

Is it “Obvious”?: Long-Awaited Patent Decision Leaves Lawyers Scratching their Heads

by **Robert M. Abrahamsen**

On April 30, the U.S. Supreme Court handed down its long-awaited decision regarding the “obviousness” standard for assessing the validity of patents, and in somewhat of a surprise, the ruling’s impact will be far less than many predicted.

In the months leading up to the decision in *KSR International Co. v. Teleflex Inc.*, widespread predictions that the court would effectively rewrite the law on determining whether a patent claim is invalid for obviousness had been the source of much anxiety among innovators and patent lawyers alike.

But it turns out the fallout of the decision won’t be so dramatic after all.

Unusual move

The last time the court weighed in on the issue of obviousness was more than 30 years ago, before the Federal Circuit was created in 1982.

In an unusual move, the court agreed to address in the *KSR* case the following question: Whether the Federal Circuit improperly ruled 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?

The case concerned an innovation patented by Teleflex (U.S. Patent No. 6,237,565) relating to an adjustable pedal for an automobile, i.e., a pedal that could be adjusted to accommodate drivers of different heights.

In particular, the claimed innovation was the combination of (1) an adjustable pedal including a pedal arm mounted to a support structure via a pivot point (so that the pedal arm pivots about the pivot point when pressure is exerted by the driver’s foot), and (2) an electronic control attached to the sup-

port to monitor the degree of rotation of the pedal arm about the pivot point.

The prior art to the Teleflex patent included U.S. Patent No. 5,010,782 to Asano (“the Asano patent”), which described an adjustable pedal assembly very similar to the claimed invention. The only difference between the two was that the Asano device used a wire to translate motion of member rotating about a fixed pivot point to a throttle valve of the engine, while the claimed device used an electronic control to monitor rotation of the member about the fixed pivot point.

The prior art also included another patent, U.S. Patent No. 5,063,811 to Smith (“the Smith Patent”), which disclosed a pedal mechanism that employed an electronic sensor to track the rotation of a pedal member about a stationary pivot point.

Lower court rulings

The district court on summary judgment ruled that one of ordinary skill in the art would have found it obvious to modify the Asano pedal assembly to employ the electrical sensor of Smith so as to make the Asano assembly compatible with cars having electronic throttle control systems.

The Federal Circuit, in an unpublished decision, reversed the district court’s judgment. The appeals court held that a genuine issue of material fact existed as to whether some teaching, suggestion or motivation would have led one of ordinary skill in the art to combine the two references.

The Federal Circuit rejected KSR’s argument that a market demand for vehicles equipped with electronic throttle control systems would have supplied the requisite motivation to modify the Asano system with the electronic sensor of Smith.

The appeals court wrote, “The issue is not whether a person of skill in the art had a motivation to combine the electronic con-

trol with an adjustable pedal assembly, but whether a person skilled in the art had a motivation to attach the electronic control to the support bracket of the pedal assembly.”

It’s obvious

The Supreme Court reversed the Federal Circuit, and in doing so invalidated the patent as obvious. In particular, the Supreme Court found that the market demand for vehicles with electronic throttle control systems would have supplied sufficient motivation to modernize the Asano pedal assembly to meet such a demand, and would have recognized Smith as one of a handful of ways to accomplish that modernization.

The 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 reasons, if a technique has been used to improve one device, and a person of ordinary skill in the art would recog-



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nize 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. [A] court must ask whether the improvement is more than the predictable use of prior art elements according to their established functions.”

Along similar lines, the court indicated that a “design need or market pressure to solve a problem” might very well motivate one of ordinary skill in the art to employ one of a finite number of known techniques to meet the need or solve the problem.

The court wrote: “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 in the art 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 is not of innovation but of ordinary skill and common sense. In that instance the fact that a combination was obvious to try might show that it was obvious under §103.”

In applying these principles to the case, the court found that one of ordinary skill in the art would have been led to retrofit the adjustable pedal design of Asano with the electronic sensor of Smith.

The court noted that the market created a strong incentive to convert mechanical pedals to electronic pedals, and the prior art taught a number of methods for achieving this advance.

The Federal Circuit was too narrow in asking whether a pedal designer writing on a blank slate would have chosen both Asano and a modular sensor, according to the Supreme Court.

“The proper question to have asked,” the Supreme Court wrote, “was whether a pedal designer of ordinary skill, facing the wide range of needs created by developments in the field of endeavor, would have seen a benefit to upgrading Asano with such a sensor.”

Has the “obviousness” standard changed?

Notably, the Supreme Court did not do away with the need for a challenger when attempt-

ing to show a patent is obvious by combining multiple references, and to articulate some rationale as to why one of ordinary skill in the art would be led to make the proposed combination.

Indeed, the court acknowledged that because most, if not all, inventions are simply combinations of previously existing elements, “it can be important to identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the elements in the way the claimed new invention does.”

If anything, it would seem the Supreme Court and the Federal Circuit simply disagreed as to whether a known market need for devices of a type A (e.g., pedal assemblies compatible with electronic throttle controls) would have supplied a sufficient incentive to modify one of several known devices of a type B (e.g., pedal assemblies compatible with mechanical throttle controls) with one of several known means for changing a type-B device to a type-A device (e.g., electronic pedal sensors) so as to meet such a market need.

The Federal Circuit found the motivation insufficient because the market need did not suggest that a particular pedal design (Asano) should be upgraded with a particular electronic sensor (Smith).

The Supreme Court, on the other hand, found sufficient incentive to make the claimed upgrade. Implicit in the court’s reasoning was that the incentive to upgrade would have applied to *any* existing pedal assembly unless something in the prior art taught away from the use of that particular assembly as a starting point. Likewise implicit in the court’s reasoning was that the use of *any* known, compatible technique for allowing such an upgrade would have been obvious in the absence of some teaching away from the suitability or desirability of such a combination.

What are the implications?

The language in the opinion indicating that, in seeking a solution to a known problem, one of ordinary skill in the art might find it “obvious to try” one of several “known options within his or her technical grasp” is

likely to get some unjustified traction with district court judges and patent examiners. The Federal Circuit is likely to recognize, however, that the Supreme Court chose its language quite carefully, endorsing such an “obvious to try” standard only “[w]hen there is a design need or market pressure to solve a problem and there are a finite number of identified, predictable solutions.”

It should also be appreciated that the case focused on situations where combinations of teachings yield “predictable” results. Accordingly, the impact of this opinion on the chemical, biotech, and pharmaceutical fields, which are considered to be “unpredictable arts,” is likely to be even less significant.

Another squib from the decision likely to get a fair amount of air time is the analysis of “whether there was an apparent reason to combine the known elements in the fashion claimed by the patent at issue ... [a court] need not seek out precise teachings directed to the specific subject matter of the challenged claim, for a court can take account of the inferences and creative steps that a person of ordinary skill in the art would apply.”

Though that statement may embolden some challengers and patent examiners to push the envelope with respect to what “inferences” and “creative steps” are permissible, again the Federal Circuit is likely to confine that statement to analogous fact patterns and pull back the reins on the others.

One area particularly impacted by this opinion is Internet-based business patents. It could be argued that there has for some time existed a strong market demand to upgrade any brick-and-mortar business model to an Internet-based model. Thus, any brick-and-mortar business would have found it obvious to select any available software application that would have allowed such an upgrade. This ruling could be the death knell for many such patents.