

No. 04-1350

---

---

IN THE  
**Supreme Court of the United States**

---

KSR INTERNATIONAL CO.,  
*Petitioner,*

v.

TELEFLEX INC. and TECHNOLOGY HOLDING CO.,  
*Respondents.*

---

**On Petition for Writ of Certiorari to the  
United States Court of Appeals  
for the Federal Circuit**

---

**MOTION FOR LEAVE TO FILE *AMICUS CURIAE*  
BRIEF AND BRIEF OF CISCO SYSTEMS INC.,  
MICROSOFT CORP., HALLMARK CARDS,  
INCORPORATED, V.F. CORPORATION, AND  
FORTUNE BRANDS INC. AS *AMICI CURIAE*  
IN SUPPORT OF PETITIONER**

---

PETER A. SULLIVAN \*  
HUGHES HUBBARD & REED LLP  
One Battery Park Plaza  
New York, New York 10004  
(212) 837-6000

*Counsel for Cisco Systems Inc.,  
Microsoft Corp., Hallmark  
Cards, Incorporated,  
V.F. Corporation, and  
Fortune Brands Inc.*

\* Counsel of Record

IN THE  
**Supreme Court of the United States**

---

KSR INTERNATIONAL CO.,  
*Petitioner,*

v.

TELEFLEX INC. and TECHNOLOGY HOLDING CO.,  
*Respondents.*

---

**On Petition for Writ of Certiorari to the  
United States Court of Appeals  
for the Federal Circuit**

---

**MOTION FOR LEAVE TO FILE BRIEF OF CISCO  
SYSTEMS INC., MICROSOFT CORP., HALLMARK  
CARDS, INCORPORATED, V.F. CORPORATION,  
AND FORTUNE BRANDS INC. AS *AMICI CURIAE*  
IN SUPPORT OF PETITIONER**

---

Pursuant to Rule 37.3(b) of the Rules of the Supreme Court of the United States, Cisco Systems Inc., Microsoft Corp., Hallmark Cards, Incorporated, V.F. Corporation and Fortune Brands Inc. hereby request leave to file the accompanying *amicus curiae* brief. This brief is submitted in support of the petition for writ of certiorari to the Court of Appeals for the Federal Circuit. Petitioner KSR International Co. has consented to the filing of this brief. Respondents Teleflex Inc. and Technology Holding Co. have not consented.

As set forth in the accompanying brief, Cisco Systems Inc., Microsoft Corp., Hallmark Cards, Incorporated, V.F. Corporation, and Fortune Brands Inc. are affected by patent laws and have a deep interest in their proper interpretation and application.

Cisco Systems Inc., Microsoft Corp., Hallmark Cards, Incorporated, V.F. Corporation and Fortune Brands Inc. are greatly concerned that the Federal Circuit's incorrect interpretation of the obviousness standard of Section 103(a) of the Patent Act, 35 U.S.C. § 103(a) (2001), results in unnecessary grants of patent rights on obvious extensions of existing technologies, which in turn unnecessarily increase costs to the public for products. Accordingly, Cisco Systems Inc., Microsoft Corp., Hallmark Cards, Incorporated, V.F. Corporation and Fortune Brands Inc. respectfully request leave to file the accompanying *amicus curiae* brief.

Respectfully submitted,

PETER A. SULLIVAN \*  
HUGHES HUBBARD & REED LLP  
One Battery Park Plaza  
New York, New York 10004  
(212) 837-6000

*Counsel for Cisco Systems Inc.,  
Microsoft Corp., Hallmark  
Cards, Incorporated,  
V.F. Corporation, and  
Fortune Brands Inc.*

\* Counsel of Record

TABLE OF CONTENTS

	Page
TABLE OF AUTHORITIES.....	ii
INTEREST OF THE <i>AMICI CURIAE</i> .....	1
REASONS FOR GRANTING THE PETITION.....	3
I. THE FEDERAL CIRCUIT’S CURRENT TEST FOR OBVIOUSNESS HURTS INNOVATION.....	3
II. THE FEDERAL CIRCUIT’S CURRENT TEST IGNORES THE PRECEDENT OF THIS COURT.....	9
III. THE MOTIVATION TEST INVADES THE PROVINCE OF THE COURT TO DETERMINE THE ULTIMATE ISSUE OF OBVIOUSNESS.....	14
IV. IT IS APPROPRIATE TO DECIDE THESE ISSUES NOW AND THIS CASE IS AN APPROPRIATE VEHICLE IN WHICH TO ADDRESS THEM.....	16
CONCLUSION .....	17

