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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

VALEO NORTH AMERICA, INC. and VALEO EMBRAYAGES,

Petitioner,
v.

SCHAEFFLER TECHNOLOGIES AG & CO. KG,

Patent Owner.

Case: IPR2017-00442
Patent 8,573,374 B2

PATENT OWNER'S SUR-REPLY

TABLE OF AUTHORITIES

CASES

Boston Scientific Scimed, Inc. v Medtronic Vascular, Inc. 497 F.3d 1293

(Fed. Cir. 2007) 1, 2

Vogel v. Jones, 486 F.2d 1068 (CCPA 1973) 1, 2, 3

STATUTES

35 U.S.C. 119 2, 3

OTHER AUTHORITIES

MPEP §213.02(II) 2

"[T]he existence of an application made by [the inventor's] assignee in a foreign country on behalf of one other than the United States inventor is *irrelevant* to his right of priority based on applications made on his behalf." *Boston Scientific Scimed, Inc. v Medtronic Vascular, Inc.* 497 F.3d 1293, 1297-99 (Fed. Cir. 2007), quoting *Vogel v. Jones*, 486 F.2d 1068, 1072 (CCPA 1973) (Emphasis added, brackets in original). *Vogel* involved the exact same facts as this case, addresses the exact same issue, is binding precedent, and dictates denial of the Petition.

Petitioner does not even attempt to argue that the present case differs from *Vogel*, either in its facts, or in the issue it addressed. Instead, Petitioner attempts to cast doubt on the vitality of *Vogel*, largely by reference to *Boston Scientific Scimed*. Incredibly, nowhere in their Reply does Petitioner address the fact that the Federal Circuit in *Boston Scientific Scimed*, in 2007, cited *Vogel* as *binding* precedent, and *quoted the exact same language* referenced above.

Petitioner seizes on the term "nexus" in one sentence of *Boston Scientific Scimed* and attempts to weave from this an argument that mere common ownership of an earlier application by completely different inventors can defeat a later claim of priority. However, Petitioner ignores that this passage is addressing nexus sufficient to show that the foreign assignee/applicant was acting "on behalf" of the inventors:

Moreover, "the existence of an application made by [the inventor's] assignee in a foreign country on behalf of one other than the United States inventor is

irrelevant to his right of priority based on applications made **on his behalf**."

Id. **In other words**, while the foreign application must obviously be for the same invention and may be filed by someone other than the inventor, section 119(a) also requires that **a nexus** exist between the inventor and the foreign applicant at the time the foreign application was filed. Indeed, as a matter of pure logic, an entity could not have filed a foreign application **"on behalf of" an inventor** without the inventor's knowledge or consent.

497 F.3d at 1297 (emphasis added). Petitioner does not and cannot explain how a sentence which begins "[i]n other words" can be read as directly contradicting the immediately preceding sentence -- which is quoting the holding of *Vogel*.

Petitioner's only other argument against the continued vitality of *Vogel* is the 1984 Patent Law amendments allowing for joint inventors. However, in 2007, *Boston Scientific Scimed* cited *Vogel* as binding precedent and relied the exact same language of *Vogel* requiring that the foreign applicant be acting "on behalf" of an inventor of the later filed U.S. application. Moreover, Petitioner can cite to no case questioning the validity of *Vogel*, and do not explain how their theory is consistent with MPEP §213.02(II), which still requires that the foreign application be filed on behalf of one of the U.S. inventors.

Finally, Petitioner attempts to argue that Section (c) of 35 USC § 119 is completely independent of section (a), but cannot explain why there is no case law to support this proposition since section (c) was added in 1962, *long* before *Vogel*. Nor does Petitioner address the first clause of section (c) "[i]n like manner and subject to the same conditions

and requirements" which directly references back to the earlier sections, and thus expressly incorporates the "**on behalf of**" and "**same invention**" requirements of section (a).

If Petitioner is to be believed, in every case having foreign priority with common owners, the USPTO and every litigation defendant would, *for decades*, have been asserting a prior art rejection premised on a denial of priority under 35 U.S.C. § 119(c) along with most rejections for obviousness type double patenting and every rejection for anticipation under 102(e). Large foreign corporations would routinely face such rejections and lose benefit of priority under 35 U.S.C. § 119(c). No such rejection has been made since *Vogel* rejected the identical argument because 35 USC § 119(c) does not provide a separate basis for invalidity. Rather 35 USC 119(c) simply provides an exception to 119(a) where the applicant has abandoned the earliest priority application filed by or on behalf of the inventors. (Patent Owner Preliminary Response, pp. 6-8).

Petitioner's argument fails for the same reason that Vogel's argument failed on identical facts in *Vogel v. Jones*: "the existence of an application [**Degler priority application**] made by that assignee [**Schaeffler**] in a foreign country on behalf of one [**Degler, Krause, Schenck, Werner, and Englemann**] other than the United States inventor [**Magerkurth, Huegel, and Meissner**] is *irrelevant* to his right of priority based on applications [**'374 Priority Applications**] made on his [**Magerkurth, Huegel, and Meissner**] behalf." 486 F.2d at 1072 (emphasis added).

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on this 2nd day of May, 2017, a true and correct copy of the foregoing **PATENT OWNER'S SUR-REPLY** was served by electronic mail pursuant to agreement, upon the following counsel of record for Petitioners VALEO NORTH AMERICA, INC. and VALEO EMBRAYAGES:

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