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Patents -- Section 103 Obviousness as a Time-bar Under Section 102(b)

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require that on the equitable claim for money had and received limitations should not commence running until the husband clearly and unequivocally repudiates his agreement.

ROBERT O. KLEPFER, JR.

**Patents—Section 103 Obviousness as a Time-bar Under Section 102(b)**

The Congress shall have Power . . . .

To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries . . . .

This is the constitutional basis of the United States patent system. In 1790 the first patent act was enacted by Congress,\(^2\) to be followed by others, each growing in complexity. For a patent to issue, it was necessary that an "invention" be useful, new or novel, and an invention. Typical of these acts was the act of 1870 which provided that "any person who has invented or discovered any new and useful art, machine, manufacture, or composition of matter, or any new and useful improvement thereof . . . ."\(^3\) was entitled to a patent.

A great body of decisional law was developed as the courts attempted to define "invention," but as was pointed out by the Supreme Court,\(^4\) "invention" cannot be defined. In recognition of the indefinableness of invention, affirmative rules were developed to aid the courts in determining the presence of invention as were negative rules to indicate the lack thereof.\(^5\) But these rules did not definitively establish either the presence or lack of invention in fact. In

\(^{1}\) U.S. Const. art. I, § 8.

\(^{2}\) Act of 1790, 1 Stat. 109.


\(^{4}\) McClain v. Ortmayer, 141 U.S. 419, 427 (1891).

\(^{5}\) Examples of the affirmative rules are the long-felt want for the invention; successful efforts on the part of the inventor over unsuccessful efforts by those skilled in the art; commercial success of the invention; imitation by others; new or unexpected results; turning a halt in the art into progress; and solutions to an outstanding unsolved problem. Some examples of the negative rules are the mere exercise of skill expected of a person having ordinary skill in the art; substitution of materials or elements; reversal of parts; and change in size, shape or form. 2 DELLER, DELLER'S WALKER ON PATENTS § 106 at 75 (2d ed. 1964) [hereinafter cited as DELLER].
1952 Congress enacted the present patent act in which sections 101, 102, and 103 set forth a statutory standard of patentability without requiring "invention." Briefly stated, an "invention" to be patentable must be useful, novel, and unobvious to one of ordinary skill in the art to which the "invention" is addressed. Of these sections, sections 101 and 102 find their counterparts in the prior acts, but section 103 is new and there is no corresponding provision in any of the previous acts. However, it has been stated that section 103 was merely a codification of prior decisional law. Furthermore,

9 See Stanley Works v. Rockwell Mfg. Co., 203 F.2d 846 (3d Cir.), cert. denied, 346 U.S. 818 (1953); General Motors Corp. v. Estate Stove Co., 203 F.2d 912 (6th Cir.), cert. denied, 346 U.S. 822 (1953). It appears, however, that the statements made in both cases, to the effect that 103 is a codification, are dicta. But see Lyon v. Bausch & Lomb Optical Co., 224 F.2d 530 (2d Cir.), cert. denied, 350 U.S. 911 (1955) (which is said to
it was said\textsuperscript{10} this about section 103 and the Patent Act of 1952:

With respect to what \textit{used} to be called the requirement of "invention"—and the use of the past tense in referring to it cannot be too strongly urged—the 1952 act did three things:

1. \textit{It put the requirement into the statutes for the first time, in section 103.} Though one may call section 103 "codification" it took a case law doctrine, expressed in hundreds of different ways, and put it into statutory language in a single form approved by Congress. In such form it became law superior to that which may be derived from any prior court opinion.

2. The Patent Act of 1952 expresses this prerequisite to patentability without any reference to "invention" as a legal requirement. Nowhere in the entire act is there any reference to a requirement [sic] of "invention" and the drafters did this deliberately in an effort to free the law and lawyers from bondage to that old and meaningless term.

3. The act sets as the standard of patentability the unobviousness of the invention, at the time it was made, to a person having ordinary skill in the art. Therefore, what we have today, and have had since January 1, 1953, is a requirement of unobviousness, rather than a requirement of "invention."\textsuperscript{11}

Therefore, for a patent to issue, an \textit{invention must meet} the requirements of both sections 102 and 103.\textsuperscript{12} This, of course, means that every application presented to the Patent Office for the issuance of a patent must be examined for compliance with these two sections.