## TABLE OF AUTHORITIES

CASES	Page
<i>Anderson's-Black Rock v. Pavement Salvage Co.</i> , 396 U.S. 57 (1969) .....	14
<i>Dann v. Johnston</i> , 425 U.S. 219 (1976) .....	11
<i>In re Dembiczak</i> , 175 F.3d 994 (Fed. Cir. 1999)....	13
<i>Dow Chem. Co. v. Halliburton Oil Well Cement- ing Co.</i> , 324 U.S. 320 (1945).....	12
<i>In re Gartside</i> , 203 F.3d 1305 (Fed. Cir. 2000).....	13
<i>Graham v. John Deere Co.</i> , 383 U.S. 1 (1966) .....	<i>passim</i>
<i>Group One, Ltd. v. Hallmark Cards, Inc.</i> , 407 F.3d 1297 (Fed. Cir. 2005) .....	2, 6, 16
<i>Group One, Ltd. v. Hallmark Cards, Inc.</i> , No. 97-1224-CV (W.D. Mo. Feb. 20, 2004) .....	5
<i>Loctite Corp. v. Ultraseal Ltd.</i> , 781 F.2d 861 (Fed. Cir. 1985) .....	13
<i>Mandel Bros., Inc. v. Wallace</i> , 335 U.S. 291 (1948).....	12, 13
<i>Nobelpharma AB v. Nobelpharma USA, Inc.</i> , 141 F.3d 1059 (Fed. Cir. 1998) .....	13
<i>Paramount Publix Corp. v. Am. Tri-Ergon Corp.</i> , 294 U.S. 464 (1935) .....	11
<i>Peters v. Hanson</i> , 129 U.S. 541 (1889) .....	11
<i>In re Rouffet</i> , 149 F.3d 1350 (Fed. Cir. 1998) .....	4
<i>Ruiz v. A.B. Chance Co.</i> , 234 F.3d 654 (Fed. Cir. 2000).....	13, 14
<i>Sakraida v. AG Pro, Inc.</i> , 425 U.S. 273 (1976)....	14, 15
<i>In re Sernaker</i> , 702 F.2d 989 (Fed. Cir. 1983) .....	10
<i>Winner Int'l Royalty Corp. v. Wang</i> , 202 F.3d 1340 (Fed. Cir. 2000) .....	15
CONSTITUTION AND STATUTES	
U.S. Const. art. I, § 8 .....	3, 4
35 U.S.C. § 103 (2001).....	<i>passim</i>

## TABLE OF AUTHORITIES—Continued

OTHER	Page
FTC Hearing on Business Perspectives on Patents: Biotech and Pharmaceuticals, Feb. 26, 2002 .....	6, 7
FTC Hearing on Business Perspectives on Patents: Hardware and Semiconductors, Feb. 28, 2002 .....	7
FTC Hearing on Business Perspectives on Patents: Software and the Internet, Feb. 27, 2002 .....	6, 7
Thomas Jefferson, <i>Letter to Oliver Evans (Jan 16, 1814)</i> , in 14 Writings of Thomas Jefferson 66 .....	8, 9

IN THE  
**Supreme Court of the United States**

---

No. 04-1350

---

KSR INTERNATIONAL CO.,  
*Petitioner,*

v.

TELEFLEX INC. and TECHNOLOGY HOLDING CO.,  
*Respondents.*

---

**On Petition for Writ of Certiorari to the  
United States Court of Appeals  
for the Federal Circuit**

---

**BRIEF *AMICUS CURIAE* OF CISCO SYSTEMS INC.,  
MICROSOFT CORP., HALLMARK CARDS,  
INCORPORATED, V.F. CORPORATION,  
AND FORTUNE BRANDS INC.**

