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Recent Development

RECENT DEVELOPMENTS IN PATENT LAW

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*482 I. Introduction

The purpose of this article is to review selected patent decisions reported in the first quarter of 1996. This article is not intended to provide a comprehensive reference, but instead represents those developments the authors believe have impacted the practice of patent law.

II. Patent Prosecution

A. The Obviousness Analysis in Chemical Cases—Putting *In re Durden* in Its Place

In the area of patent prosecution, the Federal Circuit clarified the non-obviousness requirement of 35 U.S.C. § 103 in chemical cases by limiting the court's earlier decision in *In re Durden*¹ to its facts. This should reestablish a fact-based obviousness analysis, as required by 35 U.S.C. § 103, and put a stop to a longtime process of the Patent and Trademark Office (PTO) in which chemical patent applications have been rejected as per se obvious on the basis of *Durden*. A similar change was made in the biotechnology field on November 1, 1995, when the Biotechnological Process Patents Act² was signed into law.³

1. *In re Ochiai*⁴

In *Ochiai*, the Federal Circuit held that the use of a per se obviousness determination for a chemical process must stop because it is legally inconsistent with the fact-intensive analysis required by 35 U.S.C. § 103.

Ochiai filed a patent application directed to a conventional process using a new, non-obvious acid to make a new non-obvious cephem.⁵ In rejecting the patent application, the examiner reasoned that since a conventional process was being claimed, the only difference from the prior art was the selection of a slightly *483 different starting material to make a slightly different final product.⁶ The Board of Patent Appeals and Interferences (BPAI) affirmed, denying *Ochiai*'s argument that the novelty of the starting material and final compounds should be dispositive of the obviousness of the invention.⁷ *Ochiai* appealed.

The Federal Circuit held that the obviousness test is statutory, requiring a comparison of a claim's "subject matter as a whole" with the prior art "to which said subject matter pertains."⁸ The court explained that the inquiry is highly fact-specific, regardless of "whether the invention is a process for making, or a process of using, or some other process."⁹ Applying this fact-specific test, the Federal Circuit concluded that *Ochiai*'s process invention was not *prima facie* obvious and reversed the examiner's rejection.¹⁰

The court acknowledged that some generalized commentary found in the case law may have inadvertently provided encouragement to those who desire per se rules in this area.¹¹ But the case law is grounded on a fact-intensive comparison of the claimed process with the prior art, especially "when any applicant properly presents and argues suitable method claims, they should be examined in light of all ... relevant factors, free from any presumed controlling effect of *Durden* or any other precedent."¹² The court further explained that the conflict between the cases cited by the BPAI and those cited by *Ochiai* is not in the legal rule, but in the application of the legal rules to different claims and fields of art.¹³

2. *In re Brouwer*¹⁴

In *Brouwer*, the examiner erroneously rejected claims directed to a process for making a new and non-obvious resin catalyst based on a per se obviousness analysis instead of on particularized findings regarding the prior art references.

*484 *Brouwer* filed a divisional patent application claiming a process for preparing sulfo-alkylated resins.¹⁵ The examiner rejected *Brouwer*'s claims in light of the combined teaching of two references.¹⁶ The BPAI affirmed the examiner's rejection and adhered to that decision on reconsideration.¹⁷ The Board reasoned that if someone wanted to make the non-obvious resin resulting from *Brouwer*'s process, they would know how to make it on the basis of the prior art.¹⁸ *Brouwer* appealed.

Brouwer contended that both the examiner and the Board erred by relying on *Durden*, and failing to weigh the differences between the claimed invention and the prior art references. *Brouwer* also contended that the Board erred in treating the

invention's disclosure as prior art.¹⁹

The Federal Circuit reversed the rejection, because the legal test of obviousness requires a comparison of the claim's "subject matter as a whole" with the prior art "to which said subject matter pertains."²⁰ The court added that the inquiry is fact-specific, "whether the invention is a process for making or a process of using, or some other process."²¹

The court noted that the "mere fact that a device or process utilizes a known scientific principle does not alone make that device or process obvious."²² Nor is the process rendered obvious by the mere possibility that the prior art could be modified to lead to the resin recited in that claim, absent a suggestion in the prior art of the desirability of such a modification or replacement.²³ Finally, the court held that there was simply no suggestion to practice the claimed process in the references cited by the examiner.²⁴ The court required a fact-based inquiry instead of a *prima facie* analysis of obviousness stating that:

[t]he examiner erred by resting his *prima facie* case of obviousness on ... Durden rather than on particularized findings ... regarding a set of one or more references that would make the claimed process obvious, an error the Board failed to correct. ... When any applicant properly presents and argues suitable method claims, they should be examined *485 in light of all ... relevant factors, free from any presumed controlling effect of Durden or any other precedent....²⁵

