

## The Impact of *KSR* on the Obviousness Inquiry

By: Tiffany Gehrke

### **I. Introduction**

It has been one year since the Supreme Court issued its landmark decision in *KSR International Co. v Teleflex Inc.*<sup>1</sup> The patent world is still abuzz trying to decipher what this case actually means in terms of obviousness. Does the Teaching, Suggestion, Motivation (TSM) test still apply? Is predictability the best indication of obviousness? If all the elements previously existed does that make it per se obvious? Although there still seems to be more questions than answers, the impacts of *KSR* are beginning to be flushed out. The United States Patent and Trademark Office issued a set of guidelines for examiners in October 2007 to assist USPTO personnel in determining obviousness. Additionally, the Federal Circuit has interpreted and applied *KSR* to a number of cases over the past year. So what does it all say? And what does it all mean?

### **II. A Brief History of Obviousness**

The modern day obviousness inquiry reaches back many years to the Supreme Court's opinion in *Hotchkiss v. Greenwood*.<sup>2</sup> In that case, the Court analyzed whether using a certain material for a doorknob would have required "no more ingenuity or skill required to construct the knob in this way than that possessed by an ordinary mechanic acquainted with the business." This requirement was eventually codified in the 1952 Patent Act as section 103:

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<sup>1</sup> 127 S.Ct. 1727 (2007).

<sup>2</sup> *Hotchkiss v. Greenwood*, 52 U.S. 248, 265 (1850).

“A patent may not be obtained . . . if the differences between the subject matter sought to be patented and the prior art are such that . . . it would have been obvious . . . to a person having ordinary skill in the art.”

The purpose of adding a requirement that the invention be nonobvious is to promote true innovation and not just something that would have happened in the ordinary course of business. In a 1966 opinion, *Graham v. John Deere Co.*, the Supreme Court issued its first opinion analyzing obviousness since the 1952 Patent Act. The Court set forth four factual findings to be analyzed in making an obviousness determination as a matter of law. These findings are: the level of ordinary skill in the pertinent art; the scope and content of the prior art; the differences between the prior art and claims at issue; and if present, any objective evidence of nonobviousness.<sup>3</sup> It is through the framework and analysis set forth in *Graham*, that the modern day obviousness inquiry is resolved.

### **III. *KSR* reinforces the framework and factors set forth in *Graham***

The one thing that everyone seems to agree on is that *KSR* reinforces the importance of the *Graham* factors on determining obviousness. However, the way in which one analyzes and balances the factors and reaches a conclusion based on those factors is still very much in debate. Perhaps anticipating this debate, in *KSR*, the Supreme Court stressed that rejections on obviousness grounds should be made through explicit analysis and not through mere conclusory statements.<sup>4</sup> Therefore, each factor will be analyzed in turn.

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<sup>3</sup> 383 U.S. 1, 17-18 (1966).

<sup>4</sup> *KSR*, 127 S.Ct. at 1741.

## IV. The *Graham* Factors

### A. Person Having Ordinary Skill in the Art

Resolving the level of skill for a person having ordinary skill in the art, or PHOSITA, is arguably the most important *Graham* factor, because it is through the PHOSITA's point-of-view that all other factual determinations are made. Although *KSR* did not make any explicit findings as to how to determine the level of ordinary skill, *KSR* has still influenced the PHOSITA determination.

#### 1. USPTO

The USPTO issued a notice in October 2007 (the "Guidelines") which provided guidelines to help examiners determine what the Office's current understanding of the law is now, in light of *KSR*.<sup>5</sup> First, the Guidelines require that any obviousness rejection should include, either implicitly or explicitly, and indication of the level of ordinary skill.<sup>6</sup> In advising examiners on how to determine the level of ordinary skill, the Guidelines reference the multi-factor test the Federal Circuit set forth in *Environmental Designs* and has since used frequently over the past 20 years.<sup>7</sup> Moreover, the Guidelines also advise that the hypothetical PHOSITA is presumed to know all the relevant art at the

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<sup>5</sup> Examination Guidelines for Determining Obviousness Under 35 U.S.C. 103 in View of the Supreme Court Decision in *KSR International Co. v. Teleflex Inc.*, 72 Fed. Reg. 57,526 , 57,528 (notice Oct. 10, 2007) [hereinafter *Guidelines*].