---

**INTEREST OF THE *AMICI CURIAE***

*Amici curiae* Cisco Systems Inc., Microsoft Corp., Hallmark Cards, Incorporated, V.F. Corporation, and Fortune Brands Inc. respectfully submit this brief in support of petitioner, KSR International Co., urging the grant of the petition for a writ of certiorari to review the judgment of the United States Court of Appeals for the Federal Circuit because that judgment rests on an application of the obviousness test of Section 103(a) of the Patent Act that is inconsistent with Section 103(a), this Court's precedent and the policies underlying the patent laws.<sup>1</sup>

---

<sup>1</sup> Pursuant to Rule 37.6, *amici* represent that this brief was not authored in part or in whole by counsel for any party, and that no person or entity

Cisco Systems is an innovative company of over 34,000 employees worldwide that designs and sells network equipment. It has brought products to market that have helped create the Internet as it exists today and that have helped change the way people communicate. It provides products and services in the area of IP telephony, Internet routers, home and LAN networking, and Internet and network security.

Microsoft Corporation is a company of 57,000 employees that develops, licenses and supports a wide range of software products for a multitude of computing devices. These products include operating systems, server applications, information worker productivity applications, business solutions applications, software development tools, and mobile computing and embedded devices. Microsoft also sells home entertainment systems, games and peripherals. Through MSN Network and other Internet portals, Microsoft provides Internet services and content. Microsoft is a leading innovator in the computer software industry and owns more than 5,500 U.S. patents.

Hallmark is known worldwide for its greeting cards. It also produces a wide range of gifts, keepsakes, books and decorative products. The company regularly makes use of innovations, both patented and unpatented, in the manufacture of its products. Hallmark is the defendant in *Group One, Ltd. v. Hallmark Cards, Inc.*, 407 F.3d 1297 (Fed. Cir. 2005), in which the Federal Circuit reversed a grant of judgment as a matter of law because it found that Hallmark did not satisfy its burden with respect to the court's motivation test.

Fortune Brands is a leading consumer brands company. Its subsidiaries engage in the manufacture, production and sale of home and hardware products, golf products, office prod-

---

other than *amici* has made a monetary contribution to the preparation or submission of this brief.

ucts, and wine and spirits. Among the brands owned by Fortune Brands subsidiaries are Titleist, Moen, KitchenCraft, Master Lock, Swingline, Day Timer and Wilson Jones.

V.F. Corporation is a global leader in branded apparel and outdoor products with more than 50,000 employees. Its principal brands include Lee, Wrangler, Earl Jean, The North Face, Jansport, Eastpak, Vans, Reef, Kipling, Vanity Fair, Vassarette, Bestform, Lily Of France, and Red Kap.

As large industrial manufacturers, developers and users of technology, *amici* are vitally interested in the U.S. patent system and the maintenance of traditional limits on what qualifies as a patentable invention. *Amici* believe that the Federal Circuit's current interpretation of 35 U.S.C. § 103(a) hurts innovation by providing too lenient a standard for obtaining a patent, and by invading the province of courts to decide ultimate questions of patent validity. The motivation test allows patents to be issued for insignificant extensions of existing technology. The motivation test not only sets bad patent policy, but it also contravenes firmly established Supreme Court precedent for the appropriate test for obviousness under Section 103(a).

The time is right for this Court to reestablish the primacy of its precedent in this area. This case provides an excellent vehicle for doing so.

## **REASONS FOR GRANTING THE PETITION**

### **I. THE FEDERAL CIRCUIT'S CURRENT TEST FOR OBVIOUSNESS HURTS INNOVATION.**

The patent laws are premised on a bargain expressed in the Constitution that is made between an inventor and the public with respect to inventions not previously known to the public: in exchange for a grant of a period of exclusivity to the inventor, the public is thereafter allowed unencumbered use of the disclosed invention “to promote the . . . useful Arts.”

U.S. Const. art. I, § 8; *see Graham v. John Deere Co.*, 383 U.S. 1, 9 (1966) (the patent grant is “an inducement[] to bring forth new knowledge.”). The public must wait for a period of time for the monopoly to expire, but once it expires, it may use the patented invention freely.

Section 103(a) provides the mechanism to police the bargain. It states that no invention may be patented “if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.” 35 U.S.C. § 103(a) (2001). This section as enacted should prevent the patenting of routine variations of prior art.

The manner in which courts interpret Section 103(a) affects the value of this bargain. If the test for patentability becomes too lenient and allows routine variations on prior inventions to be patented anew, the public’s free use of information in the public domain is clouded by a new monopoly. Moreover, the public receives no value in the disclosure of minor variations of inventions already known and disclosed in the prior art.

