

Nonexistent Engine Can't Invalidate Raytheon Patent

By Andrew Karpan

Law360 (April 16, 2021, 6:52 PM EDT) -- The Federal Circuit ruled Friday that the Patent Trial and Appeal Board was wrong to invalidate a Raytheon turbine engine patent as obvious based on a three-decade-old paper cited by rival GE, finding that the purported earlier invention could not actually be built.

After hearing oral arguments in February, a three-judge panel ruled that Boston-based General Electric Co. did not actually present a convincing argument that a 2012 Raytheon patent was invalid based on a 1987 memorandum issued by NASA that analyzed the potential of a turbofan made with "revolutionary materials."

The memo only showed "highly aggressive performance parameters for a futuristic turbine engine," Circuit Judge Raymond T. Chen wrote for the panel, noting that the engine it described was based on "the use of nonexistent composite materials," and that Raytheon "presented extensive, unrebutted evidence" that it couldn't be built.

The patent board had found differently last year when it invalidated two claims in the Raytheon patent — which has yet to be asserted in an infringement suit, **not uncommon** in the recent wave of patent board fights between the rival engine manufacturing giants.

While the board rejected Raytheon's argument that the "futuristic uncooled composite blade materials" described by NASA were not enough to render claims in its engine patent obvious, the Federal Circuit said prior art references must describe inventions that could work in practice.

"Even though a non-enabling reference can play a role in an obviousness analysis, the evidence of record must still establish that a skilled artisan could have made the claimed invention," Judge Chen wrote in the nonprecedential opinion.

The Federal Circuit also took issue with how the patent board's decision was presented during oral arguments by Brian Ferguson, a partner at Weil Gotshal & Manges LLP who represented GE in the case.

"Counsel for GE asserted that the board determined, based on GE's expert's analysis, that [the] engine could have been in fact 'successfully constructed, and therefore is enabled with respect to the claimed invention.' We disagree that the board made such a finding," the court ruled.

Ferguson had "neglected to mention" that GE's expert was only able to construct the engine using the

prior art in a computer model simulation, "not a physical working engine."

"GE's expert never suggested that a skilled artisan could have actually built such an engine," Judge Chen wrote.

The PTAB had defended "its overly cramped inquiry" into GE's petition, the panel wrote, by contending that the challenged claims did not actually require the futuristic materials that the 1987 memo described.

This was wrong too, the court ruled.

"That position may have carried the day if GE had presented other evidence to establish that a skilled artisan could have made the claimed turbofan engine ... But no such other evidence was presented," Judge Chen wrote.

Jenny Dervin, a spokeswoman for the Raytheon unit Pratt & Whitney, which developed the engines before the company was sold to Raytheon in 2019, told Law360 that the company was "very pleased" with Friday's ruling.

"The court's decision validates the innovative nature of Pratt & Whitney's [geared turbofan] engine technology. GE's unsuccessful challenge to this Pratt & Whitney's patent, and others, after long disputing the feasibility of geared engine technology, confirm the fundamental advantages of Pratt & Whitney's revolutionary" engine technology, Dervin added.

Representatives for GE did not respond to a request for comment on Friday.

The patent-in-suit is U.S. Patent No. 9,695,751.

Judges Alan David Lourie, Raymond Chen and Todd M. Hughes sat on the panel for the Federal Circuit.

Raytheon was represented by Lauren A. Degnan, Chris Dryer, Timothy Rawson, W. Karl Renner and Kenneth Darby of Fish & Richardson PC and Michael J. Valaik of Bartlit Beck Herman Palenchar & Scott LLP.

GE was represented by Brian E. Ferguson, Daniel Musher, Christopher Pepe and Anish Desai of Weil Gotshal & Manges LLP.

The USPTO was represented in-house by Robert J. McManus, Thomas W. Krause, Farheena Rasheed and Frances Lynch.

The case is Raytheon Technologies Corp. v. General Electric Co., case number 20-1755, in the U.S. Court of Appeals for the Federal Circuit.

--Editing by Karin Roberts.