<sup>6</sup> *Id.*

<sup>7</sup> See generally *Env'tl. Designs, Ltd. v. Union Oil Co. of Cal.*, 713 F.2d 693 (Fed. Cir. 1983) (listing and discussing the factors: (1) Type of problems encountered in the art; (2) Prior art solutions to those problems; (3) Rapidity at which innovations are made; (4) Sophistication of the technology; and (5) Education level of active workers on the field.)

time of invention.<sup>8</sup> Furthermore, the Guidelines also encourage examiners to rely on their own technical expertise to describe the PHOSITA's knowledge and skills.<sup>9</sup>

The Guidelines also cite three specific references to *KSR* to be used in relation to determining the level of ordinary skill: (1) "a person of ordinary skill is also a person of ordinary creativity, not an automaton"; (2) the PHOSITA will be able to "fit the teachings of multiple patents together like pieces of a puzzle" and (3) a court can take account of the "inferences and creative steps a person of ordinary skill in the art would employ."<sup>10</sup>

Reference (1) specifically speaks to the level of skill, in that it assesses a knowledge the PHOSITA would have includes common creativity. However, references (2) and (3) deal more with the application of the PHOSITA's skill level to the facts at hand. Both (2) and (3) seem as to fit more appropriately referenced under the third Graham factor: ascertaining the differences between the prior art and claims at issue. However, this interweaving of factors is commonplace in light of *KSR*, as each factor seems more interdependent on the others.

## 2. Federal Circuit

Over the past year, the Federal Circuit has only decided one case where the test to determine the level of ordinary skill was explicitly addressed. In *Daiichi*, the Court relied on the *Environmental Designs* factors to determine the district court had erred in the determination.<sup>11</sup> Notably, the decision in *Daiichi* didn't reference *KSR* at all, neither with respect to the PHOSITA determination nor the overall obviousness conclusion. Although

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<sup>8</sup> *Guidelines*, 72 Fed. Reg. at 57,528.

<sup>9</sup> *Id.*

<sup>10</sup> *Id.*

<sup>11</sup> *Daiichi Sankyo Co., Ltd. v. Apotex, Inc.*, 501 F.3d 1254 (Fed. Cir. 2007).

this seems contrary to *KSR*'s general impact on obviousness determinations, perhaps *Daiichi* is an indication that the Federal Circuit (or at least Judge Archer) does not believe that the determination of the level of ordinary skill was impacted by *KSR*.

### **3. Deciphering the Puzzle**

Based on the Guidelines, the USPTO indicates *KSR* does impact the PHOSITA determination, yet the Federal Circuit's silence indicates it does not. So reconciling these competing views probably means that although the determination of the explicit level of skill continues to be based on the *Environmental Designs* factors, "common sense" and other tools expressed in *KSR* expands the ability of the PHOSITA as applied to the facts of each case.

#### **B. Scope and Content of the Prior Art**

The scope and content of the prior art provides a baseline to which the claimed invention will be compared against. This factor is commonly referred to as the analogous art requirement. The Federal Circuit traditionally has used a two part test, finding prior art is analogous if (1) the reference is within the same field of endeavor as the claimed invention or (2) the reference is not within the same field of endeavor, but the reference is still reasonably pertinent to the particular problem with which the inventor is involved.<sup>12</sup> A reference is reasonably pertinent if it is one which logically would have commended itself to the inventor's attention in considering his problem.<sup>13</sup>

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<sup>12</sup> *In Re Clay*, 966 F.2d 656, 659 (Fed. Cir. 1992).

<sup>13</sup> *Id.*

## 1. USPTO

The Guidelines reference the Federal Circuit's traditional two part test, but the Guidelines seem to broaden the ways that prior art could be analogous in light of *KSR*. First, the Guidelines remove the "reasonably pertinent" language from the second prong of the traditional test, including simply: "prior art that is in a field of endeavor other than that of the applicant."<sup>14</sup> In support of this statement the Guidelines cite to *KSR*'s language: "when a work of art 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" for support.<sup>15</sup> Therefore, read as a whole, the Guidelines seem to suggest prior art from other fields of endeavor can be analogous art *if* there are design incentives or other market forces which would prompt variations.

