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Tuning the Obviousness Inquiry After KSR

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TUNING THE OBVIOUSNESS INQUIRY AFTER *KSR*

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ABSTRACT

*One of the most important and delicate judicial tasks in patent law is to keep the obviousness doctrine in reasonable working order. There are several reasons why the obviousness doctrine has been the subject of frequent judicial tinkering. First, patentability doctrines interact with each other, so doctrinal alterations that seem to be entirely external to the obviousness doctrine frequently have ripple effects on obviousness. The interaction between the utility and obviousness doctrines provides one good example. Second, the obviousness doctrine is internally complex. Cases in the chemical and biotechnology areas over the past several decades have amply illustrated this point. This Article examines Chief Judge Rader's contributions to the task of tuning the obviousness doctrine, with particular attention to cases that have arisen after the Supreme Court's pronouncements on obviousness in *KSR v. Teleflex*.*

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INTRODUCTION

The obviousness doctrine is rightly considered one of the most crucial legal innovations in patent jurisprudence.¹ It also may be as difficult a concept to implement as any in patent law, or in law generally. Given its strong sensitivity to context and its holistic orientation, it seems apparent that obviousness will never be captured in a comprehensive legislative code. Obviousness, then, presents judges with an unenviable and ongoing maintenance task.

This Article, which focuses on Chief Judge Rader’s contributions to the obviousness jurisprudence, shows that judicial attention is critical, whether the task is to reconfigure the doctrine’s very foundations or simply to conduct routine maintenance. Part I addresses obviousness in the context of other patentability doctrines (in particular, the utility and disclosure doctrines), and observes that changes to these doctrines frequently have ripple effects for the law of obviousness, drawing on examples both pre- and post-*KSR International Co. v. Teleflex, Inc.*² Parts II and III take up selected aspects of the obviousness doctrine itself, examining the ongoing task of judicial fine-tuning

¹ John F. Duffy, *Inventing Invention: A Case Study in Legal Innovation*, 86 TEX. L. REV. 1 (2007).

² 550 U.S. 398 (2007).

after *KSR* and presenting it as one of patent law's most important judicial labors.

I. BALANCING OBVIOUSNESS AGAINST UTILITY AND DISCLOSURE DOCTRINES

The obviousness doctrine is too often viewed in isolation. To be sure, the obviousness jurisprudence is vast, and the obviousness inquiry in any given case may require immersion in a wealth of technical facts. However, obviousness is merely one component of a constellation of patentability requirements that interact with one another. In particular, tuning of the obviousness doctrine is quite likely to have collateral consequences for the utility and description doctrines—and vice versa. Two important biotechnology patent cases—*In re Fisher*³ and *In re Kubin*⁴—illustrate the point especially well.

A. *Obviousness v. Section 101 Utility: The Fisher Dissent*

Fisher, the expressed sequence tags (“ESTs”) case, is principally about the requirement that the invention claimed in a patent evince “substantial” and “specific” utility.⁵ For the first time, the Federal Circuit squarely and explicitly embraced the *Brenner v. Manson*⁶ utility standard, positioning the utility requirement as a non-trivial obstacle to patentability, at least in some areas of chemical and biotechnological research.⁷ The *Fisher* court also applied a gloss to the *Brenner* standard, attempting, with

³ 421 F.3d 1365 (Fed. Cir. 2005).

⁴ 561 F.3d 1351 (Fed. Cir. 2009).

⁵ From a policy perspective, *Fisher* may be viewed as the culmination of a long-running debate over whether the award of patent rights on ESTs and other research tools would give rise to a potentially catastrophic “anticommons.” However, Judge Michel’s opinion for the panel majority declined to engage directly in an analysis of “public policy considerations which are more appropriately directed to Congress.” *Fisher*, 421 F.3d at 1378.

⁶ 383 U.S. 519 (1966).