The Federal Circuit’s motivation test establishes too lenient a standard for patentability, and it has had a stifling effect on true innovation because it encumbers ideas well beyond the limits imposed by Congress for patentable inventions, and effectively precludes courts from exercising their authority to decide ultimate questions of patent validity. Under the motivation test, instead of a court deciding whether claimed subject matter is patentable in view of all pertinent prior art, a trier of fact—typically a jury—is tasked with determining “whether there is something in the prior art as a whole to suggest the desirability, and thus the obviousness, of making the combination.” *In re Rouffet*, 149 F.3d 1350, 1356 (Fed. Cir. 1998) (citations omitted). To satisfy the test, there must be some proven “‘suggestion, teaching, or motivation’ that

would have led a person of ordinary skill in the art to combine the relevant prior art teachings in the manner claimed” in a patent. (Pet. App. A at 6a (citations omitted).)

*Amici* have experienced first-hand the stifling effect of the motivation test. Cisco’s experience with the patent process is a case in point. Cisco has found that the proliferation of large numbers of obvious patents has increased greatly the potential for inadvertent infringement, requiring it to take defensive measures. In order to neutralize the effect of these obvious patents, Cisco has obtained hundreds of patents for defensive purposes in technology areas in which it develops products.

Microsoft has been sued for allegedly infringing dozens of questionable patents in the software field. The lack of access to software prior art, the inability to find the prior art that does exist, and the limited resources of the Patent Office, make searching by the Patent Office particularly ineffective. Given the difficulty inherent in finding software prior art, proving a software patent invalid by clear and convincing evidence, especially if a motivation to combine element is also required, is exceedingly difficult.

Hallmark is another case in point. It created and brought to market a unique curled ribbon bow that soon became a big seller. Hallmark designed a machine to make the bow, and was then sued by a company with two patents on a ribbon curling machine. The patents in question had been issued over a 40-year-old patent for a ribbon curling machine, even though the only difference between them was the manner in which the ribbon left the machine—the older patent guided curled ribbon through a tube, and the newer patents blew the curled ribbon onto a conveyor belt. After six years of litigation, the district court in 2004 invalidated the patents at the JMOL stage, calling them “indubitably obvious.” *Group One, Ltd. v. Hallmark Cards, Inc.*, No. 97-1224-CV, slip op. at 32-33 (W.D. Mo. Feb. 20, 2004). The Federal Circuit reversed last month, finding on its own reading of the record

that there was sufficient evidence to support the no-motivation element and the jury's finding in favor of the patent holder on obviousness. *Group One, Ltd. v. Hallmark Cards, Inc.*, 407 F.3d 1297 (Fed. Cir. 2005). Thus, after eight years of litigating an "indubitably obvious" patent where the patent holder admitted that all elements of the patent were found in the prior art (and all but one element found in the single 40-year-old patent), the Federal Circuit refused to affirm on invalidity because its motivation test was not satisfied.

Since the emergence of the motivation test in the mid-1980's, V.F. Corporation increasingly has been confronted with claims of patent infringement on purported inventions involving technologically trivial subject matter. For example, the sheer number of patents on apparel items such as bras has exploded, and many of these patents involve routine variations on known technology.

Fortune Brands' experience with its products is similar. A simple search for golf ball patents issued in 2004 will yield over 200 entries. This is also true of golf clubs and other Fortune Brand products. Fortune Brands is also being confronted with claims of infringement and requests for licenses on purported inventions and must file its own patents as a defensive measure to prevent others from filing patents that could affect its ability to market new products without hindrance.

