

Driveshaft Patent Only Natural After All

Divided Federal Circuit Court of Appeals Upholds Patent Invalidation

By: Chris Eggert and Lisa Holubar | October 11, 2019

American Axle & Manufacturing (“AAM”) sued its competitor NeapCo Holdings LLC (“NeapCo”) for patent infringement in December of 2015, alleging infringement of its method patent relating to manufacturing driveshafts with liners to reduce noise and vibration during use. The parties cross-moved for summary judgment as to the eligibility of the patent’s subject matter under 35 U.S.C. § 101. In early 2018, the District Court of Delaware granted NeapCo’s motion and denied AAM’s motion, finding that the claims of the driveshaft patent were directed to unpatentable subject matter, namely a law of nature. Specifically, the district court pointed to “Hooke’s Law”—relating to friction damping—and held that the claims of the patent in suit applied Hooke’s Law to achieve predictable and desirable results. Regarding the additional steps beyond application of this principle, the court found that the steps “consist of well-understood, routine, conventional activity already engaged in by the scientific community . . . and those steps, when viewed as a whole, add nothing significant beyond the sum of their parts taken separately.”

On appeal, a divided panel of the Federal Circuit Court of Appeals upheld the decision. In doing so, the Federal Circuit rejected AAM’s argument that further desired results and features had been achieved—though unclaimed—and held that unclaimed desirable results or features did not result in a patentable invention. The panel additionally found that the patent claims merely involved controlling known variables and characteristics in ways that were known in the industry for experimental trial-and-error analysis.

In dissent, Judge Moore disagreed both with the majority’s approach and outcome—instead, Judge Moore stated that the majority’s opinion read more like a rejection for lack of enablement than one for patent-eligible subject matter. She concluded, “[t]oday, the majority concludes that the [] patent claims are not eligible because they do not teach a skilled artisan how to tune a liner. The majority holds that they are directed to some unarticulated number of possible natural laws apparently smushed together and thus ineligible under § 101. The majority concludes that the inventive concepts “make no difference.” Section 101 simply should not be this sweeping and this manipulatable. It should not be used to invalidate claims under standards identical to those clearly articulated in other statutory sections, but not argued by the parties. It should not subsume § 112. It should not convert traditional questions of fact (like undue experimentation) into legal ones. The majority’s validity goulash is troubling and inconsistent with the patent statute and precedent. The majority worries about result-oriented claiming; I am worried about result-oriented judicial action. I dissent.”

In short, the Federal Circuit continues to muddy the application of 35 U.S.C. § 101 relating to patentable subject matter in providing predictable outcomes for patentees or practitioners. Great care must be exercised in prosecuting and protecting patents that arguable touch on natural principles so as to avoid rejection on the basis of unpatentable subject matter.