this manner, the court eliminates patent rights that they think should not exist without being hamstrung by a record that fails to provide clear and convincing evidence of invalidity. As a result, on questions of obviousness, the court is less constrained by the record and has more discretion to reach the result that they feel is appropriate.