A rejection of an application in the Patent Office, or an invalidation by the courts in an infringement action, based on section 102, and 102(b) in particular, is generally said to be an anticipatory rejection, since a "prior art" reference\textsuperscript{13} anticipates the applicant's
NOTES AND COMMENTS

invention. More recently, however, a 102(b) rejection is said to be a statutory "time-bar" rejection, where the applicant loses his right to a patent even though the invention is patentable. A rejection based on section 103 is generally stated in terms of the invention's being obvious in view of the "prior art" or "unpatentable over" a particular reference. As can readily be seen, both sections rely on prior art, but from the statutory language it is not apparent whether the same prior art used for a section 102(b) rejection may be used for a rejection under 103. It is apparent, though, that there are time differences from which the prior art may be applicable or available. For example, section 102(b) provides

A person shall be entitled to a patent unless—

... (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent ... 17

A reference cited to show that all or part of the invention for which a patent is sought was in the prior art, either more than a year before the filing date to which the applicant is entitled, in which case it is a "statutory bar" and cannot be sworn back of, or before the applicant's date of invention. When a reference is not a statutory bar, Rule 131 provides a procedure by which the applicant is permitted to show, if he can, that his date of invention was earlier than the date of the reference. In re Stemple, 241 F.2d 755, 760, 113 U.S.P.Q. 77, (C.C.P.A. 1957). As for what constitutes a printed publication, see Cottier v. Stimson, 20 Fed. 906 (D. Ore. 1884):

But something besides printing is required. The statute goes upon the theory that the work has been made accessible to the public, and is no longer patentable by any one. Publication means put into general circulation or on sale, where the work is accessible to the public.

Id. at 910.

17 An "unpatentable over" rejection is generally thought to be a § 103 rejection; however, as will be seen later, such an assumption in certain instances is erroneous. See In re Hughes, 345 F.2d 184, 145 U.S.P.Q. 467 (C.C.P.A. 1965):

That language ["unpatentable over"] usually is taken to denote a section 103 rejection. See In re Rice and Wilson, 52 CCPA 998, 341 F.2d 309, 144 USPQ 476; In re Foster, 52 CCPA—, 343 F.2d 980, 145 USPQ 166; In re Dwyer et al., 50 CCPA 1230, 317 F.2d 203, 137 USPQ 904. Id. at 188 n.2, 145 U.S.P.Q. at 471 n.2 (concurring in part, dissenting in part); In re Beach & DiRubbio, 245 F.2d 209, 213, 145 U.S.P.Q. 484, 487 (C.C.P.A. 1965) ("This type of rejection continues to cause confusion but to the extent it indicates a statutory ground of rejection, it is a rejection for obviousness . . . .") (dissenting opinion).

16 Section 102 provides that invention must be "described" in the prior art reference and section 103 provides that the prior art need not "identically" disclose or describe the invention.

17 Emphasis added.

In the determination of novelty, the statute makes time of the essence.
This means that a reference $A$ if printed or patented less than one year before the applicant's filing date will not bar the issuance of a patent. But, if the reference $B$ was published or patented more than one year prior to the filing date, it is a statutory bar to the issuance of the patent. Section 103, on the other hand, provides

A patent may not be obtained . . . 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 . . . .

Therefore, reference $A$ in the prior example could be used to establish obviousness of the invention if the applicant could not swear back of the reference under rule 131 to show a date of invention.

It is here that dates become critical in establishing (1) the date of invention, (2) the date of application, (3) the date of the prior knowledge or use in the United States, (4) the date of public use and sale in this country, (5) the date of patent or publication describing the invention in this or a foreign country. From these dates it can be determined whether or not the time factor has worked a forfeiture of the right to a patent.

The so-called "one-year rule" refers strictly to the date of application for patent in this country. No length of time is specified for the factors which affect loss of the right to patent if they occur prior to the date of invention by applicant. One day is sufficient. The establishment in this and prior statutes of rigid rules which are so inflexible as to the time factor, have caused the loss of the right to patent many otherwise patentable inventions.


C.F.R. § 1.131 (1960) provides:

Affidavit of prior invention to overcome cited patent or publication.

