

San Diego Intellectual Property Law Association



SDIPLA News



MAY 24 DINNER MEETING FEATURING ROBERT J. SPAR,
FORMER DIRECTOR, OFFICE OF PATENT LEGAL ADMINISTRATION AT THE
USPTO
DEL MAR MARRIOTT

Robert J. Spar is the former Director of the Office of Patent Legal Administration, (OPLA), under the Deputy Commissioner for Patent Examination Policy at the U.S. Patent and Trademark Office (USPTO). Mr. Spar will share his recently acquired outsider's perspective on a variety of issues involving recent proposed and final rule changes. Mr. Spar may poll the audience to see what you prefer to hear about, of the following subjects: (a) update on recent Office notices and proposed rule makings, including OED proposed rule makings, PCT proposed rule making April 2007 PCT changes, examining cases with nucleotide sequences, change in procedure for handling omitted items, electronic notification of outgoing correspondence; (b) update on recent final rules published, including rules to facilitate electronic filing of patent correspondence, to implement priority document exchange between IPOs, update on the Accelerated Examination program; and (c) helpful practice tips and pointers suggestions to be more effective and to avoid problem.

While at the OPLA, Mr. Spar's responsibilities included implementing the OPLA's primary goal of addressing policy initiatives involving the patent examination process. This included developing, implementing and disseminating information about changes to patent examining practices and procedures via rulemaking, publishing notices in the Federal Register and the Official Gazette, modifying

(continued on page 3)

Upcoming Events

- May 24, 2007 SDIPLA Dinner at the Del Mar Marriott featuring Robert Spar, former Director of the USPTO's Office of Patent Legal Administration
- June 6, 2007 SDIPLA Luncheon at the Hyatt Regency La Jolla featuring John Love, Deputy Commissioner for Patent Examination Policy, will speak about "The Present and Future Perspective of the USPTO." **Board Elections for 2007-2008 term**
- June 8-10, Joint Meeting of Southern California's Intellectual Property Law Associations.

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May 24 Dinner Meeting — Del Mar Marriott:

Date/Time/Location:

May 24, 2007
6:00 p.m.—8:30 p.m.
Del Mar Marriott
11966 El Camino Real
San Diego, California

Notes:

The meeting is at the Del Mar Marriott.
This is a **dinner** meeting.
Speaker: Robert Spar

Directions:

From I-5 exit Carmel Valley Rd. and head east. Turn on 2nd left onto El Camino Real, Hotel is on left.

INTERNET SIGHTINGS by Jim Hawes

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This column highlights some of the more notable recent internet newsletters and blogs dealing with IP prosecution issues. For more info go to the site cited. If your favorite site isn't here email Jim at onejehawes@aol.com.

Hal Wegner's newsletter – hwegner@foley.com -

- *4/6/07 reports a British attempt to explain the current state of claim construction in the U.S., with a copy attached. See another posting on the same date of the Bass Pro decision's claim construction.
- another posting on 4/6/07 discusses "joint" patent infringement.
- 4/12/07 issue discusses the dissent in the recent *Acumed* CAFC decision and the delightful time attorneys can have when helping a court with claim construction issues in oral argument. (If you believe this, you haven't been paying attention.)
- in another 4/12/07 email Hal reports that the *Acumed* split continues an alarming trend. Split CAFC panels on claim constr. issues now occur at about 9 per year, while the pre *Phillips* rate was about 4 per year, and 0.7 during the Markey era. How can anyone predict claim construction now?
- The 4/13/07 issue focused on Japanese patent litigation: about 90% of litigated Japanese patents loose, and an 80% loss affirmance on appeal.
- The 4/14/07 issue explains that the low Japanese patent enforcement rate was due to the low patentability standards of an earlier era.
- The 4/16/07 issue lists Hal's top 10 patent cases currently on appeal.
- *The 4/18/07 issue cites the *Classen* case now before the CAFC concerning patentable subject matter and the scope of section 101.
- The 4/19/07 issue discusses the proposed Patent Reform Act of 2007.
- The 4/22/07 issue discusses why the Patent Reform Act is DOA.
- *The 4/23/07 issue presents the *Omeprazole* CAFC decision re inherent anticipation, and the inherent disagreement this topic triggers there.
- *The 4/24/07 issue discusses restriction practice, the Haas decisions, and why MPEP §803.02 is wrong.
- *The 4/25/07 issue discusses the *Air Measurement* case and applicable standards for legal malpractice in patent matters.
- The 4/27/07 issue surveys the committee hearing on the patent reform bill.

