

An Obviousness Reminder From The Fed. Circ.

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Law360, New York (May 19, 2017, 1:00 PM EDT) --

Not every great discovery can become a patent. Many useful innovations, like DNA sequences, simply cannot be patented, because they are natural phenomena. Yet others may be rejected because they are anticipated by previous inventions or for other reasons recognized by law. On the other hand, countless famously terrible ideas, like the sheep treadmill and jet-powered surfboard, actually were patented.

To be patentable an invention must satisfy several requirements. One of the most significant is that the invention cannot be obvious in light of existing inventions. This requirement is so important that even an issued patent can be found invalid (hence unenforceable) if the invention is deemed obvious.



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As a result of this legal hurdle, many people accused of patent infringement contend that the asserted invention was obvious. Anyone making this argument must, first, show that all elements of the patented invention were present in existing inventions, and second, point to a motivation to combine those elements.

The second part of the obviousness test requires that the challenger show that someone skilled in the art would have been motivated to combine the prior-art references to produce the claimed invention with a reasonable expectation of success. In other words, the accused infringer must explain that this hypothetical skilled person would have recognized elements of the asserted invention in prior references and been motivated to combine them to create the same invention. As the U.S. Supreme Court has noted, “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.”

Although this test is at least a decade old, its second part (why someone would have been motivated to make the combination) is often overlooked. As an example of an insufficient obviousness defense, if I was arguing that the jet-powered surfboard was obvious, I might point out that surfboards already existed, and jet-powered engines already existed, therefore a jet-powered surfboard is an obvious combination. Notice how I left out any explanation of why those existing parts would have been combined? Skipping that last step is not allowed.

On occasion, even judges forget the “why” portion of the test and need to be reminded that a full explanation of the motivation to combine is required. That is exactly what happened in *Personal Web Technologies LLC v. Apple Inc.* In 2012, Personal Web filed suit against Apple in the Eastern District of

Texas alleging that Apple infringed one of its data processing patents. As part of its defense strategy Apple petitioned the Patent Trial and Appeal Board to institute an inter partes review of Personal Web's patent, arguing that it was obvious. The administrative judges on the PTAB agreed with Apple and found the patent was just a combination of two earlier inventions.

Personal Web took the matter to the Federal Circuit (the court that hears all appeals from patent lawsuits), arguing that the PTAB judges failed to apply the correct test. The court agreed, holding that the PTAB (1) did not show that each element of Personal Web's patent claims were taught by prior-art references, and (2) did not explain the motivation to combine the two earlier inventions. The court instructed the PTAB to apply the test again, this time correctly. Unless the PTAB, upon reapplying the test, insists that the two prior inventions would have been obvious to combine, Personal Web's patent will be alive again!

Although the Federal Circuit disagreed with the PTAB's decision on both of the grounds identified above, most of the opinion dealt with the board's failure to sufficiently explain a motivation to combine. It explained that "[t]he Board, as an administrative agency, must articulate logical and rational reasons for its decisions." Otherwise, judicial review becomes unacceptably difficult.

Apple had based its obviousness argument on two patents, one of which concerns a system for using content-based identifiers in performing file-management functions, and a second patent, which pertains to an authentication system for controlling access to digital works in a repository based on unique identifiers of the works. In comparison, Personal Web's patent has to do with techniques for locating files and controlling access by giving the files substantially unique names dependent on their content.

The PTAB was satisfied that a skilled artisan would understand that the separate teachings of these two patents could be combined. While the Federal Circuit did not deny the possibility that Personal Web's invention was obvious, it insisted that the PTAB (1) show that the prior-art references disclosed all elements of the challenged claims, and (2) provide detailed support for a motivation to combine those references.

The Federal Circuit did not make any new law; it just reaffirmed what the correct law is. The court cited the Supreme Court's familiar pronouncement that the obviousness test must be flexible because to some degree all inventions use the building blocks of others as a foundation. The amount of evidence that the PTAB must muster to support a motivation-to-combine might differ, said the Federal Circuit, depending on the complexity of the technology or of the cited references, but nevertheless must always be explicitly discussed to facilitate judicial review. Seemingly instructive at first glance, this guidance provides little by way of practical assistance to an attorney trying to champion or oppose an obviousness argument.

Fortunately, the court does subtly hint at how one might convincingly argue that an invention is obvious: Distinguish between what could have been combined and what would have been combined, stating it is not enough "that a skilled artisan, once presented with the two prior art references, would have understood that they could have been combined." When taken together with its earlier statements relating to the sufficiency of motivation evidence it's clear that the court's primary concern was with the Board's lack of explanation. Thus, a challenger would be well advised to clearly articulate what would have led a reasonably skilled person to make the combination so that the PTAB can incorporate the reasoning into its opinion.

While not as attention-grabbing as deciding a new legal issue, the case is an important reminder that all

courts must uniformly apply the correct standard for establishing obviousness. Without occasional reminders like this, the next jet-powered surfboard might never receive patent protection, and what kind of world would that be?

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