

## Patent Appeals Board Ditches TSM For Stricter Tests

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*Wednesday, Jul 18, 2007* --- With the issuance of its first three precedential opinions since the U.S. Supreme Court's landmark ruling in *KSR Intl. Co. v. Teleflex Inc.*, the Board of Patent Appeals revealed that its test for obviousness has become tighter, if possibly more subjective.

The recent *ex parte* Smith, Kubin and Catan opinions, published Tuesday and Wednesday, the Board largely abandoned the so-called TSM test which prior to the April KSR ruling had been the gold standard in testing inventions for obviousness.

The TSM test, whose initials stand for "teaching, suggestion, motivation to combine," had been used to prove whether a person of ordinary skill in a given industry might combine earlier findings in the same manner claimed in the patent.

But in its unanimous April decision, the Supreme Court said a successful TSM test could not guarantee patentability. In so doing, the court more or less disposed of the test as it was then viewed and used by the U.S. Patent and Trademark Office, patent attorneys and district courts.

And with TSM's disposal, the court came to revert to a greater reliance on the Graham factors, so called in reference to 1966's landmark obviousness case *Graham v. John Deere Co.*

That case had required patent examiners to study first the scope and content of prior art and then the differences between it and the claimed invention—as well as to decide whether a person of ordinary skill would be able to bridge that gap.

In embracing the Graham factors, the court said that under the TSM test too many patents had been issued for obvious inventions simply because the prior art had not explicitly suggested them.

With its opinions published today, the Patent Appeals Board held strictly to the Supreme Court's ruling, reining in the evidence-based TSM test in favor of one based more on technical reasoning.

"TSM analysis has been replaced with a functional approach that includes determining the scope and content of prior art, analyzing the differences between the prior art and the claimed invention, and determining whether a 'person of skill in the art' can bridge the gap," said Michael Messinger, a

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partner in intellectual property boutique firm Sterne, Kessler, Goldstein & Fox PLLC.

“Even under this functional approach arguments related to obviousness still must be clearly articulated and well supported,” he said.

Those arguments must be even more clearly articulated now that TSM has been rejected, some experts said.

As Sterne Kessler's attorneys pointed out, one possible result of the shift in standard—toward what they thought a more subjective standard—would be a higher premium placed on the technical competence of examiners and patent attorneys.

Examiners, they said, would be required to articulate their reasoning and back up their decisions with substantive arguments, and inventors might become more involved in the process. Responding to an obviousness argument would become more of a challenge.

In *Ex parte Smith*, for instance, which concerned an invention of a type of pocket insert for a bound book, the board ruled that the appellant's claims were mere “combinations which only unite old elements with no change in their respective functions and which yield predictable results” and concluded that under KSR the claims would be considered obvious.

The board's opinion invoked KSR's observation that “familiar items may have obvious uses beyond their primary purposes, and in many cases a person of ordinary skill will be able to fit the teachings of multiple patents together like pieces of a puzzle.”

Using similar arguments, the board likewise affirmed the Patent and Trademark Office's rejections of claims by Marek Kubin concerning a type of polynucleotides and by Carolyn Catan concerning an electronic bioauthentication device for credit card consumers.

Together, the three opinions marked what Messinger called “a dramatic shift in how the PTO will deal with the obviousness question.”

The Catan opinion was decided on July 3, the Smith opinion on June 25, and the Kubin opinion on May 31, but the three were only made available this week.

--Additional reporting by Amanda Ernst

**CORRECTION:**

An earlier version of this story incorrectly stated that *Graham v. John Deere Co.* was decided in 1996. The case was decided in 1966.