Reflections on the Ongoing Role of Juries in Determining Obviousness in Patent Cases After the Supreme Court's Decision in *KSR*

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I. Background on the Historical Role of Juries in Determining Obviousness

A. The Requirement of Non-Obviousness and Its Underlying Legal Nature

One of the fundamental hurdles that an applicant must overcome in order to obtain a patent is the statutory requirement of non-obviousness. Thus, "[a] patent may not be obtained … 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."[1] Even after a patent has issued, courts may invalidate it upon finding that the subject matter would have been obvious at the time of the invention. The question of obviousness is one of great importance to the public, since patentees obtain a monopoly over their field of invention for a significant length of time.[2]

It is now well-established that "the ultimate judgment of obviousness is a legal determination."[3] We can therefore ask a basic question: Why should juries play any role at all in determining obviousness? After all, it has long been settled that issues of law are for the court

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[1] 35 U.S.C. § 103.

[2] *See Cardinal Chem. Co. v. Morton Int'l., Inc.*, 508 U.S. 83, 100 (1993) (emphasizing "the importance to the public at large of resolving questions of patent validity"), *citing Blonder-Tongue Labs, Inc. v. Univ. of Ill. Found.*, 402 U.S. 313 (1971).

[3] *KSR Int'l Co. v. Teleflex Inc.*, 127 S. Ct. 1727, 1745 (2007); *see also Graham v. John Deere Co. of Kansas City*, 383 U.S. 1, 17 (1966).

to determine.[4] In the very context of patent law, the fundamental question of claim construction—which often, like obviousness, proves outcome-determinative—is deemed an issue of law reserved for the court alone, and is resolved before the case even reaches the jury.[5]

The answer to our question is that the issue of obviousness, while *ultimately* a question of law, is not *entirely* so, but rather "is a question of law based on underlying questions of fact."[6] Thus, as the Supreme Court held over forty years ago, the question whether an invention would have been obvious to one of ordinary skill in the art at the time the patent application was filed, while ultimately a question of law, "lends itself to several basic factual inquiries."[7] "[T]he scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved."[8] Secondary considerations such as "commercial success, long felt but unsolved needs, failure of others, etc." are also relevant.[9] Aside from these "*Graham* factors," still other, essentially factual, questions can be relevant to the analysis, such as whether the invention demonstrated unexpected results or whether others had attempted and failed to make the invention.[10]

It is to answer these basic, and clearly factual questions, that courts turn to juries. In keeping with the underlying legal nature of the obviousness inquiry, the jury's determination is

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[4] See *Hurst v. Dippo*, 1 U.S. (1 Dall.) 20, 21 (1774) (referring to the maxim that "courts of law determine Law; a Jury Facts" as a "settled rule" upon which "every security depends in an English Country"); *see also Dimick v. Schiedt*, 293 U.S. 474, 486 (1935) (stating that "[t]he controlling distinction between the power of the court and that of the jury is that the former [has] the power to determine the law and the latter to determine the facts.").

[5] *Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448, 1456 (Fed. Cir. 1998) (en banc) (claim construction is a question of law subject to plenary review); *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 979 (Fed. Cir. 1995) (en banc), aff'd 517 U.S. 370 (1996) (claim construction is a question of law to be determined by the court).

[6] *Daiichi Sankyo Co., Ltd. v. Apotex, Inc.*, 501 F.3d 1254, 1256 (Fed. Cir. 2007).

[7] *Graham*, 383 U.S. at 17.

[8] *Id.*

[9] *Id.* at 17-18.

