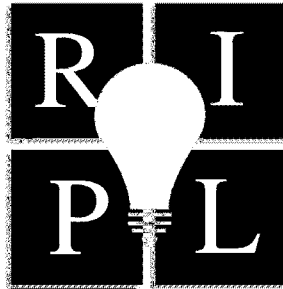


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A FOREWORD TO: A PANEL DISCUSSION ON OBVIOUSNESS IN PATENT  
LITIGATION: *KSR INTERNATIONAL V. TELEFLEX*

EDWARD D. MANZO

## ABSTRACT

In *KSR International Co. v. Teleflex Inc.*, the Supreme Court adhered to its prior views that a constitutional standard applied in determining whether an invention is “obvious.” Further, the Federal Circuit’s teaching-suggestion-motivation (“TSM”) test, which stipulated that an invention is not obvious unless some teaching, suggestion, or motivation to combine the elements of the invention exists, cannot replace or limit the constitutional standard. *KSR* eliminated the Federal Circuit’s requirement, holding that the TSM test is only one way to find an invention obvious and that a common sense approach should be used. *KSR* also noted that all persons skilled in an art have ordinary inventiveness, and more than ordinary inventiveness is needed to support a patent.

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A FOREWORD TO: A PANEL DISCUSSION ON OBVIOUSNESS IN PATENT  
LITIGATION: *KSR INTERNATIONAL V. TELEFLEX*

EDWARD D. MANZO\*

In *KSR International Co. v. Teleflex Inc.*,<sup>1</sup> the Supreme Court considered what test applies to determine whether an invention is “obvious.”<sup>2</sup> To understand the ruling properly and in context, we start with the United States Constitution. Our Founding Fathers determined that the nation would benefit from stimulating the inventive process.<sup>3</sup> The Constitution therefore gave Congress power to legislate to promote the progress of useful arts by securing exclusive rights for limited times to inventions and discoveries.<sup>4</sup> Congress then enacted patent statutes in 1790,<sup>5</sup> 1793,<sup>6</sup> 1836,<sup>7</sup> 1870,<sup>8</sup> and 1952,<sup>9</sup> and for as long as invalidity has been a defense to a charge of patent infringement, courts have had to rule whether patents-in-suit comply with the applicable patent statute.

Is meeting the statutory language alone enough? The Supreme Court has said it is not. In 1851, in *Hotchkiss v. Greenwood*,<sup>10</sup> the Court struck down a patent on a method of manufacturing, *e.g.*, porcelain doorknobs.<sup>11</sup> Applying a constitutional standard, the *Hotchkiss* Court decreed that a patentable invention requires more ingenuity and skill than is possessed by the ordinary mechanic acquainted with the business, and that invention is not the work of merely the skillful mechanic.<sup>12</sup> Ninety years later, in 1941, the Supreme Court spoke of a “flash of genius” test in

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\* Edward D. Manzo is a founding member of the Cook Alex intellectual property law firm in Chicago. He earned a B.S. in Physics from the Polytechnic Institute of Brooklyn and a law degree from the University of Buffalo Law School. He devotes substantial time to the Intellectual Property Law Association of Chicago (“IPLAC”), having previously chaired its Litigation Committee, served its Board of Managers, acted as principal counsel or of counsel on amicus briefs for the Association, and now is serving as Membership Chair. Mr. Manzo also originated and served as editor of *Federal Circuit Review of Markman Issues* (2001–2005), an annual review of case law dealing with patent claim construction published and co-authored by IPLAC and now published annually by Thomson West as *Claim Construction in the Federal Circuit* (2006–2007). Mr. Manzo served as moderator for the panel discussion, Obviousness in Patent Litigation: *KSR International v. Teleflex*, for which he has written this foreword. The views expressed in Mr. Manzo’s foreword do not necessarily reflect the views of the panelists.

\*\*Available at <http://www.jmripl.com>

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

<sup>2</sup> *Id.* at 1735.

<sup>3</sup> *See, e.g.*, THE FEDERALIST NO. 43 (James Madison) (Clinton Rossiter ed., 1961). In Federalist No. 43, James Madison wrote that both the public good and the individual artists and inventors benefit when granting to the authors and inventors rights in their respective works and inventions. *Id.*

<sup>4</sup> U.S. CONST. art. 1, § 8, cl. 8.