⁷ *Fisher*, 421 F.3d at 1370-71.

rather limited success, to define the concepts of substantiality and specificity.⁸

That the Federal Circuit would endorse a robust utility requirement in *Fisher* was by no means a foregone conclusion. The Federal Circuit's pre-*Fisher* utility jurisprudence, exemplified by the court's opinion in *In re Brana*,⁹ seemed to have established a relatively permissive approach to utility. At the time, it appeared that an applicant's credible assertions of utility would establish *prima facie* utility in most cases, shifting to the U.S. Patent and Trademark Office (PTO) the responsibility for mustering rebuttal evidence, a task that the PTO was generally not well-suited to undertake. But the practice of patenting ESTs had drawn significant scholarly criticism, and the PTO's 2001 utility guidelines had sent a strong signal that EST claims would be closely scrutinized for compliance with the utility requirement.¹⁰

Nor did Judge Michel's opinion in *Fisher* garner unanimous support. Judge Rader dissented.¹¹ Much of the dissenting opinion questions the wisdom of using the utility doctrine to filter research tools out of the patent system. In a key passage that has received less attention than it warrants, Judge Rader acknowledged that the PTO's impulse might be sound, but it had chosen the wrong doctrine to effectuate that impulse:

The Office needs some tool to reject inventions that may advance the "useful arts" but not sufficiently to warrant the valuable exclusive right of a patent. The Patent Office has seized upon this utility requirement to reject these research tools as contributing "insubstantially" to the advance of the useful arts. The utility requirement is ill suited to that task, however, because it lacks any standard for assessing the state of the prior art and the contributions of the claimed advance. The proper tool for assessing sufficient contribution to the

⁸ *Id.* at 1371.

⁹ 51 F.3d 1560 (Fed. Cir. 1995).

¹⁰ Utility Examination Guidelines, 66 Fed. Reg. 1092-02 (Jan. 5, 2001).

¹¹ *Fisher*, 421 F.3d at 1379 (Rader, J, dissenting).

useful arts is the obviousness requirement¹²

Why had the PTO not gravitated to the obviousness requirement already? Judge Rader blamed the Federal Circuit.¹³ The Federal Circuit's approach to obviousness for DNA inventions in *In re Deuel*,¹⁴ observed Judge Rader, had created a dilemma for the PTO, reducing the threshold for obviousness to such a degree that it deprived the PTO of the opportunity to use obviousness in its ordinary role as the principal fine-tuning mechanism among patentability doctrines.¹⁵ It was understandable that the PTO had elaborated a more robust form of the utility doctrine as a counterbalance to a toothless obviousness requirement—but, as Judge Rader recognized, this was an inferior solution. The problem, as Judge Rader saw it, was potential obviousness, and the obviousness doctrine should supply the solution. That is,

rather than distort the utility test, the Patent Office should seek ways to apply the correct test, the test used world wide for such assessments (other than in the United States), namely inventive step or obviousness.¹⁶

This insight—that the obviousness and utility doctrines interact—is an important one, having deep historical roots. The earliest U.S. patent statutes did not include an obviousness requirement, nor was any such requirement firmly established in the then-existing case law. But the statute did permit patent rights to be defeated if the invention was not “sufficiently useful and important.”¹⁷ Judges never embraced this criterion as the ultimate test of patentability, and it eventually fell into disuse while the obviousness doctrine flourished. Perhaps judges instinctively understood that an unhinged inquiry into “importance” would be

¹² *Id.* at 1381-82.

¹³ *Id.* at 1382.

¹⁴ 51 F.3d 1552 (Fed. Cir. 1995) (holding that prior art disclosure of the protein plus general knowledge of cloning did not suffice to render obvious a claim to the gene coding for that protein).

¹⁵ *Fisher*, 421 F.3d at 1382 (Rader, J., dissenting).

¹⁶ *Id.*

¹⁷ 1790 Patent Act § 1; 1836 Patent Act § 7.

too subjective as a patentability tool, while an obviousness inquiry—requiring a comparison with discrete, identified prior art evidence—might be more disciplined.¹⁸ Judge Rader’s *Fisher* dissent is a powerful reminder of our longstanding commitment to obviousness as the ultimate condition of patentability.¹⁹

B. Obviousness and the § 112 Written Description

The obviousness doctrine interacts with other patentability conditions beyond utility. A primary example is the written description requirement.²⁰ In *Regents of the University of California v. Eli Lilly & Co.*²¹ and its progeny, the Federal Circuit had invoked the written description requirement aggressively against inventors who claimed chemical entities in terms of function or result without apparent knowledge of the structure that would bring about that function or result.²² Some observers viewed the relatively rigorous written description standard as a counterbalance to the relatively generous obviousness standard as expressed in *Deuel*.

