

SOUTHWIRE CO. v. CERRO WIRE LLC, Appeal No. 2016-2287 (Fed. Cir. September 8, 2017). Before Lourie, Moore, Hughes. Appealed from Patent Trial and Appeal Board.

Background:

Southwire's patent is directed to a method of manufacturing an electric cable, wherein a lubricant is incorporated into the outer sheath such that the lubricant migrates to the surface of the sheath and results in at least a 30% reduction in a pulling force required to install the cable compared to a similar, non-lubricated cable.

In an *inter partes* reexamination, the Examiner found all of the claims obvious over a prior patent in combination with other references. The Examiner acknowledged that the claimed at least 30% reduction was not explicitly described in the references, but concluded that the claimed reduction is an inherent result of the method steps of the prior patent.

On appeal to the Board, the Board affirmed the conclusions of the Examiner, finding that the prior patent inherently teaches the claimed 30% reduction, because the prior patent teaches the same method steps using similar materials, and teaches reducing the coefficient of friction using a lubricant, which renders it obvious to have selected an amount of lubricant to have achieved the claimed reduction. Southwire appealed.

Issue/Holding:

Are the claims obvious? Yes, affirmed.

Discussion:

The Federal Circuit disagreed that the claimed 30% reduction is inherent in the prior patent. Nevertheless, the Court found this error harmless because the Board made sufficient findings to conclude that the claimed 30% reduction would have been obvious from the prior art.

On inherency, the court found that Board cited to no evidence that the claimed 30% reduction in pulling force would necessarily have resulted from the prior patent's process, which contained no steps to ensure that it achieved at least a 30% reduction.

However, the Federal Circuit found that the Board's underlying factual findings were sufficient to support the conclusion of obviousness, without relying on inherency. The court noted that the Board found that prior patent disclosed an identical or substantially similar process, used similar materials, and that the patented steps did not differ in any material way from the prior art process. The Federal Circuit further noted that there was no evidence that the claimed 30% reduction was unexpected or unattainable from the prior art process, and no evidence that the process disclosed in the prior patent did not produce the claimed 30% reduction in pulling force. The court also found that there is no indication that the claimed 30% reduction is anything other than the mere quantification of the results of a known process.

Thus, the Federal Circuit found that Board's underlying factual findings reasonably support the conclusion that the claimed 30% reduction would have been obvious from the prior patent.