B. The Role of Expert Declarations in Overcoming 35 U.S.C. § 112 Rejections—*In re Alton*²⁶

In *Alton*, the Federal Circuit held that the patent examiner erred by viewing an expert's declaration regarding the adequacy of the applicant's disclosure as opinion evidence addressing a question of law, rather than evidence presented regarding a question of fact.²⁷

Human gamma interferon is a protein that stimulates the immunological activity of a subset of T-Cells and other immune effector cells.²⁸ *Alton* filed a patent application claiming human gamma interferon, which was rejected. On appeal, the BPAI affirmed the rejection under 35 U.S.C. § 112 ¶ 1 for failure of the specification to adequately describe the subject matter of the claims.²⁹ *Alton* elected further prosecution.

Claim 70 of the application described a human gene interferon that is made of a specific amino acid sequence.³⁰ Example 5 disclosed the sequence of claim 70 but also disclosed the substitution of asparagine with another amino acid, lysine. The Board stated that Example 5 did not adequately describe Claim 70.³¹

Alton submitted a declaration by an expert who offered reasons why, in his opinion, one of ordinary skill in the art in 1983 would have understood Example 5 to describe what was claimed in Claim 70.³² The examiner rejected the expert's declaration as opinion evidence rather than factual evidence and issued a final rejection.³³ The Board affirmed the examiner, and *Alton* appealed.

The Federal Circuit explained the law in this area as follows:

If the applicant claims embodiments of the invention that are completely outside the scope of the specification, then the examiner or Board need only establish this fact to make out a *prima facie* case. If, on the other hand, the specification contains a description of the *486 claimed invention, albeit not in *ipsis verbis* (in the identical words), then the examiner or Board, in order to meet the burden of proof, must provide reasons why one of ordinary skill in the art would not consider the description sufficient. Once the examiner or Board carries the burden of making out a *prima facie* case of unpatentability, "the burden of coming forward with evidence or argument shifts to the applicant." To overcome a *prima facie* case, an applicant must show that the invention as claimed is adequately described to one skilled in the art. "After evidence or argument is submitted by the applicant in response, patentability is determined on the totality of the record, by a preponderance of the evidence with due consideration to persuasiveness of argument."³⁴

The Federal Circuit ruled that the examiner's final rejection erroneously viewed the expert's declaration as opinion evidence addressing a question of law, rather than evidence regarding a question of fact. Since the examiner dismissed the declaration without giving an adequate explanation of why it failed to rebut the Board's *prima facie* case of inadequate description, the Federal Circuit reversed and remanded *Alton*'s case.

C. Best Mode: *United States Gypsum Co. v. National Gypsum Co.*³⁵

In *United States Gypsum*, the Federal Circuit upheld a summary judgment holding of invalidity for failure to disclose the best

mode of practicing the claimed invention.³⁶

Williams, an employee of United States Gypsum (USG), developed a joint compound for filling and coating the joints between adjacent gypsum wallboards containing a silicone-treated expanded perlite.³⁷ Williams experimented with several different types of silicone-treated expanded perlite, including a sample of Sil-42 perlite provided by Silbrico Corporation having an undisclosed composition.³⁸ The Sil-42 had a major advantage over other perlites because it did not need to be screened before being used in a joint compound.³⁹ In addition, Williams found that use of Sil-42 in the joint compound eliminated the coarse look of other lightweight fillers, resisted breakdown under vacuum treatment, and yielded a joint compound that was light weight, easy to sand, and exhibited good noncracking and adhesion properties.⁴⁰

***487** When USG's patent attorney began preparing a patent application for the invention, he asked Williams to forward a description of his best formulation for inclusion in the application.⁴¹ All the formulations that Williams sent to the attorney listed Sil-42 as a component.⁴² Sometime before the patent application was filed, however, a USG executive instructed the attorney to omit from the application any reference to Sil-42 or the commercial supplier of Sil-42.⁴³

After the patent issued, USG sued National Gypsum Co. (National) for infringement of the patent, and National moved for summary judgment, arguing that the patent was invalid for failure to disclose the best mode of practicing the claimed invention.⁴⁴ The Federal Circuit stated that the district court correctly concluded on summary judgment that there was no genuine dispute that Williams believed that Sil-42 perlite represented a substantially better material than the other silicone-treated expanded perlites with which he had experimented.⁴⁵ The specification's general definition of "perlite" and use of the term "silicone treated expanded perlite" did not indicate the chemical composition of Sil-42 perlite.⁴⁶ That the composition and method of manufacture of Sil-42 perlite were trade secrets and thus were unknown to Williams did not excuse compliance with the best mode requirement.⁴⁷

D. Inequitable Conduct: B.F. Goodrich Co. v. Aircraft Braking Systems Corp.⁴⁸

In B.F. Goodrich, the Federal Circuit was troubled by a prosecuting attorney's careless actions before the Patent Office, which led to the grant of a patent that was invalid over a withheld reference.