(continued on page 3)

The SDIPLA thanks our Sponsors for the monthly meetings:

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www.kmob.com

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www.paulhastings.com

Townsend and Townsend and Crew LLP
www.townsend.com

(listed alphabetically)

Continued . . . INTERNET SIGHTINGS (from page 2)

- Another 4/27/07 issue cites where the newly proposed continuation and claims announcements now under review can be found on the internet.
- *The 4/30/07 issue discusses the Supreme Court's just issued *KSR* and *Medimmune* decisions, and updates the Top Ten list.
- *Obviously from this list I cite almost every posting by Hal. Thus, in the future I plan to only cite the major postings, such as those with a * above.

Patently-O – a blog written by Dennis Crouch – patent@gmail.com

- 4/4/07 blog discusses a claiming strategy Dennis favors.
- 4/5/07 blog considers the *Anderson* CAFC decision and claim differentiation.
- 4/11/07 blog cites the new continuation rules reported by Charles Van Horn to the DC bar; Charles also reported them to the AIPLA's PTO committee on this date. Expect a public announcement in about August.
- 4/17/07 blog discusses the just released FTC/DOJ joint report – 217 pp. – on the relation between patent rights and antitrust policy – a must read for licensors.
- 4/18/07 blog surveys the just introduced Patent Reform Act of 2007.
- 4/20/07 blog discusses the *Intamin* CAFC decision and the claim construction mess. How can anyone practice in this confusion?

IP law 360 – a newsletter covering all IP, but focusing mainly on litigation – web address: www.iplaw360.com

- a 4/5/07 discussion of strategies for responding to unsolicited license inquiries in view of recent decisions.
- the 4/12/07 issue has a guest column that discusses the best practices for handling manuscript copyright issues – registration, clearance, etc.

The Invent blog – also from feedblitz@mail.feedblitz.com

- 4/6/07 blog reports their legal job site, and a reduced fee special.

Daily Dose of IP – a blog by Mark Reichel – www.dailydoseofip.blogspot.com –

- an ongoing series mostly summarizing recent notable CAFC decisions.
- The 4/12/07 issue discusses the ongoing trademark dispute between Martha Stewart and Katonah village.
- On 4/13/07 the dose concerned the new Utah “electronic” trademark law creating a registry to prevent competitors from capturing search engine queries of a rival's registered electronic mark.

OTHER –

- on 4/12/07 careerbuilder.com reported ten cringe-worthy email blunders.
- if you are thinking of using a blog to help develop your practice, read the 4/13/07 post@technolawyer.com.

by Jim Hawes

continued ... Bob Spar (from page 1)

USPTO forms which are used both internally and externally, and distributing internal memoranda. In addition, OPLA was responsible for implementation of each of the final rule packages, which included training, as needed, of the technical support staff, the examining corps, and members of Patent management. To inform the patent and inventor communities about the changes made by these various rulemakings, and how they are being implemented, Mr. Spar and his former staff developed AIPA and PBG – Final Rule web pages on the USPTO's web site, and they have made numerous presentations throughout the country.

Reservation Form for May 24, 2007 SDIPLA Meeting

MAY 24, 2007 DINNER MEETING FEATURING

Robert J. Spar
Del Mar Marriott

Thursday
May 24, 2007

Del Mar Marriott

Registration starts at 6:00 p.m.
 Dinner starts at 6:45 p.m.
 Presentation starts at 7:15 p.m.

