

THE *KSR* RULING – TSM AND THE OBVIOUSNESS STANDARD REVIEWED

In a recent opinion, *KSR Int'l. Co., v. Teleflex Inc. et al.*,¹ (“*KSR*”), the Supreme Court unanimously rejected the Federal Circuit’s rigid use of its “teaching, suggestion, or motivation” (TSM) test in determining obviousness. In the opinion, the Court reaffirmed a flexible and expansive approach to the factors recognized in *Graham*.² The Court went on to state that while the TSM test is not to be used as a rigid rule, the test is still a useful tool for helping to determine obviousness under the *Graham* framework.

The decision arose out of a patent infringement action regarding US patent No. 6,237,565 (“the ‘565 patent”) for an “Adjustable Pedal Assembly with Electronic Throttle Control.” The major issue raised in the case was whether the Federal Circuit’s application of the TSM test fit within the broad framework established by *Graham*. In affirming the District Court’s decision, and rejecting the subsequent Federal Circuit decision that claim 4 was obvious over the prior art, the Court established the proper role of the TSM test within the *Graham* framework.

In rejecting the Federal Circuit’s application of the TSM test, the Court noted its concern of confining the obviousness analysis to a “formalistic conception of the words teaching, suggestion and motivation” and overemphasizing “the importance of published articles and the explicit content of issued patents”.³ The Court stated that the prior art need not solve the particular problem the patent is attempting to solve. In fact, any problem known in the field at time of invention can provide a reason for combining elements in the manner claimed. The Court further reiterated that a patent claim can be found obvious by a showing that a combination of elements is obvious to try.⁴ Lastly, the Court found that the Federal Circuit’s concern of patent examiners and courts falling prey to hindsight bias does not outweigh the importance of granting patents only to inventions with real innovation.

From the *KSR* decision, it seems clear that the Court has lowered the threshold for finding obviousness for inventions. At this point, however, it is difficult to ascertain the extent to which *KSR* will alter the practice of U.S. patent examiners under the guidelines set forth. On May 3, 2007, the Deputy Commissioner of the U.S.P.T.O. issued a memorandum noting that *KSR* affirmed the *Graham* framework but did not completely reject the TSM test, and that when formulating a rejection under §103 based upon a combination of prior art elements, *KSR* still requires the patent examiner to explicitly state the reason as to why a person of ordinary skill would combine the prior art elements in the manner claimed. Another potential effect of the *KSR* decision may be its impact on the validity of already granted patents. However, the full extent of *KSR* will likely not be realized for some time.

We hope that this summary has been helpful. If you would like further comments and/or analysis on these issues please contact us at mail@hsml.com or at 612.455.3800.

¹ *KSR Int'l. Co. v. Teleflex Inc., et al.*, 550 U.S. ___ (2007).

² *Graham v. John Deere Co. of Kansas City*, 383 U.S. 1, 17-18 (1966) (finding the relevant factors include: determining the scope and content of the prior art; ascertaining the differences between the prior art and the claims at issue; resolving the level of ordinary skill in the pertinent art; and using secondary considerations such as commercial success, long felt but unsolved needs, failure of others, etc., when available).

³ *KSR Int'l. Co.*, 550 U.S. ___ .

⁴ *Id.*, (stating that “when there is a design need or market pressure to solve a problem and there are a finite number of identified, predictable solutions, a person of ordinary skill has good reason to pursue the known options within his or her technical grasp.”).