Hopefully, these cases are rare. Nonetheless, when they do arise, *Winkelman* offers a potentially important check on a hearing officer’s poor judgment by allowing low-income parents to seek reversal pro se in federal court.

Ultimately, *Winkelman* provides a counterweight to previous court rulings on IDEA enforcement mechanisms that favored school districts. Taken together, barring money damages under the IDEA and placing the burden of persuasion on the challenging parents, while permitting parents to file claims pro se in court, create the right mix of cost-saving measures and incentives to deter IDEA violations. Of course, *Winkelman* will likely increase costs, as more parents who before could not afford to file challenges head to federal court. However, it does so by offering a commensurate benefit. *Winkelman* allows low-income parents access to courts to vindicate the aspirational provisions of the IDEA for their children. As one education law specialist described, “[t]he spectre of accountability is an important incentive to schools to ensure that their personnel are adequately trained and their procedures and practices are appropriate.” Allowing that “spectre” to roam more freely among school districts that have more than their share of low-income students creates the right cost-benefit balance for the IDEA.

**E. Patent**

*Obviousness.* — One of the most vexing and important questions in patent law has long been how to determine if an invention is “obvious” without using hindsight in making the assessment. Under § 103 of the Patent Act, a patent may not issue when the patented design would have been obvious to a person having ordinary skill in the art. In 1966, the Supreme Court set forth a four-part framework for applying § 103 in *Graham v. John Deere Co.* In interpreting the *Graham* factors, the Federal Circuit created a test requiring evidence of some teaching, suggestion, or motivation to combine elements of prior art

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80 In his *Schaffer* dissent, Justice Breyer observed that burden of persuasion is a “relatively minor issue that should not often arise.” *Schaffer*, 126 S. Ct. at 541 (Breyer, J., dissenting). The issue should arise even less frequently under the narrow circumstances stated above.

81 See Linda Greenhouse, *Legal Victory for Families of Disabled Students*, N.Y. TIMES, May 22, 2007, at A14 (“Many parents, including the couple from Parma, Ohio, who brought this case, either cannot afford a lawyer or cannot find one.”).

82 Rothstein, * supra* note 71, at 1262.


3 *Id.*

(the TSM test) in order to find combinations obvious.\(^5\) This test, designed largely to combat hindsight bias and to create predictability in patent decisions, led to questions about patent overissuance.\(^6\)

Last Term, in *KSR International Co. v. Teleflex Inc.*,\(^7\) the Court rejected a rigid application of the TSM test to the extent that it precluded approaching the obviousness inquiry with flexibility and common sense.\(^8\) However, neither the flexibility required by the Court’s ruling in *KSR* nor the Federal Circuit’s TSM test adequately confronts hindsight bias or deals with the problem of patent overissuance. While both of these courts attempt to address the two issues, courts in general remain ill-equipped to shape rules dealing with them. Instead of looking to the courts, reforms should take place at the level of the Patent and Trademark Office (PTO), where examiners are likely to be slightly less influenced by hindsight bias and where reforms could target both overissuance and hindsight bias simultaneously.

Teleflex and KSR International are competitors; both manufacture adjustable pedal systems and supply them to automotive companies.\(^9\) The automotive industry uses these adjustable pedal systems to accommodate drivers of different heights.\(^10\) Originally, these systems were designed to work in vehicles without computer-controlled engines.\(^11\) In the mid-1990s, however, the automotive industry largely switched to computer-controlled engines that required electronic throttle controls (ETCs).\(^12\) While the older systems generally relied on cables to link the pedal to the throttle and thereby vary the speed of the car, these new ETCs required the use of sensors, called pedal position sensors, to accomplish the same interaction.\(^13\)

The *KSR* litigation involved claim 4 of a patent assigned to Teleflex (the Engelgau patent),\(^14\) which describes the combination of an adjustable pedal assembly with a pedal position sensor attached to the supporting shaft of the pedal assembly.\(^15\) In 2000, General Motors chose KSR to supply adjustable pedal assemblies in several lines of

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\(^7\) 127 S. Ct. 1727.

\(^8\) Id. at 1740–41.

\(^9\) Id. at 1736.

\(^10\) Id. at 1735.

\(^11\) Id.

\(^12\) Id.

\(^13\) Id.; see id.


\(^15\) Id.; see *KSR*, 127 S. Ct. at 1736.
vehicles. KSR supplied General Motors with its adjustable pedal position assemblies and an off-the-rack pedal position sensor. Teleflex alleged that this combination infringed claim 4 of the Engelgau patent, while KSR argued that claim 4 described an obvious combination and was thus invalid.

