

VOLVO PENTA OF THE AMERICAS, LLC v. BRUNSWICK CORPORATION, Appeal No. 2022-1765 (Fed. Cir. August 24, 2023). Before Moore, Lourie, and Cunningham. Appealed from PTAB.

Background:

Volvo owned a patent related to a tractor-type stern drive for a boat. In 2015, Volvo went to market with *Forward Drive*, its commercial embodiment of the patent. In August 2020, Brunswick launched a similar product and petitioned for IPR of the claims of the patent on the same day. The Board found the claims unpatentable as obvious over two applied references. Volvo appealed.

Issue/Holding:

Did the Board err in finding obviousness? Yes, vacated and remanded.

Discussion:

Volvo argued that a person of ordinary skill in the art would not have been motivated to combine the references with a reasonable expectation of success and that objective indicia of nonobviousness overcame any *prima facie* case of obviousness. It presented evidence of the secondary considerations of copying, commercial success, industry praise, and long-felt need. The Board uniformly afforded each of these factors "some weight" in finding that Volvo had not shown a nexus between the evidence and the claimed invention. The Board summarily concluded that "Patent Owner's objective evidence weighs somewhat in favor of nonobviousness" but that Brunswick's "strong evidence of obviousness outweighs Patent Owner's objective evidence of nonobviousness."

The Federal Circuit disagreed. It criticized the Board's giving of "some weight" to what it deemed to be clear evidence of copying, finding that copying is strong evidence of nonobviousness. There was also strong evidence of commercial success and industry praise, including an article in a 2015 issue of *Boating World* that described Volvo's *Forward Drive* as "radical," "game-changing," and as starting a "revolution."

The Federal Circuit determined that the Board failed to adequately explain why it gave the factors the same weight, and disagreed with the Board giving only "some weight" to evidence of commercial success and industry praise given the lack of evidence otherwise detracting from the same. The Federal Circuit also found the Board's ultimate conclusion that strong evidence of obviousness outweighed the evidence of nonobviousness to have been made without sufficient explanation to sustain that determination.

Therefore, the Federal Circuit vacated and remanded to the Board in order to reconsider the totality of the evidence of obviousness in view of the secondary considerations.