

## FORECAST LAW

# We hold these patents to be self-evident

## The U.S. Supreme Court makes it tougher to get patents

By **CLAUDE SOLNIK**

The U.S. Supreme Court quietly changed a standard that could make it tougher to obtain patents. It changed the definition of what is "obvious" and potentially created roadblocks to invention claims.

In order to obtain a patent, filers must show ideas aren't self-evident. But the Supreme Court, under a new interpretation, widened its view of what qualifies.

Said Paul Esatto, a senior partner at Scully Scott Murphy & Presser, based in Garden City, "The standards to determine whether or not an invention is obvious have been made [broader] by the courts and the patent office."

Patents are typically challenged on the grounds that the development is really an extension of an earlier patent. In the past, examiners would only declare the new patent invalid if prior patents explicitly included the innovations in question.

"Unless there was something specifically in that other work to suggest that change, you could get a patent," Esatto said. "That standard has been removed."

The courts ruled examiners can use common sense, declaring ideas self-evident even if they're not explicitly outlined in previous patents.

The ruling resolved a case that called into question KSR's patent on electronic sensors for adjustable gas pedals. Teleflex accused KSR of infringement, since Teleflex devices use mechanical sensors.

The U.S. Patent Office upheld KSR's patent, since there was no explicit suggestion to go electronic.

But the U.S. Supreme Court overruled that,

saying electronic sensors were an obvious variation on Teleflex's mechanical sensors.

"The patent office has studied that opinion and issued guidelines for examiners," Esatto said. "They can use a much broader standard to find that an invention or an application is obvious."

Esatto said the new standard makes examiners' decisions less predictable, since they rely on an opinion rather than documentation.

"The prior standard was strict," Esatto said. "But at least it was clear. You knew exactly what to do."

Esatto said as many as 70 percent of patent applications he's seen are rejected initially because of obviousness. His firm often won over examiners. "We could easily overcome the rejection," Esatto said. "Now it'll be more difficult."

Esatto said the ruling is changing how his firm files for patents and whether they anticipate rejections. It could, he added, prompt some applicants to hold off on filing out of a belief that their application is more likely to

be blocked.

"We don't decide whether or not to file," Esatto said. "But the clients might decide to file less. They won't be as confident they'll get a patent."

Other changes in patent law could be in the works for 2008; the debate is far from over.

The United States currently recognizes the inventor as the first to come up with an idea. Legislation would give the ownership of inventions to the first to file for a patent.

"From the standpoint of the small inventor in the garage, it should be first to invent," Esatto said. "The countervailing point is if you invent something and just keep it in the garage, you're not really helping anybody. We want to encourage people to disclose inventions. You do that when you file an application."

Economist Pat Choate in a study dubbed "The Patent Reform Act of 2007: Responding to Legitimate Needs or Special Interests?" argued big business would benefit.

In the document published by the Washington,

D.C.-based U.S. Business and Industry Council Educational Foundation, Choate said, "large-scale technology integrators" would be winners, while universities and entrepreneurs would lose out. ■



**Paul Esatto, senior partner at Scully Scott, said it is becoming harder to overcome examiners' objections to patents.**

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