

## **A paper for: Fordham Intellectual Property Institute – 18<sup>th</sup> Conference**

### **Session 9C – Obviousness/Inventive Step – Comparative view**

#### **A European approach towards the assessment of inventive step by the EPO and national judges?**

##### **A Dutch perspective**

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New York, 9 April 2010

##### *Introduction*

A bird's view of the several structured approaches as helping tools for deciding on obviousness, i.e. problem/solution in the EPO and The Netherlands, *Windsurfing* as restated in *Pozzoli* in the UK and the German 4-steps structured approach from BGH *Schmierfettszusammensetzung*, as well as the problem/solution test in France (less formally applied than according to TBA case law), might be that they do not seem to be all that different in principle.

In all of these it seems to boil down to the final step 4, which has the key normative element involved.

By and large in The Netherlands we favour problem/solution in the majority of cases as a *helping tool*.

It forces you to take as a springboard that particular piece of prior art that has most features in common with the patent at issue. If necessary departing from different sets of closest prior art suggested for purposes of checking in case the actual closest prior art is unclear.

I know the shortcomings of problem/solution.

It will not do with entirely new fields, with problem-inventions and sometimes all you really need to ask is a simple question: given this common general knowledge, was the solution obvious for the skilled person or not? That might be it. Or even more basic: Is it just mere purification, or mere automation of processes, saving energy, optimization of parameters in a conventional way involved in the "invention" at stake?

No structured approaches needed for these types of issues.

I do not consider it useful to go into the different structured approaches, Brian Cordery will do so.

I recall the 4 steps in problem/solution and the could/would test as commonly practiced by the EPO<sup>1</sup> and us;

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<sup>1</sup> Case Law of the Boards of Appeal of the European Patent Office, Fifth Edition, December 2006, I.D.2, p. 120.

- 1) determine the closest prior art as the most promising springboard to the invention;
- 2) assess the technical results or effects achieved by the claimed invention compared to this closest prior art;
- 3) define the objective technical problem to be solved as the object of the invention to achieve these results or effects;
- 4) consider whether or not, starting from this closest prior art and this objective technical problem, the claimed invention would (not: could) have been obvious to the skilled person. Touchstone here is the priority or filing date and the skilled person has his "toolbox" of common general knowledge ready for use.

Lord Justice Jacob's restatement in *Pozzoli*<sup>2</sup> involves 4 comparable steps:

- 1) a) identify the notional skilled person;
  - b) identify the relevant common general knowledge of that person;
- 2) identify the inventive concept of the claim, or if that cannot readily be done, construe it;
- 3) identify what, if any, differences exist between the matter cited as forming part of the state of the art and the inventive concept of the claim or the claim as construed;
- 4) ask whether, viewed without any knowledge of the alleged invention as claimed, those differences constitute steps which would have been obvious to the skilled person or do they require any degree of invention?

The German-test is not all that different. It constitutes another 4-steps structured approach (*Schmierfettzusammensetzung*)<sup>3</sup>:

- 1) determination of the subject-matter of the patent in suit as defined in the independent claims seen by the skilled person at the priority date;
- 2) definition of the notional person skilled in the art → usually at BGH-level by evaluating court-appointed expert's evidence;
- 3) consideration of the relevant prior art → may involve alternative routes, so different pieces of prior art to start from;
- 4) obviousness with regard to the differences between the prior art and the patent in suit → often using court-appointed expert's evidence too;

Questions to be addressed by the expert in step 4:

- a) which steps have to be taken by the skilled man to arrive at the solution in the patent?
- b) was there an incentive for the skilled person to think in this direction?
- c) provide the detailed reasons pro and con the patented solution based on this incentive.

In France it seems to be no different essentially<sup>4</sup>: more or less problem/solution, be it less formally applied.

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<sup>2</sup> [2007] EWCA Civ 588.

<sup>3</sup> Johnson, in Hacon/Pagenberg *Concise Patent Law*, Second Edition, EPC 2000 56, note 25.

It is interesting to note that at last year's Venice Forum a survey was conducted among the Venice judges by prof. Lazega on what we think of each other as peers. One of the results is that there is a strong level of consensus among these Venice judges on assessment of inventive step: they seem to favour problem/solution and see much relevance in foreign decisions.<sup>5</sup>

It is equally interesting to note that Jacob LJ applied problem/solution next to *Pozzoli* in the recent *fluvastatine* case of the CoA.<sup>6</sup>

I intend to focus on 3 issues where there might also be differences differences across Europe:

- 1) the role of common general knowledge of the skilled person;
- 2) the role of motivation to consider developments to prior art teaching ; and
- 3) the plausibility-test and post-filing evidence , or how much data on inventive step is required.

#### *1) Common general knowledge*

How do we determine the state of common general knowledge of the skilled person (that "unimaginative bore" we use as a yardstick, being often a team involving several specialists in modern times complicated technology, as we know).

First there is the big divide in procedural differences across Europe.

It might be safe to say that in England it is the evidence coming from party-experts that by and large determines what constitutes relevant common general knowledge.

In Germany in the end this may be what the court-appointed expert tells you.

