

Keyword(s): obviousness, design choice, ordinary skill in the art

General: If the prior art teaches two predictable choices and a person of ordinary skill in the art has good reason to pursue the known options within his or her technical grasp, then § 103 will bar the patentability of an obvious variation.

Uber Technologies, Inc. v. X One, Inc.

United States Court of Appeals for the Federal Circuit

No. 2019-1164

Decided: May 5, 2020

I. Facts

X One, Inc. (“X One”) owns U.S. Patent No. 8,798,593 (“the ‘593 patent”), which is directed to exchanging information between mobile devices. Uber Technologies, Inc. (“Uber”) petitioned the PTO for *inter partes* review of the ‘593 patent, arguing that claims 1, 2, 5, 6, 9, and 19 are obvious in view of Japanese Unexamined Patent Application Publication No. 2002-10321 (“Okubo”) in combination with Japanese Unexamined Patent Application Publication No. 2002-352388 (“Konishi”).

The ‘593 patent describes a “Buddy Watch application” that allows a mobile device to add other mobile devices’ users to their “Buddy List,” allows users to share the locations of their buddies displayed on a map, and allows users to set up “instant buddies” on a temporary basis. The novelty of the ‘593 patent was said to lie in the ability for mobile device users to have “two way position information sharing.”

The ‘593 patent has a claim limitation directed to “software...to transmit the map with plotted locations to the first individual,” which is considered to require a server to first plot locations on a map and, second, to transmit the map with the plotted locations to the user’s device (*i.e.*, “server-side” plotting). Instead of teaching server-side plotting, the primary reference (the Okubo patent) teaches “terminal-side” plotting, wherein a user’s mobile device first receives a map and, thereafter, the locations of the other users are plotted on the map using the mobile device. The secondary reference, the Konishi patent, discloses “server-side” plotting. Specifically the system remotely plots the current positions of the customer and available vehicles on a map prior its transmission to the customer.

The Board concluded that the prior art did not render obvious the claim limitations of the ‘593 patent because the combination would require “impermissible hindsight” or would be a “wholesale modification to Okubo.” The Board also concluded that because Okubo sufficiently teaches the implementation of plotting the locations of group members on a map on its mobile terminal, it was not persuaded by Uber’s assertions that one of ordinary skill would seek out a design choice for combination with Okubo. Uber appealed the decision of the Board to the Federal Circuit arguing that because server-side plotting and terminal-side plotting were both

well-known design choices in the prior art, it would have been obvious to substitute one for another.

II. Issues

Did the Board correctly apply obviousness under *KSR International v. Teleflex, Inc.* with respect to disallowing substitution of server-side plotting and terminal-side plotting for one another as well-known design choices in the prior art?

III. Discussion

No. The court noted that the Supreme Court has “set forth an expansive and flexible approach” to “the question of obviousness” under 35 U.S.C. § 103. *KSR, 550 U.S.* at 415. In *KSR*, the Supreme Court stated:

When a work is available in one field of endeavor, design incentives and other market forces can prompt variations of it, either in the same field or a different one. *If a person of ordinary skill can implement a predictable variation, § 103 likely bars its patentability.* For the same reason, if a technique has been used to improve one device, and a person of ordinary skill in the art would recognize that it would improve similar devices in the same way, using the technique is obvious unless its actual application is beyond his or her skill. *Id.* at 417 (emphasis added).

When there is a design need or market pressure to solve a problem and there are *finite number of identified, predictable solutions*, a person of ordinary skill has good reason to pursue the known options within his or her technical grasp. If this leads to the anticipated success, it is likely the product not of innovation but of ordinary skill and common sense. In that instance, the fact that a combination was obvious to try might show it was obvious under § 103. *Id.* at 421 (emphasis added).

The court noted that Okubo, Konishi and the ‘593 patent all attempt to solve the same problem – “helping one user view and track the location of other users.” The court determined that the difference between Konishi, which teaches server-side plotting, and Okubo, which teaches terminal-side plotting, amounts to a design choice between whether to plot locations before transmitting location information or after transmitting location information. Because the parties identified a finite number of solutions to solve this problem – either plot locations before transmitting location information (server-side plotting) or after transmitting location information (client-side plotting), the choice in the ‘593 patent’s to use “server-side plotting” was found to simply be a design choice, and therefore not a non-obvious variation of the prior art.

The court also emphasized that the alleged novelty of the '593 patent is not related to the differences between server-side or terminal-side plotting and that the specification of the '593 patent is entirely silent on how to transmit user locations and maps from a server to a user's mobile device, suggesting that a person of ordinary skill in the art was more than capable of selecting between the known methods of accomplishing this. Accordingly, the court held that the Board erred when it determined that a person of ordinary skill in the art would not have been motivated to combine the teachings of Okubo with Konishi's server-side plotting to render obvious the limitation "software . . . to transmit the map with plotted locations to the first individual." The combination was found not to represent "impermissible hindsight" or "wholesale modification" since a person of ordinary skill in the art would have good reason to pursue the known options within his or her technical grasp.

IV. Conclusion

In view of the specification of the '593 patent, and the record identifying only two methods for achieving the claimed map plotting, the court found that it would have been obvious to substitute server-side plotting of Konishi for terminal-side plotting of Okubo as a design choice, thus rendering the claims of the '593 patent obvious.