[10] *In re Geisler*, 116 F.3d 1465, 1469-70 (Fed. Cir. 1997) (unexpected results); i*n re Wright*, 569 F.2d 1124, 1127 (C.C.P.A. 1977) (attempt and failure).

then typically subject to review by the court on motion for judgment as a matter of law under Fed. R. Civ. P. 50(a). Appellate review of the jury's and district court's determinations is bifurcated: the Federal Circuit "reviews a jury's conclusions on obviousness, a question of law, without deference, and the underlying findings of fact, whether explicit or implicit within the verdict, for substantial evidence".[11]

B. The Supreme Court's Decision in *KSR*

This was, then, the framework under which obviousness was determined in patent cases when the Supreme Court decided *KSR v. Teleflex* on April 30, 2007.[12] In its first major decision in years on the obviousness requirement in patent law, the Supreme Court reversed a Federal Circuit decision holding non-obvious a claim in a patent on an automobile pedal system.[13] It held that the Federal Circuit had erred in requiring a showing a teaching, suggestion, or motivation in the prior art to combine known elements to show that the patented invention was obvious.[14] While the Federal Circuit's test provided "[h]elpful insight[]," it was error to apply it as a rigid requirement in any obviousness case based on a combination of several prior art references.[15] The Court held more broadly that every element of a patent claim need not be spelled out in the prior art; rather common sense could supply the link between several prior art references and render a claim obvious.[16] In fact, the court held, "[t]he combination of familiar

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[11] *Dippin' Dots, Inc. v. Mosey*, 476 F.3d 1337, 1343 (Fed. Cir. 2007), *citing LNP Eng'g Plastics, Inc. v. Miller Waste Mills, Inc.,* 275 F.3d 1347, 1353 (Fed. Cir. 2001).

[12] *KSR Int'l Co. v. Teleflex, Inc.*, 127 S.Ct 1727, 1746 (2007).

[13] *Id.*

[14] *Id.* at 1741.

[15] *Id.*

[16] *Id.* at 1742.

elements according to known methods is likely to be obvious when it does no more than yield predictable results"[17]

After the Supreme Court's *KSR* decision, it seems logical to ask what effect the decision has on the role of juries in patent cases. After all, before *KSR* the showing of a teaching, suggestion, or motivation to combine was a key factual issue present in the majority of obviousness cases, and thus juries played a key role in resolving it. With this major factual issue gone, is a continuing major role for juries in determining obviousness justified? Or can we now dispense with them altogether and try obviousness to the court?

II. Empirical Review of District Courts' Use of Juries in Determining Obviousness in Patent Cases

A logical starting point is to review the role that juries have actually been playing in recent patent litigations. Do courts turn to juries to determine obviousness, and what role precisely do juries play? We examine first a number of pattern instructions that juries receive in patent cases, and then present a survey of verdict forms to demonstrate what questions juries are actually answering in these cases.

A. Jury Instructions in Obviousness Cases: Review of Pattern and Model Instructions

Several federal courts and intellectual property law bodies have put forth pattern or model jury instructions for pattern obviousness cases. Two federal courts of appeals have model jury instructions concerning obviousness in patent cases. Both predate the Supreme Court's decision in *KSR*. Both also suggest submitting the ultimate issue of obviousness to the jury, asking the jury to determine whether given claims of a patent-in-suit are invalid for obviousness.

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[17] *Id.*. at 1739.

The Eleventh Circuit's pattern instructions provide modest guidance to the jury in determining whether asserted claims of a patent-in-suit are obvious.[18] They set out the statutory obviousness requirement, and define the concept of "prior art" for the jury. They then instruct the jury to consider a variety of secondary considerations including long-felt need, failure of others, commercial success, licensing by others and alleged copying by the defendant.

The pattern instructions of the Court of Appeals for the Fifth Circuit provide the jury with more guidance.[19] This Circuit includes within its territory the Eastern District of Texas, a district that is particularly popular with plaintiffs in patent cases. The instructions set forth the statutory obviousness standard and instruct the jury to consider primary and secondary considerations, corresponding generally to the framework of *Graham v. John Deere*.[20] The instructions caution the jury to avoid hindsight bias in determining the differences between the prior art and the invention, require it to find a motivation to combine prior art references when the invention is based on a combination of prior art references, and provide several factors to assist in determining the level of ordinary skill in the art. In addition to the secondary considerations identified in *Graham*, the instructions ask the jury to determine whether the invention received praise from others in the art and whether the invention departed from other principles or accepted wisdom of the art.