B.F. Goodrich (BFG) failed to submit several pieces of known prior art and failed to notify the PTO of BFG's presentations to customers that may have implicated the on-sale bar under 35 U.S.C. § 102(b).⁴⁹ BFG further submitted a declaration by BFG's Director of Engineering stating that at no time—in the literature, trade journals, seminars or trade shows—had he seen the subject matter in ***488** the BFG patent application.⁵⁰ The Federal Circuit deferred to the trial court's decision that there was no intent to deceive, but noted that "b arely dodging a bullet based on our deference to a trial court's decision on the factual question of intent and on a matter of equity does not merit approval or justify complacency."⁵¹

E. Reduction to Practice: In re Asahi⁵²

During reexamination of its patent directed to a double pipe system, Asahi opted to show reduction to practice prior to the filing date of an asserted patent reference. Nevertheless, the examiner was not persuaded by Asahi's declaration pursuant to 37 C.F.R. § 1.131 and issued a final rejection of the claims under 35 U.S.C. § 102(a) or (e).⁵³ On appeal, the Board reversed the rejection under section 102(a), but affirmed the rejection under section 102(e) because the Rule 131 declaration did not show that the invention existed and worked for its intended purpose.⁵⁴

The Federal Circuit, however, emphasized a distinction between "simple" and "complex" devices and noted its prior holding that "[t]here are some devices so simple that a mere construction of them is all that is necessary to constitute reduction to practice."⁵⁵ Here, Asahi had published photographs that showed the critical dimensions of its claimed double pipe system in trade journals prior to the filing date of the asserted reference.⁵⁶ The Federal Circuit concluded that Asahi's inventive device was so simple that mere construction of it was all that was necessary to constitute reduction to practice.⁵⁷

*****489 III. Litigation****

A. On Sale Bar: In re Mahurkar Double Lumen Hemodialysis Catheter Patent Litigation⁵⁸

In Mahurkar, the Federal Circuit looked to the totality of the circumstances and the policies behind 35 U.S.C. § 102(b)⁵⁹ to affirm the district court's decision that a sham sale made solely to satisfy a license agreement did not commercialize the invention and therefore was not an on-sale bar.⁶⁰

Mahurkar granted Quinton Instruments Co. an exclusive license to make, use, and sell its catheter before any patent application was filed.⁶¹ The license was conditioned on Quinton marketing the catheter by Sept. 30, 1982.⁶² To meet this deadline, Quinton’s CEO set up a sham sale of prototype catheters on August 31, 1982.⁶³ The prototypes were not perfected and could not be used as catheters.⁶⁴ Although the parties disputed whether the sale was sufficient to maintain Quinton’s exclusive status, they settled the dispute, and Quinton retained rights as an exclusive licensee.⁶⁵

The catheter invention was later patented, and the patent was the subject of litigation between Mahurkar and Impra Inc.; Impra asserted patent invalidity based on Quinton’s prototype sale.⁶⁶ The district court found that Impra had infringed, and further concluded that the prototype sale did not place Mahurkar’s device “on sale” within the meaning of 35 U.S.C. § 102(b), even though it was a sale under the Uniform Commercial Code and the sale reduced the prototype catheters to practice for nonexperimental purposes.⁶⁷

*490 Impra appealed, arguing that the prototype sale invalidated the patent under section 102(b).⁶⁸ According to Impra, the district court improperly considered the circumstances surrounding the sale, particularly Mahurkar’s contention that the sale was a sham transaction.⁶⁹

The Federal Circuit disagreed, explaining that whether or not a device has been placed on sale is not subject to a mechanical rule, but is dependent on the totality of the circumstances, considered in view of the policies underlying section 102(b).⁷⁰ The court further explained that commercialization is the central focus for the on-sale determination and that Quinton’s sham sale did not result in commercialization.⁷¹

B. Obviousness: Para-Ordnance Manufacturing, Inc. v. SGS Importers International, Inc.⁷²

In Para-Ordnance, the Federal Circuit affirmed the district court’s holding that a patent to a “conversion kit” for expanding the ammunition capacity of semi-automatic handguns was invalid for obviousness in view of a prior art handgun, the Llama Omni, and thus not infringed.⁷³