*Amici's* experiences were echoed by other representatives from industry in hearings held by the Federal Trade Commission in 2002. Among the concerns raised:

- Poor quality patents contribute to an "anticommons" effect: a situation where multiple patent owners each have a right to exclude others from a resource and no one may have effective use of sufficient resources to create a product. (Transcript of FTC Hearing on Business Perspectives on Patents: Biotech and Pharmaceuticals (Feb. 26, 2002) at 241.) This is a partic-

ular problem in the software field, where a patent for a single subroutine could affect software that has a multitude of patentable ideas. (Transcript of FTC Hearing on Business Perspectives on Patents: Software and the Internet (Feb. 27, 2002) at 351-52.);

- Defensive, large scale patenting drains resources away from real innovation: scientists and engineers must spend time working with lawyers and patent agents to file patent applications where their time would be better spent on product development and research. (Transcript of FTC Hearing on Business Perspectives on Patents: Hardware and Semiconductors (Feb. 28, 2002) at 677-78.);
- The proliferation of trivial patents makes product clearance nearly impossible and leads to costly royalty stacking. (Transcript of FTC Hearing on Business Perspectives on Patents: Biotech and Pharmaceuticals (Feb. 26, 2002) at 310.); and
- The multitude of patents creates uncertainty in the legal rights of the patent holders and heightens the risks associated with innovation investment decisions, which leads to decreased industry investment in research and development. (*See* Transcript of FTC Hearing on Business Perspectives on Patents: Hardware and Semiconductors (Feb. 28, 2002) at 696.)

While some of these concerns have been addressed through market means, *e.g.*, patent pools, cross licensing, etc., in certain situations there is no practical way to minimize the detrimental effect of awarding obvious patents. The proliferation of patent portfolio companies illustrates the point. These patent portfolio companies do not sell products themselves (and thus have no need for cross licenses); rather, they generate revenue through licensing other companies that actually make and sell products. Many of these patent portfolio companies try to patent incremental changes to a product-making company's products so that the product-

making company would unintentionally infringe when it successfully brings products to the marketplace. The long delays in the Patent Office work to their benefit by keeping the eventual coverage of their patents indefinite until they issue. They also benefit from the high cost of litigation by demanding license fees that are often less than the cost of litigation, hoping that people will pay even if they do not infringe, or, if they do infringe, it would be too costly to change the product. The relaxation of the test for patentability under Section 103(a) gives these companies the space in which to siphon off license royalties from product-making companies.

Whether companies can or cannot mitigate the impact of obvious patents is really beside the point. The mitigating transactions into which companies enter—settling disputes on patents of dubious validity, entering into excessive patent pooling, creating cross-licensing arrangements—all result in higher costs to the consuming public. A network router, a golf club, a software program, a ribbon bow, a bra all become more expensive as more and more patent holders must be paid royalties, and unnecessarily so where these obvious patents contribute no innovation to the product being sold. Ultimately, it is the public that is the loser when the patent laws are diluted in favor of obvious patents.

The benefit that the public derives from the bargain with the inventor—disclosure of inventions that are not already known—must be safeguarded. Thomas Jefferson expressed his concern for this bargain between the inventor and the public when he wrote:

[I]f a new application of our old machines be a ground of monopoly, the patent law will take from us much more good than it will give. Perhaps it may mean another thing, that while every one has a right to the distinct and separate use of the buckets, the screw, the hopper-boy, in their old forms, the patent gives you the exclusive right to combine their uses on the same object.

But if we have a right to use three things separately, I see nothing in reason, or in the patent law, which forbids our using them all together. A man has a right to use a saw, an axe, a plane, separately; may he not combine their uses on the same piece of wood? He has a right to use his knife to cut his meat, a fork to hold it; may a patentee take from him the right to combine their use on the same subject? Such a law, instead of enlarging our conveniences, as was intended, would most fearfully abridge them, and crowd us by monopolies out of the use of the things we have.

Thomas Jefferson, *Letter to Oliver Evans (Jan 16, 1814)*, in 14 Writings of Thomas Jefferson 66 (Andrew A. Lipscomb & Albert E. Bergh eds., 1903).

This Court in *Graham* noted that Jefferson was an enemy of monopolies but ultimately an advocate of the patent system. 383 U.S. at 7-10. But even at this writing in the later stages of his life, he was still greatly concerned with the potential for obvious patents to retake what already is in the possession of the people.

This Court must reestablish the balance between inventor and the public because the public is not getting the benefit intended by the Constitution under the current test for obviousness.

## **II. THE FEDERAL CIRCUIT'S CURRENT TEST IGNORES THE PRECEDENT OF THIS COURT.**

In creating the motivation test, the Federal Circuit has essentially ignored this Court's precedent construing and applying Section 103(a) of the current Patent Act of 1952 and the traditional standard of "invention" that Section 103(a) was held, in *Graham*, to have codified. 383 U.S. at 17. Supreme Court intervention is required to remedy the Federal Circuit's digression.

