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Back to Patent Basics: The FCA re-affirms the Obviousness Test in Canada

The Federal Court of Appeal reminds patent practitioners and lower courts alike of the dangers in: (i) paraphrasing the wording of legal tests, as set out by higher courts; and (ii) relying on the paraphrased versions of such legal tests in subsequent decisions. In the recent decision of *Ciba Specialty Chemical Water Treatments Limited v SNF Inc*, 2017 FCA 225 (“CIBA”), the Federal Court of Appeal had the opportunity to review the Federal Court’s decision in 2015 FC 997 and how that Court applied its understanding of the “Obviousness Test” to the facts of the case.

By way of background, the Obviousness Test in Canada is set out in the case of *Apotex Inc v Sanofi-Synthelabo Canada Inc et al*, 2008 SCC 61 (“Plavix”), and generally consists of a four part analysis:

- Identify the notional “person skilled in the art” and the relevant common general knowledge of that person;
- Identify the inventive concept of the claim in question or if that cannot readily be done, construe it;
- 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;
- Viewed without any knowledge of the alleged invention as claimed, do those differences constitute steps which would have

been obvious to the person skilled in the art or do they require any degree of invention.

The Obviousness Test, as set out in the Plavix decision, has been applied numerous times in subsequent patent proceedings. Over the years, however, there have been occasions where lower courts have modified the words (and therefore the scope) of the Obviousness Test. For example, in the subsequent case of *Eli Lilly Canada Inc v Mylan Pharmaceuticals ULC*, 2015 FC 125 (“Mylan”), the Obviousness Test was summarily characterized as follows (see ¶158):

- Identify the notional “person skilled in the art” and the relevant common general knowledge of that person;
- Identify the inventive concept claimed in the patent;
- Identify the differences between the common general knowledge and the inventive concept;
- Do those differences require a degree of invention, or are they more or less self-evident?

Returning to the CIBA case, and rather than recite the original Obviousness Test as set out in Plavix, the Federal Court in CIBA based its determination of the obviousness of the impugned invention according to the framework summarily set out in Mylan.

In rejecting the lower court’s approach in determining whether the impugned invention was obvious, the Federal Court of Appeal in CIBA noted that the Federal Court “did not properly identify the proper roles of the prior art and the common general knowledge” in the Obviousness Test as set out in Plavix (¶44), and over-simplified the analysis in step four of the Obviousness Test (¶61). Nevertheless, the Federal Court of Appeal found that the lower court arrived at the right conclusion concerning the obviousness of the impugned invention, and as a result dismissed the appeal.

In its decision, the Federal Court of Appeal in CIBA also noted the continuing uncertainty regarding the definition of “inventive concept” under Canadian law, and how such uncertainty can be reduced by

“simply avoiding the inventive concept altogether and pursuing the alternate course of construing the claims” (¶177). From our perspective, the claims form the bedrock of any analysis, and no analysis should be undertaken without having regard to what is disclosed by the claims.

Take-Home

The CIBA decision provides the following “take-home” points and reminders:

1. In part 3 of the Obviousness Test, the “inventive concept” is not compared to the common general knowledge, but rather to the prior art (¶159) and specifically the prior art relied upon by the party alleging obviousness (¶160).
2. In part 3 of the Obviousness Test, the term “state of the art” refers to prior art (¶156), of which the common general knowledge is merely a subset (¶150).
3. In part 4 of the Obviousness Test, the test is not whether the differences between the inventive concept and the prior art are more or less “self-evident” (¶161), but whether the differences between the inventive concept and the prior art can be bridged by the common general knowledge of the skilled person (¶162, ¶168).
4. Paraphrasing a legal test may introduce inadvertent errors in the understanding of the legal test.
5. It is not advisable to rely on paraphrased versions of legal tests as legal authority.

Seemingly small variations in characterizing legal tests sometimes lead to unintended effects. Even the courts are not immune to the consequences of the “broken telephone”. Nevertheless, and when in doubt, it is important to refer to the leading legal authority for appropriate guidance.

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[a cautionary note](#)

The foregoing provides only an overview and does not constitute legal advice. Readers are cautioned against making any decisions based on this material alone. Rather, specific legal advice should be obtained.

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¹ The author thanks his colleagues [Keith Bird](#) and [Peter E.J. Wells](#) for their review of the article.