Various patents govern adjustable pedal systems, but three were particularly important in evaluating the obviousness of claim 4 of the Engelgau patent. The first, the Asano patent, reveals a pedal support structure that allows a pedal’s pivot point to remain fixed when the pedal is adjusted. The second, the Rixon patent, combines an adjustable pedal assembly with an electronic sensor located in the pedal footpad. The third, the Smith patent, discloses a sensor on a fixed part of the pedal. Other prior art taught that it is better to place the pedal position sensor in the pedal assembly rather than in the engine and that the sensor can be located on a pivot point in the pedal assembly.

On summary judgment, the District Court for the Eastern District of Michigan invalidated claim 4 of the Engelgau patent as obvious. The court shaped its inquiry around the four Graham factors: the scope and content of the prior art, the differences between the prior art and the claims at issue, the level of ordinary skill in the relevant art, and several secondary considerations. Based on these factors and a brief discussion of the inevitability of the combination under the TSM test, the district court found that KSR had made a clear and convincing showing that a person of ordinary skill in the art would have found the combination depicted by claim 4 obvious.

The Federal Circuit vacated and remanded. Writing for the panel, Judge Schall cited the language of § 103 and the four Graham factors, then proceeded to analyze the obviousness claim under the

16 KSR, 127 S. Ct. at 1736.
17 See id.
18 Id. at 1734.
20 Id.; see KSR, 127 S. Ct. at 1735.
22 Id.; see KSR, 127 S. Ct. at 1736.
24 Id.; see KSR, 127 S. Ct. at 1735–36.
25 KSR, 127 S. Ct. at 1735.
28 Teleflex, 298 F. Supp. 2d at 596.
TSM test. The court held that in order to apply this test and Federal Circuit precedent correctly, the district court should have made “specific findings as to a suggestion or motivation to attach an electronic control to the support bracket of the Asano assembly.” Under the TSM test, the nature of the problem to be solved must be something that would have led a person of ordinary skill in the art to combine the prior art in the particular manner claimed. Because the Asano and Smith patents addressed different problems than did the Engelgau patent, the district court should have made findings supporting such a motivation to combine the prior art in the particular manner at issue. Applying the correct TSM standard, the existence of genuine issues of material fact rendered summary judgment inappropriate.

The Supreme Court reversed and remanded. Writing for a unanimous Court, Justice Kennedy first rejected the rigid approach employed by the Federal Circuit, noting that the Court’s precedents dealing with obviousness had “set forth an expansive and flexible approach.” The Court cited its longstanding emphasis of the need for caution in granting patents based on combinations of prior art so as not to create unnecessary monopolies. It then used three cases decided after Graham to illustrate this cautious approach, noting that those cases require a court to ask “whether the improvement is more than the predictable use of prior elements according to their established functions.” The Court emphasized that there is no inherent inconsistency between the Graham analysis and the TSM test, main-

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30 Id. at 285–86.
31 Id. at 288.
32 Id. The court held that the nature of the problem to be solved was one of three possible ways to provide a suggestion or motivation under the TSM test. The other two were the express teachings of prior art and the knowledge of one with ordinary skill in the art. Id.
33 Id. The Asano patent had been directed at solving the problem of achieving smooth acceleration, while the Engelgau patent was designed to create a smaller, less complex, and less expensive electronic pedal assembly. Id. The Smith patent was directed at solving a wire chafing problem. Id.
34 Id.
35 KSR, 127 S. Ct. at 1739.
36 Id.
37 Id. at 1739–40. In United States v. Adams, 383 U.S. 59 (1966), the Court rejected a claim that a “wet battery” that substituted water for the conventional acids and used different electrodes was obvious, citing the principle that “when the prior art teaches away from combining certain known elements, discovery of a successful means of combining them is more likely to be nonobvious.” KSR, 127 S. Ct. at 1739–40 (citing Adams, 383 U.S. at 51–52). In Anderson’s-Black Rock, Inc. v. Pavement Salvage Co., 396 U.S. 57 (1969), the Court invalidated a patent on obviousness grounds because it had simply combined a radiant heat burner and a paving machine, with neither element functioning differently in combination than it would have independently. See KSR, 127 S. Ct. at 1740 (citing Anderson’s-Black Rock, 396 U.S. at 60–62). In Sakraida v. Ag Pro, Inc., 425 U.S. 273 (1976), the Court held that when a patent merely arranges preexisting elements and each element performs the same function it had previously performed with predictable results, the combination is obvious. KSR, 127 S. Ct. at 1740 (citing Sakraida, 425 U.S. at 288).
taining only that the Federal Circuit had applied the TSM test too rig-
idly in the KSR case.\footnote{KSR, 127 S. Ct. at 1741.}

