

Fed. Circ. Won't Remand Caterpillar's Post-Arthrex PTAB Loss

By **Dani Kass**

Law360 (May 6, 2020, 3:27 PM EDT) -- A Caterpillar Inc. subsidiary can't invoke the Federal Circuit's Arthrex decision to get a do-over at the Patent Trial and Appeal Board, since the board invalidated claims of its paving machine patent after the constitutional defect identified in Arthrex was fixed, the appeals court said Wednesday.

The Federal Circuit shot down Caterpillar Paving Products' argument that unconstitutionally appointed PTAB judges, as identified and then fixed in Arthrex, affected not just the board's final decision, but the year of proceedings leading up to it. The panel made clear that only final written decisions issued before Arthrex are eligible for remands under the case.

"The court in Arthrex considered and rejected that argument, expressly limiting its holding 'to those cases where final written decisions were issued,'" the precedential order states.

Caterpillar had been hoping for a second chance before the board after several claims of its paving machine patent were invalidated as obvious in November. It argued that "a year's worth of constitutional violations [was] influencing the board's thinking and conclusions."

Both the company that requested the inter partes review, Wirtgen America Inc., and the intervening U.S. Patent and Trademark Office had pushed back against Caterpillar's remand attempt, saying do-overs are only allowed for final written decisions issued before Arthrex.

In the October Arthrex decision, a Federal Circuit panel said the way administrative patent judges are appointed is unconstitutional, cured the defect by removing employment protections, and then sent the case back to the PTAB for a hearing before a properly appointed panel. Some other patent owners have been able to get similar remands by invoking Arthrex, but there is an ongoing effort to define who is eligible for one.

The Caterpillar patent being challenged here was also found invalid by the U.S. International Trade Commission, as part of a Section 337 investigation over Wirtgen's allegedly infringing imports.

An attorney for Wirtgen and a representative for the USPTO declined to comment. Counsel for Caterpillar didn't immediately respond to a request for comment Wednesday.

The patent-in-suit is U.S. Patent No. 9,045,871.

Judges Alan D. Lourie, Timothy B. Dyk and Jimmie V. Reyna sat on the panel for the Federal Circuit.

Caterpillar is represented by Joshua L. Goldberg and Daniel C. Cooley of Finnegan Henderson Farabow Garrett & Dunner LLP.

Wirtgen is represented by Ralph Wilson Powers III, Donald Banowit, Tyler Dutton and Jon Wright of Sterne Kessler Goldstein & Fox PLLC and Mark Kilgore, Ryan D. Levy and Seth R. Ogden of Patterson Intellectual Property Law PC

The USPTO is represented by its own Monica Barnes Lateef, Thomas W. Krause, Farheena Yasmeen Rasheed and Daniel Kazhdan.

The case is Caterpillar Paving Products v. Wirtgen America Inc., case number 20-1261, in the U.S. Court of Appeals for the Federal Circuit.

--Editing by Orlando Lorenzo.