Nowhere in *Graham* is there any discussion of a “teaching, suggestion or motivation” element in the obviousness analysis. This truism is illustrated by the way in which the Federal Circuit in this case cited the obviousness standard: it cited *Graham* for the four elements (the scope and content of the prior art, the level of skill of a person of ordinary skill in the art, the differences between the claimed invention and the prior art and objective indicia of non-obviousness), but only cited to Federal Circuit cases for the motivation test. (*See* Pet. App. A at 6a.)

Soon after the Federal Circuit was established, it added a form of the motivation test to the *Graham* obviousness analysis. A year after its establishment, in *In re Sernaker*, 702 F.2d 989 (Fed. Cir. 1983), the Federal Circuit included in the test of obviousness “whether a combination of the teachings of all or any of the references would have suggested (expressly or by implication) the possibility of achieving further improvement by combining such teachings along the line of the invention in suit . . . .” *Id.* at 994. In announcing this test, the *Sernaker* court relied on prior cases from the Court of Customs and Patents Appeals, but did not cite *Graham* for this proposition. *See id.* Over the next twenty-two years, the Federal Circuit continued to use a form of this test, which eventually evolved into the “teaching, suggestion or motivation” formulation of today.

*In re Sernaker* and later Federal Circuit cases did not cite to this Court to justify engrafting this motivation test onto the obviousness analysis. Nor could they because the test ignores the caution of this Court in *Graham* that “strict observance of the requirements laid down here will result in that uniformity and definiteness which Congress called for in the 1952 Act.” 383 U.S. at 18.

Uniformity is in fact the first casualty of the Federal Circuit’s approach. As Petitioner pointed out, the *Graham* case itself likely would have come out differently if this Court

applied the motivation test. (*See* Pet. at 12-13.) In addition, this Court’s decision in *Dann v. Johnston*, 425 U.S. 219 (1976), a case invalidating a software patent, may have come out differently if a motivation test were applied rather than a straight application of the *Graham* analysis.

Other Supreme Court cases also would have been decided differently had a motivation test been applied to them. *Amici* believe that at least four other Supreme cases would have gone the other way applying the Federal Circuit’s test.

In *Peters v. Hanson*, 129 U.S. 541, 549-50 (1889), one of the patents described the use of an oval slot to make the dash-foot of carriages adjustable. The prior art included applications of slots to other structures, including “[b]ridge-work, jail-work, vehicles, dashes, tops[,]” *id.* at 551, but there was no evidence cited in *Peters* of a teaching, suggestion or motivation to apply oval slots to the dash-foot of carriages. This Court nevertheless invalidated the patent, concluding that “any ordinarily skilled mechanic . . . would look for some other manner to make connection, for the reason that this is one of the simplest and easiest methods for connecting and allowing adjustment where both parts, when two pieces are used, are made of iron.” *Id.* at 552-53.

In *Paramount Publix Corp. v. American Tri-Ergon Corp.*, 294 U.S. 464, 472-74 (1935), the patent was for a method for producing movies with sound by combining three prior art processes. There was no evidence cited in *Paramount Publix* that there was a teaching, suggestion, or motivation to combine these processes in the manner claimed. This Court nevertheless invalidated the patent, finding that the advance in the patent was “ready at hand” and merely “awaited the public acceptance of the sound motion picture . . . .” *Id.* at 476.

In *Dow Chemical Co. v. Halliburton Oil Well Cementing Co.*, 324 U.S. 320, 322 (1945), the challenged patent referred to an oil extracting process that dissolved limestone without having equipment suffer substantial corrosion in the process. There had been a previous patent (the “Frasch method”) using acid to dissolve the limestone to achieve the same result, but the acid would also harm the drilling equipment. *Id.* at 323-24. The newer process improved on the Frasch method by adding an inhibiting agent to the hydrochloric acid solution to prevent corrosion, diluting the concentrated hydrochloric acid solution and using an ordinary pump tube instead of a specially protected supply pipe to introduce the acid into the well. *Id.* at 325.