The Court then proceeded to address the flaws in the Federal Cir-
cuit’s opinion. First, the Federal Circuit erred in holding that courts
and patent examiners should look only to the specific problem the pa-
tentee aimed to solve. Instead, any problem or need known in the in-
dustry may provide a reason for combining the prior art in an obvious
way.\footnote{Id. at 1742.} Second, the Federal Circuit erred in assuming that a person of
ordinary skill in the art would consider only the elements of prior art
focused on the same problem. A person of ordinary skill, who is also a
person of ordinary creativity, may fit pieces together in an obvious
way.\footnote{See id.} Third, the Federal Circuit erred in concluding that obviousness
cannot be shown by proving a combination was “obvious to try.”\footnote{Id.
(quoting Teleflex, Inc. v. KSR Int’l Co., 119 F. App’x 282, 289 (Fed. Cir. 2005)).}
When there is market demand to solve a problem and there are a set
number of predictable solutions, a person of ordinary skill would natu-
rally try those solutions, and success based thereon is likely obvious.
Finally, the Federal Circuit should not have emphasized the risk of
hindsight bias at the expense of common sense.\footnote{Id. at 1742–43.}

Applying its standard to the facts in the case, the Court concluded
that claim 4 was obvious.\footnote{Id. at 1743.} At the time the Engelgau pedal design
was invented, a designer starting with the Asano design and tracing
the teachings of the subsequent art would have been led to place the
sensor on a nonmoving part of the pedal structure, the most obvious
nonmoving part for a sensor being the pivot point.\footnote{Id. at 1744–45.}
Similarly, Smith would teach a designer who had started with Rixon the value of avoid-
ing sensor movement, thereby leading the designer to Asano.\footnote{Id. at 1745.}
The Court found no secondary factors to disprove obviousness.\footnote{Id. at 1745–46.}
It then concluded that there were no genuine issues of material fact to pre-
clude summary judgment, noting that the “ultimate judgment of obvi-
ousness is a legal determination.”\footnote{Id. at 1746.}

While the full implications of KSR remain unclear, the Court’s
holding illustrates a fundamental institutional limitation of courts in
resolving obviousness questions in patent law. Although the Court has
recognized the problem of hindsight bias in conducting obviousness

\footnote{Id. at 1741.}

\footnote{Id. at 1742.}

\footnote{See id.}

\footnote{Id. (quoting Teleflex, Inc. v. KSR Int’l Co., 119 F. App’x 282, 289 (Fed. Cir. 2005)).}

\footnote{Id. at 1742–43.}

\footnote{Id. at 1743.}

\footnote{Id. at 1744–45.}

\footnote{Id. at 1745.}

\footnote{Id.}

\footnote{Id. at 1745–46.}
inquiries for over a century, it has not crafted a rule that seriously contemplates correcting this bias, opting instead for a flexible approach to confront patent overissuance concerns. While this may be seen as a failure on the part of the Court, it is not clear the Court could have created any rule that strikes an appropriate balance between these two concerns. Instead, the most fruitful reform opportunities most likely lie at the level of the PTO, since its familiarity with the tasks and subject matter at hand can reduce hindsight bias. But the decision, by allowing judges to involve themselves more in ex post judgments, has just the opposite effect.

Hindsight bias has long been recognized as a cognitive limitation that arises from the fact that humans are unable to disregard ex post knowledge in determining the ex ante probability of events they know to have happened. The presence of this bias in patent decisions is particularly acute, in part because hindsight plays a role in two separate determinations. The decisionmaker must first determine what the knowledge level of a person having ordinary skill in the art would

