

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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VALEO NORTH AMERICA, INC. and VALEO EMBRAYAGES,  
Petitioner,

v.

SCHAEFFLER TECHNOLOGIES AG & CO. KG,  
Patent Owner.

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Case IPR2017-00442  
Patent 8,573,374 B2

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Before JOSIAH C. COCKS, MICHAEL W. KIM, and  
JAMES J. MAYBERRY *Administrative Patent Judges*.

COCKS, *Administrative Patent Judge*.

DECISION  
Denying Institution of *Inter Partes* Review  
37 C.F.R. § 42.108(a)

## I. INTRODUCTION

### A. Summary

Valeo North America, Inc. and Valeo Embrayages (“Petitioner”) filed a Petition (Paper 1, “Pet.”) to institute an *inter partes* review of claims 1, 3–5, 8, 10, and 14–16 of U.S. Patent No. 8,573,374 B2 (Ex. 1101, “the ’374 patent”). Schaeffler Technologies AG & Co. KG (“Patent Owner”) filed a Preliminary Response. Paper 7, “Prelim. Resp.” Petitioner also filed a Reply to the Preliminary Response (Paper 9, “Pet. Reply”), to which the Patent Owner filed a Sur-Reply (Paper 12, “PO Sur-Reply”).<sup>1</sup>

An *inter partes* review may not be instituted unless the information presented in the Petition shows “there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. § 314(a). For the reasons set forth below, we conclude that the information presented in the Petition and Patent Owner Preliminary Response does not establish a reasonable likelihood that Petitioner will prevail in showing the unpatentability of claims 1, 3–5, 8, 10, and 14–16. Accordingly, we do not institute an *inter partes* review as to those claims based on the Petition.

### B. Related Matters

The ’374 patent is the subject of another petition seeking institution of an *inter partes* review: IPR2017-00441. Pet. 1; Paper 3, 2.<sup>2</sup>

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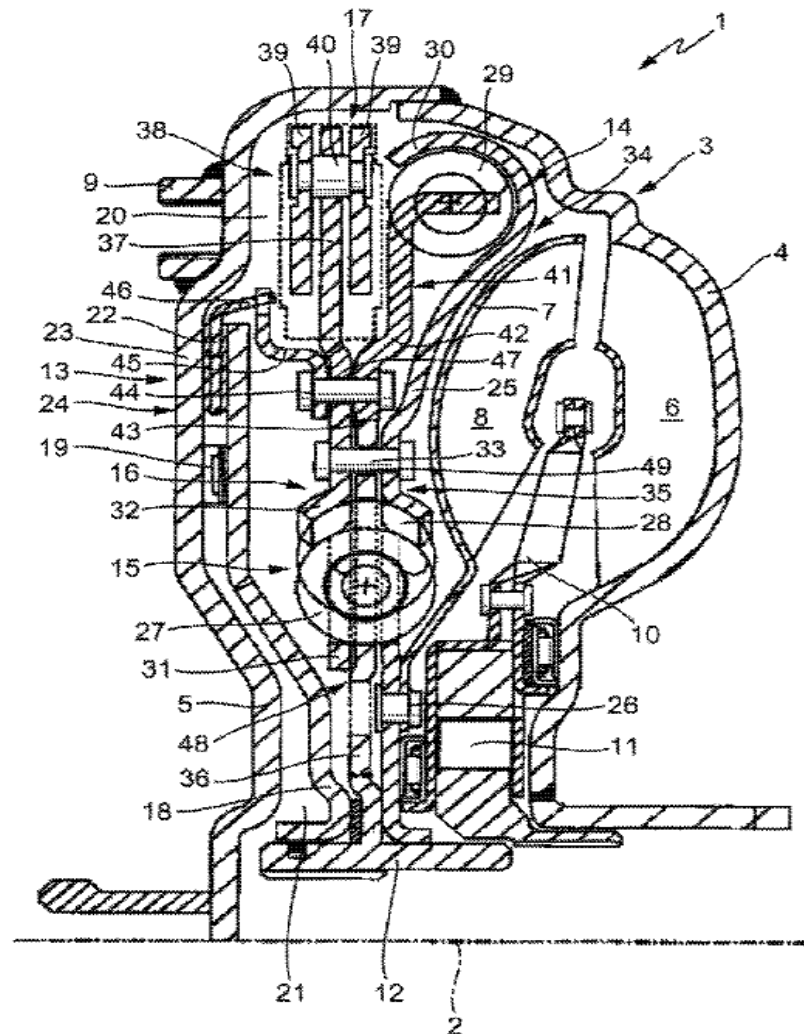
<sup>1</sup> The Petitioner’s Reply and the Patent Owner’s Sur-Reply were authorized by the panel. Paper 8.

<sup>2</sup> A Decision on Institution in IPR2017-00441 is entered concurrently with the present Decision.