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[18] United States Court of Appeals for the Eleventh Circuit, Pattern Jury Instructions (Civil Cases), *available at* http://www.ca11.uscourts.gov/documents/pdfs/civjury.pdf, pp. 386-387 (visited April 15, 2008); *see also* United States District Court for the Northern District of Alabama, Pattern Jury Instructions (Civil Cases), *available at* http://www.alnd.uscourts.gov/Local/PanelJuryInstructions/Civil/civjury.zip; fed11.1 file (visited April 15, 2008) (substantially similar to the Eleventh Circuit's pattern instructions).

[19] United States Court of Appeals for the Fifth Circuit, Pattern Jury Instructions in Civil Cases, *available at* http://www.lb5.uscourts.gov/juryinstructions/2006civil.doc, § 9.5 (visited April 15, 2008).

[20] 383 U.S. 1, 17 (1966).

The District of Delaware, another district popular with patent litigants, also has model jury instructions for patent cases, which have not been updated since 1993.[21] They instruct the jury to determine the ultimate issue of obviousness in light of the statutory definition and the primary and secondary considerations identified in *Graham*. They contain separate instructions on issues such as avoiding hindsight bias, teaching away from prior art, obvious to try and independent invention by others.

On October 5, 2007, the United States District Court for the Northern District of California adopted a set of new model jury instructions in patent cases.[22] Adopted after the issuance of *KSR*, these instructions cite the Supreme Court's decision. The Northern District gives judges a choice between two sets of alternative instructions: both sets instruct the jury on the statutory obviousness standard and the primary and secondary factors enumerated in *Graham*, as well as other secondary considerations gleaned from Federal Circuit case law.[23] There are also separate instructions on each of the primary Graham factors. One set of instructions stops there, while the other adds a number of general guidelines on the determination of obviousness as a whole, with a view towards asking the jury to decide the ultimate issue of obviousness. Thus the jury is cautioned to avoid using hindsight and limit its inquiry to what was known at the time the patent was issued, and to attempt to determine whether the claim at issue reflects true inventiveness or merely the predictable combination of known prior art

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[21] United States District Court for the District of Delaware, Uniform Jury Instructions for Patent Cases, *available at* http://www.ded.uscourts.gov/jury/Patent%20Jury%20Instructions.pdf, § 4.8 (visited April 19, 2008).

[22] United States District Court for the Northern District of California, Model Patent Jury Instructions, *available at* http://www.cand.uscourts.gov/CAND/FAQ.nsf/60126b66e42d004888256d4e007bce29/4b43c2137e17e03a88257393007bac13/$FILE/NDModel.nov07.pdf, § 4.3(b), pp. 32-38 (adopted October 5, 2007) (revised November 29, 2007) (visited April 19, 2008).

[23] The secondary considerations include commercial success, long felt need, unsuccessful attempts by others, copying by others, unexpected and superior results, praise or licensing by others, independent and contemporaneous invention by others and other evidence tending to show obviousness or lack thereof.

elements.[24] In keeping with the *KSR* decision, the jury is instructed that it may consider the question of motivation to combine prior art references, but need not do so.

The Northern District of California model instructions also include two model jury verdict forms.[25] Both ask the jury to answer a number of questions. For each primary *Graham* factor, the jury must indicate whether it agrees with the alleged infringer or the patent holder or whether it arrived at a different conclusion, in which case the jury must indicate what its conclusion was. The jury is also given a list of those secondary obviousness considerations as to which a *prima facie* case has been made. It must then place a checkmark next to each factor that it finds has been established. If the jury finds that "other factor(s) indicating obviousness or nonobviousness" exist it must indicate what they are.[26] The first alternative verdict form stops there, while the second also asks the jury to indicate whether, in light of its answers to the "preliminary questions," it believes that the invention as a whole would have been obvious.[27]

The American Intellectual Property Law Association (AIPLA) and the Federal Circuit Bar Association also have created model jury instructions for patent cases. AIPLA's instructions are reminiscent of the Northern District of California: they set forth two alternatives, one contemplates instructing the jury to answer the ultimate question of obviousness, the other does not.[28] AIPLA, like the Northern District of California, gives the jury detailed explanations of each of the primary and secondary obviousness considerations. AIPLA's instructions contemplate a special verdict. Whether or not the jury also determines the ultimate issue of

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[24] *See KSR*, 127 S.Ct. at 1739.

