COURT DECISIONS ON THE CONCEPT OF “INVENTIVE STEP”

*Graham vs. John Deere Co*., 383 U.S. 1, 86 S. Ct. 684 (1966)

It concerned a set of consolidated [appeals](https://en.wikipedia.org/wiki/Appeal) of two cases, originating in the same court and dealing with similar issues. The patents in question held to be invalid due to absence of operative mechanical distinctions in the first case and in the second cases because the invention was based on small, non-technical differences in a device that was otherwise old in the art.

The [United States Supreme Court](https://en.wikipedia.org/wiki/Supreme_Court_of_the_United_States) clarified that the [non-obviousness requiremen](https://en.wikipedia.org/wiki/Non-obviousness_in_United_States_patent_law)t is a question of law but it required a determination of the following [questions of fact](https://en.wikipedia.org/wiki/Questions_of_fact) to resolve the issue of obviousness:

1. scope and content of the prior art,
2. the differences between the prior art and the claims at issue, and
3. the level of ordinary skill in the applicable art to determine the non-obviousness of a claimed invention as to prior art.

The Court also mentioned "secondary considerations", which could serve as evidence of non-obviousness - known as "Graham's factors": 1.Commercial success, 2. Long felt but unsolved needs, 3. Failure of others, 4. Unexpected results.

The Court stated that these factors "guard against slipping into use of hindsight" when making a determination of obviousness; so, they may be utilized to give light to the conditions surrounding the origin of the subject matter to be patented.

The "non-obviousness criteria", laid out in Graham, were complimented in 2007 by "obviousness criteria" in another US Supreme Court case

(see [*KSR v. Teleflex*](https://en.wikipedia.org/wiki/KSR_v._Teleflex)).

Iron Grip Barbell v. USA Sports (Fed. Cir. 2004)

Iron Grip owned U.S. Patent. No. 6,436,015, which disclosed a weight plate with three elongated openings near the periphery of the plate that function effectively as handles.

USA Sports also made a three-grip plate.

The court affirmed the district court’s determination that certain claims in Iron Grip’s patent for barbell plates with three built-in handles were obvious. However, the court corrected the district court’s “overall picture” and “common sense” approach as inappropriately subject to hindsight. Various prior art showed plates with one, two and four handles. The three-grip plate fell within a range disclosed by the prior art, which raised a presumption of obviousness that was not overcome.

*DAIICHI SANKYO CO., LTD. and Daiichi Sankyo, Inc.* *vs. APOTEX, INC. and Apotex Corp.*, No. 2006-1564 (decided on 12-09-2007)

Daiichi Sankyo Co. was the owner of the '741 patent, relating to a method for treating bacterial ear infections by topically administering the antibiotic ofloxacin into the ear.

Apotex filed an Abbreviated New Drug Application (“ANDA”) seeking approval to manufacture a generic ofloxacin ear drop. Following receipt of the ANDA, Daiichi sued Apotex for infringement.

The Appeal Court had to determine the level of skill in the art, meaning which person has the ordinary skill. It concluded that the level of ordinary skill in the art of the ’741 patent is that of a person engaged in developing pharmaceutical formulations and treatment methods for the ear or a specialist in ear treatments such as an otologist, otolaryngologist, or otorhinolaryngologist, who also has training in pharmaceutical formulations; thus, a general medical practitioner would not suffice and the district court had erred in finding otherwise.

Concluding, due to the fact that the ’741 patent would have been obvious to one having ordinary skill in the art at the time of the invention, the judgment of the district court was reversed.

*KSR Int'l Co. v. Teleflex Inc.* - 550 U.S. 398, 127 S. Ct. 1727 (2007)

 Teleflex sued KSR International, claiming that KSR had infringed on its patent for an adjustable gas-pedal system. KSR counterargued that the patent was obvious and hence unenforceable. District Court accepted KSR’s argument that the invention was obvious because many of its elements already existed in previous patents and a person with the ordinary skill could combine them. Teleflex successfully appealed; the Circuit Court decided that the lower court should have applied the *specific* “teaching, suggestion or motivation” test that could have led a person with ordinary skill to combine two elements that already existed. KSR successfully appealed to the Supreme Court on the basis that such approach would lead to conflicting decisions and allow obvious inventions to be patented.

It was held that the “teaching, suggestion or motivation” test for determining obviousness was not a mandatory one. Teleflex's gas pedal patent was inspired by previous inventions aimed at different problems. Even though no one had combined the pre-existing adjustable gas pedal and electronic sensor technology in the precise way Teleflex's patent did, the Court held that the existence of the technology would have caused any person of ordinary skill to see the obvious benefit of combining the two. So, Teleflex's patent was obvious and therefore invalid.

 It is important to note that the opinion acknowledged that a patent is not necessarily obvious because it combines two previously-existing elements; it could be of assistance to examine why a knowledgeable person would be motivated to combine those components.

*Stratoflex, Inc. v. Aeroquip Corp.*

Aeroquip and Stratoflex were competitors in the business for polytetraflouroethylene (PTFE) tubing. In practice, problem with leaking became more obvious due to the emergence of gaps between filler particles and the PTFE material. Aiming to resolve it, Aeroquip developed a composite tube and obtained a patent for it (the ‘087 patent). Stratoflex also manufactured its own version of composite tubing. Aeroquip sued Stratoflex because it considered the use of the composite tubing amounted to patent infringement. The district court held that several claims of the ‘087 patent were obvious in light of prior art and that Stratoflex had not infringed upon the only non-obvious claim of the ‘087 patent. Aeroflex appealed the findings of invalidity and non-infringement.

The Court had to examine the question of whether *all t*he evidence establishes that the validity challenger carried their burden as to have persuaded the decision-maker that the patent cannot be longer considered valid.

It also had to examine whether the invention set forth in the challenged claims each as a whole would have been obvious to one of ordinary skill in the art, when they were made. Consideration of differences from prior art is a tool in attempting to reach the determination of whether the claimed invention as a whole would have been obvious. The differences under discussion do not approach towards non-obviousness.

Further, evidence of “secondary considerations” should be taken into consideration in determining (non-/) obviousness issue and a nexus is required between the claimed invention and the evidence offered.

It held that the challenged claims of the patent were indeed invalid in terms of obviousness.