Next, the Guidelines also instruct examiners to include prior art which "solves a problem which is different from that which the applicant was trying to solve."<sup>16</sup> The Guidelines based this instruction on two of the errors the Supreme Court found with the Federal Circuit's analysis in *KSR*.<sup>17</sup>

However, it is still unclear if this also removes the "reasonably pertinent" requirement, or simply adds a qualification to broaden what references would be "reasonably pertinent." Based on the language of the Guidelines, it seems to remove the "reasonably pertinent" requirement and completely open up the pool of prior art.

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<sup>14</sup> *Guidelines*, 72 Fed. Reg. at 57,527.

<sup>15</sup> *Id.* at 57,528.

<sup>16</sup> *Id.*

<sup>17</sup> *See KSR*, 127 S.Ct. at 1742 (determining the Federal Circuit erred in "holding courts and patent examiners should only look to the problem the patentee was trying to solve" and in "the assumption that a person having ordinary skill attempting to solve a problem will be led only to those elements of prior art designed to solve the same problem").

However, when taken in conjunction with the portions cited to in *KSR*, the Guidelines might simply broaden the definition of what was traditionally “reasonably pertinent” art.

## **2. Federal Circuit**

The Federal Circuit has continued to recognize the analogous art test post-*KSR*. In *In Re Icon Health*, the Court applied the traditional two part test.<sup>18</sup> Additionally, the Court noted that the “reasonably pertinent” definition of “something the inventor would have logically looked to” is supported by the statement in *KSR*: “familiar items may have obvious uses beyond their primary purpose.”<sup>19</sup> Therefore it seems, at least from the Federal Circuit’s perspective, the analogous art test is here to stay.

## **3. Deciphering the Puzzle**

The USPTO has broadened the requirements for analogous art, yet the Federal Circuit continues to rely on the traditional test. These competing views, on the surface, seem to indicate the USPTO’s guidelines are more in line with the teachings in *KSR*, however, the USPTO might have lowered the bar for analogous art too far. Moreover, the Federal Circuit’s interpretation is more consistent with historical tests while still incorporating *KSR*’s principle of “flexibility.”

### **C. Differences Between the Prior Art and the Claimed Invention**

Requiring that the differences between the prior art and the claimed invention not be obvious was a significant addition to patent law by Congress in the 1952 Patent Act. Although the principle had been long established in common law, Congress intended the codification to provide “uniformity and definiteness,” which the *Graham* court stressed

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<sup>18</sup> *In Re Icon Health & Fitness, Inc.*, 496 F.3d 1374, 1379-80 (Fed. Cir. 2007).

<sup>19</sup> *Icon Health*, 496 F.3d at 1379-80; *KSR*, 127 S.Ct. at 1741.

would be achieved with the “strict observance” of the factor.<sup>20</sup> The Federal Circuit and its predecessor relied on the Teaching, Suggestion, Motivation (TSM) test to determine obviousness. If there was some suggestion or motivation to combine the teachings of the prior art, the claimed invention was obvious.

## 1. USPTO

The Guidelines state that ascertaining the differences between the prior art and the claimed invention require interpreting the claim language, and considering the invention and prior art as a whole.<sup>21</sup> The Guidelines don’t explicitly list any other requirements under this factor, however, the Guidelines provide seven rationales for rejections. These rejections logically fall under this *Graham* factor, so each will be analyzed here.

### a) Predictable Results

This rationale would reject a claimed invention for obviousness because all the claimed elements were known in the field and the PHOSITA could have combined the elements by known methods, with no change in their respective functions.<sup>22</sup> The combination would have yielded nothing more than results predictable to the PHOSITA at the time of the invention.<sup>23</sup> The Guidelines cite *KSR* and a number of other cases in support of this rationale. However, the Guidelines seem to add a new caution to this rationale from *KSR* stating: “it can be important to identify a reason that would have prompted the PHOSITA to combine the elements in the way the claimed invention does.”<sup>24</sup>

### b) Simple Substitution

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<sup>20</sup> *Graham*, 383 U.S. at 18.

<sup>21</sup> *Guidelines*, 72 Fed. Reg. at 57,527.

<sup>22</sup> *Id.* at 57,529.

<sup>23</sup> *Id.*

<sup>24</sup> *Guidelines*, 72 Fed. Reg. at 57,529; *KSR*, 127 S.Ct. at 1741.

This rationale would reject a claimed invention for obviousness because the claimed invention merely substitutes known components and functions to yield predictable results.<sup>25</sup> Moreover, the Guidelines advise “obviousness does not require absolute predictability of success.”<sup>26</sup> The Guidelines do not cite to *KSR* in this rationale, instead relying on the long established principle as applied in other cases.