I think we have a different *modus operandi* in Holland. Somewhat provocative, I would say that we deal with party-expert's evidence fairly cautiously and that we would need convincing evidence on the objectivity of the content of it. I have never seen a court-appointed expert for this in my days at the bar nor at the bench.

Determining common general knowledge is highly artificial. Especially since we use Oxbridge professors or key American and Asian scientists from both parties to tell you what this "bore" would have in his "common general knowledge-toolbox". They tend to be super specialists in their fields – not always, but frequently and in majority.

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<sup>4</sup> *Op. cit.* note 24.

<sup>5</sup> The survey was conducted by The Hague Institute for Internationalisation of Law (HiiL) and called "Mapping Transjudicial Dialogue and Learning Accross Borders". A survey report has meanwhile been presented to EPLAW, IPJA and the EPO. The survey was part of HiiL's research project "The Changing Role of Highest Courts in an Internationalising World". More information can be found here: <http://www.hiil.org/research/main-themes/highest-courts/research-project-the-changing-role-of-highest-courts-in-an-internationalising-world/>.

<sup>6</sup> [2010] EWCA Civ 82 at 26, 39 and 62 + 63.

Can those bright minds really begin to understand how unimaginative this bore was at the priority date ?

It is our believe you would want more objective means to establish the content of this than mainly recollection of present-day scientists of what was at issue decades back in time.

Obviously determining common general knowledge is a judicial – legal exercise, but leaning heavily on evidence in essence coming from those bright minds could bear the danger of exaggerating the content of common general knowledge and therewith stretching the hurdle for inventive step too much, I would submit to you. Even though there is the balance of opposite parties' expert testimony and cross-examination.

Over the years we have grown towards eachother in this field, though. Partly due to parallel litigation across Europe involving the same Oxbridge/American/Asian bright minds in several procedures – although they provide different evidence under different rules of procedure. But also since in The Netherlands we have grown to recognize that sticking to what is said in handbooks/textbooks and peer-reviewed periodicals of worldwide repute alone in some cases is not always helpful and thus not determinative. So you might spot a tendency to allow for more and different sorts of evidence for determining common general knowledge. Therefore what is called the unwritten “mental furniture”, numerous publications in the specialist press over a fairly short time reporting on meetings and research in a particular field in a particular timeframe, common research practices, be it induced by policies of regulating bodies or not, and everyday items from a different technical but related field come into play more frequently.

For example, in dealing with the question of it being common general knowledge to resolve racemates as a routine measure at a certain date, we took this kind of evidence into account.

In my Dutch eyes the English approach is somewhat more subjective than ours at most.

What is different though is this. Something more of a different attitude, I would call it. I am entering dangerous grounds now.

Determining common general knowledge under problem/solution nearly automatically involves claim-construction as a parallel but somewhat separate process. Paradoxically as this may seem. That is no different under the second *Pozzoli*-question (identifying the inventive concept) nor under the first German question (determining the subject-matter of the claim). By far the majority of cases involves infringement and validity at the same time in the same proceedings. Since we have a Dutch doctrine of prosecution history estoppel (as has the US) in which we pay attention to the file, it is not too farfetched to say that we tend to construe any patent claim in such a “combined” case in the light of the file too.

I doubt this to be an official doctrine, but I would submit to you that at least at District Court level, having read the file, you take "into your system" what is said about inventive step, the skilled person and common general knowledge by the applicant or the patentee and the Examiner and in opposition proceedings. This sometimes might amount to comparable results you would obtain by disclosure/discovery (which is not practiced in The Netherlands in the way familiar in England and the US). A lot can be derived from the file and it is my observation that parties increasingly derive argumentation from that, coloring the content of

common general knowledge submitted.

I know this is extremely foreign to English and German ears, but - as I understand it - maybe less to French' and certainly less to Scandinavian ones.

## 2) *Motivation*

The role of motivation to consider developments to prior art teaching with us boils down to a rather strict adherence to the EPO's could-would approach, involved in the final step of problem/solution as outlined above.

Where to draw the line cannot be said without considering the specific facts of each case. Thus the field is casuistic as we say. "Try and see" is clearly wrong (not obvious), results "clearly predictable" is certainly enough to make a patent bad for obviousness, but the rest in essence is a matter of degree.

"Obvious to try" is not the beginning of the answer and not a criterium as such for us, since what matters is "promptings" the skilled person can find in the prior art, what "recognisable pointers" direct him to take a specific course of action in such a way that there was a "reasonable expectation of success", which is the decisive yardstick in the field of motivation. This is the same in England, as we know since the taxol case (*Conor v Angiotech*)<sup>7</sup>, where Lord Hoffmann said that the obvious to try test is only useful where there was a fair expectation of succes.

In this field, or related to it, one finds the problem of what promptings the skilled man has to combine things: Would it be obvious to combine teachings of different documents?

An interesting side field here is motivation for new use of a known measure<sup>8</sup>.

It is my understanding from HoL in the taxol case that under English law this is no different anymore. Jacob LJ said the same in the fluvastatine case at 24.

In our practice we tend to focus on issues such as "unrelated field", the issue of what I call "too farfetched" for the unimaginative skilled person to take into account and whether or not "prejudice" can be established, or, as the case may be, whether particular pieces of prior art "point away".