### C. The '374 patent

The '374 patent is titled “Hydrodynamic Torque Converter.” Ex. 1101, (54). The '374 patent describes the invention as relating “to a hydrodynamic torque converter having an impeller wheel, a turbine wheel and an oscillation damper which is accommodated in the converter housing, and a converter lockup clutch.” *Id.* at (57). Such torque converters are particularly used in vehicle drivetrains, between an internal combustion engine and transmission. *Id.* at 1:23–25.

The figure of the '374 patent is reproduced below:



The figure above “shows a hydrodynamic torque converter disposed about a rotation axis in a half-sectional view.” *Id.* at 3:52–55. Torque converter 1 includes torsional vibration absorber 17, torsional vibration damper 16, damper stage 14, and damper stage 15. *Id.* at 4:37–38, 5:3–5. The ’374 patent characterizes damper stages 14, 15 as components of a “multi-function damper” that are connected with one another by “single-piece disk part 25.” *Id.* at 4:37–42. The ’374 patent also describes the following: “[t]hrough the single-piece connection of the mounting part 37 with the input part 35 of the damper stage 15 and the output part 34 of the damper stage [14]<sup>3</sup> by means of the rivets 33 is the centrifugal force pendulum 38 assigned parallel to both damper stages.” *Id.* at 5:11–16.

#### *D. Claims*

Claim 1 is independent. Claims 3–5, 8, 10, and 14–16 ultimately depend from claim 1. Claim 1 is reproduced below:

1. A hydrodynamic torque converter (1) with a turbine (7) driven by an impeller (6) as well as housing (3) in which a torsional vibration damper (16) with multiple of damper stages (14, 15), a torsional vibration absorber (17) and a lock-up clutch (13) are additionally installed, wherein a first damper stage (14) and a second damper stage (15) are disposed between the lock-up clutch (13) and an output hub (12), the second damper stage (15) is disposed between the turbine (7) and the output hub (12) and the torsional vibration absorber (17) is parallel to both damper stages (14, 15).

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<sup>3</sup> Although the ’374 patent lists reference character “15” with respect to this damper stage, it is evident from the figure that such is a typographical error and that reference character “14” was intended.

*E. The Applied References*

Petitioner relies on the following references:

<b>Reference</b>	<b>Date</b>	<b>Exhibit No.</b>
PCT Publication No. WO 2009/067987 to Degler et al. (“Degler”)	June 2009	1103
Wolfgang Reik, The Centrifugal Pendulum Absorber Calming Down the Drivetrain, CTI Symposium (“Reik”)	May 2009	1105

*F. Asserted Grounds of Unpatentability*

Petitioner challenges claims 1–3, 8, 10, and 14–16 under 35 U.S.C. § 102(a) based on the following grounds:

<b>Reference</b>	<b>Challenged Claims</b>
Degler	1–3, 8, 10, and 14–16
Reik	1–3, 8, 10, and 14–16

**II. ANALYSIS**

In this Petition, Petitioner offers two grounds of unpatentability that are each premised on the same underlying theory. Namely, that theory is that the “Patent Owner is precluded by 35 U.S.C. § 119(c) from claiming priority to certain subject matter also disclosed in Degler’s priority reference.” Pet. 13; Pet. 28. Because of that alleged preclusion, Petitioner is

of the view that each of Degler and Reik is available as a prior art reference that anticipates claims 1, 3–5, 8, 10, and 14–16 of the '374 patent. *Id.*<sup>4</sup>

Section 119(c) of 35 U.S.C. reads:

(c) In like manner and subject to the same conditions and requirements, the right provided in this section may be based upon a subsequent regularly filed application in the same foreign country instead of the first filed foreign application provided that any foreign application filed prior to such subsequent application has been withdrawn, abandoned, or otherwise disposed of, without having been laid open to public inspection and without leaving any rights outstanding, and has not served, nor thereafter shall serve, as a basis for claiming a right of priority.

The core nature of Petitioner's contentions rests on the caveat of § 119(c) that a "subsequent regularly filed [foreign] application" can only be the basis for a claim of priority for a U.S. application if, among other conditions, any foreign application filed prior to such subsequent regularly filed application "has not served, nor thereafter shall serve, as a basis for claiming a right of priority" for any other application.

Petitioner's basis for the position that it takes is somewhat convoluted. In a nutshell, Petitioner seemingly is of the view that the '374 patent could have claimed priority to the German priority document underlying Degler because all three documents have the same assignee, although the '374 patent does not have any inventors in common with Degler and the Degler priority document.<sup>5</sup> Along that line of thinking, Petitioner advances the proposition that because the Degler priority document served as a basis for a

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<sup>4</sup> There is no dispute that Degler and Reik would not be available as prior art otherwise.

