

The Federal Circuit recently affirmed, without opinion, a decision of the Patent Trial and Appeal Board (the “Board”) that found substitute claims submitted in a contingent motion to amend to be patentable.

This case is important because it is one of the few instances in which the Board has allowed amended claims to be submitted and found them patentable. Further, the substitute claims were submitted in a contingent motion to amend, only to be considered should the original claims be found unpatentable. And, the substitute claims were found patentable based solely on the secondary considerations of non-obviousness.

Valeo North America, Inc. and Valeo Embrayages (collectively, “Valeo”), filed a petition for inter partes review (“IPR”) of all claims, i.e., claims 1-13, of U.S. Patent No. 8,161,740 B2 (“the ‘740 patent”), owned by Schaeffler Technologies AG & Co. KG (“Schaeffler”). The Board instituted the IPR on all thirteen challenged claims. After the IPR had been instituted, Schaeffler filed a contingent motion to amend the claims, submitting substitute claims 14-25 should original claims 1-13 be found unpatentable.

The original claims of the ‘740 patent were directed to “a force transmission device” having improved damping properties. The claims allegedly achieved this by including a vibration damping device coupled to a rotational speed adaptive absorber which was “tuned as a function of an oil influence.” The Board construed this term and found that Valeo had shown by a preponderance of the evidence that the prior art references submitted by Valeo disclosed the subject matter of the independent claims of the ‘740 patent. In its motion to amend, Schaeffler added several structural and non-structural limitations to the claims.

Valeo contended that the Board should deny Schaeffler’s motion to amend for a number of reasons relating to technical requirements established by the Board for amending claims. First, Valeo contended that Schaeffler’s statement of contingency was unclear because it did not use a claim-by-claim approach to its contingent motion to amend. The Board determined that, based on the material submitted, it was sufficiently able to determine which substitute claims corresponded to which original claims. The Board also determined that Schaeffler’s failure to provide proposed constructions of the substituted claims was not fatal to its motion to amend. Lastly, and most notable, Schaeffler conceded that the elements of the substitute claims were found in the prior art and that there was a motivation to combine and reasonable

expectation of success. However, Schaeffler relying exclusively on the secondary considerations of nonobviousness, namely, unexpected results, argued the substitute claims were patentable. The Board agreed, finding two of the substitute claims patentable over the prior art of record based solely on secondary considerations of non-obviousness. The Board found the remaining substitute claims unpatentable.