49 See KSR, 127 S. Ct. at 1741 (emphasizing the idea that “[g]ranting patent protection to advances that would occur in the ordinary course without real innovation retards progress and may, in the case of patents combining previously known elements, deprive prior inventions of their value or utility”).
50 Objective rules tend to be either over- or underinclusive; therefore, an objective obviousness test would tend to lead to either patent over- or underissuance. Scholarly consensus largely focuses on patent overissuance under the TSM test. On the other hand, a different objective rule could better confront hindsight bias. Cf. Duncan Kennedy, Form and Substance in Private Law Adjudication, 89 HARV. L. REV. 1685, 1688 (1976) (noting how bright line rules reduce the risk of bias); Kathleen M. Sullivan, The Supreme Court, 1991 Term—Foreword: The Justices of Rules and Standards, 106 HARV. L. REV. 22, 62 (1992) (same). Subjective rules, such as the common-sense, flexible approach outlined in , fail to adequately address the problem of hindsight bias in patent law.
51 See Jay J. J. Christensen-Szalanski & Cynthia Fobian Willham, The Hindsight Bias: A Meta-Analysis, 48 ORG. BEHAV. & HUM. DECISION PROCESSES 147, 154–55 (1991). While the advantage of patent examiners in combating hindsight bias may be slight, see Gregory Mandel, Patently Non-Obvious II: Experimental Study on the Hindsight Issue Before the Supreme Court in KSR v. Teleflex, 9 YALE J.L. & TECH. 1, 24 (2007), it is nevertheless an advantage. Bias may be further reduced by the measures discussed herein. Admittedly, there are currently biases at the patent issuance level that lead to overissuance and would require correction before such reforms would work. See Arti K. Rai, Allocating Power over Fact-Finding in the Patent System, 19 BERKELEY TECH. L.J. 907, 911 & n.11 (2004). But it is worth contemplating where reform might have the most impact and targeting it to that institution rather than hypothesizing about reforms from the judiciary that seem unlikely to work.
52 See David A. Schkade & Lynda M. Kilbourne, Expectation-Outcome Consistency and Hindsight Bias, 49 ORG. BEHAV. & HUM. DECISION PROCESSES 105, 106 (1991). See generally Baruch Fischhoff, Hindsight ≠ Foresight: The Effect of Outcome Knowledge on Judgment Under Uncertainty, 1 J. EXPERIMENTAL PSYCHOL.: HUM. PERCEPTION & PERFORMANCE 288, 289–91 (1975). Others observed the issue long ago, but described it in different terms. See, e.g., JOHN MILTON, PARADISE LOST, bk. VI, ll. 498–501 (David S. Kastan ed., Hackett Publ’g Co. 2005) (1674) (“The invention all admired, and each, how he / To be the inventor missed, so easy it seemed / Once found, which yet unfound, most would have thought / Impossible . . . .”).
have been at the time of invention, and then she must determine whether such a person would have found the claimed invention obvious. Empirical research has also shown that the hindsight effect is more pronounced when people are told an event has occurred than when they are told an event has not occurred. Since the obviousness inquiry necessarily involves review of events (inventions) that have occurred, the bias is likely to be exacerbated.

Recently, Professor Gregory Mandel conducted two empirical studies testing the role of hindsight bias in patent decisions. The first study showed that participants were much more likely to find a solution based on prior art obvious if they were provided the solution in addition to the problem. Instructions to participants not to use hindsight in making this assessment had no significant impact. In the second study, Professor Mandel measured the presence of hindsight bias under the Graham test and under the TSM test. He found that the presence of a suggestion to combine prior art did not alleviate hindsight bias. In addition, neither jury instructions regarding the TSM test nor jury instructions regarding the Graham factors changed the level of hindsight bias. Both studies revealed that “decision-makers unconsciously let knowledge of the invention bias their conclusion concerning whether the invention was obvious in the first instance.”

The Court has long recognized this danger of hindsight bias in the patent context; however, it has not shaped a test that can effectively combat it. And again, in KSR, although the Court noted the problem of hindsight bias, it did not discuss the problem in crafting its holding, perhaps determining that the problem of overissuance was