<sup>5</sup> That German priority document—DE 10 2007 057 448 (Ex. 1104) (Degler priority document)—is dated November 29, 2007.

claim of priority for Degler, that priority document cannot serve as a basis for claiming priority for any other application. *Id.* at 15. Here, that means to Petitioner that, “Patent Owner is precluded from claiming priority for subject matter that is also disclosed in [the Degler priority document].” Pet. 13–14. According to Petitioner, two German documents to which the ’374 patent claims priority<sup>6</sup> contain subject matter that is also disclosed in the Degler priority document, and, thus, allegedly the ’374 patent is not entitled to claim priority based on that overlapping subject matter.

Patent Owner rejects Petitioner’s base premise that, under 35 U.S.C. § 119(c), the Degler priority document must be considered the “first filed foreign application” when it comes to the ’374 patent. Prelim. Resp. 2. Noting that the Degler priority document and the ’374 patent, although having the same assignee, share no common inventors, Patent Owner cites to *Boston Scientific Scimed, Inc. v. Medtronic Vascular, Inc.*, 497 F.3d 1293 (Fed. Cir. 2007) (which quotes *Vogel v. Jones*, 486 F.2d 1068 (CCPA 1973)) as being controlling law, and particularly on point, for the present situation. *Id.* at 2–3. Based on the holdings of *Boston Scientific* and *Vogel*, Patent Owner urges the following:

The Degler priority [document], though owned by the same assignee as [the] ’374 patent, shares no common inventors with the ’374 patent, and is therefore *irrelevant* to the inventors’ right to claim priority under 35 U.S.C. § 119 for the ’374 patent. The fact that the Degler priority [document] shares no common inventors with the ’374 patent is *dispositive*, and alone requires denial of the Petition.

*Id.* at 3.

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<sup>6</sup> The noted German documents are identified as DE 10 2008 031 431 (dated July 4, 2008) and DE 10 2008 037 808 (dated August 14, 2008). Pet. 13.

The facts underlying *Vogel* are largely the same as those present here. In *Vogel*, an inventor Jones had assigned the rights to a U.S. patent application to Imperial Chemical Industries Ltd. (“ICI”). That U.S. patent application claimed priority to a British application. *Vogel* took the position that Jones could not claim the benefit of priority to the British application because of the existence of another prior patent application filed by different inventors, but also assigned to ICI. The Court of Customs and Patent Appeals rejected *Vogel*’s argument. The court concluded that the right to priority arising under § 119 was “personal” to Jones and that the existence of a foreign application with the same assignee (ICI), but filed on behalf of different inventors, was “irrelevant” to Jones’s right of priority based on his own applications. *Vogel*, 486 F.2d at 1072. In *Boston Scientific*, the Court of Appeals for the Federal Circuit held that *Vogel* remained “binding” precedent. *Boston Scientific Scimed, Inc.*, 497 F.3d at 1297.

Petitioner asks us to conclude that, because there is a common assignee between the ’374 patent and Degler priority document, there is a “nexus” between the respective inventors, even though there is no common inventorship. Petitioner also takes the view that *Vogel* is “outdated and not controlling.” Pet. Reply 3. Petitioner’s view is not well supported.

Petitioner makes no meaningful attempt to explain why we should conclude that *Vogel* is no longer good law, despite the Federal Circuit’s expression in 2007 that *Vogel* remains “binding.” *Id.* Indeed, Petitioner’s apparent rationale for that view is simply a vague reference from a 1995 decision from the Board of Patent Appeals and Interferences that the amendment of 35 U.S.C. § 116 in 1984 pertaining to joint inventorship suggests that a requirement that “the inventive entity must be the same in



both the foreign and the corresponding U.S. application in order to obtain benefit can no longer be accepted.” Pet. Reply 3. Yet, Petitioner does not articulate adequately why such statement mandates the result that Petitioner desires, i.e., that the ’374 patent has forfeited a claim to priority of its underlying German application. Indeed, we note in passing that, here, the respective inventive entities are not simply non-identical, but are instead wholly different, i.e., there is no commonality at all in inventorship.

We have thoroughly considered the positions of both parties. On the record before us, we conclude that Patent Owner stakes out the stronger, and correct, view that *Vogel* is controlling, and, as a result, the Petition should be denied. *See* PO Sur-Reply 1. Accordingly, we conclude that *Vogel* remains good law, and that it dictates that the ’374 patent is entitled to its priority claims. That conclusion establishes that neither Degler nor Reik is prior art to the ’374 patent. On this record, we do not institute an *inter partes* review based on those references.

### III. CONCLUSION

The record here does not establish that Petitioner has shown a reasonable likelihood of success in its challenge to claims 1, 3–5, 8, 10, and 14–16 as unpatentable based on either Degler or Reik.

### IV. ORDER

It is ORDERED that no trial or *inter partes* review is instituted based on the Petition filed in this proceeding.

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