Having an exclusive licensee of the patent-in-suit and the exclusive right to sue, Para-Ordnance brought suit against SGS, alleging that SGS’s Llama IX-C and IX-D handguns infringed the claims of the patent.⁷⁴ Specifically, the patent claimed an intermediate portion of the frame of the conversion kit that converged between a widened grip portion and a narrower top portion.⁷⁵

The Federal Circuit held that the angled plastic tabs of the two grip covers of the Llama Omni, which converged in the direction of the top grip, were sufficiently suggestive of the claimed one-piece frame with converging areas at the top of the grip to render the patent invalid.⁷⁶ In concluding the patent was obvious, the Federal Circuit observed that not only was convergence in the prior art, but it was there as *491 part of the solution to the need for a handgun with an increased magazine capacity.⁷⁷ This was exactly the same need that was addressed by the Para-Ordnance conversion kit. The court conceded that the plastic tabs inside the Llama Omni grip were not part of the frame, nor did the frame itself—without the grip covers attached—show convergence of the kind claimed in the patent.⁷⁸ The court reasoned, however, that the inventor would presumably have examined the Llama Omni gun’s components and seen that the problem of expanding ammunition capacity was solved by widening the magazine to hold more cartridges.⁷⁹

The majority characterizes Chief Judge Archer’s dissent as arguing that there was “no motivation or teaching for a person of ordinary skill in the art to use a frame made in a single piece with converging side face portions.”⁸⁰ The majority dismissed this argument, stating that the “motivation leaps at a person of ordinary skill in the art from thorough inspection of the assembled Llama Omni....”⁸¹

C. Claim Interpretation: Athletic Alternatives, Inc. v. Prince Manufacturing, Inc.⁸²

In Athletic Alternatives, the Federal Circuit reviewed *de novo* the district court’s grant of summary judgment of noninfringement in favor of the defendant.⁸³ The decision on appeal turned on the interpretation of claim 1 of the patent-in-suit, which as noted by the Federal Circuit under *Markman v. Westview Instruments, Inc.*,⁸⁴ is a question of law for the court, and therefore reviewable *de novo*.⁸⁵

The patent-in-suit was directed to an improved tennis racket having strings splayed alternately above and below the center plane of the racket frame.⁸⁶ At issue was the language in claim 1 concerning the offset distance (d_i) between the racket strings ends.⁸⁷ Claim 1 recited that d_i “varies between minimum distances for the first and last string ends in the sequence and a maximum distance for a string end *492 between the first and last string ends in the sequence.”⁸⁸ The district court interpreted

claim 1 to require that the offset distance between the string ends have at least three values: a minimum value, a maximum value and at least one intermediate value.⁸⁹ The district court granted summary judgment in favor of the defendant on the ground that claim 1, as interpreted, did not literally read on the defendant's Vortex racket, which only had a minimum and a maximum offset distance.⁹⁰

In determining whether the district court properly interpreted claim 1, the Federal Circuit first looked to the claim language itself.⁹¹ In particular, the Federal Circuit focused on the phrase "varies between."⁹² The court concluded that this claim language was susceptible to two equally plausible meanings, one which rendered the Vortex racket infringing and the other which did not.⁹³ The court found no guidance in the specification because a definition of the phrase "varies between" did not appear anywhere in the specification.⁹⁴ The court then looked to the prosecution history, which contained contradictory interpretations and thus, also provided no guidance.⁹⁵ The court next turned to the doctrine of claim differentiation and again found no help in interpreting the claim.⁹⁶

Finally, the court turned to 35 U.S.C. § 112. Specifically, the court pointed to 35 U.S.C. § 112 ¶ 2, which requires that the specification conclude with claims "particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention."⁹⁷ The court observed that the primary purpose behind this requirement is to guard against unreasonable advantages to the patentee and disadvantages of others arising from uncertainty as to their respective rights.⁹⁸ Relying on its decision in *Hoganas AB v. Dresser Industries*, the court stated:

Were we to allow [plaintiff] AAI successfully to assert the broader of the two senses of "between" against Prince, we would undermine the fair notice function of the requirement that the patentee distinctly claim the subject matter disclosed in the patent from which he can exclude others temporarily. Where there is an equal choice between a broader and a *493 narrower meaning ... we consider the notice function of the claim to be best served by adopting the narrower meaning.⁹⁹

The Federal Circuit concluded that claim 1 of the patent-in-suit included the limitation that the splay-creating string end offset distance must take on at least three values, that is a minimum, a maximum, and at least one intermediate value.¹⁰⁰ The court thus affirmed the district court's conclusion that claim 1 did not read on the Vortex racket.¹⁰¹