In a major decision, *In re Kubin*,²³ Judge Rader dealt with the obviousness standard directly, as he had been unable to do in *Fisher*. *Kubin* involved “a classic biotechnology invention—the isolation and sequencing of a human gene that encodes a particular domain of a protein.”²⁴ The rejected claims were drawn to isolated polynucleotides having a specified sequence and binding to a specified protein. The specification disclosed sequences for two

¹⁸ See Mark D. Janis, *Daniel Webster’s Patent Cases* (manuscript in progress).

¹⁹ Of interest, the Supreme Court of the United Kingdom acknowledged the *Fisher* approach to the utility requirement, but declined to incorporate that approach into U.K. jurisprudence on the industrial applicability requirement. *Human Genome Sci. Inc. v. Eli Lilly & Co.*, [2011] UKSC 51, [38-41] (concluding that gene sequence claims were supported by a sufficient showing of industrial applicability).

²⁰ 35 U.S.C. § 112 (2006).

²¹ 119 F.3d 1559 (Fed. Cir. 1997).

²² *Id.* at 1567.

²³ *In re Kubin*, 561 F.3d 1351 (Fed. Cir. 2009).

²⁴ *Id.* at 1352.

polynucleotides falling within the scope of the claims. The PTO had rejected the claims as lacking adequate written description support, on the ground that possession of the two disclosed sequences did not establish possession of the claimed genus.²⁵ The PTO had also rejected the claimed subject matter for obviousness.²⁶

Although both rejections were at issue on appeal, Judge Rader neatly evaded the written description issue by analyzing and upholding the obviousness rejection, dispensing with *Deuel* in the process.²⁷ The prior art references at issue taught the protein of interest, and techniques for isolating and sequencing the gene coding for that protein were well-established. Moreover, the protein was thought to have a role in immune response, so a person of ordinary skill in the art would have been motivated to derive the sequence. This made out a case of obviousness, Judge Rader asserted.²⁸

Judge Rader's conclusion directly contravened *Deuel*, in which the Federal Circuit had said that "the existence of a general method of isolating cDNA or DNA molecules is essentially irrelevant to the question whether the specific molecules themselves would have been obvious," in the absence of prior art suggesting the DNAs.²⁹ Discarding *Deuel*, of course, ordinarily would have required a vote of the Federal Circuit *en banc*. However, Judge Rader argued that the Supreme Court's decision in *KSR*³⁰ had "unambiguously discredited" *Deuel*,³¹ for reasons discussed in more detail below.³²

Kubin is rightly recognized as a leading obviousness case, but, by negative implication, it is a leading written description case. It

²⁵ *Id.* at 1353.

²⁶ *Id.* at 1354.

²⁷ *Id.* at 1353.

²⁸ *Id.* at 1354.

²⁹ *Deuel*, 51 F.3d at 1559.

³⁰ *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398 (2007).

³¹ More precisely, Judge Rader asserted that *KSR* had discredited *Deuel* to the extent that *Deuel* had implied that the obviousness inquiry could not take account of evidence that an invention was obvious to try. *Kubin*, 561 F.3d at 1358.

³² See *infra* II.B.

demonstrates that by refining the obviousness inquiry, courts can reduce the need to rely on the written description requirement. Given the well-documented awkwardness of the written description requirement, that is a very good thing.

II. OBVIOUSNESS DOCTRINE AFTER *KSR*

KSR is a watershed case on obviousness doctrine—but how, exactly? The point is perhaps more debatable than the watershed tag might suggest. *KSR* has certainly altered the PTO and practitioner ethos around the obviousness doctrine, reinforcing the proposition that obviousness is indeed the ultimate condition of patentability. *KSR* has also led to some discrete doctrinal changes, as *Kubin* illustrates. But it is not clear that *KSR* has wrought sweeping changes in the letter of obviousness doctrine—nor is it clear that *KSR* ought to be construed in such a way. The Federal Circuit has done a creditable job of moderating some of the immediate post-*KSR* hysteria, and in knitting together pre-*KSR* obviousness principles with *KSR*'s rhetoric. Judge Rader's contributions to this effort have been important.