While the prior art was replete with instances of using inhibiting agents upon hydrochloric acid to prevent corrosion in iron and steel products, no one had taught or suggested the use of inhibited acids in oil wells. *Id.* at 328. Nor was any evidence offered of a motivation to create the process prior to the filing of the patent. But this Court still invalidated the patent, holding:

The fact that prior to 1932 no one had apparently thought to use an inhibitor while acidizing an oil well to increase production cannot inject into the [patented] process the attributes of an invention. . . . He who is merely the first to utilize the existing fund of public knowledge for new and obvious purposes must be satisfied with whatever fame, personal satisfaction or commercial success he may be able to achieve. Patent monopolies, with all their significant economic and social consequences, are not reserved for those who contribute so insubstantially to that fund of public knowledge.

*Id.*

In *Mandel Bros., Inc. v. Wallace*, 335 U.S. 291, 292-93 (1948), the challenged patent was a combination of urea and a

cosmetic to create a cosmetic that would help inhibit perspiration. This Court noted that “these [prior] patents standing alone would not have taught these patentees to experiment with urea to solve their cosmetic problem.” *Id.* at 294. Nevertheless, it declared the patent invalid because it concluded that a person of ordinary skill in the art looking for the solution described in the patent would have engaged in routine experiments and would have tried to use urea in those experiments: “[W]e think that the state of the prior art was plainly sufficient to demonstrate to any skilled chemist searching for an anticorrosive agent that he *should make the simple experiment* that was made here.” *Id.* at 294-95 (emphasis supplied).

These four cases would have been decided differently if required to satisfy the Federal Circuit’s motivation test. If the Federal Circuit’s test requires prior Supreme Court cases to be decided differently—cases that have not been overruled by subsequent Supreme Court decisions or superseded by the Patent Act<sup>2</sup>—it has strayed too far from precedent in establishing the motivation test.

The reason the Federal Circuit cites most often for its need for a motivation test is the danger of hindsight reconstruction. *See, e.g., In re Dembiczak*, 175 F.3d 994, 999 (Fed. Cir. 1999), *abrogated on other grounds by In re Gartside*, 203 F.3d 1305 (Fed. Cir. 2000) (referring to “the hindsight trap”); *Loctite Corp. v. Ultraseal Ltd.*, 781 F.2d 861, 873 (Fed. Cir. 1985), *overruled on other grounds by Nobelpharma AB v. Nobelpharma USA, Inc.*, 141 F.3d 1059 (Fed. Cir. 1998) (referring to “the tempting but forbidden zone of hindsight”); *Ruiz v. A.B. Chance Co.*, 234 F.3d 654, 664 (Fed. Cir. 2000) (citations omitted) (referring to “fall[ing] victim to the insid-

---

<sup>2</sup> This Court in *Graham* held that the Patent Act of 1952 was a codification of prior case law on patentability and did not represent a lowering of the bar to patentability. *See Graham*, 383 U.S. at 17.

ious effect of a hindsight syndrome”). While it is unfair to judge the obviousness of an invention simply against itself, the court’s diligence in preventing hindsight has led to a substantial weakening of the standard for patentability. This Court saw no danger in hindsight that could not be accounted for under the test that it annunciated in *Graham* and reaffirmed and followed in *Sakraida v. AG Pro, Inc.*, 425 U.S. 273 (1976), and *Anderson’s-Black Rock v. Pavement Salvage Co.*, 396 U.S. 57 (1969).

To be sure, in striking the balance mandated by Section 103(a) as to what is or is not patentable, the Federal Circuit must contend with a difficult task. But the best chance the Federal Circuit has of doing so is to hew close to this Court’s precedent. All it need do is take the instruction given in *Graham*: “strict observance of the requirements laid down here will result in that uniformity and definiteness which Congress called for in the 1952 Act.” 383 U.S. at 18.

### **III. THE MOTIVATION TEST INVADES THE PROVINCE OF THE COURT TO DETERMINE THE ULTIMATE ISSUE OF OBVIOUSNESS.**

The motivation test hurts innovation not only because the test itself makes it too easy to obtain a patent for obvious inventions, but also because the test undermines a key holding of *Graham*: “the ultimate question of patent validity is one of law.” 383 U.S. at 17. Although this question “lends itself to several basic factual inquiries,” *id.*, determining whether prior art renders claimed subject matter obvious or unpatentable is a legal question that courts, not juries, routinely determined prior to the creation of the Federal Circuit. This is exemplified by this Court’s *Sakraida* decision, which directed the reinstatement of a district court’s grant of summary judgment of invalidity under Section 103(a). 425 U.S. at 273-74.

