

Keywords: obviousness; secondary objective evidence of nonobviousness

General: The Federal Circuit affirms the obviousness of claims directed to “memorabilia” trading cards having a piece of a historically-significant item attached to an image of an athlete associated with the item; in a blistering dissent, Judge Rader sharply criticizes the majority opinion for ignoring the facts and for having a bias against non-technical arts.

Media Technologies Licensing LLC v. Upper Deck Co.
93 U.S.P.Q.2d 1911 (Fed. Cir. 2010)
Decided March 1, 2010

I. Facts

Adrian Gluck filed a patent application in 1994 that matured as the ‘501 patent. Gluck also filed a continuation in 1998 that matured as the ‘532 patent. Both patents are directed to a combination of a photograph of a famous figure and a piece of an item having some relationship with the famous figure, such as a baseball card with a portion of a player’s jersey attached to the card. Specifically, independent claim 1 of the ‘501 patent recites:

A memorabilia card comprising a substrate in the form of a card and having an image surface, the image surface including a background image and a foreground image, and wherein the foregoing image is of a famous figure, a piece of a memorabilia item being adhered to the card adjacent to where an image of the actual item normally would appear, and the card including a certificate attesting to the authenticity of the item. (Emphasis added.)

In addition, claim 23 of the ‘532 patent recites:

An article of memorabilia comprising: a first member, and a portion, but not the entirety, of an authentic memorabilia item used by a popular sport or entertainment personality or during a memorable event, said portion attached to said first member wherein the authentic item is a baseball bat, and said portion comprises a tiny piece of wood taken from that bat. (Emphasis added.)

Gluck later assigned his rights to Media Technologies Licensing, LLC.

In 2001, Media Tech sued Upper Deck Co. for infringement. The district court granted summary judgment in favor of the defendants based on res judicata, but the Federal Circuit reversed the decision in 2003. In 2004, Upper Deck filed requests for reexamination of both patents and the district court stayed the case pending the reexamination results. The United States Patent and Trademark Office later issued certificates of reexamination for both patents. In 2008, the district court granted defendants’ motion for summary judgment that the patents were obvious.

II. Issue

Did the district court err by finding the patents-in-suit obvious?

III. Discussion

No. The Federal Circuit reviewed de novo the district court’s decision whether an invention would have been obvious at the time of the invention and found that no material facts were in dispute. To guide its decision, the court applied the factors from *Graham* and examined “the

scope and content of the prior art, the differences between the prior art and the claims at issue, and the level of ordinary skill in the pertinent art.” In addition, the court considered objective evidence of nonobviousness, such as “commercial success, long felt but unsolved need, failure of others, and the like.”

Applying the first factor from *Graham*, the court considered the following four items in the prior art:

(a) a trading card with a picture of Marilyn Monroe and a diamond attached to the card (“Monroe”); (b) a piece of a sheet purportedly slept on by one of the Beatles attached to a copy of a letter on Whittier Hotel stationery declaring authenticity (“Whittier”); (c) a piece of fabric purportedly belonging to a Capuchin Friar named Stephen Eckert attached to paper stock including a picture of the friar (“Eckert”); and (d) a greeting card fashioned to look like a novelty item that ostensibly includes a piece of jeans material belonging to James Dean (“Dean”).

Next, the court considered the differences between the prior art and the claims at issue. First, the court found that the Monroe diamond met the definition of memorabilia and that the other prior art references teach using a “piece” as memorabilia. In addition, the court found that Monroe teaches a “card,” and that Whittier and Eckert teach “authentic memorabilia.” Thus, although no single reference teaches all the claim limitations, combinations of particular references appear to render the claimed invention obvious.

To determine the level of ordinary skill in the art, the court considered testimony submitted by the defendants that a trading card designer of ordinary skill would have applied ideas from other card industries to develop “crossover applications” for trading cards. The court did not mention any testimony submitted by the plaintiffs. The court then considered and rejected plaintiff’s arguments that a person of ordinary skill would not have combined the references based on “(1) an inability to predict that a trading card would convey memorabilia authenticity; and (2) the trading card field containing an infinite number of identified and unpredictable solutions.” The court found that the plaintiff failed to show any evidence that the combination of a trading card with memorabilia would convey authenticity to consumers. Regarding the plaintiff’s second argument, the court found that the asserted claims were directed to the content of the trading cards and not to the presentation. Although there may be many variations for presentation, options for the content of trading cards are limited and, thus, are finite. The court concluded that the defendants met their burden of showing “that it would have been obvious to one skilled in the art to attach a sports-related item instead of those items attached in the prior art references.”

After considering the factors from *Graham*, the court concluded that secondary considerations also failed to show that the claims were nonobvious. First, the court found plaintiff’s characterization of “long felt but unsolved need” as both overbroad and too narrow. Specifically, Media Tech defined the long felt need as “stimulat[ing] demand,” but defined success as “stimulat[ing] demand in a manner similar to memorabilia cards.” Next, the court found no support in the record for the testimony by the plaintiff’s expert of initial skepticism regarding the potential success of memorabilia cards. Moreover, testimony regarding outrage over destroying memorabilia had no bearing on whether memorabilia cards themselves would be successful. Furthermore, the court found the required “nexus between the claimed invention and commercial success” lacking. The court concluded that the success of memorabilia cards might have derived from the relationship of the memorabilia to the sports figure and not the card itself. In addition, “a highly successful product alone would not overcome the strong showing of obviousness.” Finally, the court found that Media Tech had not properly argued evidence of unexpected results, but instead had recycled

its commercial success argument. Specifically, “[a]n unexpected result must arise from combining prior art elements; commercial success is a separate inquiry from unexpected results.” Therefore, the court affirmed the decision of the district court that the patents were obvious.

IV. Conclusions

Unexpected results arise from the combination of limitations of prior art references and not from commercial success, which is a separate inquiry. Moreover, the results must be based on the combination of limitations and not unrelated factors. Further, evidence that the field of art contains an infinite number of identified and unpredictable solutions may help to show that one skilled in the art would not have combined particular prior art references. Finally, a showing of secondary objective evidence of nonobviousness may not be enough to overcome a strong showing of obviousness based on the prior art.

V. Dissent

Overall, Judge Rader found that the majority relied on “wholly irrelevant” prior art and that the majority ignored significant secondary considerations of nonobviousness. In addition, Judge Rader suggested that the majority exhibited a bias against non-technical arts. After providing a brief history of trading cards, Judge Rader evaluated the objective indicia of nonobviousness and discussed how the major trading card companies initially rejected Gluck’s invention because the value of memorabilia depended on preserving its physical condition. However, Upper Deck later experimented with selling memorabilia cards, which quickly became popular with collectors. Judge Rader also quoted trade journals that discussed the initial skepticism of experts and the commercial success of memorabilia cards. Moving on to the factors from *Graham*, Judge Rader considered the prior art references and found none of them “remotely related to the sport trading card industry.” For example, the diamond attached to the Monroe card has no connection with her and is not a “piece.” In addition, Whittier does not disclose a card, Eckert is a “holy card” and not a memorabilia card, and Dean teaches away from the invention because it is a novelty item. Finally, Judge Rader noted that the majority ignored the plaintiff’s expert witness, who testified that one skilled in the art would not consider the four prior art references or combinations of them. Therefore, Judge Rader would have denied the motion for summary judgment because there were genuine issues of material fact regarding nonobviousness.