The Menu

California Goat Cheese, Arugula, Spinach and Asparagus Salad Topped with Toasted Almonds
 With an Orange Balsamic Vinaigrette

With one of the following entrees:

Stuffed Chicken

With Herb Roasted New Potatoes

** OR **

Salmon Pave

With Grilled Asparagus and Yukon Gold Potato Puree

** OR **

Vegetarian Selection

Eggplant Parmesan

And

Lemon Tart with Strawberries

Due to the large number of attendees expected at this event, the SDIPLA is again requesting **Pre-Registration and Pre-Payment.**

To reserve your place, please fill out the below registration, and send it **WITH YOUR CHECK MADE PAYABLE TO 'SDIPLA'** to:

Boris Zelkind
 SDIPLA Secretary
 Knobbe, Martens, Olson & Bear LLP
 550 West C Street, Suite 1200
 San Diego, CA 92101
 (619) 235-8550
 Fax: (619) 235-0176
 boris.zelkind@kmob.com

On-line reservation available– go to www.acteva.com and search for SDIPLA or follow the link at www.SDIPLA.org

Please fill out a separate form for each attendee.

REMINDERS

- Please mail, fax, or e-mail your reservation to Boris Zelkind at the address, fax, or e-mail address indicated for receipt **no later than 5:00 p.m. on Tuesday, May 22, 2007.**
- The reservation deadline is dictated by the hotel and not by the SDIPLA.
- This program has been approved for MCLE credit by the State Bar of California in the amount of one (1.0) unit.

NOTE MEAL PRICES

\$50.00 SDIPLA Member

\$60.00 Non-Member

Registration

Name: _____ E-Mail Address: _____

Firm/Employer: _____

Telephone Number: _____

Member of SDIPLA? (circle one) YES NO

Entrée Choice: _____ Chicken _____ Salmon _____ Vegetarian



Case Summary: *KSR International Co. v. Teleflex Inc.*, No. 04-1350 (U.S. Supreme Court, April 30, 2007)

By John M. Carson and Jason J. Jardine

FACTS

Teleflex sued KSR for patent infringement of an accelerator pedal patent that Teleflex held via an exclusive license. The sole claim in suit describes a mechanism for combining an electronic sensor with an adjustable automobile pedal so that the pedal's position can be transmitted to a computer controlling the throttle in the vehicle's engine. KSR argued that the claim was invalid for being obvious arguing that there was no teaching, suggestion or motivation to combine the cited references.

The trial court granted summary judgment in favor of KSR comparing the teachings of the prior art to the claim and finding "little difference." In particular, the court found that one patent taught everything contained in "except the use of a sensor to detect the pedal's position and transmitted to the computer controlling the throttle." That additional aspect was revealed in sources such as another prior art patent and the sensors used in a Chevrolet design.

The Court of Appeals for the Federal Circuit reversed, holding that the lower court failed to correctly apply a "teaching, suggestion, or motivation" ("TSM") test under which a patent claim is proved obvious only if "some motivation or suggestion to combine the prior art teachings" can be found in the prior art, the nature of the problem, or the knowledge of a person having ordinary skill in the art.

HELD

The United States Supreme Court unanimously rejected a rigid use of the TSM test as a requirement for a finding of obviousness. The Court returned to its *Graham v. John Deere Company of Kansas City*, 383 U.S. 1 (1966) analysis, which "set forth a broad inquiry and invited courts, where appropriate, to look at any secondary considerations that would prove instructive." *Id.* at 17. The Court then stated that "a patent for combination which only unites old elements with no change in their respective functions . . . obviously withdraws what is already known into the field of its monopoly and diminishes the resources available to skillful men. . . . A combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results."

Further, the results of "ordinary innovation" due to market forces and/or expected developments are not the subject of exclusive rights under the patent laws. Thus, "when a patent claims a structure already known in the prior art that is altered by the mere substitution of one element for another known in the field, the combination must do more than yield a predictable result." Elements must work together in an "unexpected and fruitful manner" to support a conclusion that a design is not obvious to those skilled in the art. A court must ask "whether the improvement is more than the predictable use of prior art elements according to their established functions." The analysis should not seek out precise teachings directed to the specific subject

"The United States Supreme Court unanimously rejected a rigid use of the TSM test as a requirement for a finding of obviousness."



matter of the challenged claim because a court can take account of the inferences and creative steps that a person of ordinary skill in the art would employ. Thus, the Court held that because the combination of prior art references in this particular case disclosed all of the elements of the patent at issue and the elements did not create an improvement more than their predictable established functions, the claim was obvious and invalid.

