KSR Examiner Training Guidelines, Summary Released

Attached please find what are purported to be a *Summary* of the PTO's *Guidelines* for implementation of *KSR* which were apparently distributed for training purposes this past week.

Since the *Summary* is lengthy (five pages), it is imagined that the full *Guidelines* are quite extensive.

Previous postings to The List are attached explaining the training program for PTO examiners.

Regards,

Hal

From: Wegner, Harold C.
Sent: Thursday, July 19, 2007 8:25 AM
Subject: KSR Guidelines – Public Release Delayed at OMB

According to a highly reliable source, the PTO's KSR training materials have been finalized and are being internally circulated within the Office. They are not being released to the public pending OMB approval. Since the guidelines are only tentative until they are approved by the OMB, it would be wrong to implement such training materials until they are approved. Yet, one may speculate that these materials will surely be used for the Examiner training sessions next week (as below) and be immediately implemented on a de facto basis.
In any event, it will be impossible for a patent applicant to effectively argue against a training materials-based rejection without access to the training materials.
Regards,
Hal

From: Wegner, Harold C.
Sent: Wednesday, July 18, 2007 8:58 PM
Subject: The Kubin-Catan-Smith PTO Trilogy Interpreting KSR

In the space of two days, the PTO has released three precedential opinions that interpret *KSR* in diverse areas of technology, *Ex parte Kubin,* __ Westlaw __ (PTO Bd. App. & Int. May 31, 2007)(Linck, J.)(Fleming, Chief APJ, Gron, Scheiner, Grimes, Linck, JJ.)(precedential)(biotechnology); *Ex parte Smith*, __ Westlaw __ (PTO Bd. App. & Int. June 25, 2007)(Fleming, Chief APJ, Pate, III, Bahr, Horner, Walker, JJ.)(per curiam) (precedential) (mechanical); *Ex parte Catan,* __ Westlaw __ (PTO Bd. App. & Int. July 3, 2007)(Fleming, Chief APJ, Lorin, MacDonald, Horner, Fetting, JJ.)(per curiam)(precedential)(electronics).

The *Catan* opinion is the most recent of the three to be released; the other two were previously released and have already been discussed. While *Kubin* is the first of the trilogy that was released and obviously important to biotechnology and chemistry, for other arts the *Catan* opinion has more extensive teachings and will undoubtedly be the lead opinion for the purpose of interpreting *KSR* to the patent examining corps. The *Catan* opinion is attached.

***KSR* in one easy, one hour lesson**: Next week, all patent examiners will master the intricacies of *KSR* in one easy one hour tutorial that has been arranged by Deputy Commissioner Focarino and announced today in her memorandum to the examining corps (attached).

PTO *KSR* training materials: Undoubtedly, there will be extensive training materials that provide guidance to the examiners on how to deal with *KSR.* Obtaining these guidelines will be important to gaining an understanding of PTO views on *KSR* from the trenches of day to day patent examination.

Regards,

Hal

Examination Guidelines for Determining Obviousness Under 35 U.S.C. § 103 in View of the Supreme Court Decision in KSR International Co. v. Teleflex Inc.

<u>Summary</u>

- The factual inquiries in Graham are still the basis for determining obviousness under 35 U.S.C. 8103.

  [The U.S. Supreme Court affirmed that the analysis required to support an obviousness rejection under § 103 is that explained in] *Graham v. John* Deere *Co.* Obviousness is a question of law based on underlying factual inquiries. The factual inquiries enunciated by the Court are as follows:

  (1) Determining the scope and content of the prior art;
  (2) Ascertaining the differences between the claimed invention and the prior art; and
  (3) Resolving the level of ordinary skill in the pertinent art.

  Objective evidence relevant to the issue of obviousness must be evaluated, by Office personnel. Such evidence, sometimes referred to as "secondary considerations," may include evidence of commercial success, long-felt but unsolved needs, failure of others, and unexpected results. The evidence may be included in the specification as filed, accompany the application on filing, or be provided in a timely manner at some other point during the prosecution. The weight to be given any objective evidence is decided on a case-by-case basis. The mere fact that an applicant has presented evidence does not mean that the evidence is dispositive of the issue of obviousness.

- Examiners have been trained on the Graham factual inquiries and should continue to make findings concerning them.

- The Supreme Court, in the *KSR* decision, on the facts in this case found that the Federal Circuit's Teaching, Suggestion, or Motivation (TSM) test transformed the general principles of the obviousness analysis into a rigid rule.

- The TSM Test - A patent claim is prima facie obvious if "some motivation or suggestion to combine the prior art teachings" can be found in the prior art, the nature of the problem, or the knowledge of a person having ordinary skill in the art.

- In view of the guidance provided by the Supreme Court in *KSR,* an examiner must continue to articulate a reason or rationale to support an obviousness rejection under 35 U.S.C. 5 103. Examples of rationales in common situations are listed below and discussed in more detail in the guidelines. In formulating a rejection under § 103, the rationale should be based on the state of the art and not on impermissible hindsight (e.g., improper-hindsight reasoning using applicant's disclosure).

- When formulating an obviousness rejection, an examiner should expect that a person of ordinary skill in the art will exercise ordinary creativity, common sense and logic.

- Examiners should ensure that the written record includes findings of fact concerning the teachings of the applied references and when necessary, the general state of the art.