(a) When any claim of an application is rejected on reference to a domestic patent which substantially shows or describes but does not claim the rejected invention, or on reference to a foreign patent or to a printed publication, and the applicant shall make oath to facts showing a completion of the invention in this country before the filing date of the application on which the domestic patent issued, or before the date of the foreign patent, or before the date of the printed publication, then the patent or publication cited shall not bar the grant of a patent to the applicant, unless the date of such patent or printed publication be more than one year prior to the date on which the application was filed in this country.

The U.S. PATENT OFFICE, DEPT. OF COMMERCE, MANUAL OF PATENT EXAMINING PROCEDURE § 715 (3d ed. 1961) provides:

Any printed publication dated prior to an applicant's effective filing date, or any patent of prior filing date, which is in its disclosure pertinent to the claimed invention, is available for use by the examiner as a reference, either basic or auxiliary, in the rejection of the claims of the application.

Such a rejection may be overcome, in certain instances . . . by applicant's filing of an affidavit . . . known as "swearing back" of the reference.

Affidavits under Rule 131 may be used:
prior to both the date of filing and the date of the reference. But what about reference B?—could it be used as a reference under section 103, and, if it could, would the applicant be entitled to the benefit of rule 131? If B did not fully describe and disclose the invention sought to be patented, it does not "anticipate" the invention under 102(b). In this situation—that is, where B does not anticipate—will B provide any statutory ground for rejection?

This question was first definitively answered in the case of In re Palmquist, decided in 1963 by the Court of Customs and Patent Appeals (hereinafter the C.C.P.A.). In that case the applicant's claims for a protective-reflective film and adhesive were rejected by the examiner as being "unpatentable over" a combination of various references. The court with Judge Smith writing construed the rejection as being a rejection for obviousness—section 103. During the prosecution of the application through the Patent Office, the examiner removed a rejection based on another patent in view of

(1) Where the date of the foreign patent or that of the publication is less than one year prior to the applicant's effective filing date.
(2) Where the reference, a U.S. Patent, with a patent date less than one year prior to applicant's effective filing date, shows but does not claim the invention.

Affidavit . . . is not appropriate . . .

(1) Where reference publication date is more than one year back of applicant's effective filing date. Such a reference is a "statutory bar." . . .

It should be kept in mind that it is the rejection that is withdrawn and not the reference.


319 F.2d 547, 138 U.S.P.Q. 234 (C.C.P.A. 1963). This is apparently the first case to decide the issue here presented; however, prior to the 1952 act the C.C.P.A. decided In re Wenzel, 88 F.2d 501, 503, 33 U.S.P.Q. 30, 32 (C.C.P.A. 1937). The court in Wenzel reached a result contrary to that in Palmquist on a factual situation which was very similar, but the court cited no authority for its decision. In support of the conclusion reached in Wenzel, see the Manual of Patent Examining Procedure § 715 quoted note 19 supra, which has remained unchanged from its first edition in 1949.
the applicant's rule 131 affidavit showing completion of invention prior to 1952, his application having been filed on June 3, 1954. However, the examiner would not permit the applicant to swear back of a printed publication, Van Boskirk's article, because of section 102(b). The rejection was affirmed by the Patent Office Board of Appeals, but was reversed by the C.C.P.A. The court held:

Van Boskirk, however, was published more than one year prior to appellants' filing date but since it does not "describe" the claimed invention, it is not a statutory bar under 35 U.S.C. § 102(b).

The position of the examiner ... is, in effect, that the claims are properly rejected under ... § 103 if the claimed invention was obvious to one of ordinary skill in the art at the time the application was filed.

In the present case we do not have the question of a statutory time bar which arises under ... § 102(b) by reason of the failure of an applicant to file his application within one year of the date of the anticipatory publication. The question here is whether what is obvious to one of ordinary skill in an art is to be determined as of "the time when the invention was made," as specified in ... § 103, or whether it is to be determined as of some later date when the application is filed.

The court found that the proper time reference was at the time the invention was made, and that in the absence of any rules to establish the time of invention, the rule 131 affidavit was sufficient. The court, therefore, answered the question in the negative; that is, B provided no statutory ground for rejection of the patent. Palmquist permitted the applicant to swear back of the nonanticipating reference and thereby remove the rejection predicated upon it, even though the reference was more than one year prior to the date of application.