<sup>5</sup> Patent Act of 1790, ch. 7, 1 Stat. 109–12 (1790).

<sup>6</sup> Patent Act of 1793, ch. 11, 1 Stat. 318–23 (1793).

<sup>7</sup> Patent Act of 1836, ch. 357, 5 Stat. 117 (1836).

<sup>8</sup> Patent Act of 1870, ch. 230, 16 Stat. 198–217 (1870).

<sup>9</sup> Patent Act of 1952, ch. 950, § 1, 66 Stat. 792 (1952) (codified as amended in 35 U.S.C.).

<sup>10</sup> 52 U.S. (11. How.) 248.

<sup>11</sup> *Id.* at 267.

<sup>12</sup> *Id.*

*Cuno Engineering Corp. v. Automatic Devices Corp.*<sup>13</sup> In 1950, it decided *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp.*,<sup>14</sup> which invalidated claims that united old elements with no change in their respective functions.<sup>15</sup>

Congress enacted the current patent statute in 1952 (“Patent Act of 1952”).<sup>16</sup> In addition to specifying the novelty required for a patent,<sup>17</sup> it added a condition that the subject matter of the claims must be “non-obvious.”<sup>18</sup> It specified in 35 U.S.C. § 103 that a patent could *not* be obtained if the differences between the subject matter 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 the subject matter pertains.<sup>19</sup> That is, if the differences were so trivial that as a whole, the invention would have been “obvious” to the ordinarily skilled artisan in that field, the subject matter would not merit a patent. In his well-known 1952 *Commentary on the New Patent Act*, P.J. Federico, Examiner-in-Chief of the United States Patent Office, explained that “some change of attitude more favorable to patents was hoped for.”<sup>20</sup> The problem of what is obvious and hence not patentable is still of necessity one of judgment.

Congress did not provide any definition of the word “obvious” in the statute.<sup>21</sup> Dictionaries generally define “obvious” as something which is easily seen, discovered or understood.<sup>22</sup> From this, one might think that passing the obviousness hurdle set forth in section 103 would be relatively easy and, so long as the subject matter be not plain on its face, this condition would be met.

The Supreme Court’s understanding of “obvious” does not often coincide with dictionary definitions. In 1966, the Supreme Court interpreted the section 103 non-obviousness requirement in *Graham v. John Deere Co.*<sup>23</sup> and declared that the Patent Act of 1952 was intended to codify the judicial precedents embraced a century earlier in *Hotchkiss*.<sup>24</sup> Thus, the Court construed the statutory language to embody the constitutional standard rather than its common dictionary meaning.<sup>25</sup> The Court noted that the statutory language specified three factual inquiries<sup>26</sup> and added that courts may also consider secondary considerations when appropriate.<sup>27</sup> On the ultimate issue of how to decide whether something is “obvious,” however, the Court said simply that against the factual background provided by the answers to the three

<sup>13</sup> 314 U.S. 84, 91 (1941).

<sup>14</sup> 340 U.S. 147 (1950).

<sup>15</sup> *Id.* at 158.

<sup>16</sup> Patent Act of 1952, ch. 950, § 1, 66 Stat. 792 (1952) (codified as amended in 35 U.S.C.).

<sup>17</sup> 35 U.S.C. § 102 (2006).

<sup>18</sup> *Id.* § 103(a).

<sup>19</sup> *Id.*

<sup>20</sup> P.J. Federico, *Commentary on the New Patent Act*, 35 U.S.C.A. 1 (West 1954), reprinted in 75 J. PAT. & TRADEMARK OFF. SOC’Y 161, 183 (1993).

<sup>21</sup> See § 103(a).

<sup>22</sup> See, e.g., MERRIAM-WEBSTER’S COLLEGIATE DICTIONARY 857 (11th ed. 2005).

<sup>23</sup> 383 U.S. 1 (1966).

<sup>24</sup> *Id.* at 3–4.

<sup>25</sup> *Id.* at 6, 14.

