

Inventors: You have to do More than Walk Along the Likely Path to the New Invention.



The United States Supreme Court in April, 2007 placed higher thresholds upon those seeking patents which combine aspects of preexisting inventions. Essentially, the Court held that the person claiming the patent must demonstrate that the patent is sought for a development that does more than provide "predictable results" from prior existing innovations.

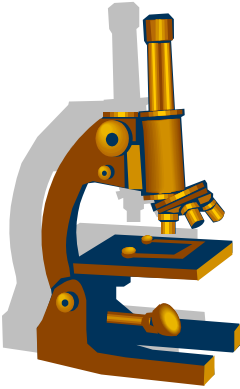
ANALYSIS:

In its most important patent ruling in years, the Supreme Court ruled in early 2007 that merely combining preexisting inventions along fairly predictable paths may not grant a patent to the inventor. The court raised the bar for obtaining patents on new products that combine elements of pre-existing inventions.

If the combination results from nothing more than "ordinary innovation" and "does no more than yield predictable results," the court said in a unanimous opinion, it is not entitled to the exclusive rights that patent protection conveys. "Were it otherwise," Justice Anthony M. Kennedy wrote in the opinion, "patents might stifle, rather than promote, the progress of useful arts."

Because most inventions combine previously known elements, the Court's approach to deciding what sort of combination is so "obvious" as to be ineligible for patent protection will have widespread application. The result will be to make patents harder to obtain and defend.

"Granting patent protection to advances that would occur in the ordinary course without real innovation retards progress," Justice Kennedy said. He added that such patents were also undesirable because they might deprive earlier innovations of "their value or utility." Patent law experts said the ruling created a **common sense standard** that could have a broad impact. "Nearly every patent that contains a combination of prior ideas is at risk because the court has dramatically broadened the standard of obviousness," said Cynthia Kernick, an intellectual property lawyer at Reed Smith in Pittsburgh.



Judges will have more leeway to dismiss patent infringement lawsuits without requiring a jury trial, and patent examiners, who generally grant patent applications unless they find prior references to the same invention, will now feel freer to deny claims, said Matthew Kreeger, an intellectual property lawyer at Morrison and Foerster. "And we could see thousands of cases asking the Patent Office to re-examine patents it has already granted," said Mr. Kreeger, who was one of the lawyers who had prepared a brief filed by the Biotechnology Industry Organization in support of the patent. "It doesn't take a lot of resources to ask for a re-examination." ***To be eligible for a patent, an invention must be novel, useful and not "obvious" to a person of "ordinary skill" in the field. The Supreme Court case concerned a fairly typical dispute over whether a combination of old elements in a new way was new or simply "obvious" to any expert.***

THE CASE:

At issue was an adjustable gas pedal for use on cars and trucks equipped with electronic engine controls. How could the vehicle's computer tell the pedal's position? A Canadian company, KSR International, under contract to General Motors, solved the problem by mounting an electronic sensor at the pedal's fixed pivot point in order to communicate the necessary information.

A rival, Teleflex Inc., demanded royalties, claiming the device infringed its patent on an adjustable gas pedal equipped with an electronic sensor. KSR refused to pay on the ground that Teleflex had combined existing elements in an obvious manner and that its patent was therefore invalid. KSR won in Federal District Court in Detroit, but that decision was overturned in 2005 by the United States Court of Appeals for the Federal Circuit. That court, in Washington, has exclusive jurisdiction over patent appeals. After years of permitting its judgments to stand unreviewed, the Supreme Court has begun to take an active interest in the Federal Circuit's cases and has overturned several, including a second case the justices decided on Monday in favor of Microsoft in a dispute with AT&T.

In granting judgment for KSR on Monday, in *KSR International Co. v. Teleflex Inc.*, No. 04-1350, the Supreme Court listed several specific errors and "fundamental misunderstandings" in how the Federal Circuit had analyzed the case. In looking at the Teleflex patent, Justice Kennedy said, the appeals court made the mistake of considering what "a pedal designer writing on a blank slate" would have done to solve the problem of the

pedal and the sensor. *But the slate was not blank, he continued, and the Teleflex patent was essentially an upgrade of existing technology.*

Justice Kennedy said the problem was not necessarily the Federal Circuit's overall approach, but rather its rigid way of applying a commonly used legal test. The test requires a person challenging a patent as obvious to identify a reason that would have prompted someone to combine two or more previous inventions, such as published articles suggesting such a combination. This has made it difficult to attack a patent as obvious, and has often precluded summary judgment, instead requiring an expensive jury trial.

Justice Kennedy said that this test, in the Federal Circuit's hands, had led to a "constricted analysis" that paid **too much attention to an inventor's motivation and too little to a simpler inquiry: whether "there existed at the time of invention a known problem for which there was an obvious solution."** The Teleflex patent fit that description, he said. . The federal government, which had sided with KSR, argued that the Federal Circuit's approach had led to the granting of too many patents to obvious inventions Pharmaceutical and biotechnology industry groups, entering the case for Teleflex, argued that innovation would suffer if patents became too hard to defend.

In a sense, the case presented a moving target. While the KSR appeal was pending, the Federal Circuit issued several decisions reflecting openness to challenges to patents as unworthy because of obviousness. "Those decisions, of course, are not before us now," Justice Kennedy said.



THE FUTURE:

Making the test that much harder will impose upon inventors the need to demonstrate the "creative" aspect of their work. Mixing and matching old concepts to develop a new result can still result in a patent...but only if the mix and match and result required a degree of innovation that would not be too "obvious." And the question of "obviousness" which seems based on "common sense" will not always be obvious, itself. Anything seems easy to consider once the first person comes up with the idea. One remembers the perhaps mythical conversation between Columbus and a guest at a party in which the person complained that Columbus was famous for simply sailing away and discovering what was already there.

Columbus picked up an egg and asked the man to make it stand on its end.

The man tried but the egg kept rolling over.

Columbus picked up the egg and crushed it into the table so that it was flattened and could stay upright.

"That's nonsense. Anyone could do that."

Yes, but you did not and I did. That's the difference."

The Court will still have to determine if what an inventor...or Columbus...did was truly innovative. Not an easy question at all... and to be decided on a case by case basis.