A. *The Continued Vitality of the (Flexible) TSM Test: Translogic*

In the immediate aftermath of *KSR*, it was difficult to predict what would become of the teaching/suggestion/motivation (TSM) test. The Supreme Court had acknowledged that the TSM test “captured a helpful insight,”³³ but criticized applications of it that were allegedly rigid. It was conceivable that courts would conclude that virtually all efforts to use the TSM test were impermissibly rigid.

Thus, it was important that, a few months after *KSR*, Judge Rader handed down a decision that helped put to rest the rumors of the TSM test's *de facto* demise. In *In re Translogic*,³⁴ Judge Rader characterized *KSR* as having “reiterated the basic principles for an obviousness inquiry”³⁵—a useful moderating signal—and as

³³ *KSR*, 550 U.S. at 418.

³⁴ *In re Translogic Tech., Inc.*, 504 F.3d 1249 (Fed. Cir. 2007).

³⁵ *Id.* at 1259.

having “corrected a rather straightforward error.”³⁶ The error was the court’s failure to recognize that a prior art reference contributes to the public domain what not only it discloses, but also obvious variants of what it discloses, compounded by the further error of failing to observe that those obvious variants might extend beyond the specific problem that the prior art reference apparently addresses. The error was not, therefore, the use of the TSM test, which remained viable, at least in its more flexible incarnation:

[A]s the Supreme Court suggests, a flexible approach to the TSM test prevents hindsight and focuses on evidence before the time of invention without unduly constraining the breadth of knowledge available to one of ordinary skill in the art during the obviousness analysis.³⁷

These comments, and others like them, lend an important moderating tone to the post-*KSR* obviousness jurisprudence. Some obviousness arguments surely are the product of hindsight, and concerns about hindsight should remain part of the obviousness calculus, even if they should not become all-purpose excuses for undermining obviousness as a policy tool. In keeping with the theme of maintaining balance in obviousness law, it did not hurt that Judge Rader’s pronouncements in *Translogic* were made in the course of a decision to *uphold* the Board’s obviousness determination.³⁸

Translogic and other post-*KSR* decisions appear to have put the Federal Circuit firmly back into the practice of invoking the TSM test, albeit flexibly. Indeed, Judge Rader reiterated his defense of the flexible motivation test a year later, in *Ortho-McNeil Pharmaceuticals, Inc. v. Mylan Laboratories, Inc.*:

The TSM test, flexibly applied, merely assures that the obviousness test proceeds on the basis of

³⁶ *Id.*

³⁷ *Id.* at 1260 (citation omitted). One might expect that Judge Rader would cite *KSR* in support of this proposition about what the Supreme Court was supposed to have suggested in *KSR*. Instead, perhaps tellingly, Judge Rader cited a pre-*KSR* Federal Circuit case, *In re Rouffet*, 149 F.3d 1350 (Fed. Cir. 1998).

³⁸ *Translogic*, 504 F.3d at 1262.

evidence—teachings, suggestions (a tellingly broad term), or motivations (an equally broad term)—that arise before the time of invention as the statute requires.³⁹

Finally, in *Eisai Co. Ltd. v. Dr. Reddy's Laboratories, Ltd.*,⁴⁰ Judge Rader demonstrated that the command in *KSR* for flexibility would not preclude the Federal Circuit from applying particularized rules to assess motivation in select cases. In chemical compound cases, Judge Rader ruled that “post-*KSR*, a prima facie case of obviousness for a chemical compound still, in general, begins with the reasoned identification of a lead compound,”⁴¹ where “lead compound” in this context had been defined in prior cases as “a compound in the prior art that would be most promising to modify in order to improve upon” the properties relevant in the case.⁴² The lead compound rule was consistent with *KSR*'s “assumptions about the prior art landscape”:

First, *KSR* assumes a starting reference point or points in the art, prior to the time of invention, from which a skilled artisan might identify a problem and pursue potential solutions. Second, *KSR* presupposes that the record up to the time of invention would give some reasons, available within the knowledge of one of skill in the art, to make particular modifications to achieve the claimed compound. Third, the Supreme Court's analysis in *KSR* presumes that the record before the time of invention would supply some reasons for

³⁹ *Ortho-McNeil Pharm., Inc. v. Mylan Labs., Inc.*, 520 F.3d 1358, 1365 (Fed. Cir. 2008). While Judge Rader attributed these insights to the Supreme Court, he cited his own remarks in *Translogic* as support.