54 Christensen-Szalanski & Willham, supra note 51, at 151.
55 Mandel, supra note 53, at 1409.
56 Id. at 1410.
57 Mandel, supra note 51.
58 Id. at 16.
59 Id.
60 Mandel, supra note 53, at 1393; accord Mandel, supra note 51, at 5.
61 See Loom Co. v. Higgins, 105 U.S. 880, 591 (1882) (noting that “it may seem very plain to any one” once an invention succeeded “that he could have done it as well”). Likewise, the Court in Graham noted the concern about “slipping into use of hindsight” in laying out its test. Graham v. John Deere Co., 383 U.S. 1, 36 (1966) (quoting Monroe Auto Equip. Co. v. Heckethorn Mfg. & Supply Co., 332 F.2d 406, 412 (6th Cir. 1964)).
62 This is not surprising, given the difficulty revealed by psychological experiments seeking to alleviate hindsight bias. People simply have difficulty accurately discounting information they have heard, even if one instructs them about the bias and tells them to avoid it. See, e.g., Kim A. Kamin & Jeffrey J. Rachlinski, Ex Post ≠ Ex Ante: Determining Liability in Hindsight, 19 LAW & HUM. BEHAV. 89, 92 (1995).
63 KSR, 127 S. Ct. at 1742.
more salient. 64 The Court’s reaffirmation of Graham in KSR and its assertion that “a person of ordinary skill is also a person of ordinary creativity, not an automaton” invite judges to invoke hindsight in their obviousness decisions. 65 Even the TSM test, which was ostensibly designed to combat hindsight bias, 66 probably did not have that impact in practice. 67 Likewise, the secondary considerations under the Graham test were designed in part to provide objective indicators to combat hindsight bias, but they are plagued by so many confounding factors that they have failed to address the bias adequately. 68 By allowing judges to decide obviousness questions at the summary judgment stage more frequently, the Court in KSR may have assumed that judges are less susceptible to hindsight bias than juries, but that assumption has been shown to be false. 69

The Court’s inability to combat hindsight bias without exacerbating the overissuance problem — and vice versa — suggests that patent reform may be better left to the PTO. The balance between the two concerns is ultimately a policy question that the Constitution explicitly leaves to Congress, 70 and for good reason: Congress has more tools with which to craft a solution, including its delegation of authority to the PTO, an institution with expertise in the field. The PTO could adopt creative solutions to both problems simultaneously by making changes to its grant process.

One solution would be to strengthen administrative procedures and thereby focus more decisionmaking at the PTO level. 71 For example, a recent article by Professors Stuart Minor Benjamin and Arti Rai sug-

64 See id. (emphasizing the negative impact of patenting obvious inventions).
65 Id.
66 Many amici supported the TSM test based on a belief that it dealt with hindsight bias reasonably well. See, e.g., Brief of Practicing Patent Attorneys as Amici Curiae in Support of Respondents at 4–5, KSR, 127 S. Ct. 1727 (No. 04-1350).
67 See Mandel, supra note 51, at 16.
69 See Mandel, supra note 53, at 1414–18.
70 See U.S. CONST. art. I, § 8, cl. 1, 8 (“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 . . .”).
71 A bill recently passed by the House and introduced in the Senate, the Patent Reform Act of 2007, includes post-grant review procedures through which a challenger could file a petition to cancel any patent claim for invalidity. See H.R. 1908, 110th Cong. § 321 (2007) (as passed by House, Sept. 7, 2007); S. 1145, 110th Cong. § 321 (2007) (as introduced in Senate, Apr. 18, 2007). The bill also would allow any person to submit “a patent application, any patent, published patent application, or other publication of potential relevance to the examination of the application” provided the submission meets certain requirements. H.R. 1908 § 9; S. 1145 § 9. The bill shows that Congress is adapting its policies to confront the concerns the Court tried imperfectly to address in KSR.
suggests that there is relative consensus on the need for post-patent grant review at the PTO level. A more robust review function would serve not only to alleviate concerns about overissuance, but also to combat hindsight bias. Expertise in a given task is one factor that reduces the amount of hindsight bias displayed, and the reviewers could be chosen based on knowledge in the field of the patent at issue. This would mean that both a knowledgeable patent examiner and a second group of knowledgeable individuals would each make independent assessments as to the obviousness of the invention. Pursuant to KSR’s reasoning, a judge employing common sense might be inclined to respect the PTO-level decisions given more robust procedures at that level.

Another way to strengthen administrative procedures at the PTO would be to combine the post-grant review process with an adversarial application process at the patent examiner level. The amount of evidence presented would need to be limited in some way to prevent prohibitive administrative costs, but allowing interested parties to present evidence would avoid the problems associated with overburdened patent examiners having to conduct prior art searches on their own.

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73 See Benjamin & Rai, supra note 72, at 320.

74 Christensen-Szalanski & Willham, supra note 51, at 154–55.

75 It is not clear whether the group dynamic in the context of experts would improve hindsight bias. This would be an interesting question to address through further research.


