

Keywords: obviousness, Section 103, patentability, teaching, suggestion and motivation

General: The Supreme Court has granted a petition for certiorari, which will bring the question of what constitutes “obviousness” before the Court. The petitioner is attempting to challenge the requirement for “teaching, suggestion, or motivation” to combine.

KSR International Co. v. Teleflex Inc.

Petition for certiorari granted by
The Supreme Court on June 26, 2006

I. Facts

The initial dispute stems from an adjustable pedal system combined with an electronic controller. The invention is described in US 6,237,565 and was assigned to Teleflex Inc. (“Teleflex”). The ‘565 patent claims an electronic throttle control (ETC) that was mounted to a bracket supporting a pedal, as opposed to being mounted on the pedal itself.

On November 18th, 2002, Teleflex sued KSR International (KSR) in the Eastern District of Michigan, alleging that KSR’s adjustable pedal assembly infringed claim 4 of the ‘565 patent. KSR subsequently moved for summary judgment of the invalidity of claim 4 based on obviousness under 35 U.S.C. § 103. The district court granted KSR’s motion after determining that claim 4 was obvious in light of a combination of prior art references. Teleflex appealed the decision to the United States Court of Appeals for the Federal Circuit.

On January 6, 2005, the Court of Appeals remanded the case to the District Court. The court of appeals, first rejected the Districts Court’s reasoning that the similarity of the problems to be solved by the prior art and the current invention provided a motivation to combine. The Court of Appeals reasoned that similarity may be a factor, but was not motivation alone. The Court of Appeals ultimately held that the problems solved by the references (e.g., preventing wire chafing and reducing complexity of the assembly) were not similar enough to provide a suggestion or motivation to combine. Next, the Court of Appeals summarized precedent of the Federal Circuit, concluding that “[w]hen obviousness is based on the teachings of multiple prior art references, the movant must also establish some ‘*suggestion, teaching, or motivation*’ that would have led a person of ordinary skill in the art to combine the relevant prior art teachings in the manner claimed.” Under the above considerations and standard, the Court of Appeals held that genuine issues of material fact remained as to whether a person of ordinary skill in the art would have been motivated, at the time of the invention was made, to attach an electronic control to the support of the pedal assembly disclosed in the prior art (e.g., U.S. Pat. No. 5,010,782). In footnote 4, the Court of Appeals reiterated that “on remand, the district court must independently assess the evidence and determine whether KSR has provided clear and convincing evidence indicating invalidity of claim 4 by reason of obviousness.”

Following the decision of the United States Court of Appeals for the Federal Circuit, KSR filed a petition for certiorari which was granted by the Supreme Court on June 26, 2006. The briefs submitted by KSR and Teleflex are discussed below.

II. Issues

Whether the Federal Circuit erred in holding that a claimed invention cannot be held “obvious,” and thus unpatentable under 35 U.S.C. § 103(a), in the absence of some proven “teaching, suggestion, or motivation” that would have led a person of ordinary skill in the art to combine the relevant prior art teachings in the manner claimed?

III. Discussion

As discussed above, the decision handed down by the Court of Appeals was consistent with the Federal Circuit precedent that a *prima facie* case of obviousness under Section 103 requires a “*suggestion, teaching, or motivation*” that would have led a person of ordinary skill in the art to combine the relevant prior art teachings in the manner claimed. This has become known as the “TSM” test. The test essentially requires that when prior art includes elements of an invention, the prior art may only be combined to invalidate a patent when there is some teaching, suggestion or motivation to combine the prior art.

KSR is asking the Supreme Court to reevaluate this standard, and to allow obviousness to invalidate a patent where the elements exist in prior art without a teaching, suggestion or motivation to combine the prior art. KSR bases its arguments on the last obviousness case held by the Supreme Court (*Sakraida v. Ag Pro, Inc.*, 425 U.S. 273 (1976)) which was decided before the founding of the Federal Circuit in 1982. In *Sakraida*, the Supreme Court held that a combination which only unites old elements with no change in their respective functions is precluded from patentability under 103(a). By attempting to revive this standard to replace the Federal Circuit’s TSM test, KSR is attempting to raise the requirements of patentability, and thereby invalidate patents that merely contain elements of the claimed combination in prior art.

In KSR’s brief, essentially two arguments are made: (1) the TSM test is not based on statute and is inconsistent with the precedent of the Supreme Court; and (2) the TSM test eliminates defenses for an alleged patent infringer.