COMMENT

The Court recognized that inventions in most instances rely upon building blocks long since uncovered, thus many improvements almost of a necessity will be combinations of what, in some sense, is already known. Nevertheless, the Court's decision to reject a rigid use of the TSM test does not preclude the USPTO or a court from using a teaching, suggestion or motivation to combine prior art references as a "helpful insight" to prove obviousness.

In fact, the Court recognized that to show obviousness, there must be a "reason" why two or more references could be combined. Perhaps future court decisions will build a new framework for analyzing obviousness under a "reason to combine" test. In the meantime, the Court suggests that a patentable improvement "is more than the predictable use of prior art elements according to their established functions" and not merely the implementation of a "predictable variation" of a particular technique or design.

Additionally, the Court explicitly authorized practitioners to use arguments, including evidence of unexpected results and/or that the prior art "teaches away" from the presently claimed invention, to negate a *prima facie* case of obviousness. Finally, the Court indicated that the rationale underlying the presumption of validity for an issued patent may be diminished when relevant prior art is before a court and has not been disclosed during prosecution of the patent.



About the Authors

John M. Carson is a partner with the law firm of Knobbe Martens Olson & Bear LLP. His practice involves representation of clients for acquisition, protection and exploitation of IP rights. His practice is international in scope with an emphasis on the European and Asian IP markets.

Jason J. Jardine is an associate ins the San Diego office of Knobbe Marten Olson & Bear LLP. He specializes in patent protection and litigation.

Announcements

This Announcement section is designed to better serve the needs of the membership. This page may be used to advertise for positions offered or desired, as well as to provide a forum for announcements of interest to the San Diego IP community. Please contact Boris Zelkind if you would like to place an ad or announcement.

Applications for SDIPLA Membership

The following individuals have applied for SDIPLA membership. Active Members may oppose membership status to these individuals by lodging a formal notice of opposition. The opposition must include relevant grounds for disqualification and should be submitted to the Secretary on or before June 4, 2007.

Steve Moore James (Jim) O'Hare

Election of the SDIPLA Board on June 6, 2007

On June 6, 2007, the SDIPLA will elect the Board members for the 2007-2008 term. **After careful consideration, the SDIPLA Board has selected *John Peterson* as its nominee for Treasurer for the 2007-2008 SDIPLA calendar year.**

Members who cannot attend the June 6, 2007 meeting may send their proxy vote (on p. 11), by Monday, June 4, 2007 to:

Boris Zelkind
SDIPLA Secretary
Knobbe Martens Olson & Bear, LLP
550 West C Street, Suite 1200
San Diego, CA 92101
Fax: (619) 235-0176

ARTICLES: If you have an article for the newsletter, please send it to Boris Zelkind at boris.zelkind@kmob.com.

DUES: To pay or renew your **membership dues:** Please use the form on the web page, or by using the on-line registration at www.actevia.com (search for SDIPLA).

SPONSORSHIP: If your firm or company is interested in sponsoring a meeting, please contact Boris Zelkind.

SDIPLA COMMITTEES: SDIPLA has Amicus, Awards, Editorial, Events, Sponsorship, and Mentoring committees. Please contact a board member if you are interested in joining a committee. Go to the SDIPLA website at www.sdipla.org for more information about these

The SDIPLA Board's Selection of John Peterson as its Nominee for the Board:

The SDIPLA Board is pleased to announce its selection of John Peterson as their nominee for the new member of the Board. The Board believes that John's consistent participation in the SDIPLA, including the Sponsorship and Amicus Committees, his previous experience in similar organizations and extensive involvement in the San Diego intellectual property community will complement and prove a valuable resource to the SDIPLA Board.

SDIPLA NOMINEE:

Statement of John Peterson

I write to announce my intention to run for Treasurer of the San Diego Intellectual Property Law Association (SDIPLA) in the June 2007 election. My hope is that by serving as a Board member I can contribute to the continued success of the SDIPLA as an important resource for members of the San Diego IP community.

