Obviousness: The Rise, Fall and Rise of Objective Evidence

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A VERY Quick Introduction

- "**Nonobviousness**" began as court-made requirement of "**invention**"
- Two approaches
  - Compare the invention to the prior art
  - Look for "real world" indicia:
    - Long-felt need
    - Failure of others
    - Skepticism in the art/unexpected results
    - Commercial success/praise by the art
    - Copying

> [F]or unless more ingenuity and skill … were required … than were possessed by an ordinary mechanic acquainted with the business, there was an absence of that degree of skill and ingenuity which constitute essential elements of every invention. In other words, the improvement is the work of the skillful mechanic, not that of the inventor.
>
> Hotchkiss v. Greenwood (S.Ct. 1851)

A VERY Quick Introduction

- Problems
  - Subjective
  - "Rhetorical embellishment"
  - Hostility to patents in the 1930s and 1940s
- The solution:
  - Replace "invention" with "nonobviousness"
  - Objective test

A patent may not be obtained … 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 negatived by the manner in which the invention was made.

35 U.S.C. § 103 (1952)

A VERY Quick Introduction

- *Graham* (S.Ct. 1966):
  - Three factors or four?
  - "Secondary considerations"
  - Court recognized that nonobviousness would develop in case law
- Regional non-uniformity in §103 cases leads to formation of Federal Circuit in 1982

> Under § 103, the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved. Against this background, the obviousness or nonobviousness of the subject matter is determined.
>
> Such **secondary considerations** as commercial success, long felt but unsolved needs, failure of others, etc., might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented. As indicia of obviousness or nonobviousness, these inquiries **may have relevancy**.

A VERY Quick Introduction

- Federal Circuit (1982 – 2007):
  - Statute requires that obviousness be tested *without hindsight*
  - Challenger must show **teaching, suggestion or motivation** in the art to combine references
  - "Objective evidence" of non-obviousness *must* be considered whenever it is available
- But obviousness litigation became focused on presence or absence of teaching, suggestion or motivation to combine ("TSM")

KSR (2007)

- Supreme Court rejected TSM as a "rigid" test
- Obviousness may be proved by evidence such as "market forces" and "common sense"
- Court re-opened the door to using "real world" facts, but now to prove patents ***invalid***

> In many fields it may be that there is little discussion of obvious techniques or combinations, and it often may be the case that market demand, rather than scientific literature, will drive design trends. …
>
> When there is a design need or market pressure to solve a problem and there are a 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.
>
> *KSR Intern. Co. v. Teleflex, Inc.* (S.Ct. 2007)

Federal Circuit, post-*KSR*

- "Common sense" and "market forces" used to support judgments of obviousness
  - *Leapfrog v. Fisher-Price* (2007): substituting sound synthesis circuitry for analog
  - *Wyers v. Master-Lock* (2009): ultimate inference of obviousness may be based on "common sense"
- Objective evidence must be considered, BUT …
- To support non-obviousness, patent owner must show *nexus* between the evidence and the claims at issue
  - *In re Kao* (2011): evidence of commercial success must relate to the point of novelty, not merely to the claim as a whole

The 2012-2013 decisions

- Federal Circuit has reemphasized the importance of objective evidence to prove ***validity***
- *In re Cyclobenzaprine HCl ER* (2012):
  - Long-felt need and failure of others are probative of *KSR* "obvious to try"/expectation of success (reversing judgment of obviousness);
  - **Must consider the objective evidence *before* reaching a conclusion, not afterwards to "rebut" a "prima facie" case of obviousness**
- *Mintz v. Dietz & Watson* (2012):
  - Objective evidence protects the fact-finder against hindsight (reversing s.j. of obviousness)

The 2012-2013 decisions

- *Plantronics v. Aliph* (2013):
  - "Common sense" to combine references requires either expert testimony explaining *why* the combination would have been obvious OR TSM in the cited references (reversing s.j. of obviousness)
  - Objective evidence of copying and commercial success suggest that "common sense" rationale may be tainted with hindsight
- *Apple v. ITC* (2013):
  - Reversible error for ITC not to review the objective evidence reflected in ALJ's initial determination
  - Concurring opinion (Reyna, J): objective evidence is **especially important in fields where the advances are "incremental"**

The 2012-2013 decisions

- *Leo Pharm. Products v. Rea* (2013):
  - Requirement to consider objective evidence applies to PTO re-examination (reversing determination of obviousness)
  - Objective evidence can drive the *Graham* analysis: identifying the problem to be solved can be patentable invention
- *Rambus v. Rea* (2013):
  - Nexus: objective evidence must only be "reasonably commensurate" with the scope of the claims
  - Need not show objective evidence relating to "every potential embodiment" of the claims

Where does that leave us?

- The conclusion of obviousness/non-obviousness is
  - the ***subjective*** reaction of the trier of fact
  - to the *claimed invention*
  - in the context of the *contemporaneous facts* surrounding how the invention was made
  - and how that invention was received in the real world
  - in view of the conventional wisdom in the field (POSITA)
- For litigators, on both sides, ***context*** is what matters
  - Patent owner: both sides' development stories; commercial success
  - Challenger: something changed so that a solution that had not been used before now became obvious; nexus

Thank you for your time today!

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