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Focus

Court Will Wrestle With Standard for Obviousness in Patent Cases

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“Obviousness,” “motivation to combine,” “teaching-suggestion-motivation.” These are all abstract terms used to determine whether an invention is patentable in the United States; they are the subject of an important Supreme Court case that will be argued this term: *Teleflex Inc. v. KSR Int’l*, 119 Fed. Appx. 282 (Fed. Cir. 2005), appeal docketed, 04-1350 (U.S. Sct. June 26, 2006). The primary issue is whether the current standard used for analyzing obviousness is adequate or a stricter standard should be employed.

Teleflex Inc. holds a patent for an electronically controlled gas pedal; KSR makes gas pedals for GMC and Chevrolet passenger cars and light trucks. Teleflex said that at least some of the pedals made by KSR infringed its patent. KSR argued that the claims of Teleflex’s patent were obvious, since the claims represented nothing more than a combination of known parts serving their intended function. KSR won this argument at the District Court but lost it on appeal. The Federal Circuit found that KSR had not shown one would have been motivated to combine the elements in the claimed configuration.

Not satisfied, KSR took its case to the Supreme Court. KSR contends the Federal Circuit’s longstanding standard for determining obviousness is a misapplication of law and a repudiation of Supreme Court precedent. The current Federal Circuit standard, developed over the past 25 years, is known as the teaching-suggestion-motivation test. The test is as follows: Virtually all inventions are new combinations of old elements. To show an invention is an obvious

combination, one must demonstrate that the combination was taught or suggested in a relevant technical field or at least that one in the field would have been motivated to make such a combination.

The exact question presented to the Supreme Court focuses on evidentiary issues, although the court may not necessarily hold squarely within the question’s boundaries. Succinctly stated, the question is whether proof of some teaching, suggestion or motivation is required for a finding of obviousness under the relevant statute of the Patent Act, 35 U.S.C. Section 103(a). This question provides the court with several different ways to sculpt patent law.

At one extreme, the court might eradicate the teaching-suggestion-motivation test or eviscerate it by finding it is one of several tests that can be used in an obviousness determination. The Supreme Court took the second approach in an important patent case: the 1997 decision regarding the doctrine of equivalents in *Warner-Jenkinson v. Hilton Davis*, 520 U.S. 17 (1997). In that case, the “function-way-result” test propounded by the Federal Circuit was undercut as a standard by finding it was one possible way, but not the only way, to determine equivalency of invention elements.

Should the Supreme Court take this approach, both patent applicants and examiners likely will face practical consequences. Elimination of the teaching-suggestion-motivation test as the single applicable test would lower the hurdle for demonstrating obviousness. This concurrently would heighten the hurdle for an applicant to show the invention was nonobvious, if the issue were raised by a patent examiner during prosecution. In short, all patents would be harder for applicants

to obtain.

In addition to a generally increased difficulty in obtaining a patent, the time line of prosecution also may be affected. The United States Patent and Trademark Office has a backlog of unexamined applications, stretching into several years for some technologies. A decision that allows additional means of showing obviousness, without specifically satisfying the teaching-suggestion-motivation test, might speed the time for applicants to receive a first office action (that is, a document detailing the patent office’s position with respect to patentability). This is because examiners would be able to issue obviousness rejections without searching for a specifically stated motivation to combine invention elements.

One problem with such a change in the procedure is that the rationale or explanation an examiner would be required to provide for an obviousness rejection might be unclear, especially if the test is replaced by a sketchy guideline. Patent applicants accordingly could face obviousness issues where an examiner’s position is essentially indiscernible. This uncertainty would make it difficult for an applicant to respond adequately, providing for additional rounds of correspondence and a protracted examination period. An earlier first action, therefore, could be associated with a longer overall pendency of an application than the current pendency, including time spent jammed in the backlog.

While the patent office certainly would not set out to allow obviousness rejections lacking a sufficient explanation, setting proper guidelines for examiners may be difficult until the court’s decision is interpreted and implemented in practice over time.

Accordingly, one has to believe that the several-thousand-member examining corps would be approaching implementation of a new obviousness standard from an disharmonious perspective. In other words, patent applicants would not know what to expect from the examination process.

At an alternative extreme, the court might decide to uphold the test as the appropriate standard. Even that, however, may produce variations. The Supreme Court might choose to focus on the evidentiary burden to satisfy the test. The court could reinforce the idea that one does not have to provide documentary evidence to support a finding that motivation to combine elements existed. The court also could shift the burden of persuasion from the patent office to an applicant, when an invention is a mere combination of known elements that perform their previously disclosed purposes. In patent parlance, this would mean that such a combination is obvious on its face, and an applicant must provide evidence to rebut the finding of prima facie obviousness.

The evidentiary burden associated with the test was re-addressed recently by the Federal Circuit. In *DyStar Textilfarben GmbH & Co. Deutschland KG v. C.H. Patrick Co.*, 06-1088 (Fed. Cir. Oct. 3, 2006), an opinion that can best be described as a defense of decisions using the test, the Court of Appeals spent more than one-

third of a 30-page opinion discussing the motivation aspect of obviousness, reviewing the history of its opinions and criticizing commentators for taking its statements out of context. Time and again, the Federal Circuit pointed out that, when they upheld patents in view of an obviousness dispute, their decisions were based on the fact that a party did not present sufficient evidence of motivation, not on a conclusion that the motivation itself was insufficient. The court, for instance, stated that common knowledge and common sense are perfectly acceptable motivations to combine invention elements, as long as a thorough explanation supporting such theories is provided.

In view of *Dystar*, it seems that, even if the Supreme Court upholds the test, changes are likely in the way the test is implemented. The Federal Circuit decision indicates that motivation to combine references does not need to be explicit or overwhelming, as long as it is sufficiently explained. Such a change could result in an improved examination process for patent applications; it also could result in a horrible scenario for patent applicants. This is because examiners would have more freedom to make an obviousness rejection based on sufficiently explained common sense. Whether this freedom would be a benefit or a detriment would depend on the individual examiner's handing out common-sense decisions.

Furthermore, patent examiners may or

may not welcome a relatively unconstrained ability to make an obviousness determination. It probably comes down to conscience. A conscientious examiner might feel compelled to spend additional time reviewing an area before finding there is a body of work that constitutes technical common sense; one with less moral compunction might find the lax standard to be a boon, since obviousness rejections essentially could be crafted from a general feeling after skimming a single reference. The result for patent applicants would again be extreme unevenness in patentability analyses.

Whether the Supreme Court upholds, rejects or modifies the teaching-suggestion-motivation test, both patent examiners and applicants will face an adjustment period. Regardless of the court's decision, the time line for obtaining patent protection likely will be extended, and decisions regarding whether an invention is obvious will become more arbitrary. How slow the examination process gets and how inconsistent decisions appear across the patent examining corps, will depend on how easily and quickly a new set of workable guidelines on obviousness are implemented.

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