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# Neapco Urges Court To Toss American Axle Driveshaft Patent

By **Leslie A. Pappas**

Law360 (January 5, 2023, 8:53 PM EST) -- Auto parts manufacturer Neapco Holdings LLC told a federal judge in Delaware on Thursday that the driveshaft liners it developed don't infringe an [American Axle & Manufacturing Inc.](#) patent, and argued that the patent is invalid because it describes a "desired result" rather than a specific method for achieving it.

Neapco argued at a summary judgment hearing in Wilmington, Delaware, that its cardboard liners were based on conventional methods to dampen vibrations and noise in automobiles, and did not copy anything in American Axle's patent. The case is back in district court after the Federal Circuit invalidated several of the patent's claims for covering only a law of nature, but said further proceedings were needed on other claims.

American Axle argued that its patent covers a method of "tuning" and "positioning" the driveshaft liner to get to a certain frequency to reduce noise, but Dennis J. Abdelnour of Honigman LLP, one of Neapco's attorneys, argued in court on Thursday that these are "abstract ideas" and the patent itself does not explain how this is done.

"It's a goal without a means of achieving it," Abdelnour said, adding that patent law has "always prohibited claiming a goal without a solution."

Thursday's arguments come after years of litigation between the two auto parts manufacturers in a case that has **exposed acrimonious divisions** about patent eligibility.

American Axle sued Neapco in 2015, accusing the company of infringing its patent on a method of making automobile driveshafts with cardboard liners to reduce vibrations.

In October 2019, the Federal Circuit **upheld a ruling** that many claims of the patent were invalid, finding in a 2-1 decision that several of the claims were ineligible under Section 101 of the Patent Act because they covered only a law of physics.

The panel revised the opinion in July 2020, invalidating only part of the patent and remanding some of the claims for further proceedings. The same day, **the Federal Circuit split 6-6** in denying en banc review, issuing more than 100 pages of opinions from the judges fighting over what is eligible for a patent.

The **solicitor general urged** the U.S. Supreme Court to consider the case to help resolve ongoing disagreement about what should be eligible for patenting under Section 101 of the Patent Act, but the high court in June 2022 **refused to consider** the case.

The controversy surrounding patent eligibility stems from the fallout of the Supreme Court's decisions in [Mayo v. Prometheus](#) in 2012 and [Alice v. CLS Bank](#) in 2014, which held, respectively, that laws of nature and abstract ideas are not eligible for patents.

District Judge Gregory Williams, who took over the case from **Judge Leonard Stark** after Stark moved to the Federal Circuit, is now tasked with considering the remaining patent claims.

In arguments on Thursday, Judge Williams asked Abdelnour why Neapco believed that the "positioning" and "tuning" instructions in the patent were "abstract ideas."

Nothing in the patent instructions "supplies the 'how' to reduce vibration," Abdelnour said. "It's defined in terms of the result that they're seeking to achieve. What the engineer is left with is that it's positioned correctly only if it works."

American Axle argued that Neapco intentionally used information from American Axle's patent about the "frequency" of the liner and its placement on the propshaft to develop its own liner in response to a request from General Motors Co.

"They changed the diameter, they changed the width, and they came up with a liner" that solved the problem for GM, said American Axle's attorney, Jay Nuttall of Steptoe & Johnson LLP.

"Show me in the patent where it teaches me how to do that," Judge Williams said, pushing Nuttall to explain how the language in the patent is "not a result, as opposed to a method."

Nuttall said he disagreed with Neapco's assertion that the patent didn't include specific steps and a clear method. The patent requires a liner with a specific frequency that is positioned in a specific way, he said. That is not "abstract" but "inventive steps" that were new and patentable, he argued.

Before American Axle did it, "nobody knew you could make a liner with a specific frequency," he said. "Our inventors and our designers determined that you could."

The judge took the matter under advisement and did not say when he would rule.

The patent-in-suit is U.S. Patent No. 7,774,911.

American Axle is represented by James "Jay" R. Nuttall, John L. Abramic, Katherine H. Johnson, Robert F. Kappers and Boyd Cloern of Steptoe & Johnson LLP, and Brian A. Biggs and Jeff Castellano of DLA Piper.

Neapco Holdings LLC and Neapco Drivelines LLC are represented by J. Michael Huget, Sarah E. Waidelich and Dennis J. Abdelnour of Honigman LLP, and Melanie K. Sharp, James L. Higgins and Taylor E. Hallowell of Young Conaway Stargatt & Taylor.

The case is American Axle & Manufacturing Inc. v. Neapco Holdings LLC et al., case number 1:15-cv-01168-GBW, in the U.S. District Court of the District of Delaware.

--Additional reporting by Dani Kass and Ryan Davis. Editing by Kristen Becker.