**c) Known Techniques to Improve Similar Devices in the Same Way**

This rationale would reject a claimed invention for obviousness when there is a method that is known to enhance a particular class of devices and (1) the claimed invention is part of that class and (2) the PHOSITA would know how to add the known improvement to the existing device.<sup>27</sup> In assessing what improvements may be known, the Guidelines remind that “the nature of the problem to be solved may lead inventors to look at references relating to possible solutions to that problem.”<sup>28</sup> However, the Guidelines also caution, based on *KSR*: if the actual application of the technique is beyond the level of the PHOSITA, then using the technique would not have been obvious.<sup>29</sup>

This rationale also seems to give weight to predictability. Using the language “if the known technique would improve similar devices in the same way” implicitly states that if the known technique works in a predictable manor (i.e., the same way it did with other similar devices) that the improvement is likely obvious.

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<sup>25</sup> *Guidelines*, 72 Fed. Reg. at 57,530.

<sup>26</sup> *Id.*

<sup>27</sup> *Id.*

<sup>28</sup> *Id.* at 57,531.

<sup>29</sup> *Guidelines*, 72 Fed. Reg. at 57,530; *KSR*, 127 S.Ct. at 1740.

**d) Known Techniques to Improve Known Devices to Yield Predictable Results**

This rationale would reject a claimed invention for obviousness when a particular known technique for improving a device was recognized as part of the ordinary capabilities of the PHOSITA.<sup>30</sup> Additionally, this rationale requires that the PHOSITA would have been capable of applying this known technique to the device, and the results would have been predictable to the PHOSITA.<sup>31</sup> This rationale is distinguished from the previous rationale because it specifically relies on improvement techniques known to the PHOSITA as part of their ordinary capabilities, as opposed to techniques which would be known based on other improvements to similar devices.

Additionally, this rationale explicitly requires that results be predictable combinations based on the PHOSITA's ordinary knowledge. The Guidelines do not reference *KSR* in describing this rationale, however it seems the Guidelines could appropriately rely the same text from *KSR* as in the previous rationale: that if the actual application is beyond the skill of the PHOSITA, it is nonobvious. Perhaps the distinction the Guidelines are making by not referencing *KSR* is that this rationale doesn't require the combination of multiple elements, but that just using the basic level of skill of the PHOSITA, this improvement would have been obvious.

**e) Obvious To Try**

This rationale would reject a claimed invention for obviousness when it would have been obvious for the PHOSITA to try the claimed invention as a solution for a

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<sup>30</sup> *Guidelines*, 72 Fed. Reg. at 57,531.

<sup>31</sup> *Id.*

problem or need in the art.<sup>32</sup> The Guidelines describe to this rationale as “choosing from a finite number of identified, predictable solutions, with a reasonable expectation of success.”<sup>33</sup> This rationale is supported by *KSR*, stating the PHOSITA “has good reason to pursue the options within their technical grasp,” and it is “likely not the product of innovation, but of ordinary skill and common sense.”<sup>34</sup>

The Guidelines again stress the predictability of the claimed solution – if a solution is predictable, it is likely obvious. However, the opposite is not necessarily true; the Guidelines state that a “lack of absolute predictability” with regard to a chemical composition was not enough to overcome the obviousness of a solution being obvious to try.<sup>35</sup>

#### **f) Known Work Prompting Variations**

This rationale would reject a claimed invention for obviousness when a known work in one field of endeavor prompts variations of it for use in either the same field or a different one based on design incentives or other market forces if the variations would have been predictable to the PHOSITA.<sup>36</sup> The Guidelines explain that when design incentives or other market forces would be the driving force behind the predictable variations on the prior art, the invention is obvious.<sup>37</sup>

The Guidelines cite as examples in support of this rationale, *KSR* and the Federal Circuit’s 2007 decision in *LeapFrog* (discussed below). Although analogous art is not

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<sup>32</sup> *Id.* at 57,532.

<sup>33</sup> *Id.*

<sup>34</sup> *Guidelines*, 72 Fed. Reg. at 57,532; *KSR*, 127 S.Ct. at 1742.

<sup>35</sup> *Guidelines*, 72 Fed. Reg. at 57,532.

<sup>36</sup> *Id.* at 57,533.

