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IP Client Alert – Arctic Cat Inc. v. GEP Power Products, Inc.

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Patent law has historically relied on the general notion that, “a preamble limits the invention if it recites essential structure or steps, or if it is ‘necessary to give life, meaning, and vitality’ to the claim.” *Catalina Mktg. Int’l, Inc. v. Coolsavings.com, Inc.*, 289 F.3d 801, 808 (Fed. Cir. 2002) (quoting *Pitney Bowes, Inc. v. Hewlett-Packard Co.*, 82 F.3d 1298, 1305 (Fed. Cir. 1999)). When construing the importance of the preamble to a patent claim, most patentees do not seek to limit their claims with the language of the preamble. However, in *Arctic Cat Inc. v. GEP Power Products, Inc.*, the patentee, Arctic Cat, Inc. (“Arctic Cat”) sought to limit its claims with the language of the preambles to support its argument that the prior art failed to disclose the claimed “personal recreational vehicle”. *Arctic Cat Inc. v. GEP Power Products, Inc.*, 18-1520 (March 26, 2019).

Arctic Cat owned U.S. Patent Nos. 7,072,188 (the ‘188 Patent) and 7,420,822 (the ‘822 Patent) both titled “Power Distribution Module for Personal Recreational Vehicle”. *Id.* at [2]. Claim 1 of the ‘188 Patent recited “A power distribution module for a personal recreational vehicle comprising a housing defining an interior... and a distribution harness having a plurality of electrical conductors...”. *Id.* at [3-4]. GEP Power Products, Inc. (“GEP”) petitioned the Patent Trial and Appeals Board’s (“PTAB” or the “Board”) for an *inter partes* review of all claims of both the ‘188 Patent and the ‘822 Patent. The Board returned a decision declaring all claims of the ‘188 Patent and the ‘822 Patent as unpatentable. *Id.* at [2]. In its decision, the Board: (1) rejected Arctic Cat’s submission of the full transcript of its inventor’s deposition, (2) construed various claim preambles as not stating limitations on the claimed inventions, and (3) finding U.S. Patent No. 6,850,421 (Boyd) to be prior art applicable against the ‘188 and ‘822 patents. *Id.*

The Federal Circuit affirmed the Board’s decision in part, asserting that “the Board did not abuse its discretion in rejecting the deposition-transcript submission; the Board correctly held preamble references to a vehicle in the claims at issue not to be limiting” but noted that the Board “improperly determined that Boyd was prior art.” *Id.* The Federal Circuit noted that a preamble is not limiting where a patentee, like Arctic Cat, “describes a structurally complete invention in the claim body and uses the preamble only to state an intended use.” In its analysis, the Federal Circuit held that (1) the preamble language in the ‘188 Patent identifies the invention for use in the personal recreational vehicle, (2) Arctic Cat failed to demonstrate during prosecution that the identified use imposes a structural requirement on the invention beyond what is required by the bodies of the claims, and (3) Arctic Cat failed to make any arguments addressing a “personal recreational vehicle” during prosecution to overcome the prior art. *Id.* at [13-15]. Moreover, the Federal Circuit noted that Arctic Cat failed to utilize transitional language such as “wherein the improvement comprises” followed by a listing of elements that the applicant considers as the new or improved portion.” *Id.* at [16]; see also 37 C.F.R. 1.75(e) (providing a template for improvement claims); *Ex parte Jepson*, 243 Off. Gaz. Pat. Office 525 (Ass’t Comm’r Pat. 1917); *Rowe v Dror*, 112 F.3d 473, 479 (Fed. Cir. 1997) (“when this form is employed the claim preamble defines not only the context of the claimed invention, but also its scope”).

With respect to the Board’s decision on the ‘188 Patent, Federal Circuit reversed in part, and vacated in part, remanding for the case for further proceedings consistent with this decision. The Federal Circuit affirmed the Board’s decision on the ‘822 Patent.

Takeaway: While it is far more common for a patentee to fight to keep the preamble from limiting the claims of the invention, there may be some cases where it is beneficial to limit the claims. Patentees should carefully consider the language of their claims, as well as the preamble.

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