Judge Nies concurred in the result.¹⁰² However, she rejected the majority's conclusion that the 35 U.S.C. § 112 ¶ 2 requirement that an applicant distinctly claim the subject matter compels adoption of the narrower of two equally plausible interpretations.¹⁰³ She further stated that the majority's analysis was illogical, noting that narrowness cannot be equated with definiteness.¹⁰⁴

D. Prosecution History Estoppel Limits on the Doctrine of Equivalents: *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*¹⁰⁵

In *Festo*, the Federal Circuit held that prosecution history estoppel did not bar doctrine of equivalents infringement in a case where the reason for a change to the patent claim "was not stated in the prosecution history, was vigorously disputed at trial, and was not at all clear to the trial judge, who called the addition 'a mystery.'"¹⁰⁶

The court observed that prosecution history estoppel, as a limitation to infringement under the doctrine of equivalents, requires a close examination of both what was surrendered and why it was surrendered.¹⁰⁷ Thus, "determining whether prosecution history estoppel applies when there has been a change in claim language during prosecution," requires consideration of both what was changed and why it was changed.¹⁰⁸

***494** The issue of equivalents infringement of the patent-in-suit focused on various specific elements of the claimed invention. "At trial there was testimony by the inventor and by experts on both sides, accompanied by extensive argument of counsel."¹⁰⁹ The prosecution history was presented to the jury, as was the special master's findings on the issue of equivalents infringement.¹¹⁰ The reason for the change in the claim language at issue "was not stated in the prosecution history, was vigorously disputed at trial, and was not at all clear to the trial judge."¹¹¹ The court upheld the finding of infringement by equivalents since all relevant factors were considered by the jury, and the reason for the change in claim language was a mystery.¹¹²

E. Summary Judgment and the Doctrine of Equivalents: *Lifescan Inc. v. Home Diagnostics Inc.*¹¹³

The Federal Circuit held that summary judgment was improper when a jury could have found that the steps of a patented method for measuring glucose levels in blood was equivalent to the method accused of infringement and remanded the case

for trial.¹¹⁴

Lifescan Inc. patented a method for patients to self-monitor the amount of glucose in their blood.¹¹⁵ Home Diagnostics Inc. (HDI) sold a glucose meter similar to Lifescan's meter.¹¹⁶ But the HDI meter did not compare the initial and final reflectance readings to one another as did the Lifescan meter.¹¹⁷ The HDI meter compared the sample readings to a dry reflectance that was determined at the factory and programmed into the meter.¹¹⁸ Lifescan sued HDI for infringing its patent.

The district court granted HDI's motion for a summary judgment on both literal infringement and infringement under the doctrine of equivalents.¹¹⁹ "The district court construed the claims as limited to a method in which the initial measurement of dry *495 reflectance is taken on the same test strip just before the blood is applied, and not on a sample test strip whose reflectance is taken at the factory."¹²⁰

Lifescan appealed. Although the summary judgment based on literal infringement was affirmed, summary judgment on infringement under the doctrine of equivalents was reversed.¹²¹

The Federal Circuit agreed with Lifescan that a reasonable jury could have found an equivalent to the patented method in determining the dry reflectance in advance, and then comparing the reading taken at the factory with subsequent readings taken during use.¹²² Both methods first compare dry and wet reflectance measurements, and then compare the reflectance when the dye was incubated, based on identical timing.¹²³

HDI argued that its method was outside the range of available equivalents because of prior art that measures glucose levels by comparing strip reflectance readings with a predetermined reference value.¹²⁴ The Federal Circuit decided that the prior art raised a factual question of the significance of the prior art that "can not be decided as a matter of law, but must be weighed by the trier of fact ... in the course of determining whether the patented and the accused methods are substantially the same."¹²⁵ The summary judgment of non-infringement under the doctrine of equivalents was therefore reversed, and the case remanded.¹²⁶

IV. Licensing

A. The Scope of an Implied License: Carborundum Co. v. Molten Metal Equipment Innovations Inc.¹²⁷

In Carborundum, the Federal Circuit held that the scope of a license may either be express or implied by the circumstances of the sale.¹²⁸

The court stated that an implied license requires a showing that the equipment sold has no noninfringing uses and that the circumstances of the sale plainly indicate *496 that a license should be inferred.¹²⁹ Once it is determined that a license should be implied, the circumstances of the sale are then examined to determine the scope of the implied license.¹³⁰

The following circumstances indicated that the term of the implied license was limited to the life of the unpatented component:

- (1) the assignee sold an unpatented component whose only use was in the apparatus embodying the patent-in-suit;
- (2) the assignee did not place any express restrictions on its customers as to the use of the unpatented component; and
- (3) a one-time upfront premium charge for the first unpatented component purchased by a customer was deemed insufficient by the court to constitute a one-time royalty payment to practice the claimed invention.¹³¹

"Different circumstances might have led to a different result."¹³² The sale of the entire claimed apparatus would have created an implied license for the useful life of the apparatus and would have provided the right to repair the apparatus. Under those circumstances, the assignee's customers would have had the right to replace the unpatented component with one purchased from another source.¹³³

V. Conclusion

The authors intent was to present a brief, but meaningful, analysis of selected cases reported in the United States Patent Quarterly, Second Series for the first quarter of 1996. Complete information on all of the issues discussed in these cases was not our purpose, but we hope that our selections have peaked your interest and directed you to further study of the issues discussed in our selections.

Footnotes

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¹ 763 F.2d 1406, 1410, 226 U.S.P.Q. (BNA) 359, 362 (Fed. Cir.1985) (holding that while an otherwise old process becomes a new process when a previously unknown starting material is used to produce a new, but expected product, it is not necessarily non-obvious under section 103).

² See 1995 U.S.C.C.A.N. 395 (purpose and summary of the bill); 141 Cong. Rec. H10095 (daily ed. October 17, 1995) (text of enacted bill amending 35 U.S.C. §§ 103, 282); 35 U.S.C. § 103(b) (1994).

³ See 1996 U.S.C.C.A.N. 404-1 (statement by President of the United States upon signing S. 1111).

⁴ 71 F.3d 1565, 37 U.S.P.Q.2d (BNA) 1127 (Fed. Cir.1995).

⁵ *Id.* at 1567, 37 U.S.P.Q.2d at 1129.

⁶ *Id.* at 1568, 37 U.S.P.Q.2d at 1129 (basing the rejection upon identity with *In re Durden*).

⁷ *Id.* at 1568-69, 37 U.S.P.Q.2d at 1130.

⁸ *Id.* at 1569, 37 U.S.P.Q.2d at 1131.

⁹ *Id.* (quoting *In re Kuehl*, 475 F.2d 658, 665, 177 U.S.P.Q. (BNA) 250, 255 (C.C.P.A. 1973)).

¹⁰ *Id.*

¹¹ *Id.* at 1572, 37 U.S.P.Q.2d at 1133.

¹² *Id.* (quoting *In re Dillon*, 919 F.2d 688, 695, 16 U.S.P.Q.2d (BNA) 1897, 1903 (Fed. Cir.1990), cert. denied, 500 U.S. 904 (1991).

13 Id. (The court disavowed the use of per se rules of obviousness that eliminate the need for fact-specific analysis of claims and prior art. It found that such rules were inconsistent with section 103. The precedents did not establish any per se rules of obviousness. “Any conflicts as may be perceived to exist derive from an impermissible effort to extract per se rules from decisions that disavow precisely such extraction.”).

14 77 F.3d 422 (Fed. Cir.1996).

15 Id. at 423.

16 Id.

17 Id.

18 Id. at 425.

19 Id.

20 Id.

21 Id. (quoting *In re Kuehl*, 475 F.2d 658, 665, 177 U.S.P.Q. (BNA) 250, 255 (C.C.P.A. 1973)).

22 Id. (quoting *Uniroyal, Inc. v. Rudkin-Wiley Corp.*, 837 F.2d 1044, 1053, 5 U.S.P.Q.2d (BNA) 1434, 1440 (Fed. Cir.1988)).

23 Id.

24 Id.

25 Id. at 425-26. See also *In re Ochiai*, 71 F.3d 1565, 1570, 37 U.S.P.Q.2d (BNA) 1127, 1132 (Fed. Cir.1995) (“[T]here are not ‘Durden obviousness rejections’ or ‘Albertson obviousness rejections,’ but rather only section 103 obviousness rejections.”).

26 76 F.3d 1168, 37 U.S.P.Q.2d (BNA) 1578 (Fed. Cir.1996).

27 Id. at 1174, 37 U.S.P.Q.2d at 1583.

28 Id. at 1170, 37 U.S.P.Q.2d at 1579.

29 Id. at 1171, 37 U.S.P.Q.2d at 1580.

30 Id. at 1170, 37 U.S.P.Q.2d at 1579.

31 Id. at 1171, 37 U.S.P.Q.2d at 1580.

³² Id. at 1172-73, 37 U.S.P.Q.2d at 1581-82.