⁴⁰ 533 F.3d 1353 (Fed. Cir. 2008).

⁴¹ *Id.* at 1359.

⁴² *Takeda Chem. Indus., Ltd. v. Alphapharm Pty., Ltd.*, 492 F.3d 1350, 1357 (Fed. Cir. 2007). *Takeda* was a Judge Lourie opinion, but Judge Rader had invoked the “lead compound” concept in earlier cases. See *Eli Lilly & Co. v. Zenith Goldline Pharms., Inc.*, 471 F.3d 1369, 1377 (Fed. Cir. 2006) (affirming a ruling of no obviousness); *Yamanouchi Pharm. Co. v. Danbury Pharmacal, Inc.*, 231 F.3d 1339, 1344-45 (Fed. Cir. 2000) (same).

narrowing the prior art universe to a “finite number of identified, predictable solutions.”⁴³

The lead compound rule restates basic concepts to tailor them for use in chemical obviousness, and finds some support in *KSR*, as Judge Rader’s *Eisai* opinion illustrates. By the same token, it also treads close to the forbidden territory of “rigid” motivation rules,⁴⁴ and this concern would be heightened if the rule becomes the foundation for a formalized hierarchy of corollaries, or if the rule is invoked reflexively and woodenly to negate obviousness proofs irrespective of the factual context. On balance, the lead compound rule is constructive, and has continued to play a prominent role in post-*KSR* chemical obviousness cases.⁴⁵

⁴³ *Eisai*, 533 F.3d at 1359 (citations omitted).

⁴⁴ Judge Lourie has defended the lead compound analysis against arguments that it contravenes *KSR*. *Otsuka Pharm. Co., Ltd. v. Sandoz, Inc.*, Nos. 2011-1126, 2011-1127, 2012 WL 1571414 at *7 (Fed. Cir. May 7, 2012) (approving of the district court’s analysis); *Daiichi Sankyo Co. v. Matrix Labs., Ltd.*, 619 F.3d 1346, 1354 (Fed. Cir. 2010) (“While the lead compound analysis must, in keeping with *KSR*, not rigidly focus on the selection of a single, best lead compound, the analysis still requires the challenger to demonstrate by clear and convincing evidence that one of ordinary skill in the art would have had a reason to select a proposed lead compound or compounds over other compounds in the prior art.”) (citation omitted). Judge Lourie elaborated that “proving a reason to select a compound as a lead compound depends on more than just structural similarity, but also knowledge in the art of the functional properties and limitations of the prior art compounds.” *Id.*

⁴⁵ *Altana Pharma AG v. Teva Pharms. USA, Inc.*, 566 F.3d 999, 1007 (Fed. Cir. 2009) (Ward, J., sitting by designation); *Procter & Gamble Co. v. Teva Pharms. USA, Inc.*, 566 F.3d 989, 994 (Fed. Cir. 2009) (Huff, J., sitting by designation) (“An obviousness argument based on structural similarity between claimed and prior art compounds ‘clearly depends on a preliminary finding that one of ordinary skill in the art would have selected [the prior art compound] as a lead compound.’”) (quoting *Takeda*, 492 F.3d at 1359) (citation omitted). *But see* *Unigene Labs., Inc. v. Apotex, Inc.*, 655 F.3d 1352, 1361-62 (Fed. Cir. 2011) (“[T]he term ‘reference composition’ is more appropriate than ‘lead compound’ when considering obviousness for a chemical composition that the infringer deliberately imitates,” as in a case in which the patented formulation was intended to mimic a formulation previously approved by the FDA).