During debate on motivation secondary indicia<sup>9</sup> may come into play, such as commercial success and long felt want.

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<sup>7</sup> [2008] UKHL 49.

<sup>8</sup> Example: T 112/92: use as a thickener and new use as a stabilisor are considered closely related so there would be a reasonable expectation of success, hence obvious. Another one: T 913/94: trying ulcer medicament for treating gastritis is obvious.

<sup>9</sup> Case Law of the Boards of Appeal of the European Patent Office, Fifth Edition, December 2006, I.D.9 pp. 161-168.

### 3) *Plausibility-test and post-filing evidence (speculative claims)*

How much data on inventive step is required? Since HoL *Conor v Angiotech* and CoA *Lilly v HGS*<sup>10</sup> I doubt whether we are at all apart in Europe.

Speculation, a shot in the dark, or what I call “whishfull thinking-patents” are a clear bar in this field. Pure speculation without any indication in the description why something would work or has been picked should not be allowed. The educated guess in the patent must be shown to be plausible. I think it is fair to say that the EPO and the TBA’s should be critically followed by us judges in this area, but I do not see much wrong in their line that provided at least some data in order to make it *plausible* (cf. T 1329/04 *John Hopkins*, at 11) in the eyes of the skilled person are described, these can be supplemented by further evidence lateron (cf. f.i. T 1165/06 *Schering*). But there has to be some disclosure of substance going beyond speculation (cf. *John Hopkins* at 12).

Is it a matter of degree again here too? I think it is. In the well-known taxol case, we considered the data on the CAM assay (just) enough. So did Lord Hoffmann, unlike the High Court Judges below. So if there is some beginning of evidence, like the CAM assay in *Angiotech*, this can be supplemented lateron. Jacob LJ specifically cites this approach made by Hoffmann in the taxol case in *Lilly v HGS* at 78. I fail to see why this is wrong and why the balance between rightful monopolies and free trade is at issue here with this concept. The invention was made and deserves protection if it is sufficiently beyond mere speculation, it seems to me.

I was told in the recent English Court of Appeal decision *Lilly v HGS* the issue was re-addressed, but as far as I can see this was predominantly not in the field of obviousness, but in the related but free standing field of susceptibility of industrial application in a biotech case (cf. at 41 of the CoA decision, and more particularly at 50 : “*This was by far the most important point. Beside it the others pale in insignificance (...) it was always this point which was going to be determinative*) – and in fact this not the subject of this session. It is quite related, though. It concerns DNA sequences and a protein called Neutrokin- $\alpha$  discovered by bioinformatics. The judge below, Kitchin J held all claims of EP 804 invalid on 3 grounds: not susceptible of industrial application, insufficient and obvious because of lack of technical contribution. After that the TBA allowed in 700 pages of new material shortly before the hearing and the patent was held valid by the TBA on more limited claims defended by Lilly, but the English CoA rejected the appeal last February. Jacob LJ starts with explaining procedural differences between an English and an TBA appeal. Allowing in all that new material is impossible under English procedural law. He also cites Lord Hoffmann at 3 in *Conor v Angiotech* (“*Sometimes one is dealing with questions of degree over which judges may legitimately differ. Obviousness is often in this category*”). In the Biotech Directive it is clearly stated that you patent an isolated gene sequence, but only if you disclose the industrial application of the protein for which it encodes (*Lilly* at 57). This holds for Art. 57 EPC too. The rider is of course what constitutes a sufficient specification. As Jacob LJ rightly points

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<sup>10</sup> [2010] EWCA Civ 33.

out: That is fact-specific and involves questions of degree and cannot be pictured in general. It all depends on the facts of the case at hand. In *Lilly Jacob LJ* formulates the plausibility test thus: more than "not incredible" is required – there must be some real reason for supposing the statement is true. That the patent failed this test in England might be not too surprising, it claiming to be the answer to so many conditions, from treating cancer to treating worms, and both Neutrokine- $\alpha$  as well as its anti-bodies. Obviously the inventors had no idea, it involved pure speculation. The English CoA points out that and why the TBA did not properly follow settled TBA authority and that there was different evidence before both tribunals.

### *Conclusions*

My conclusion would be that by and large we play by comparable rules. The structured approaches are comparable and motivation and plausibility too after the taxol-case and *Lilly v HGS*, but that we differ in assessing common general knowledge. Assessing inventive step is often a matter of degree where reasonable judges may reasonably differ. This process is fact-specific.

But there might be something else – allow me to speculate: A question of attitude or mentality, or a reminiscent of old-days mentality still surviving. Exaggeratedly, I suppose you could say the English way of viewing monopolies or exclusive rights like patents is traditionally one of suspicion, while ours – coming from a German-like *Wesenslehre* – is one of looking at patents as a *potential* just award for an invention which deserves protection (provided they prove to be good, of course, and that is the whole point we are equally keen on getting to the fore, so I am not at all sure about this "speculation").

"In doubt deny" vis-à-vis "when in doubt sustain", if you would prefer slogans, or restrictive vs more liberal.