<sup>37</sup> *Id.*

explicitly discussed in this section, nor in the two cases cited, this rationale seems to implicitly affirm the Guideline's previous broadening of the analogous art.

**g) Some Teaching, Suggestion, or Motivation to Combine**

This rationale would reject a claimed invention for obviousness when the PHOSITA would have been motivated to combine the prior art to achieve the claimed invention, and that there would have been a reasonable expectation of success.<sup>38</sup> The Guidelines further advise that the motivation can be implicit and may be found in the knowledge of the PHOSITA or from the nature of the problem to be solved. Additionally, the implicit motivations can simply be because the resulting product might be "stronger, cheaper, cleaner, faster, lighter, smaller, more durable, or more efficient."<sup>39</sup> The Guidelines encourage a broad application of the term "motivation."

Notably, the Guidelines do not reference *KSR* in this rationale. The TSM test was such an integral part of *KSR*, it is surprising there is no reference to it here. However, the Guidelines do cite to *Dystar*, which was the case the Federal Circuit decided between the time that Supreme Court decided to hear *KSR* and the time the Supreme Court issued its decision in *KSR*.<sup>40</sup> Perhaps this indicates the Guidelines either only cited to *Dystar* (1) because the Supreme Court, in its *KSR* decision implied the flexible application of TSM in *Dystar* was broader than the Federal Circuit's application in *KSR*, and might be consistent with the Supreme Court's analysis or (2) because the USPTO is as confused as others regarding the fate of the TSM test.

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<sup>38</sup> *Id.* at 57,534.

<sup>39</sup> *Id.*

<sup>40</sup> *DyStar Textilfarben GmbH & Co. Deutschland KG v. C.H. Patrick Co.*, 464 F.3d 1356 (Fed. Cir. 2006).

## 2. Federal Circuit

The Federal Circuit has decided several cases over the past year relying on *KSR* while analyzing this factor. For the most part, each case has focused on different statements in *KSR*, but one thing seems to hold true: the standard for nonobviousness has risen. With the exception of *Ortho-McNeil*, all opinions cited and discussed in this section have found the invention to be obvious. Although this section is by no means an exhaustive list of the cases in which the Federal Circuit has discussed *KSR*, it is some indication of what the future holds for the obviousness inquiry.

### a) Common Knowledge in the Field

In its first post-*KSR* obviousness inquiry, the Federal Circuit decided *LeapFrog v. Fisher-Price*.<sup>41</sup> The Court interpreted *KSR* such that “the common sense of those skilled in the art demonstrates why some combinations would have been obvious where others would not.”<sup>42</sup> Moreover, the Court analyzed what improvements on existing art would be “commonplace in the field” and what the prior art taught.<sup>43</sup> Against this backdrop, the Court determined that it would have been obvious to combine the prior art and update it with modern technology.<sup>44</sup> In this case, the Federal Circuit relied heavily on one rationale of *KSR*, that “the combination of elements according to known methods is likely to be obvious when it does no more than yield predictable results.”<sup>45</sup> Although the focus in *LeapFrog* was with what was common knowledge in the field, the “predictability” inquiry permeated the decision as well.

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<sup>41</sup> *LeapFrog Enter., Inc. v. Fisher-Price, Inc.*, 485 F.3d 1157 (Fed. Cir. 2007).

<sup>42</sup> *LeapFrog*, 485 F.3d at 1161.

<sup>43</sup> *Id.*

<sup>44</sup> *Id.* at 1162.

<sup>45</sup> *LeapFrog*, 485 F.3d at 1162; *KSR*, 127 S.Ct. at 1739.

### **b) Predictability**

In *Agrizap*, the Federal Circuit decided what it called a “textbook” case of when “the combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results.”<sup>46</sup> The Court further explained that the claimed invention “simply substituted” known elements already well known in the prior art.<sup>47</sup>

In this case, the Federal Circuit gave great weight to the predictability of the results. So much so, that this appeal overturned a jury verdict of nonobviousness. This case was decided very recently (March 28, 2008) therefore there has not been enough time to see the full impact of this decision. Perhaps this decision is simply a reminder that although the *Graham* factors are factual inquiries; the overall determination of obviousness is a question of law. Or perhaps this is a statement by the Federal Circuit as to the competency of juries to decipher patent issues.