B. The Proper Role of the “Obvious to Try” Inquiry

For some years prior to *KSR*, courts analyzing obviousness in chemical composition cases invoked the “obvious to try” rhetoric. In the pre-*KSR* cases, “obvious to try” signified an error—namely, the error of finding obviousness where the evidence merely established that it would have been obvious to try a combination of alternatives. In *KSR*, the Court inverted the concept, invoking it as if it were a synonym for obviousness. This left the Federal Circuit with an important (albeit aggravating) question: was the new obvious-to-try label an unwitting slip of the pen, or had the Court intended to signal a significant change in the analysis of obviousness of composition inventions (especially selection inventions) in the chemical and biotechnology areas?

Judge Rader carved out a position soon after *KSR*. Dissenting from the denial of rehearing en banc in *Pfizer*, he insisted that “‘obvious to try’ jurisprudence has a very limited application in cases [involving ‘unpredictable pharmaceutical inventions’].”⁴⁶ In a similar vein, in *Ortho-McNeil*, Judge Rader asserted that “*KSR* posits a situation with a finite, and in the context of the art, small or easily traversed, number of options that would convince an ordinarily skilled artisan of obviousness.”⁴⁷ He proceeded to remark that the obviousness analysis was in error when it “retraced the path of the inventor with hindsight, discounted the number and complexity of the alternatives, and concluded that the invention of [the compound at issue] was obvious.”⁴⁸ This was a reiteration of the traditional understanding of the obvious-to-try concept, although Judge Rader did not explicitly invoke it.

Kubin, introduced above, is undoubtedly the most important contribution to the refinement of the post-*KSR* obvious-to-try

⁴⁶ *Pfizer, Inc. v. Apotex, Inc.* 488 F.3d 1377, 1384 (Fed. Cir. 2007) (Rader, J., dissenting from denial of rehearing en banc). Judge Rader considered it wiser to employ a “reasonable expectation of success” analysis. *Id.*; see also *Amgen Inc. v. F. Hoffman-La Roche Ltd.*, 580 F.3d 1340, 1362 (Fed. Cir. 2009) (Schall, J.) (“An obviousness determination requires that a skilled artisan would have perceived a reasonable expectation of success in making the invention in light of the prior art.”).

⁴⁷ *Ortho-McNeil Pharm.*, 520 F.3d at 1364.

⁴⁸ *Id.*

jurisprudence. Invoking the Federal Circuit's *In re O'Farrell* case,⁴⁹ Judge Rader provided an important reminder of the pre-KSR understanding of the obvious-to-try label: the real task at issue is to determine when an invention that might seem obvious to try is *erroneously* deemed to have been obvious. As Judge Rader noted, the Federal Circuit had identified two types of such errors long before KSR. In the first type:

what would have been “obvious to try” would have been to vary all parameters or try each of numerous possible choices until one possibly arrived at a successful result, where the prior art gave either no indication of which parameters were critical or no direction as to which of many possible choices is likely to be successful. In such circumstances, where a defendant merely throws metaphorical darts at a board filled with combinatorial prior art possibilities, courts should not succumb to hindsight claims of obviousness.⁵⁰

Quite delicately, Judge Rader connected this proposition to the language of KSR: “The inverse of this proposition is succinctly encapsulated by the Supreme Court’s statement in KSR that where a skilled artisan merely pursues ‘known options’ from a ‘finite number of identified, predictable solutions,’ obviousness under §103 arises.”⁵¹ This is perhaps better than stating that the Supreme Court simply had its rhetoric backwards. As for the second type,

what was “obvious to try” was to explore a new technology or general approach that seemed to be a promising field of experimentation, where the prior art gave only general guidance as to the particular form of the claimed invention or how to achieve it. Again, KSR affirmed the logical inverse of this statement by stating that § 103 bars patentability unless “the improvement is more than the

⁴⁹ 853 F.2d 894 (Fed. Cir. 1988).

⁵⁰ *Kubin*, 561 F.3d at 1359 (citation omitted).

⁵¹ *Id.*

predictable use of prior art elements according to their established functions.”⁵²

Judge Rader’s *Kubin* opinion provides a framework for connecting the pre- and post-*KSR* obvious-to-try jurisprudence. It confirms that obvious-to-try arguments have a place in obviousness analysis, but confines them appropriately.

