

Federal Circuit Patent Bulletin: *In re Warsaw Orthopedic, Inc.*

August 9, 2016

"We may affirm the PTAB's finding 'if we may reasonably discern that it followed a proper path, even if that path is less than perfectly clear.' [But] a single sentence [that amounts to a] conclusory assertion . . . does not equate to the reasoned explanation needed to support its conclusion."

On August 9, 2016, in *In re Warsaw Orthopedic, Inc.*, the U.S. Court of Appeals for the Federal Circuit (Prost, Bryson, Wallach*) affirmed-in-part, vacated-in-part and remanded the Patent Trial and Appeal Board inter partes review decisions that U.S. Patent No. 8,251,997, which related to spinal surgery where an artificial implant is inserted between two adjacent vertebrae from a patient's side, was invalid as obvious under 35 U.S.C. § 103. The Federal Circuit stated:

A patent claim is invalid "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 [(‘PHOSITA’)] to which said subject matter pertains." Obviousness is a question of law based on underlying findings of fact. The underlying factual findings include (1) "the scope and content of the prior art," (2) "differences between the prior art and the claims at issue," (3) "the level of ordinary skill in the pertinent art," and (4) the presence of secondary considerations of nonobviousness such "as commercial success, long felt but unsolved needs, [and] failure of others." . . . The PTAB found that claims 1 and 17 of the '997 patent would have been obvious over a combination of three prior art references: U.S. Patent Nos. 4,545,374 ("Jacobson") and 5,192,327 ("Brantigan"); and Hansjorg F. Leu & Adam Schreiber, *Percutaneous Fusion of the Lumbar Spine: A Promising Technique*, St. Art Revs., Sept. 1992, at 593–604 ("Leu"). . . .

When the PTAB examines the scope and content of prior art, such as Brantigan, it must consider the prior art "in its entirety, i.e., as a whole." An examination of the scope and content of the prior art produces factual findings reviewed for substantial evidence. Substantial evidence supports the PTAB's finding that Brantigan teaches an implant that spans substantially the full width of a vertebra, as recited in claims 1 and 17 of the '997 patent. The PTAB observed that "Brantigan discloses, for example, a 'plug . . . generally shaped and sized to conform with the disc space between adjoining vertebrae in a vertebral column.'" Based on this evidence, the PTAB reasoned that it would have been obvious to one of ordinary skill in the art that an implant that is "sized to conform with the disc space," as disclosed by Brantigan, would have occupied at

least a length that is less than the full transverse width of the vertebral bodies by an insubstantial amount (i.e., occupying “substantially” the full transverse width). Otherwise, an implant that does not occupy “substantially” the full transverse width would not have been sized to conform to the disc space, in contrast to Brantigan’s disclosure that the implant is, in fact, sized to conform to the disc space. . . .

A reference “teach[es] away when a person of ordinary skill, upon reading the reference, would be discouraged from following the path set out in the reference.” Whether a reference teaches away presents a factual question reviewed for substantial evidence. Warsaw’s argument asks the court to elevate one aspect of Brantigan (i.e., that the implants can be rotated or reversed prior to implantation) over another (i.e., that the implants are sized to conform with the disc space). The PTAB concluded that, regardless of whether the Brantigan implants may be rotated or reversed, “Brantigan discloses that the implant is ‘sized to conform with the disc space,’ which one of ordinary skill in the art would have understood to mean sized to occupy substantially the full transverse widths of the vertebral bodies for reasons previously stated.” We may not reweigh this evidence on appeal.

As part of the obviousness inquiry, we consider “whether a [PHOSITA] would have been motivated to combine the prior art to achieve the claimed invention and whether there would have been a reasonable expectation of success in doing so.” . . . We disagree with Warsaw that the PTAB’s analysis suffers from legal error or that the PTAB failed to supply the requisite explanation in support of its conclusions. In its analysis, the PTAB determined that a PHOSITA “would have” been motivated to combine Jacobson, Leu, and Brantigan, and provided a reasoned explanation for reaching that conclusion. The true nature of Warsaw’s arguments reflects a collateral attack on the teachings of the prior art references, based on aspects of the references that it finds more persuasive than did the PTAB. Those arguments contest the weight the PTAB afforded to the record evidence, but we may not reweigh facts already considered by the PTAB. . . .

We may affirm the PTAB’s finding “if we may reasonably discern that it followed a proper path, even if that path is less than perfectly clear.” We cannot reasonably discern that the PTAB’s decision as to the “elongated portions” limitation in claim 17 followed the proper path. The PTAB’s affirmative narrative in support of its finding that Jacobson discloses the subject limitation in claim 17 consists of a single sentence: “Jacobson appears to disclose anchor wires (i.e., ‘elongated portions’) that are positioned over adjacent vertebrae.” The PTAB’s conclusory assertion that Figure 5 of Jacobson “appears to” support its finding does not equate to the reasoned explanation needed to support its conclusion. Thus, we remand this issue to the PTAB for additional explanation.