I have been actively involved with the SDIPLA ever since I joined the San Diego IP community in 1998. I am presently co-chair of the Sponsorship committee and a long-standing member of the Amicus committee. On behalf of the Amicus committee, I jointly authored three amici curiae briefs, Knorr-Bremse (2003) and Phillips (2004) filed with the Court of Appeals for the Federal Circuit, and Merck v Integra (2005) filed with the U.S. Supreme Court. I have also recently worked with SDIPLA's current Treasurer, Jessica S. Mitchell, to plan a symposium in 2007-2008 with members of the Patent Bar in China.

I believe I am a strong candidate for SDIPLA Treasurer given my education and experience. I received my B.S. from the Pennsylvania State University, my Ph.D. in Microbiology from the University of Virginia and my J.D. from the George Washington University Law School. Since graduating law school in 1998, I have been a member of the San Diego IP community, working as an IP attorney. I worked in the San Diego offices of Lyon & Lyon, LLP and Brobeck, Phleger & Harrison, LLP before joining Paul, Hastings, Janofsky & Walker, LLP, where I am presently Of Counsel. I have patent litigation, patent interference and patent prosecution experience and I think this diverse background will enable me to effectively represent the interests of all SDIPLA members.

John Peterson

LAIPLA

Los Angeles Intellectual Property Law Association

Spring Seminar 2007

FEATURING:

THE HONORABLE DANA ROHRABACHER

(United States Congressman, 46th District and Keynote Speaker for Saturday Dinner Event)

THE HONORABLE DARRELL ISSA

(United States Congressman, 49th District and Keynote Speaker for Saturday Morning)



The Ritz-Carlton, Laguna Niguel
Overlooking the Pacific Ocean

June 8-10, 2007



MEMBERSHIP APPLICATION

Name: _____

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(required to receive newsletters)

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Send check or money order payable to SDIPLA Dues to:

Attorney Member Dues: \$50/year

Non-Attorney/Retired Attorney Dues: \$25/year

(e.g. law students, paralegals, patent agents, retired attorneys, etc.)

Boris Zelkind

SDIPLA Secretary

Knobbe, Martens, Olson & Bear LLP

550 West C Street, Suite 1200

San Diego, CA 92101

Notes Regarding Your Membership

- E-Mailing of newsletters and notices has replaced regular mailing.
- **On-line registration now available– visit www.SDIPLA.org.**
- SDIPLA would like to increase active membership, including significantly in-house practitioners.
- SDIPLA welcomes any suggestions to make the renewal process more efficient.
- SDIPLA welcomes any suggestions to increase membership.
- If you have suggestions, please do not hesitate to contact one of the officers.

PROXY VOTE FOR SDIPLA BOARD 2007 ELECTION



Please mail or e-mail your proxy vote by Monday, June 4, 2007 to:

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 SDIPLA Secretary
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 San Diego, CA 92101
 (619) 235-8550
 fax: (619) 235-0176
 e-mail: boris.zelkind@kmob.com

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ROB PRINCE

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Name: _____

Please check one of the boxes below:

- I vote to elect the SDIPLA Board's nominees for each Board position.
- I wish to vote for the SDIPLA Board's nominees except for the following write-in candidate(s) for the position listed:

 (Position)

 (Name)

 (Position)

 (Name)

 (Position)

 (Name)

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SDIPLA Secretary
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San Diego, CA 92101

ARTICLES: If you have an article for the newsletter, please send it to Boris Zelkind.
DUES: To pay or renew your **membership dues:** Please use the form on page 10, and send form via mail or fax to Boris Zelkind. - online registration now available - visit www.SDIPLA.org.

Date	Event	Speaker/Topic
May 24, 2007	SDIPLA May Dinner Meeting	Robert Spar, former Director of the USPTO's Office of Patent Legal Administration
June 6, 2007	SDIPLA June Lunch Meeting; and Board Elections	John Love, USPTO Deputy Commissioner for Patent Examination Policy, "The Present and Future Perspective of the USPTO"
June 8-10, 2007	Joint Meeting of Southern California's Intellectual Property Law Associations	Annual Spring Seminar, The Ritz Carlton, Laguna Beach, CA