However, two years later the Palmquist court had a change of heart and overruled its decision in In re Foster. Thus, the answer

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22 The Patent Office was arguing that § 102(b) presented a statutory time bar situation, but the court did not fully appreciate the examiner's reliance thereon as the basis of his rejection. This lack of appreciation is what caused the court to reconsider in In re Foster, 343 F.2d 980, 145 U.S.P.Q. 166 (C.C.P.A. 1965). AMERICAN PATENT L. A. BULL. 303 (June, 1965). See text accompanying note 25 infra.
24 Id. at 551, 138 U.S.P.Q. at 138.
to whether $B$ provides any statutory grounds for rejection must be in the affirmative.

In *In re Foster* the applicant's patent application, Serial No. 605,440, was filed August 21, 1956, for claims addressed to Butadiene Polymers and Copolymers Thereof. The claims were, for the sake of convenience, categorically of three types. Type I was characterized by polymers of butadiene-1,3 and copolymers of butadiene-1,3 and styrene in specific percentages of cis 1,4 structure and 1,2 structure. Type II was characterized by the same polymers and copolymers of butadiene-1,3, but in an 85 per cent butadiene monomer joined in a head-to-tail relationship. And Type III was represented by claim 28. The examiner and the Board of Appeals rejected all of the claims basing their rejection upon an article written by Binder in August, 1954, two years before the applicant

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26 *trans*- Polybutadiene elastomer

Butadiene Rubber BR

*cis*- Polybutadien elastomer

Butadiene Rubber BR

Butadiene-Styrene Rubber SBR, GRS

SOCMA HANDBOOK V at 60 (1965).

27 Claim 12 is an example of Type I:

A synthetic polymer selected from the group consisting of rubbery homopolymers of butadiene-1,3 and rubbery copolymers of butadiene-1,3 and styrene; said synthetic polymer being characterized by a *cis* 1,4-structure of at least 23% and a 1,2-structure not in excess of 15% of the polymeric butadiene present in the polymer.

Claim 25 is representative of Type II:

A synthetic polymer selected from the group consisting of rubbery homopolymers of butadiene-1,3 and rubbery copolymers of butadiene-1,3 and styrene; said synthetic polymer being characterized in that at least 85 per cent of the butadiene monomer units thereof are joined in a head-to-tail relationship.

Claim 28 is representative of Type III:

Products comprising conjugated polyolefin hydrocarbon polymers and copolymers in which the conjugated polyolefin monomer units are present in 1,4 addition polymer structure.

343 F.2d at 983, 145 U.S.P.Q. at 169.

28 Ibid.

29 Binder, *Microstructures of Polybutadienes and Butadiene-Styrene Copolymers*, 46 INDUSTRIAL AND ENGINEERING CHEMISTRY 1727 (1954) [hereinafter cited as Binder].
filed his application. The rejection of Type II claims was predicated upon the conclusion of the Binder article,\(^{30}\) and applicant’s 1,4 structures were found to be “unpatentable over” Binder (the only reference in issue) without indicating whether or not Binder was anticipatory.\(^{31}\) The applicant argued on appeal that “unpatentable over” indicated a rejection based on 103, while a rejection based on anticipation indicated reliance on section 102(b). The court, however, rejected this contention, while admitting that the language used in the rejection was confusing and unclear, stating:

The words “unpatentable over” do not necessarily mean reliance on section 103 alone. The statements of the rejection are sufficient for us to consider the rejections on both sections 102(b) and 103.\(^{32}\)

The majority then found that Binder did not describe or disclose the applicant’s invention (Type II), at least in the section of the article relied upon by the examiner, and, hence, did not anticipate Foster.\(^{33}\)

\(^{30}\) The results of the analyses reported here show that while the amount of cis-1,4 addition increases with increasing temperature of polymerization, a polybutadiene containing 100% cis-1,4, or trans-1,4 addition cannot be made at any practical temperature. At least up to 100° C, the amount of trans-1,4 addition in the butadiene part of a butadiene-styrene copolymer is always greater than in the corresponding polybutadiene, while the amounts of cis-1,4 and 1,2 additions are less.