In its first argument, KSR considers the language of §103(a), titled “Conditions for patentability; non-obvious subject matter.” Petitioners Brief at 17. KSR argues that the statute itself is set up as a condition that must be satisfied before a claimed invention can be deemed eligible for a grant of government backed rights to exclude its use by others. *See Id.* By presenting obviousness as a condition for patentability, KSR is asserting that the burden of proving non-obviousness should be placed on the patent applicant, as opposed to a burden on the examiner, or an alleged infringer, to show obviousness. This approach will allow the patent office during examination, as well as an alleged infringer, to invalidate the patent without a showing of obviousness. Extending this argument to the courts, KSR notes that the precedent of the Supreme Court does not require the existence of some teaching, suggestion or motivation be shown to prove obviousness. *See Id.* at 20. For example, in *Graham v. John Deere Co.* 383 U.S. 1, 17 (1966), the Court held that the reversal in the arrangement of two pre-existing plow components “presents no operative mechanical distinctions, much less non-obvious differences.” *See Id.* KSR contends that *Graham* invalidated the asserted claims under §103 without making any finding of a teaching, suggestion or motivation. KSR makes reference to numerous other cases where the Court made invalidity findings without making findings of either of teaching, suggestion or motivation to combine prior art. *See Id.* at 21. KSR suggests that the obviousness test should be based on whether a person having ordinary skill in the art would have been capable of adapting the existing technology to achieve a desired result, not whether there was motivation. Petitioners Brief at 17; *Hotchkiss v. Greenwood*, 52 U.S. (11 How.) 248 (1851). In total, KSR contends that the Court’s holdings support the approach that a patent cannot rightfully issue for a combination which only unites old elements with no change in their respective functions. *Sakraida*, 425 U.S. at 281.

In KSR’s second argument, they suggest that the current TSM test “[e]ffectively guts §103(a) as a meaningful defense to liability for alleged patent infringement.” Petitioners Brief at 33. The argument is based on the belief that placing a burden on the alleged infringer to show obviousness will always leave a question of fact, and thereby prevent any chance for summary judgment on the obviousness issue. *Id.* KSR extends the argument to that of the court’s jurisdiction by equating the lack of possible

summary judgment on the obviousness issue, to a stripping of the lower court's authority to grant a motion for summary judgment, and thereby chipping away at the jurisdiction of the courts. KSR desires that the question of obviousness take a less subjective approach by basing the finding on only the prior existence of elements in prior art, and as a result, rendering the ultimate question as one of law as opposed to fact. *See Id.* at 35. The Brief goes on to describe the uncertainty in the courts that would be decreased by a question of law as opposed to fact. *Id.*

In a second part of KSR's second argument, they relate shortcomings back to the burden of proof now placed on the patent examiner and/or an alleged infringer to show obviousness. Petitioners Brief at 41. The strongest example of a shortcoming with the current test is the idea that an applicant can submit an infinite number of claims in hopes that the examiner or alleged infringer will not be able to invalidate every single one of them. *Id.* Under this condition, KSR contends that in order to prevent a flood of work to the patent office and the alleged infringer, the burden should be on the applicant to prove up each of the valid claims. *Id.*

In response to KSR's brief, Teleflex essentially argues that the precedent of the Federal Circuit is consistent and in line with prior Supreme Court decisions, and therefore should not be overlooked. Respondent's Brief in Opposition at 2. To support their contention, Teleflex relies heavily on the *Graham* decision's rejection of "hindsight." In *Graham*, the Court made statements that when looking at combinations as obvious or not, the courts should "guard against slipping into the use of hindsight," and to resist the temptation to read into the prior art the teachings of the invention in use. 383 U.S. at 35-36. Teleflex is basically equating the TSM test to a means for implementing this protection against allowing hindsight to control the obviousness determination.

A final argument made by Teleflex, is that the burden of proof was not met by the alleged infringer, and therefore a summary judgment was not proper by the District Court. Here, Teleflex is contending that the standard to prove invalidity by "clear and convincing evidence" was not met. If the standard remains, and this is true, a question of fact remains, and summary judgment is improper.

In light of these two arguments, the Supreme Court decision may have a profound effect in the patent examination process, as well as the litigation arena. The magnitude of the overall impact may be demonstrated by Amicus briefs submitted by several interested parties. For example, the U.S. Government, Intel, Micron, Cisco, GM, VIACOM, and others have submitted briefs in support of KSR, while IBM, Ford, and Daimler Chrysler have submitted briefs in support of neither party.

References:

35 U.S.C. § 103. Conditions for patentability; non-obvious subject matter

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.