  Office personnel fulfill the critical role of factfinder when resolving the *Graham* inquiries. It must be remembered that while the ultimate determination of obviousness is a legal conclusion, the underlying *Graham* inquiries are factual. When making an obviousness rejection, Office personnel must therefore ensure that the written record includes findings of fact concerning the state of the art and the teachings of the references applied. In certain circumstances, it may also be important to include explicit findings as to how a person of ordinary skill would have understood prior art teachings, or what a person of ordinary skill would have known or could have done. Factual findings made by Office personnel are the necessary underpinnings to establish obviousness.

  Office personnel may rely on their own technical expertise to describe the knowledge and skills of a person of ordinary skill in the art.

- The TSM test can be used as a basis for making an obviousness rejection, but examiners should not conclude that an invention is unobvious simply because a rejection based on TSM cannot be made.

- Rationales for arriving at a conclusion of obviousness suggested by the Supreme Court's decision in *KSR* include:

  A. Combining prior art elements according to known methods to yield predictable results (see III.A. of the guidelines);

     To reject a claim based on this rationale, Office personnel must resolve the *Graham* factual inquiries. Then, Office personnel must articulate the following:

     (1) a finding that the prior art included each element claimed, although not necessarily in a single prior art reference, with the only difference between the claimed invention and the prior art being the lack of actual combination of the elements in a single prior art reference;
     (2) a finding that one of ordinary skill in the art could have combined the elements as claimed by known methods, and that in combination, each element merely would have performed the same function as it did separately;
     (3) a finding that one of ordinary skill in the art would have recognized that the results of the combination were predictable; and

(4) whatever additional findings based on the *Graham* factual inquiries may be necessary, in view of the facts of the case under consideration, to explain a conclusion of obviousness.

The rationale to support a conclusion that the claim would have been obvious is that all the claimed elements were known in the prior art and one skilled in the art could have combined the elements as claimed by known methods with no change in their respective functions, and the combination would have yielded nothing more than predictable results to one of ordinary skill in the art at the time of the invention. [I]t 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." If any of these findings cannot be made, then this rationale cannot be used to support a conclusion that the claim would have been obvious to one of ordinary skill in the art.

B. Simple substitution of one known element for another to obtain predictable results (see III.B. of the guidelines);

The rationale to support a conclusion that the claim would have been obvious is that the substitution of one known element for another would have yielded predictable results to one of ordinary skill in the art at the time of the invention. If any of these findings cannot be made, then this rationale cannot be used-to support a conclusion that the claim would have been obvious to one of ordinary skill in the art.

C. Use of known technique to improve similar devices in the same way (see III.C. of the guidelines);

[To reject a claim based on this rationale, Office personnel must articulate the following:]

(1) a finding that the prior art contained a "base" device (method, or product) upon which the claimed invention can be seen as an "improvement;"
(2) a finding that the prior art contained a comparable device (method, or product) that was improved in the same way as the claimed invention;
(3) a finding that one of ordinary skill in the art could have applied the known "improvement" technique in the same way to the "base" device (method, or product) and the results would have been predictable to one of ordinary skill in the art; and
(4) whatever additional findings based on the Graham factual inquiries may be necessary, in view of the facts of the case under consideration, to explain a conclusion of obviousness.

The rationale to support a conclusion that the claim would have been obvious is that a method of enhancing a particular class of devices (methods, or products) was made part of the ordinary capabilities of one skilled in the art based upon the teaching of such improvement in other situations. One of ordinary skill in the art would have been capable of applying this known method of enhancement to a "base" device (method, or product) in the prior art and the results would have been predictable to one of ordinary skill in the art. The Supreme Court in *KSR* noted that if the actual application of the technique would have been beyond the skill of one of ordinary skill in the art, then using the technique would not have been obvious." If any of these findings cannot be made, then this rationale cannot be used to support a conclusion that the claim would have been obvious to one of ordinary skill in the art.

D. Applying a known technique to a known device ready for improvement to yield predictable results (see III.D. of the guidelines);

E. "Obvious to try" - choosing from a finite number of identified, predictable solutions, with a reasonable expectation of success (see III.E. of the guidelines);

F. Some teaching, suggestion, or motivation in the prior art that would have led one of ordinary skill to modify the prior art reference or to combine prior art reference teachings to arrive at the claimed invention

To reject a claim based on this rationale, Office personnel must resolve the *Graham* factual inquiries. Then, Office personnel must articulate the following:

(1) a finding that there was some teaching, suggestion, or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings;
(2) a finding that there was reasonable expectation of success; and
(3) whatever additional findings based on the *Graham* factual inquiries may be necessary, in view of the facts of the case under consideration, to explain a conclusion of obviousness.

- Office personnel should consider all the rebuttal evidence that is timely presented by the applicants when reevaluating any obviousness determination. Rebuttal evidence may include evidence of "secondary considerations," such as "commercial success, long felt but unsolved needs, [and] failure of others", and may also include evidence of unexpected results. As set forth in section III above, Office personnel must articulate findings of fact that support the rationale relied upon in an obviousness rejection. As a result, applicants are likely to submit evidence to rebut the fact finding made by Office personnel. For example, in the

case of a claim to a combination, applicants may submit evidence or argument to demonstrate that:

(1) one of ordinary skill in the art could not have combined the claimed elements by known methods (e.g., due to technological difficulties);
(2) the elements in combination do not merely perform the function that each element performs separately; or
(3) the results of the claimed combination were unexpected.

Once the applicant has presented rebuttal evidence, Office personnel should reconsider any initial obviousness determination in view of the entire record. All the rejections of record and proposed rejections and their bases should be reviewed to confirm their continued viability. The Office action should clearly communicate the Office's findings and conclusions, articulating how the conclusions are supported by the findings. The procedures set forth in MPEP § 706.07(a) are to be followed in determining whether an action may be made final.