III. THE APPELLATE ROLE IN OBVIOUSNESS DETERMINATIONS

KSR’s most profound long-term effect may be on process. *KSR* provided an important reminder that the Federal Circuit should not superintend obviousness casually, or through rote application of mechanical rules. But *KSR* also signaled that notwithstanding the case-specific, factually rich nature of obviousness analysis, obviousness was still amenable to summary judgment.⁵³ It falls primarily on the Federal Circuit, exercising its *de novo* review authority, to sort through complex disputes to determine when summary judgments striking down claims for obviousness should be upheld. The *Media Technologies Licensing, LLC v. Upper Deck Co.*⁵⁴ case demonstrates how difficult this exercise is likely to be.

Media Technologies will probably never make anyone’s list of classic patent law cases, but its lessons are in fact illustrative of the

⁵² *Id.* at 1359-60 (quoting *KSR*, 550 U.S. at 417).

⁵³ The Court asserted that:

[t]o the extent the [Federal Circuit] understood the *Graham* approach to exclude the possibility of summary judgment when an expert provides a conclusory affidavit addressing the question of obviousness, it misunderstood the role expert testimony plays in the analysis. In considering summary judgment on that question the district court can and should take into account expert testimony, which may resolve or keep open certain questions of fact. That is not the end of the issue, however. The ultimate judgment of obviousness is a legal determination. Where, as here, the content of the prior art, the scope of the patent claim, and the level of ordinary skill in the art are not in material dispute, and the obviousness of the claim is apparent in light of these factors, summary judgment is appropriate.

KSR, 550 U.S. at 426-27 (citation omitted).

⁵⁴ 596 F.3d 1334 (Fed. Cir. 2010).

difficulties that have arisen in scores of obviousness cases ranging across many decades. *Media Technologies* involved a patent that claimed a memorabilia card—a card depicting a famous personality, accompanied by a piece of a memorabilia item associated with that personality.⁵⁵ The district court had invalidated the claims on summary judgment based on obviousness.

In a 2-1 decision, the Federal Circuit affirmed. The majority opinion cast the obviousness case in straightforward terms: trading cards were known, sometimes including attached items (although not memorabilia, and not on sports cards); memorabilia was known; and the combination was *prima facie* obvious. The panel majority was unmoved by the patentee's secondary considerations evidence. The patentee's product had been commercially successful, but the patentee had not established any nexus between the commercial success and the merits of the claimed invention. Even if a nexus were presumed, the commercial success showing was insufficient to overcome the "strong showing of obviousness."⁵⁶ Moreover, the physical limitations of the trading cards suggested that this was an endeavor in which the available range of solutions was finite, making it easier to justify obviousness on an obvious-to-try rationale.

Dissenting, Judge Rader painted a starkly different picture of the evidence. In Judge Rader's rendering, the *prima facie* case of obviousness was dubious. The defendant's argument was based on four prior art references that a person of ordinary skill in the art might not even consider, much less combine, according to Judge Rader.⁵⁷ It was merely the defendant's expert declaration that knit the references together, and that declaration was conclusory, in Judge Rader's view. Moreover, per Judge Rader, the majority had elevated the defendant's expert affidavits while ignoring the plaintiff's.

⁵⁵ Some claims required that the card be a sports card, and other claims were directed to the fragment of memorabilia.

⁵⁶ *Id.* at 1339.

⁵⁷ *Id.* at 1342 (Rader, J., dissenting). Perhaps this hints at an argument that the references are not even analogous art, although Judge Rader did not explicitly advance that theory.

Indeed, the story of the invention, as Judge Rader told it, was rather remarkable: when the inventor first presented the idea of cutting up memorabilia and attaching it to trading cards, the trading card companies apparently expressed horror at the prospect of destroying memorabilia, then quickly came around once the inventor's product proved to be a commercial success. As Judge Rader read the record, the accolades for the invention were substantial—"the newly-released cards became a staple of the industry"⁵⁸—and the idea embodied in the patent was the "focal point"⁵⁹ of promotional campaigns for the product, which would presumably be relevant to the nexus requirement. In addition, to Judge Rader, the *prima facie* case based on the prior art references was not so straightforward. None of the prior art references were "remotely related to the sport trading card industry," according to Judge Rader.⁶⁰ The references depicted entertainers or (in one case) religious figures, and the items attached to the cards were not represented to be authentic memorabilia items.

