

## PTAB Upholds Wirtgen Patent in Loss For Caterpillar

By **Britain Eakin**

*Law360 (July 17, 2019, 4:47 PM EDT)* -- Pointing to Caterpillar Inc.'s "shifting reasoning," the Patent Trial and Appeal Board said the company failed to prove that a Wirtgen America Inc. patent covering a lifting column for a road construction machine is invalid.

In trying to show the patent was obvious, Caterpillar said a skilled artisan would have combined two prior art references pertaining to the placement of sensors. But the board said it found Caterpillar's arguments unpersuasive and gave no weight to its expert, who the board dubbed "not credible" because he muddled his testimony, saying first that he would replace a certain sensor but changing course later to say he wouldn't.

"Petitioner does not attempt to resolve any of these inconsistencies or explain whether some or all of the sensors are being replaced," said the May 22 final written decision, which was unsealed Monday.

The board concluded that Caterpillar and its expert failed to show that a skilled artisan would be motivated to combine the references. The board also shot down an argument it said Caterpillar made for the first time in its reply that the two references would be combined to enable a manual milling operation and was therefore improper since it wasn't included in the original petition.

"Petitioner's new theory and accompanying evidence were not made as a proper response to patent owner's arguments; as such, patent owner has not had a fair and meaningful opportunity to address petitioner's new theory," the decision said.

Caterpillar filed for inter partes review in 2017 after the American arm of German machinery manufacturer Wirtgen filed complaints against the company in Minnesota and Delaware federal courts and at the U.S. International Trade Commission, accusing Caterpillar of selling road milling machines for concrete and asphalt pavement that infringed its patents, including the patent at issue here.

In April, the ITC found that Caterpillar was only able to show that one claim in a related patent was invalid as obvious over prior art combination and failed to show "through clear and convincing evidence" that the other two claims in the patent were invalid.

Both the Minnesota and Delaware cases have been stayed pending the final results of the ITC investigation, according to court documents.

And in a rare move last week, the Patent Trial and Appeal Board granted Wirtgen's request for a rehearing after the board invalidated a related patent covering a road milling machine.

Representatives for the companies did not immediately respond to request for comment Wednesday.

Counsel for Wirtgen declined to comment Wednesday. Counsel for Caterpillar did not immediately respond to a request for comment.

The patent-in-suit is U.S. Patent No. 9,656,530.

Judges Scott A. Daniels, Barry L. Grossman and Kevin W. Cherry sat on the panel for the U.S. Patent Trial and Appeal Board.

Wirtgen is represented by Ralph W. Powers III, Jon E. Wright, Kyle E. Conklin, Stephen A. Merrill and Daniel E. Yonan of Sterne Kessler Goldstein & Fox PLLC, and Ryan Levy, John F. Triggs and Seth R. Ogden of Patterson Intellectual Property Law PC.

Caterpillar is represented by Joshua Goldberg, James R. Barney and David K. Mroz of Finnegan Henderson Farabow Garrett & Dunner LLP.

The case is Caterpillar Inc. v. Wirtgen America Inc., IPR 17-02118, before the Patent Trial and Appeal Board.

--Additional reporting by Tiffany Hu and Kevin Penton. Editing by Stephen Berg.