78 Concerns about the Japanese patent opposition process may have led to failure to give it full consideration in the United States. See Robert J. Girouard, U.S. Trade Policy and the Japanese Patent System 19 (Berkeley Roundtable on the Int’l Econ., Working Paper No. 89, 1996), avail-
Under the current system, the party seeking the patent is not legally required to conduct such a search. Allowing adverse parties to present the prior art evidence, given their strong incentive to do so in order to avoid costly accusations of infringement down the road, would be a way to give the patent examiner, who will often be at least a person having ordinary skill in the art, most of the relevant information up front. This would eliminate the need for courts to step in later and hypothesize about what the patent examiner might have done if presented with all the evidence. Indeed, this was a concern in KSR, albeit not a dispositive one. The Court clearly hinted without deciding that the failure to present the Asano patent to the patent examiner diminished the rationale behind the presumed validity of patents. One would think that KSR or another Teleflex competitor, given an opportunity to offer prior art at the patent examination stage, would have offered Asano and thereby possibly avoided the ensuing litigation. While not confronting hindsight bias directly, the test would prevent courts from stepping in as frequently and would give patent examiners, who are more familiar with the task at hand, a more meaningful role in the process. The test also could reduce overissuance, as it would cut into the pro-applicant stance typically attributed to the PTO.

A third possibility would be to separate the patent examiner’s evaluation of obviousness from the rest of the patent prosecution. Professor Mandel has suggested one way to accomplish such a bifurcation using two patent examiners. The first examiner would undertake the traditional analysis without making an obviousness finding and would also make findings regarding the problem to be solved and other necessary information such as the skill level of a person having ordinary skill in the art. The second examiner would not be informed of the

able at http://brie.berkeley.edu/publications/WP%2089.pdf. Gaming concerns may have played a role, as the Japanese system in the past may have allowed competitors to target inventions that appear highly successful. See id. at 4–5 (noting that Japanese and American patent attorneys expressed this targeting concern under the Japanese pre-grant opposition program). Nevertheless, Japan’s pre-grant disclosure system has been shown in an empirical study to have a positive influence on technological growth. Keith E. Maskus & Christine McDaniel, Impacts of the Japanese Patent System on Productivity Growth 3 (Ctr. for Econ. Analysis, Univ. of Colo. at Boulder, Working Paper No. 99-01, 1998), available at http://www.colorado.edu/Economics/CEA/papers99/wp99-1.pdf. Any gaming concerns could be reduced, although probably not eliminated entirely, by a system that limited the amount of information a given party could provide. In any event, one has to measure this gaming effect against the cost of subsequent lawsuits in which the same information would likely come to light. In addition, patent officers or interested corporations could create incentives for academics to comment, providing both the positive and the negative aspects of the invention and calling the examiner’s attention to published material in the field.

79 Benjamin & Rai, supra note 72, at 278.
80 See KSR, 127 S. Ct. at 1745.
81 Mandel, supra note 51, at 35–38.
actual invention and would make the obviousness finding based only on the problem to be solved and the ordinary skill level. Such a finding would be entitled to a strong presumption of correctness. The benefits of combining such a bifurcated system with an adversarial process are clear: the adversarial process would allow prior art to come to light without the patent examiner being required to undertake an in-depth prior art search on his own, while the bifurcated system would prevent hindsight bias on the part of the patent examiner.

The Court’s decision in KSR did little to resolve outstanding patent law problems and left many questions unanswered. However, given the Court’s institutional competency, it is not clear it could have done much better. Real change addressing hindsight bias and overissuance problems in tandem will have to come from the efforts of Congress and the PTO, with the courts playing an oversight role only in extreme circumstances. The best the Court could have hoped to do in KSR may have been to offer a hint to that effect. Instead, the Court merely offered a solution unlikely to combat hindsight bias and unlikely to reduce patent overissuance problems in any systematic way.

F. Private Securities Litigation Reform Act

“Strong Inference” Pleading Standard. — In passing the Private Securities Litigation Reform Act of 1995 (PSLRA), Congress sought to curb abusive private securities litigation by requiring that plaintiffs “state with particularity facts giving rise to a strong inference that the defendant acted with the required state of mind.” Although Congress enacted this “strong inference” standard to provide uniformity concerning the plaintiff’s burden, the PSLRA failed to achieve that goal; it instead produced disarray among the circuit courts over how high Congress intended to set the bar for pleading scienter. Last Term, in Tellabs, Inc. v. Makor Issues & Rights, Ltd., the Supreme Court resolved the circuit split by holding that a “strong inference” of scienter “must be cogent and at least as compelling as any opposing inference

82 Id. at 36.
83 See Stephen H. Philbin, Judge Learned Hand and the Law of Patents and Copyrights, 60 Harv. L. Rev. 394, 395 (1947) (“Patent law may present questions which cannot be decided by objective tests, but depend for solution largely upon the personal views of the judge.”).
2 Id. § 78u-4(b)(2).