³³ Id. at 1173-74, 37 U.S.P.Q.2d at 1582.

³⁴ Id. at 1175, 37 U.S.P.Q.2d at 1583-84 (citation omitted) (quoting *In re Oetiker*, 977 F.2d 1443, 1445, 24 U.S.P.Q.2d. (BNA) 1443, 1444 (Fed. Cir.1992)).

³⁵ 74 F.3d 1209, 37 U.S.P.Q.2d (BNA) 1388 (Fed. Cir.1996).

³⁶ Id. at 1216, 37 U.S.P.Q.2d at 1394.

³⁷ Id. at 1210-11, 37 U.S.P.Q.2d at 1389.

³⁸ Id. at 1211, 37 U.S.P.Q.2d at 1389.

³⁹ Id.

⁴⁰ Id.

⁴¹ Id.

⁴² Id.

⁴³ Id., 37 U.S.P.Q.2d at 1389-90.

⁴⁴ Id., 37 U.S.P.Q.2d at 1390.

⁴⁵ Id. at 1212, 37 U.S.P.Q.2d at 1390-91.

⁴⁶ Id. at 1213-14, 37 U.S.P.Q.2d at 1391-92.

⁴⁷ Id.

⁴⁸ 72 F.3d 1577, 37 U.S.P.Q.2d (BNA) 1314 (Fed. Cir.1996).

⁴⁹ Id. at 1581, 37 U.S.P.Q.2d at 1316-17.

⁵⁰ Id. at 1580, 37 U.S.P.Q.2d at 1316.

⁵¹ Id. at 1585, 37 U.S.P.Q.2d at 1320.

⁵² 68 F.3d 442, 37 U.S.P.Q.2d (BNA) 1204 (Fed. Cir.1995).

⁵³ *Id.* at 444, 37 U.S.P.Q.2d at 1205.

⁵⁴ *Id.* (stating that proof of actual reduction to practice requires a showing that the invention existed and worked for its intended purpose) (citing *Newkirk v. Lulejian*, 825 F.2d 1581, 3 U.S.P.Q.2d (BNA) 1793 (Fed. Cir.1987)).

⁵⁵ *Id.* at 445, 37 U.S.P.Q.2d at 1206 (citing *Sachs v. Wadsworth*, 48 F.2d 928, 929, 9 U.S.P.Q. (BNA) 252, 253 (C.C.P.A. 1931); *King Instrument Corp. v. Otari Corp.*, 767 F.2d 853, 861, 226 U.S.P.Q. (BNA) 402, 407 (Fed. Cir.1985), cert. denied, 475 U.S. 1016 (1986); *Gordon v. Hubbard*, 347 F.2d 1001, 1006, 146 U.S.P.Q. (BNA) 303, 307 (C.C.P.A. 1965); *Buchanan v. Lademann*, 54 F.2d 425, 12 U.S.P.Q. (BNA) 28 (C.C.P.A. 1932)).

⁵⁶ *Id.* at 446, 37 U.S.P.Q.2d at 1207.

⁵⁷ *Id.* at 447, 37 U.S.P.Q.2d at 1207-08.

⁵⁸ 71 F.3d 1573, 37 U.S.P.Q.2d (BNA) 1138 (Fed. Cir.1995).

⁵⁹ The court lists the policies underlying 35 U.S.C. § 102(b) as: “(1) discouraging removal of inventions from the public domain that the public reasonably has come to believe are freely available; (2) encouraging the prompt and widespread disclosure of inventions; (3) allowing an inventor a reasonable amount of time following sales activity to determine the potential economic value of a patent; and (4) prohibiting an inventor from commercially exploiting his invention beyond the statutorily prescribed time.” 71 F.3d at 1577, 37 U.S.P.Q.2d at 1141-42.

⁶⁰ *Id.*, 37 U.S.P.Q.2d at 1142.

⁶¹ *Id.* at 1574, 37 U.S.P.Q.2d at 1139.

⁶² *Id.*

⁶³ *Id.*, 37 U.S.P.Q.2d at 1139-40.

⁶⁴ *Id.* at 1575, 37 U.S.P.Q.2d at 1140.

⁶⁵ *Id.*

⁶⁶ *Id.*

⁶⁷ *Id.* at 1574, 37 U.S.P.Q.2d at 1138.

⁶⁸ *Id.* at 1576, 37 U.S.P.Q.2d at 1141.

69 Id. at 1576-77, 37 U.S.P.Q.2d at 1141.

70 Id. at 1577, 37 U.S.P.Q.2d at 1141 (citing *Ferag AG v. Quipp Inc.*, 45 F.3d 1562, 1565, 33 U.S.P.Q.2d (BNA) 1512, 1515 (Fed. Cir.1995)).