<sup>26</sup> *Id.* at 17. The three factual inquiries stated by the Court are: the scope and content of the prior art; differences between the prior art and the claims at issue; and the level of ordinary skill in the pertinent art. *Id.*

<sup>27</sup> *Id.* at 17–18. Secondary factors a court may consider, but is not limited to, include: commercial success, long felt but unsolved needs, and failure of others. *Id.*

specified inquiries, obviousness would be “determined.”<sup>28</sup> After not providing a rule of decision, it predicted turbulence, conceding that what is obvious is *unlikely* to have uniformity of thought in every given factual context.<sup>29</sup> Thus, the Court left unresolved the issue of when subject matter is obvious and when it is not, but it admonished that “we find no change in the general strictness with which the test is to be applied.”<sup>30</sup> Obviousness would have to be determined on a case-by-case basis, strictly applying the undefined obviousness “test.”<sup>31</sup>

In the ensuing decades, the Supreme Court still did not define affirmatively the exact nature of a non-obvious invention. Some of its opinions engendered confusion when, for example, the Court struck down patents that lacked synergy or produced no new or different function.<sup>32</sup> Indeed, the Court in *Sakraida v. Ag Pro, Inc.*<sup>33</sup> invalidated a patent by reference to a mythological story involving Hercules diverting a river to clean a barn—a story that is generally not in the curriculum of any science or engineering course in the United States.<sup>34</sup>

*Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*<sup>35</sup> provided an indication more consistent with the common meaning of “obvious.” The Court noted in that case that section 103 precludes patent protection for subject matter that “could readily be deduced from publicly available material by a person of ordinary skill in the pertinent field of endeavor.”<sup>36</sup>

Hindsight reconstruction is an endemic problem with determining the obviousness of an invention. It is commonly said that hindsight vision is 20/20. It is unfair to look at a combination that an inventor claims is non-obvious and to dissect it retrospectively, using the claim itself as a roadmap. Declaring that each part functions in the combination as one would predict, ignores the threshold question of whether the individual components should have been combined this way in the first place. That is, the test should be prospective, not retrospective.

To defend against hindsight reconstruction, the Federal Circuit over the years developed what is known as the “teaching-suggestion-motivation” (“TSM”) test.<sup>37</sup> Under this test, section 103 denies patentability only where there is a teaching, motivation, or suggestion of assembling the components in a manner proposed by the inventor. The test provided a workable *ratio decidendi* to the obviousness inquiry. However, the TSM test was challenged as failing to strain out relatively routine and

<sup>28</sup> *Id.* at 17.

<sup>29</sup> *Id.* at 18.

<sup>30</sup> *Id.* at 19.

<sup>31</sup> *Id.* at 18. “The difficulties [in finding obviousness] . . . are comparable to those encountered daily by the courts in such frames of reference as negligence and scienter, and should be amenable to a case-by-case development.” *Id.*

<sup>32</sup> *See, e.g., Anderson's-Black Rock, Inc. v. Pavement Salvage Co.*, 396 U.S. 57, 60–61 (1969) (holding that the combination of a radiant-heat burner and a paving machine did not create new synergy since it did not produce a “new or different function’ within the test of validity of combination patents” (quoting *Lincoln Co. v. Stewart-Warner Corp.*, 303 U.S. 545, 549 (1939))); *Sakraida v. Ag Pro, Inc.*, 425 U.S. 273, 282 (1976) (holding that a water flush system to remove cow manure, consisting of the combination of thirteen elements, was obvious since the combination produced no synergistic result).

<sup>33</sup> *Sakraida*, 425 U.S. 273.

<sup>34</sup> *Id.* at 275 n.1.

<sup>35</sup> 489 U.S. 141 (1989).

<sup>36</sup> *Id.* at 150.

<sup>37</sup> *See, e.g., McGinley v. Franklin Sports, Inc.*, 262 F.3d 1339, 1351 (Fed. Cir. 2001).

unimpressive “inventions.” Some unimpressive combinations were surviving the patent examination process at the USPTO largely because the patent examiners could not find prior art that actually taught, suggested, or motivated a routinely skilled artisan to make the specified combination.<sup>38</sup>

*KSR* arose under this state of the law. The district court decided on summary judgment that the patent claim was invalid for obviousness.<sup>39</sup> The Court of Appeals for the Federal Circuit (“CAFC”) vacated the summary judgment and remanded for further findings.<sup>40</sup> The CAFC required the district court to make specific findings showing a teaching, suggestion or motivation to combine the prior art teachings in the particular manner claimed by the patent at issue.<sup>41</sup> The CAFC found that genuine issues of material fact exist in the case.<sup>42</sup> The Supreme Court, urged by numerous *amici*,<sup>43</sup> granted certiorari. Many patent practitioners were in fear that the Court would reject the TSM test and, more particularly, of what new standard for non-obviousness the Supreme Court might impose in place of the TSM test.