Binder 1730.

\(^{31}\) See notes 15 & 20 supra.

\(^{32}\) 343 F.2d at 984, 145 U.S.P.Q. at 170.

\(^{33}\) Id. at 984-85, 145 U.S.P.Q. at 170-71. The court found the reasoning of Phillips Petroleum Co. v. Ladd, 219 F. Supp. 366 (D. D.C. 1963), persuasive. In that case the claims were addressed to a 100% cis-1,4-polybutadiene, the Patent Office argued there, as it did in this case, that the claims were anticipated by the conclusion, supra note 30, in the same Binder article. Claims 17 and 19 of the Smith & Zelinski application, S.N. 578,166, were addressed to polymers of 1,3 butadiene characterized by at least 85% cis-1,4 addition; this is the same percentage as found in Foster’s Type II claims. In rejecting the Patent Office’s argument that the conclusion of Binder anticipated Smith et al., the court stated:

The Court finds that new and unexpected properties of a truly unique nature resulted from the presence of at least 85% of the cis 1,4 configuration, and the Court, as well as the Board of Appeals considers the percentage to be critical. There can be no doubt as to the nature of that difference, for prior to Smith et al. no one had described a polybutadiene having more than 50% of the cis 1,4 configuration. Where criticality is present, there must be a difference in kind, and the Court finds that such a distinction exists here.

\(^{34}\) Id. at 369. It is interesting to note that had the Patent Office not relied only upon Binder’s conclusion, Binder at 1728, Table V, Polymer Nos. 39-1 and 39-3, discloses polymers of 1,4 configuration of 82%. Also, polymers
As in Palmquist, the applicant in Foster had been permitted to swear back of a patent used by the examiner as a reference and in so doing had established December 26, 1952, as the date of invention which antedated the Binder article by nearly two years. The applicant then argued that since his invention date antedated the Binder article, the reference should be removed on the ground of the holding in Palmquist. The court rejected the applicant's contention and thus overruled Palmquist. The court held:

It would seem that the practical operation of the prior law was that references having effective dates more than a year before applicant's filing date were always considered to be effective as references, regardless of the applicant's date of invention, and that rejections were then predicated thereon for "lack of invention" without making the distinction which we now seem to see as implicit in sections 102 and 103, "anticipation" or no novelty situations under 102 and "obviousness" situations under 103. But on further reflection, we now feel bound to point out that of equal importance is the question of loss of right predicated on a one-year time-bar which, it seems clear to us, has never been limited to "anticipation" situations, involving only a single reference, but has included as well "no invention" (now "obviousness") situations. It follows that where the time-bar is involved, the actual date of invention becomes irrelevant and that it is not in accordance with either the letter or the principle of the law, or its past interpretation over a very long period, to permit an applicant to dispose of a reference having a date more than one year prior to his filing date by proving his actual date of invention.4

Now, according to Foster, whatever right to a patent an applicant may have had at the time of his invention, it is lost within the meaning of section 102(b) if the invention became obvious to one of ordinary skill in the art through a publication reference more than one year before the applicant's filing date. The reference is available even though it was subsequent to the time when the invention was

containing ca. 85% are found in Tables I and II, page 1727, polymer Nos. 995, 1975, & 1060. Therefore, these claims were, in fact, anticipated, but as Chief judge Worley pointed out in his concurring opinion, new grounds of rejection could not be entered into on appeal. 343 F.2d at 992 n.3, 145 U.S.P.Q. at 177 n.3. Thus, in fact, the Binder article anticipated all but three claims: two claims of Type I were found not to have been anticipated by the court, as was Type III.

4 343 F.2d at 989, 145 U.S.P.Q. at 174.
made, but more than one year before the applicant's filing date.\textsuperscript{35} This means that reference B in the previous example is now a statutory "time-bar." Although B does not anticipate the applicant's invention, it became obvious more than one year before applicant filed his application.

Judge Smith, who wrote for the court in \textit{Palmquist}, pointed out in his dissent that he was unable to find a single case where there had been a loss of right to a patent, except where the invention was "described" in a prior patent or printed publication\textsuperscript{36}—an anticipatory rejection. Judge Smith then found:

Most disturbing of all . . . the fact that from this day forward obviousness under section 103 will be tested, \textit{not as of the time the invention was made}, but \textit{as of one year prior to the filing date of the application}.