In contrast, the Federal Circuit has held that the presence or absence of a motivation to combine prior art references is a fact question for a jury to decide. *See, e.g., Winner Int'l Royalty Corp. v. Wang*, 202 F.3d 1340, 1348 (Fed. Cir. 2000). The motivation test, however, is not addressed to any of the factual inquiries identified in *Graham*, but amounts to a surrogate test for determining legal questions of obviousness. To ask whether a hypothetical person having ordinary skill in an art would have had a motivation to make a claimed invention is to redefine whether claimed subject matter meets the condition for patentability specified in Section 103(a).

The present case illustrates this point. The district court in this case held that the undisputed prior art of record rendered obvious the subject matter recited in the patent claim in issue. The Federal Circuit vacated and remanded, holding that the invalidating legal effect of prior art could not be determined as a matter of law, but was a factual question governed by the motivation test. (Pet. App. A at 8a.)

If the Federal Circuit had followed this Court's precedents in *Graham*, *Anderson's-Black Rock*, and *Sakraida*, it could have affirmed the district court on a *de novo* standard of review—as this Court ordered be done in *Sakraida*. 425 U.S. at 274-75. It goes without saying that requiring an additional factual element in obviousness determinations makes the grant of summary judgment much more difficult to obtain.

Transferring obviousness determinations from courts to juries (whether through the motivation test or another framework) also diminishes the role of the Federal Circuit as a specialized patent court. Post-verdict and appellate review of jury verdicts on questions of fact is far more limited than is review of questions of law. To the extent that ultimate questions of obviousness are treated as factual questions and decided by juries, litigants are largely and often wholly deprived, not just of access to summary adjudication, but also to any meaningful post-trial or appellate review. This result

defeats the objective of Congress in establishing the Federal Circuit to have it sit as an expert appellate court to decide patent law issues. Determining whether subject matter is “worth to the public the embarrassment of an exclusive patent,” *Graham*, 383 U.S. at 10-11 (quoting Thomas Jefferson), whether through the motivation test, a modified test or a different test altogether, must be left for courts to decide as a matter of law, not for juries to decide as a matter of fact. In holding to the contrary, the decision below raises a question of broad and general importance that merits this Court’s review.

**IV. IT IS APPROPRIATE TO DECIDE THESE ISSUES NOW AND THIS CASE IS AN APPROPRIATE VEHICLE IN WHICH TO ADDRESS THEM.**

It is not often that a patent case comes to the attention of this Court presenting important issues of patent law while also being unburdened by the technical complexities attendant to most patent cases. This is such a case, and it provides an excellent vehicle to address this very important question of patent law. In this regard, we note that *amicus* Hallmark will soon file a petition for certiorari seeking review of the Federal Circuit’s motivation test in the case *Group One, Ltd. v. Hallmark Cards, Inc.*, 407 F.3d 1297. The Federal Circuit in *Group One* reversed a grant of JMOL on obviousness on the basis of the motivation test. The *Group One* case also presents an uncomplicated factual setting and would provide an appropriate vehicle, along with this case, to address the question of obviousness.

Moreover, we agree with *Amici Curiae* Twenty-Four Intellectual Property Professors that counsel for both parties are capable litigators and will ably present the salient issues to the Court. We also note that the *amicus* participation of the

intellectual property law professors will ensure that all pertinent arguments are brought to the attention of the Court.

Finally, we believe that the issue is ripe for determination under the procedural posture of the case. Deciding the question raised on certiorari in favor of the Petitioner would allow for the disposal of the case on summary judgment.

### CONCLUSION

For the foregoing reasons, the petition for writ of certiorari should be granted.

Respectfully submitted,

PETER A. SULLIVAN \*  
HUGHES HUBBARD & REED LLP  
One Battery Park Plaza  
New York, New York 10004  
(212) 837-6000

*Counsel for Cisco Systems Inc.,  
Microsoft Corp., Hallmark  
Cards, Incorporated,  
V.F. Corporation, and  
Fortune Brands Inc.*

\* Counsel of Record