Ultimately, the Supreme Court decided that the invention at issue in *KSR* was obvious<sup>44</sup> and that the Federal Circuit’s TSM test could not replace the mandate set forth in *Hotchkiss* and reaffirmed in *Graham*.<sup>45</sup> The Court acknowledged that there was no necessary inconsistency between the “idea underlying” the TSM test and the Supreme Court’s own analyses,<sup>46</sup> but it held that the TSM test “cannot become a rigid rule that limits the obviousness inquiry.”<sup>47</sup> It thus ruled that obviousness could be proven without satisfying the TSM test.<sup>48</sup> The Supreme Court did not expressly call for a “flash of genius” or synergy. In fact, it resorted to another traditional principle of our Founding Fathers—common sense.<sup>49</sup> The Court ruled that ordinarily skilled artisans have common sense and some routine level of inventiveness, but a

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<sup>38</sup> See, e.g., John S. Goetz, *An “Obvious” Misunderstanding: Zurko, Lee and the Death of Official Notice (Part II)*, 86 J. PAT. & TRADEMARK OFF. SOC’Y 183, 214–18 (arguing that the Federal Circuit, by requiring an examiner to find teaching, suggestion, or motivation in order to reject a patent application, and, in turn, precluding the examiner from using subjective reasons, has placed the “patentability hurdle” at a low it has not seen since . . . 1825”).

<sup>39</sup> *Teleflex, Inc. v. KSR Int’l Co.*, 298 F. Supp. 2d 581, 596 (E.D. Mich. 2003), *rev’d*, 119 F. App’x 282 (Fed. Cir. 2005), *rev’d*, 127 S. Ct. 1727 (2007).

<sup>40</sup> *Teleflex*, 199 F. App’x at 290 (Fed. Cir. 2005), *rev’d*, 127 S. Ct. 1727 (2007).

<sup>41</sup> *Id.*

<sup>42</sup> *Id.*

<sup>43</sup> See Brief for the United States as Amicus Curiae, *KSR Int’l Co. v. Teleflex, Inc.*, 127 S. Ct. 1727 (2007) (No. 04-1350); Brief of Twenty-Four Intellectual Property Law Professors as Amicus Curiae in Support of Petitioner, *KSR*, 127 S. Ct. 1727 (No. 04-1350); Brief of the Progress & Freedom Foundation as Amicus Curiae in Support of the Petition for a Writ of Certiorari, *KSR*, 127 S. Ct. 1727 (No. 04-1350); Brief of Cisco Systems Inc. et al. as Amici Curiae in Support of Petitioner, *KSR*, 127 S. Ct. 1727 (No. 04-1350).

<sup>44</sup> *KSR Int’l Co. v. Teleflex, Inc.*, 127 S. Ct. 1727 (2007).

<sup>45</sup> *Id.* at 1746.

<sup>46</sup> *Id.* at 1741.

<sup>47</sup> *Id.*

<sup>48</sup> *Id.* at 1741–42.

<sup>49</sup> *Id.* at 1742. “If [the pursuit of known options within the inventor’s technical grasp] leads to the anticipated success, it is likely the product not of innovation but of ordinary skill and common sense.” *Id.*

patent requires more than “ordinary” invention.<sup>50</sup> Patents should not be granted, the Court indicated, for advances that would occur in the ordinary course without “real innovation.”<sup>51</sup>

The panel discussion below brings together leading jurists; former clerks of the Supreme Court, the Federal Circuit, and other courts; leading patent litigation lawyers; patent office practitioners; and professors of patent law to examine the numerous facets of the April 30, 2007 Supreme Court ruling in *KSR*. We hope that it proves instructional.

*Edward D. Manzo*

June 21, 2007

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<sup>50</sup> *Id.* at 1746. “[A]s progress beginning from higher levels of achievement is expected in the normal course, the results of ordinary innovation are not the subject of exclusive rights under the patent laws.” *Id.*

<sup>51</sup> *Id.* at 1741. “Granting patent protection to advances that would occur in the ordinary course without real innovation retards progress and may, in the case of patents combining previously known elements, deprive prior inventions of their value or utility.” *Id.*