Prior to the enactment of section 103, the determination of "invention" and the evaluation of the prior art relevant thereto always was made as of the time the invention was made. To now change the meaning of section 103 so that obviousness is tested as of one year prior to the filing date of the application, as it seems to me is required by the rationale of the majority, I think we should have some definite indication that such a change was within the contemplation of Congress in enacting Section 103.\textsuperscript{37}

An analysis of the rationale of the majority holding will show a lack of cogent logic which does not render justice, and arguably denies due process. As pointed out by the majority, references having effective dates more than a year before the filing date have been considered to be effective as references regardless of the date of invention, but these references have been anticipatory.\textsuperscript{38} For rejections predicated on prior art before the date of invention as "lacking invention," it is to be remembered that section 103 not only provides a substitute requirement—obviousness rather than invention—but expressly provides that obviousness is to be determined at the time the invention was made. Moreover, section 103 "became law superior to that which may be derived from prior court opinion."\textsuperscript{39} Nonetheless, the majority relies upon the "prior


\textsuperscript{36}This case was decided one month after \textit{Foster}, Smith again dissenting and cautioning against the denial of procedural due process.

\textsuperscript{37}343 F.2d at 994 n.3, 145 U.S.P.Q. at 178 n.3.

\textsuperscript{38}Id. at 999, 145 U.S.P.Q. at 182.

\textsuperscript{39}See note 36 supra.

\textsuperscript{39}Rich, \textit{supra} note 11.
law" to support its conclusion that an invention which became obvious more than one year prior to the applicant's filing date is barred by section 102(b). It is virtually impossible to ascertain what "prior law" the majority had in mind, since the bold propositions are without authority. Neither did the majority distinguish the general application of the prior law, which provided that in order to preclude patentability the description must antedate the invention or discovery, from the "law" which the majority alluded to as holding otherwise. Furthermore, the "prior law" did not "speak" in terms of a statutory time-bar; the time provision specified in section 4886 was a reference from which to determine the availability of the prior art as an anticipation—that is, lack of novelty. For the reference to be anticipatory, the elements of the invention or their equivalents had to be found in a single description or disclosure. If the court was unable to find that the references were anticipatory, it did not disregard them but considered them relevant to the question of invention. In other words, the courts have considered lack of novelty and lack of invention as independent grounds for rejection or invalidation, and this has been true even after the enactment of the 1952 act.

The majority also found that the decision in Palmquist was erroneous in that it permitted the applicant to sleep on his rights more than a year after the invention became "obvious to the public, whereby the public has potential possession of it . . . ." The rationale in this latter respect, predicated on "public policy," is both overbearing and factitious. It assumes in the first instance that the public has a "vested right" in the applicant's invention. At most the public has a possibility of possession; it does not have the invention. If the applicant had filed within one year of the reference, he then could have excluded the public for seventeen years from making, using or selling the invention. If, on the other hand, the public had had possession of the invention, then the applicant would have been barred—because it was anticipated—

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41 § 4886, as amended, ch. 39, § 1, 29 Stat. 692 (1897).
42 1 DE.LER § 72 at 334 & n.1. See also note 20 supra.
43 See Himmel v. Serrick, 122 F.2d 740 (7th Cir. 1941).
44 See, e.g., Helene Curtis Indus. v. Sales Affiliates, 233 F.2d 148 (2d Cir. 1956).
45 343 F.2d at 990, 145 U.S.P.Q. at 175.
but only if he had not filed within one year after the anticipatory reference. Thus, extrapolating the majority’s rationale, the congressional fiat of a one-year time limit for anticipatory references was injurious to the public, since an applicant who falls within the one-year limit is able to "oust" possession of the invention from the public and keep it to himself exclusively for seventeen years. What the majority is concerned with is the situation where the applicant "sleeps" on his right more than a year and "ousts" a possibility of possession from the public.