[25] *See* Northern District of California Model Patent Jury Instructions, *supra* n. 22, pp. 57-59.

[26] *Id.*

[27] *Id.* at 59.

[28] American Intellectual Property Law Association, Model Patent Jury Instructions, *available at* http://www.aipla.org/Content/ContentGroups/Publications1/Guide_to_Model_Patent_Jury_Instructions.htm#Obviousness (visited April 15, 2008).

obviousness, it must also state its finding of fact corresponding to each of the pertinent *Graham* factors for the claim at issue.

The Model Patent Jury Instructions of the Federal Circuit Bar Association have recently been updated to take account of the Supreme Court's decision in *KSR*.[29] In addition to instructing the jury on the primary and secondary factual obviousness inquiries and providing detailed guidance on applying each factor, the jury is given guidance on determining obviousness based on a combination of known elements. In accordance with *KSR*, the instructions explain that the level of common sense and creativity of persons of ordinary skill in the art can play a role, and that the fact that an invention was obvious to try can be relevant. The instructions ask the jury to determine the ultimate issue whether the asserted claims would have been obvious.

B. Analysis of Verdict Forms Used by District Courts Since the Issuance of *KSR*

Having reviewed pattern jury instructions in patent cases, we turn to the verdict forms that juries have recently completed in patent cases. Our survey considered district court cases where obviousness was at issue and that were tried between the issuance of the Supreme Court's opinion in *KSR* and January 17, 2008. The goal was to discover exactly what role juries played in determining obviousness.

Of a total of seventeen jury verdicts that were identified, a clear majority followed a set pattern. Thirteen juries were simply asked to render a verdict on whether asserted claims of a patent were invalid for obviousness. The juries rendered verdicts on a claim-by-claim basis, but there was no further granularity in the verdict. Thus the juries did not answer questions relating to specific *Graham* factors; rather they rendered a general verdict on obviousness as a whole. A typical verdict form looked as follows:

[29] Federal Circuit Bar Association, Model Patent Jury Instructions, § 4.3b, pp. 43-51 (updated Jan. 2008).

> Do you find by clear and convincing evidence that any of the following claims of the patents are obvious? Answer "YES" or "NO" as to each claim.
>
> '114 patent:
> Claim 1 NO
> Claim 6 NO
>
> '768 patent
> Claim 1 NO
> Claim 11 NO [30]

Of the thirteen verdicts that took roughly this form, two merely asked the jury whether a claim was invalid (rather than specifying obviousness as the basis for invalidity)—it is somewhat unclear in these cases on which theory of invalidity the jury voted.

In the remaining four verdict forms, juries were not asked to determine whether asserted claims were obvious at all (even though in at least one case the jury was—somewhat puzzlingly—instructed on obviousness law). Since obviousness was at issue in the cases, it appears that the issue was simply left for the court. Three of these verdict forms do not mention obviousness at all, whereas the fourth follows the approach of the Northern District of California's model instructions. It instructs the jury that "the ultimate legal conclusion on the obviousness question will be made by the court" but puts several underlying factual questions to the jury in a special verdict form.[31] The jury was asked to specifically determine whether given secondary factors of obviousness were established in the case.

C. Conclusion

A clear trend emerges from our survey of pattern jury instructions and jury verdict forms in obviousness cases. After the issuance of the Supreme Court's decision in *KSR*, juries remain, in the majority of cases, involved in the determination whether asserted claims would have been

[30] *See* jury verdict form in *TGIP v. AT&T*, No. 2:06-cv-00105 (E.D. Tex. Sep. 14, 2007).