### **c) Unpredictable Arts**

In *Ortho-McNeil*, which was decided by the Federal Circuit the same week as *Agrizap*, the invention at issue was a chemical compound, a subject matter courts have consistently considered to be inherently unpredictable.<sup>48</sup> The Federal Circuit relied on a number of principles from *KSR* in determining obviousness, however, the most prevalent of which was the unpredictability of the subject matter. First, the Court rejected the argument that it was “obvious to try” in this situation because there was not a finite (and

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<sup>46</sup> *Agrizap, Inc. v. Woodstream Corp.*, Nos. 2007-1415, 2007-1421, 2008 WL 819757, at \*4 (Fed. Cir. Mar. 28, 2008).

<sup>47</sup> *Id.* at \*6.

<sup>48</sup> *Ortho-McNeil Pharm., Inc. v. Mylan Lab., Inc.*, No.2007-1223, 2008 WL 834402 (Fed. Cir. Mar. 31, 2008).

small in the context of the art) number of options easily traversed.<sup>49</sup> Next, the Court rejected the expert's testimony for improperly using hindsight. The Court reasoned that the unpredictable nature of the invention prevented it from being obvious even when in retrospect the combination was logical.<sup>50</sup> Additionally, the Court applied the TSM test, stating that the challenges with the nature of this invention would have prevented the PHOSITA from being able to easily produce the invention in light of the evidence available at the time of invention.<sup>51</sup>

The Federal Circuit's analysis in this case rigorously goes through many of the methods of determining obviousness as set forth in *KSR* and provides reasoning for each determination. The ultimate outcome in this case was that the invention was nonobvious. Perhaps reflective of the now seemingly higher bar for nonobviousness, this type of thorough, in-depth analysis of multiple tests is necessary to determine an invention is nonobvious.

#### **d) Teaching Away**

In *Icon Health*, the Federal Circuit balanced two principles from *KSR*: first, that “when prior art teaches away from a combination, that combination is more likely to be nonobvious;” and second, that “the combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results.”<sup>52</sup> A prior art reference in this case contained an express statement that discouraged the application of the prior art in a specific situation.<sup>53</sup> However, the Federal Circuit

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<sup>49</sup> Ortho-McNeil, 2008 WL 834402, at \*4.

<sup>50</sup> *Id.* at \*5.

<sup>51</sup> *Id.*

<sup>52</sup> *Icon Health*, 496 F.3d at 1381.

<sup>53</sup> *Id.*

minimized this “teaching away” statement because the PHOSITA would still know the combination of the prior art would still lead to predictable results.<sup>54</sup>

Through this case, the Federal Circuit seems to have determined that predictability can be more significant in an obviousness determination than the explicit “teaching away” of the prior art. However, it should be noted that the precise facts of this case perhaps controlled the balance of these principles because there was ample support showing the predictability, while the “teaching away” had minimal support. It seems that if there was more support to show the “teaching away” would have actually dissuaded the PHOSITA, the balance wouldn’t have shifted in favor of predictability.

#### **e) Common Sense and Variations of Prior Art**

In *In Re Translogic*, the Federal Circuit based an obviousness analysis on three separate but interwoven concepts from *KSR*. First, the Court stated that “obvious variants of prior art references are themselves part of the public domain.”<sup>55</sup> Second, the Court relied heavily on the language in *KSR* advising that the PHOSITA also is a person of ordinary creativity and common sense.<sup>56</sup> Third, the Court reiterated that a flexible TSM test remains the “primary guarantor” against non-statutory hindsight analysis without unduly constraining the breadth of knowledge available to the PHOSITA.<sup>57</sup>

Throughout its analysis in this case, the Federal Circuit relied on the common sense of the PHOSITA. The Court ultimately held that the PHOSITA’s common sense would have still prompted the claimed invention even though there was no explicit

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<sup>54</sup> *Id.*

<sup>55</sup> *In Re Translogic Tech., Inc.*, 504 F.3d 1249, 1259 (Fed. Cir. 2007).

<sup>56</sup> *Id.* at 1260.

<sup>57</sup> *Id.*

teaching, suggestion, or motivation to combine the prior art.<sup>58</sup> The common sense approach provides a somewhat fuzzy and flexible line for what the PHOSITA would find obvious. Perhaps this is the exact effect the Supreme Court was intending through their language in *KSR*.

