CLIENT ALERT

Re: *KSR International Co. v. Teleflex, Inc.*

Nov.30.2006

KSR is a patent case which, as the United States' brief points out, raises issues which "may directly affect competition and innovation in the marketplace." It poses the question of whether the combination of two existing, known elements can be "obvious" and thus not patentable without proof of some "teaching, suggestion, or motivation" to modify or combine. Car makers began offering adjustable gas pedals in the 1970s. In the 1990s they began producing cars with electronic throttle controls. Teleflex then obtained a patent on a combination of these two elements – an adjustable gas pedal with an electronic pedal position sensor.

Teleflex sued KSR for patent infringement. KSR defended by moving for summary judgment on the ground that the patent was invalid because the combination would have been obvious to a person of ordinary skill in the art. The District Court granted summary judgment to KSR on grounds of obviousness. The Federal Circuit reversed, holding that the lower court did not apply the correct "teaching-suggestion-motivation" test and that genuine issues of fact barred summary judgment on grounds of obviousness.

On November 28, 2006, the U.S. Supreme Court heard oral argument in the case. The United States, speaking on behalf of the PTO, the FTC and the Antitrust Division of the DOJ, argued in favor of KSR that the Federal Circuit's teaching-suggestion-motivation test "asks the wrong question and in cases like this one, it produces the wrong answer. It should be rejected and the judgment of the Court of Appeals should be reversed." Tr. 18.

In addition to the extremely strong support of the United States, the questions asked during oral argument suggest that reversal is likely. Several of the Justices pointed out repeatedly that they did not understand the meaning of the Federal Circuit's test. Tr. 10 (Breyer: "what do they mean?"); Scalia: "I don't understand what the motivation . . . element is."); 30 (Breyer: "Where does that get you?").

As the argument proceeded, the Justices' criticism of the test grew even more aggressive. Justice Scalia announced that: "I would say its test is meaningless." Tr. 36. Justice Alito said: "[if] it can be implicit, it can be based on common sense, I don't understand the difference between that and simply asking whether it's obvious." Tr. 39-40.

Several Justices also expressed doubt that the invention was not obvious. Tr. 46 (Kennedy: "Certainly this inventor would not be the only one to think that the two [elements] could and should be combined."); 35 (Breyer: "when I saw this and began to think it looks pretty obvious."); 50 (Scalia: "their basic point, is anybody would have thought to stick it on."). Justice Breyer analogized the claimed invention to his idea – which he apparently thought was obvious – to solve the problem of raccoons eating his garage sensor on the lower hinge by moving the sensor up to the upper hinge. Tr. 34-5.

Chief Justice Roberts, referring to the "teaching-suggestion-motivation" test noted that: "It adds a layer of Federal Circuit jargon that lawyers can then bandy back and forth . . . [but] it seems to me that it's worse than meaningless because it complicates the inquiry rather than focusing on the statute." Tr. 40.

Justice Scalia added that: “I agree with the Chief Justice. It is meaningless to say that the whole world is embraced within these three nouns, teaching, suggestion, or motivation, and then you define teaching, suggestion, or motivation to mean anything that renders it nonobvious. This is gobbledygook. It really is, it’s irrational.” Tr. 41. “It produces more patents, which is what the patent bar gets paid for, to acquire patents, not to get patent applications denied but to get them granted. And the more you narrow the obviousness standard to these three imponderable nouns, the more likely it is that the patent will be granted.” Tr. 42.

Justice Breyer concluded by pointing out that the Court had been looking at a number of patent cases and hearing from a number of parties “who are saying basically that they’ve [the Federal Circuit] leaned too far in the direction of never seeing a patent they didn’t like and that this has unfortunate implications for the economy. So if you’re going to these very basic deep issues, is there a reason for me to think, which I do now think, that there is huge argument going on in those who are interested in patent[s] as to whether there is too much protectionism and not enough attention paid to competition . . . but I tend to think maybe it isn’t well settled and maybe it is a proper thing for us to be involved in.” Tr. 42-3.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

Wm. Randolph Smith
Partner – Washington, D.C.
Phone: +1 202.624.2700
Email: wrsmith@crowell.com