[31] *See* jury verdict form in *Boston Scientific v. Johnson & Johnson*, No. 3:02-cv-00790 (N.D. Cal. Nov. 1, 2007).

obvious to one of ordinary skill in the art at the time the patent application was filed. Juries are given detailed instructions on obviousness law which break the inquiry down into factors, and explain the thought process they should follow under each factor. Juries are then asked to determine whether claims are obvious, but they are not usually asked to provide answers at a greater level of specificity. The majority trend thus favors a general verdict approach (leading to so-called "black-box verdicts"), rather than a special verdict approach such as that of the Northern District of California, where jury have to make findings under each of a number of factors that contribute to the obviousness determination as a whole.

III. Reflections on the Appropriate Role of Juries Moving Forward

Having determined the role that juries play in determining obviousness today, we can now ask whether that role should change going forward. Does the *KSR* decision require a rethinking of the role of juries in determining obviousness? Are there other reasons to alter the *status quo*?

A. The Effect of the Supreme Court's Decision in *KSR*

To answer our first question, *KSR* would not seem to mandate any fundamental rethinking of the role of juries in determining obviousness. The net effect of the Supreme Court's decision was merely to change the role played by one factual finding (that of a teaching, suggestion or motivation to combine). Though that inquiry is no longer a required one in cases where obviousness is allegedly based on a combination of prior art references, the Supreme Court noted that the inquiry can still be helpful.[32] The Federal Circuit has accordingly since

[32] *See KSR*, 127 S.Ct. at 1731 (describing the test as providing "helpful insight").

suggested that motivation to combine continues to have a place in obviousness cases.[33] It has even upheld, after *KSR*, a pre-*KSR* instruction that required the jury to find motivation to combine.[34] Thus juries can still be called on to determine whether there was a motivation to combine prior art references. By suggesting that "common sense" could play a role in determining whether an invention was obvious, the Supreme Court's decision might even suggest an even greater role for juries, since determining what "common sense" provided at the time the patent application was filed seems to be the paradigmatic jury function.

More fundamentally and putting aside motivation to combine, *KSR* did not eliminate the many factual considerations inherent in the obviousness determination and identified in *Graham* and subsequent cases. The basic consideration that has led courts to turn to juries throughout the years, namely the existence of underlying factual questions that must be answered to determine obviousness, remains unchanged after *KSR*. Because these multiple factual questions are just as relevant after *KSR*, the decision does not mandate any change in the role of juries.

B. Other Thoughts

The approach that the majority of courts use today is fundamentally sound. Courts instruct the jury on the various factual components inherent in an obviousness determination, and ask the jury to determine whether given claims would have been obvious. Courts then review the jury's verdict on motion for judgment for a matter of law. Such review is essential, from a doctrinal perspective because obviousness is ultimately a question of law, but also from a practical perspective because the jury's determination of specific factual issues does not tell the whole story. While the jury can determine factual issues, the weighing of particular factors in

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[33] *See Takeda Chem. Indus., Ltd. v. Alphapharm Pty., Ltd.*, 492 F.3d 1350, 1357 (Fed. Cir. 2007) ("As long as the [TSM] test is not applied as a 'rigid and mandatory' formula, that test can provide 'helpful insight' to an obviousness inquiry.") (quoting *KSR*, 127 S.Ct. at 1731).

[34] *Cordis Corp. v. Medtronic Ave, Inc.*, 511 F.3d 1157, 1172 (Fed. Cir. 2008).

determining the ultimate issue of obviousness remains principally a question of law.[35] By dividing tasks between jury and judge, courts are therefore best equipped to resolve an issue that is primarily legal but also "lends itself to several basic factual inquiries."[36]

[35] *See Agrizap, Inc. v. Woodstream Corp.*, 2008 WL 819757, at * 6 (Fed. Cir. 2008) (finding of secondary factors can be legally insufficient to overcome a prima facie showing of obviousness).

[36] *Graham*, 383 U.S. at 17.