### **3. Deciphering the Puzzle**

Although the USPTO and the Federal Circuit have focused on different aspects of *KSR* for guidance, both seem to focus heavily on predictability. It seems apparent that if a claimed invention is based on a predictable combination of any prior art, the invention will be obvious. Moreover, the burden to prove that it was not an obvious combination is substantial.

#### **D. Secondary Considerations**

Secondary considerations or “objective evidence of nonobviousness” are used to rebut a prima facie finding of obviousness where there is a nexus connecting the objective evidence and the claimed invention. Secondary considerations can include, but are not limited to: commercial success, long felt but unsolved needs, failure of others, skepticism of experts, unexpected results, copying, and licensing by others. Although the facts of *KSR* did not include secondary considerations, the case has still had impact on this *Graham* factor.<sup>59</sup>

#### **1. USPTO**

The Guidelines state, with regard to secondary considerations, that examiners should consider all “secondary considerations, such as commercial success, long felt but

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<sup>58</sup> *Id.* at 1262.

<sup>59</sup> *KSR*, 127 S.Ct. at 1745.

unsolved needs, and failure of others, and may also include evidence of unexpected results.”<sup>60</sup> Moreover, the Guidelines state that an applicant can present rebuttal evidence showing that the PHOSITA could not have combined the elements according to known methods, or that the elements in combination do not function the same way as they do independently, or that the results of the combination were unexpected.<sup>61</sup>

## 2. Federal Circuit

The Federal Circuit continues to include secondary considerations in obviousness analysis. However, in both *LeapFrog* and *Agrizap*, the Federal Circuit determined that even substantial amounts of objective evidence, including commercial success, and a long felt need were insufficient to overcome a strong prima facie case of obviousness.<sup>62</sup>

However, in the only case after *KSR* which discussed the factor of “unexpected results,” the patent was not held invalid for obviousness. In *Ortho-McNeil*, the Federal Circuit reiterated the unpredictable nature of the invention and used the “unexpected results” as strong indicia of nonobviousness.<sup>63</sup> Additionally, the Court relied on the skepticism of experts and copying, as objective evidence of nonobviousness.<sup>64</sup> Furthermore, the stressed secondary considerations are not just a cumulative or confirmatory part of the obviousness calculus but constitute independent evidence of nonobviousness.<sup>65</sup>

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<sup>60</sup> *Guidelines*, 72 Fed. Reg. at 57,534.

<sup>61</sup> *Id.*

<sup>62</sup> *LeapFrog*, 485 F.3d at 1162; *Agrizap*, 2008 WL 819757, at \*6.

<sup>63</sup> *Ortho-McNeil*, 2008 WL 834402, at \*5.

<sup>64</sup> *Id.*

<sup>65</sup> *Id.*

### **3. Deciphering the Puzzle**

The USPTO didn't focus much on secondary considerations, and although the Court technically continues to include "unexpected results" as a secondary consideration, the predictability of the claimed invention has taken a center stage in the analysis of several other *Graham* factors. Perhaps in the future "unexpected results" will officially shift from being a secondary consideration to explicitly a part of one of the other *Graham* factors.

### **V. A Personal Perspective**

Throughout the past several months, I was fortunate enough to have the opportunity to discuss *KSR* with a number of professors, patent attorneys, a judge for the Board of Patent Appeals and Interferences, and was able to listen to three Federal Circuit judges as they judged the Giles Sutherland Rich moot court competition, where one of the main issues was based on an obviousness inquiry.

Throughout these discussions there was a wide variety of interpretations of *KSR*. Some attorneys thought the analogous art requirement was now moot because it was essentially broadened to include all prior art. Others suggested it was not so important what the analogous art encompassed but what other "tools" the PHOSITA would be able to look to, such as the vague category of common sense and improvements made in other fields. Still others suggested the inquiry now mainly focused around whether the combination of prior art or improvements yielded predictable results.

Some thought that the TSM test no longer held merit, and still others thought that "teaching away," instead of dissuading the PHOSITA from trying to combine the prior

art references, would actually motivate the PHOSITA to try the combination.

Interestingly, one of the questions from the bench during the final round of the moot court competition was whether the “counselor” thought the TSM test survived – thus acknowledging the ambiguity of TSM’s fate.

Throughout all of these discussions about obviousness, one thing remained consistent: the industry’s uncertainty as to where this will leave obviousness inquiries in the wake of *KSR*.