

Many, if not, most patent practitioners have been faced with an obviousness rejection under 35 USC 103 in which the rationale advanced by the Examiner in support of the rejection can be essentially summarized as 'the claims are obvious because I say they are.' However, the United States Court of Appeals for the Federal Circuit (Federal Circuit) recently provided a reminder in *In Re; Stepan Company*, 2016-1811 (Fed. Cir. 2017) (<http://caselaw.findlaw.com/us-federal-circuit/1872095.html>) that considerably more is required in order for the rejection to be sustained.

In brief, the rejected claims were directed to surfactants comprising multiple components in varying ranges of weight percents, one of which was polyethylene glycol, and the claims also specified that the concentrate which included the surfactant had a cloud point above at least 70C. The primary reference, US Pub. 2003/0087764 (Pallas) disclosed glycols such as polypropylene glycol, and further taught that the ideal cloud point should be above 60C. The secondary reference, US 5,843,866 (Parker) disclosed surfactants that include polyethylene glycol. The Examiner rejected the claims on the grounds that the claimed combination was obvious because the claimed combination could have been arrived at by routine optimization of teachings disclosed in the prior art. The applicant appealed, and the Patent Trial and Appeal Board (Board) affirmed the findings of the Examiner.

In vacating the decision and remanding to the Board, the Federal Circuit noted that "An obviousness determination requires finding both 'that a skilled artisan would have been motivated to combine the teachings of the prior art...and that the skilled artisan would have had a reasonable expectation of success in doing so'." *In Re; Stepan* at 5. In evaluating the position taken by the Board, the Federal Circuit found that "Because the Board failed to adequately articulate its reasoning, erroneously rejected relevant evidence of nonobviousness, and improperly shifted the burden to Stepan the burden of proving patentability, we vacate the Board's decision..." *In Re; Stepan* at 6. Specifically, the Federal Circuit found that "The Board failed to explain why it would have been 'routine optimization' to select and adjust the claimed surfactants and achieve a cloud point above at least 70C....Nor did the Board explain why a person of ordinary skill in the art would have had a

reasonable expectation of success [in making the claimed combination]" *In Re; Stepan* at 6, 8. Emphasis added. The Federal Circuit went on to elaborate that "Stating that a person of ordinary skill in the art would have arrived at the claimed invention through routine optimization falls short of [the standard articulated in *In Re; Lee*, 277 F.3d 1338, 1346 (Fed. Cir. 2002).]" *Id.* Emphasis added. Finally, "absent some additional reasoning, the Board's finding that a skilled artisan would have arrived at the claimed invention through routine optimization is insufficient to support a conclusion of obviousness." *In Re; Stepan* at 7.

In view of the points raised in *In Re; Stepan*, prosecution counsel should carefully review obviousness rejections to determine (i) whether the Examiner has provided a reason why a person of ordinary skill in the art would make the allegedly obvious combination, and (ii) whether the reasoning provided by the Examiner is sufficient to support the rejection. Both of these considerations may provide grounds for traversing the rejection.