The history of the patent acts shows that Congress was concerned with public possession of an invention.47 For one-hundred and seven years the various patent acts provided that if the invention was in the public use or on sale before the time of the applicant’s filing, he was not entitled to a patent.48 However, if the invention was described in any printed publication, that publication must have antedated the applicant's date of invention in order to preclude him from a patent. Sixty-seven years ago Congress inserted a time limitation from which a determination of novelty could be made—originally two years before the date of application, then one year. Congress in 1952 specifically provided in section 102 an enumeration of situations in which an applicant would lose his right to a patent, 4

4 See Bartholomew v. Sawyer, 2 Fed. Cas. 960 (No. 1070) (C.C.S.D. N.Y. 1859), which construed § 7, Act of 1836:

The terms, in this section, "prior to the application" for patent, refer only to the "public use or sale" (of the invention) "with applicant's consent or allowance." They do not refer to anything else. And the terms, "prior to the alleged invention or discovery thereof by the applicant," refer to . . . a patent or description in some printed publication . . . .

Id. at 962.
and only in those situations. Moreover, the interpretations of the patent statutes prior to 1952 expressly held that the courts could not diminish or deny an applicant any of his statutory rights,\footnote{Chapman v. Wintroath, 252 U.S. 126 (1920).} and this was especially true with regard to the various time limitations.

Thus it would appear that the majority has misconstrued the “prior law” and denied the applicant his statutory rights. It would also seem that the majority has denied the applicant due process, since the rejection “unpatentable over” (in its new context of either a 102(b) or 103 rejection) is vague and does not meet the notice requirement of section 132.\footnote{§ 132. Notice of rejection; reexamination.
Whenever, on examination, any claim for a patent is rejected, or any objection or requirement made, the Commissioner shall notify the applicant thereof, stating the reasons for such rejection, or objection or requirement, together with such information and references as may be useful in judging of the propriety of continuing the prosecution of his application . . . if . . . the applicant persists . . . the application shall be reexamined. . . . (Emphasis added.) In this connection, see Rule 132, 37 C.F.R. § 1.132 (1960) (affidavits traversing grounds of rejection).
An applicant whose claims have been twice rejected may appeal the examiner’s decision to the Board of Appeals. 35 U.S.C. § 134 (1958). If the applicant is dissatisfied with the decision of the Board of Appeals, he may appeal to the C.C.P.A. (thereby waiving a right to a civil action to obtain a patent under 35 U.S.C. § 145 (1958)) within twenty days after he has filed his notice of appeal as provided in 35 U.S.C. § 142 (1958). 35 U.S.C. § 141 (1958). Unless the applicant has taken a § 141 appeal, he may appeal the decision of the Board of Appeals in the District Court for the District of Columbia under § 145.}

Does the decision in Foster mean that the Patent Office can combine references which do not anticipate and which are more than one year prior to the filing date, determine that the applicant’s invention is obvious, and then reject the claims on the ground that the applicant is barred by section 102(b)? The answer seems to be a very definitive yes. In the past a rejection on a combination of
references was a rejection for obviousness, and the suggestion that the references could be combined must have been found within the references themselves, rather than from the disclosures of the application. If the applicant could show that the “suggesting” reference had a date later than his date of invention, he could swear back of it, thereby having the reference removed from consideration and thus causing the remaining combination to fall for the lack of a “suggestion for the combination” within the remaining references themselves. However, if the suggesting reference is more than one year prior to the applicant’s filing date, it is a statutory bar. Thus a section 102(b) rejection can be predicated upon a combination of references regardless of the applicant’s date of invention, even though the rejection is only predicated on obviousness.

Judge Smith, on the other hand, tended to exaggerate the majority's holding, since the court still recognizes the differences inherent in sections 102(b) and 103. The court recognizes the inherent differences only when the statutory time-bar situation is not present: that is, where the reference which is not anticipatory is not more than one year prior to the filing date. Of course this

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63 This exact situation is one which very seldom arises and is used here more or less for illustration.
64 In re Hughes, 345 F.2d 184, 145 U.S.P.Q. 467 (C.C.P.A. 1965); In re Yale, Lovinski, & Berstein, 146 U.S.P.Q. 400 (C.C.P.A. 1965); In re Tanczyn, 146 U.S.P.Q. 298 (C.C.P.A. 1965). All of these cases were decided subsequent to Foster. In In re Hughes supra, Judge Smith, writing for the court, stated:

We cannot agree with the solicitor that there is no material difference between sections 102 and 103 with respect to the applicant's right to a day in court. A rejection under section 102 involves a comparison between the subject matter disclosed by the reference and the claimed invention, in order to determine whether the claimed invention is "described" in the reference. . . . Section 103, on the other hand, requires consideration of the differences between the claimed invention and the prior art, for the purpose of determining whether the claimed subject matter as a whole would have been "obvious" to one of ordinary skill in the art. Thus, the issues arising under the two sections may be vastly different, and may call for the production and introduction of quite different types of evidence.