Judge Rader's dissent demonstrates two points of significance beyond the immediate concerns of the case. First, it provides a good reminder that obviousness analysis frequently does call for nuanced assessments of the facts. Notwithstanding the *KSR* Court's invitation to lower courts to grant summary judgment on obviousness, summary judgment is likely to be an appropriate vehicle in only a modest number of cases. To the extent that exuberant interpretations of *KSR* in the lower courts produce numerous summary judgment grants on obviousness, the Federal Circuit should exercise a moderating influence, preserving the role of the fact-finder.

Second, Judge Rader's dissent appropriately invokes classic themes of the dangers of hindsight bias and subjectivity in obviousness analysis, dangers that are especially salient when the subject matter at issue is regarded as "non-technical."⁶¹ The majority had gone astray because it viewed the invention as humble and concluded *a priori* that the invention should therefore

⁵⁸ *Id.* at 1341 (Rader, J., dissenting).

⁵⁹ *Id.*

⁶⁰ *Id.*

⁶¹ *Media Techs.*, 596 F.3d at 1340 (Rader, J., dissenting).

be deemed obvious. Judge Rader stated:

Lurking just beneath the surface of this court's blindness to the underlying facts supporting non-obviousness is a bias against non-technical arts. No doubt, the invention of the transistor or of the polio vaccine came from more scientific fields and contributed more to the welfare of humanity. This court, however, cannot overlook that many individuals invest vast energies, efforts, and earnings to advance these nontechnical fields of human endeavor. Those investments deserve the same protection as any other advances. The incentives for improvement and the protection of invention apply as well to the creator of a new hair-extension design as to a researcher pursuing a cure for cancer. In either case, the PTO and this court are charged with assessing the invention disclosure to determine its worthiness to receive a valuable, but temporally limited, exclusive right. Because this court dismisses this case so readily, I respectfully dissent.⁶²

This is classic obviousness language, worthy of Judge Giles Rich, whose opinions on obviousness—and not a few other matters—surely set the gold standard.

The *KSR* opinion closes with an eloquent disquisition on the connection between a robust obviousness standard and the ultimate instrumental goals of the patent system.⁶³ So, too, Judge Rader's

⁶² *Id.* at 1342 (Rader, J., dissenting). *But cf.* *Rothman v. Target*, 556 F.3d 1310 (Fed. Cir. 2009) (upholding jury verdict of obviousness). In *Rothman*, Judge Rader steered clear of relying on the simplicity of the technology, but he did characterize the invention as one that “falls into a very predictable field,” and observed that “[i]n the predictable arts, a trial record may more readily show a motivation to combine known elements to yield a predictable result, thus rendering a claimed invention obvious.” *Id.* at 1319 (citing *KSR*, 550 U.S. 398 (2007)).

⁶³ As the Court put it:

We build and create by bringing to the tangible and palpable reality around us new works based on instinct, simple logic,

Media Technologies dissent closes with a potent reminder that there is a fine line between applying obviousness robustly and transmuting it into a subjective judicial veto of patent rights.⁶⁴ The two passages together neatly encapsulate the push and pull of over a century and a half of obviousness jurisprudence. As that jurisprudence moves beyond *KSR*, it will continue to fall chiefly to Judge Rader and his colleagues to ensure that the obviousness doctrine remains muscular without becoming tyrannical.

ordinary inferences, extraordinary ideas, and sometimes even genius. These advances, once part of our shared knowledge, define a new threshold from which innovation starts once more. And as 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. Were it otherwise patents might stifle, rather than promote, the progress of useful arts. These premises led to the bar on patents claiming obvious subject matter established in [*Hotchkiss v. Greenwood*, 52 U.S. 248 (1851)] and codified in § 103. Application of the bar must not be confined within a test or formulation too constrained to serve its purpose.

KSR, 550 U.S. at 427 (citation omitted).

⁶⁴ This is so whether or not one agrees with Judge Rader's views on the disposition of the obviousness issue in the case.