71 Id., 37 U.S.P.Q.2d at 1142.

72 73 F.3d 1085, 37 U.S.P.Q.2d (BNA) 1237 (Fed. Cir.1995).

73 Id. at 1086, 37 U.S.P.Q.2d at 1238.

74 Id. at 1087, 37 U.S.P.Q.2d at 1238.

75 Id., 37 U.S.P.Q.2d at 1239.

76 Id. at 1089, 37 U.S.P.Q.2d at 1240.

77 Id.

78 Id.

79 Id. (It was shown that the Llama Omni handgun was known to the inventor, but not to the Patent and Trademark Office.).

80 Id. at 1090, 37 U.S.P.Q.2d at 1241.

81 Id.

82 73 F.3d 1573, 37 U.S.P.Q.2d (BNA) 1365 (Fed. Cir.1996).

83 Id. at 1578, 37 U.S.P.Q.2d at 1369.

84 52 F.3d 967, 979, 34 U.S.P.Q.2d (BNA) 1321, 1329 (Fed. Cir.1995) (en banc), aff'd, 1996 WL 190818 (U.S. 1996)

85 *Athletic Alternatives*, 73 F.3d at 1578, 37 U.S.P.Q.2d at 1370.

86 Id. at 1574, 37 U.S.P.Q.2d at 1366.

87 Id. at 1578, 37 U.S.P.Q.2d at 1370.

88 Id.

⁸⁹ Id. at 1577, 37 U.S.P.Q.2d at 1369.

⁹⁰ Id.

⁹¹ Id. at 1578, 37 U.S.P.Q.2d at 1370.

⁹² Id.

⁹³ Id. at 1579, 37 U.S.P.Q.2d at 1370.

⁹⁴ Id. at 1578, 37 U.S.P.Q.2d at 1370.

⁹⁵ Id. at 1579-80, 37 U.S.P.Q.2d at 1370-71.

⁹⁶ Id. at 1580-81, 37 U.S.P.Q.2d at 1372.

⁹⁷ Id. at 1581, 37 U.S.P.Q.2d at 1372.

⁹⁸ Id.

⁹⁹ *Athletic Alternatives*, 73 F.3d at 1581, 37 U.S.P.Q.2d at 1372 (applying *Hoganas AB v. Dresser Indus., Inc.*, 9 F.3d 948, 951, 28 U.S.P.Q.2d (BNA) 1936, 1939 (Fed. Cir.1993)).

¹⁰⁰ Id.

¹⁰¹ Id.

¹⁰² Id. at 1583, 37 U.S.P.Q.2d at 1374.

¹⁰³ Id.

¹⁰⁴ Id.

¹⁰⁵ 72 F.3d 857, 37 U.S.P.Q.2d (BNA) 1161 (Fed. Cir.1995).

¹⁰⁶ Id. at 864, 37 U.S.P.Q.2d at 1165-66.

¹⁰⁷ Id., 37 U.S.P.Q.2d at 1165.

108 Id.

109 Id.

110 Id.

111 Id.

112 Id., 37 U.S.P.Q.2d at 1165-66.

113 76 F.3d 358, 37 U.S.P.Q.2d (BNA) 1595 (Fed. Cir. 1996).

114 Id. at 359, 37 U.S.P.Q.2d at 1596.

115 Id.

116 Id. at 360, 37 U.S.P.Q.2d 1597.

117 Id.

118 Id.

119 Id. at 359, 37 U.S.P.Q.2d at 1596.

120 Id. at 361, 37 U.S.P.Q.2d at 1597.

121 Id. at 362, 37 U.S.P.Q.2d at 1599.

122 Id., 37 U.S.P.Q.2d at 1598-99.

123 Id., 37 U.S.P.Q.2d at 1599.

124 Id.

125 Id.

126 Id.

127 72 F.3d 872, 37 U.S.P.Q.2d (BNA) 1169 (Fed. Cir. 1995).

¹²⁸ Id. at 878, 37 U.S.P.Q.2d at 1172.

¹²⁹ Id. (citing *Met-Coil Sys. Corp. v. Korners Unlimited, Inc.*, 803 F.2d 684, 686, 231 U.S.P.Q. (BNA) 474, 476 (Fed. Cir.1986)).

¹³⁰ Id.

¹³¹ Id. at 879, 37 U.S.P.Q.2d at 1173.

¹³² Id.

¹³³ Id. at 879-80, 37 U.S.P.Q.2d at 1173-74.