Id. at 185-86, 145 U.S.P.Q. at 469. The language of Judge Smith is quite broad and would seem to imply that the court had gone back to its holding in Palmquist; however, such is not the case as is seen by In re Hassler,
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distinction is of no consequence to the applicant, since, even if the reference were anticipatory, it would not be applicable against him because the mandate of 102(b) provides that it must be more than one year prior to the filing date. Thus only if the applicant's date of invention is within the one-year period may he escape the rejection predicated on obviousness. It would seem, however, that the language of section 103 leaves no doubt that the time of the reference is to be the invention date rather than the filing date, regardless of whether or not there is a statutory time-bar present.65

In conclusion it is suggested that section 102(b) has been rewritten by the Foster decision and now provides:

A person shall be entitled to a patent unless—

(b) the invention was patented or described in a printed publication . . . or became obvious . . . more than one year before the date of the application . . .

as has section 103, which now provides:

that the subject matter as a whole would have been obvious at the time the invention was made; Provided, however, that the time the invention was made shall not be more than one year before the filing date . . . .

The language of both sections is clearly not as stated above, and clearly it should not be, but Foster has so construed the sections to provide what has been suggested. The decision in In re Palmquist seems inherently correct, giving vitality to all of the statutory

146 U.S.P.Q. 167 (C.C.P.A. 1965). The issue here was what was disclosed and whether that disclosure, taken with the prior art, renders the claimed invention obvious to one of ordinary skill in the art. It was held:

We agree with the board's holding that The News and Observer article is a valid reference under 35 U.S.C. 102(b) for what is disclosed therein, since it is available to the public for more than a year prior to applicant's filing date. In re Ruscetta, . . . 255 F.2d 687, 118 USPQ 101; In re Foster supra. The publication is not removed as a reference merely because it discloses appellant's own invention, or in early stages of that invention, and the publication, having been available to the public more than one year, may not be overcome by a showing of invention prior to the publication date.

Id. at 168-69. Judge Smith concurred finding that the article was an "enabling" disclosure under Cohen v. United States Corset Co., 93 U.S. 366, 377 (1876). But "to the extent that the resolution of the issue here requires a determination of patentability under section 103, as the majority seems to indicate," he would have reversed. 146 U.S.P.Q. at 175.

See Woodcock 299.
Taxation—Gross Estate—Accident Insurance as Life Insurance

For federal estate tax purposes, a decedent's gross estate includes the proceeds of insurance on the decedent's life, regardless of the identity of the beneficiary, if the decedent at his death possessed any of the incidents of ownership in the policy.\textsuperscript{4} In \textit{Commissioner v. Estate of Noel},\textsuperscript{2} decedent, just prior to a fatal plane crash, acquired two flight insurance policies which were paid for by his wife. The terms of the policies provided that the beneficiary could be changed and the policies assigned by written endorsement of the insured. However, having designated his wife as beneficiary, decedent merely handed her the policies. His executor subsequently excluded the flight insurance proceeds from the gross estate. The Commissioner determined a deficiency under section 2042(2) and was sustained in this by the Tax Court.\textsuperscript{3} The Court of Appeals for the Third Circuit reversed,\textsuperscript{4} distinguishing flight insurance as accident insurance against a risk rather than insurance against an inevitable event which is within the purview of this section.\textsuperscript{5} Rejecting the appellate court's rationale, the Supreme Court held that

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\item \textsuperscript{2} \textit{Commissioner v. Estate of Noel}, 39 T.C. 466 (1962).
\item \textit{Re Noel's Estate}, 332 F.2d 950 (3d Cir. 1964).
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