

Alice at the U.S. Federal Circuit: Software Patents



MISUNG LEE
Secretary of KAIPBA
BRUNDIDGE & STANGER, P.C.

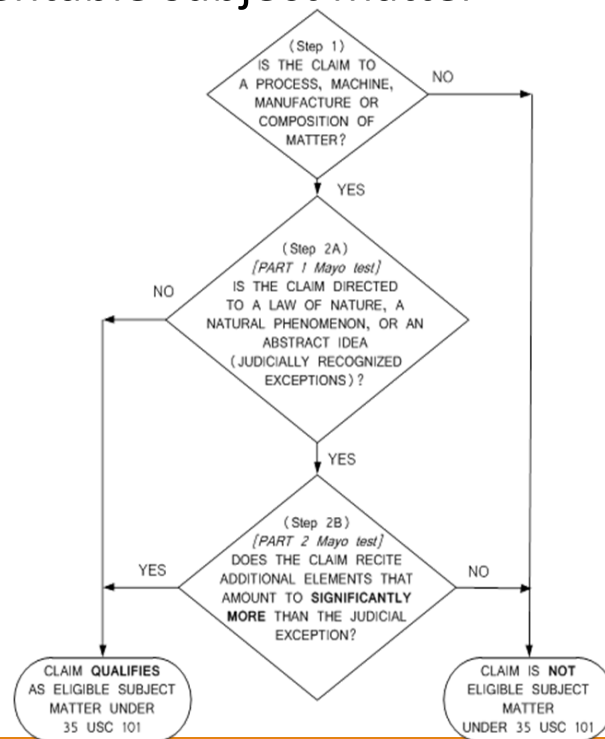
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The *Alice Corp.* Decision (2014.6.19)

Alice Corp. Pty. Ltd. v. CLS Bank Int'l, 134 S. Ct. 2347

- **The U.S. Supreme Court ruled that** implementing an abstract idea on a computer is not enough to transform that idea into patentable subject matter
- The 2- Part Alice Test




Alice at Federal Circuit

- Since June 19, 2014, citing *Alice*, the CAFC has reversed or vacated just four (4) district court's decisions

Decision Date	Case	Decision
2014. 12.5	<i>DDR Holdings, LLC v. Hotels. com, L.P.</i>	upheld claims
2016. 5.12	<i>Enfish, LLC v. Microsoft Corp.</i>	upheld claims
2016. 6.27	<i>BASCOM Global Internet Services, Inc. v. AT&T Mobility LLC</i>	upheld claims
2016. 9.13	<i>McRO, Inc. v. Bandai Namco Games America Inc.</i>	upheld claims

Enfish, LLC v. Microsoft Corp. (2016.5.12)

	
US006151604A	
United States Patent [19]	[11] Patent Number: 6,151,604
Wlaschin et al.	[45] Date of Patent: *Nov. 21, 2000
[54] METHOD AND APPARATUS FOR IMPROVED INFORMATION STORAGE AND RETRIEVAL SYSTEM	
[75] Inventors: Scott Wlaschin; Robert M. Gordon, both of Los Angeles; Louise J. Wamler, La Canada, all of Calif.; Clay Gordon, New York, N.Y.	
[73] Assignee: Dex Information Systems, Inc.	
[*] Notice: This patent is subject to a terminal disclaimer.	
[21] Appl. No.: 09/035,510	
[22] Filed: Mar. 5, 1998	
Related U.S. Application Data	
[63] Continuation of application No. 08/383,752, Mar. 28, 1995, Pat. No. 5,729,730.	
[51] Int. Cl. G06F 17/30	
[52] U.S. Cl. 707/100; 707/102; 707/3	
[58] Field of Search 707/3, 4, 100, 707/102	
[56] References Cited	
U.S. PATENT DOCUMENTS	
5,295,256 3/1994 Bapat 395/509	
5,305,389 4/1994 Palmer 382/1	
5,359,724 10/1994 Earle 395/425	
5,375,237 12/1994 Tanaka et al. 395/650	

60 Claims, 17 Drawing Sheets

120	122	130	124	134	126	132	100
OBJECT ID	TYPE [#101]	[#1012] LABEL	ADDRESS [#1013]	EMPLOYED BY [#1019]	TITLE [#1033]	AUTHOR [#1032]	
#1100	#1020 [COMPANY]	DEXIS	117 EAST COLORADO		N/A	N/A	
#1101	#1010 [PERSON]	SCOTT WLASCHIN		#1100 [DEXIS]	N/A	N/A	
#1118	#1030 [BOOK]						#1122
#1122	#1020 [MEMO]						#1122
#1127	#1080 [DOCUMENT]		C:\WORD\ PROJ.DOC		PROJECT PLAN		#1101
#1019	#210 [FIELD]	EMPLOYED BY					
#210	#111 [TYPE]	COLUMN					
#111	#111 [TYPE]	TYPE					

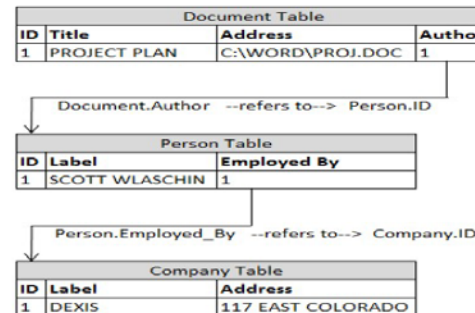
17. A data storage and retrieval system for a computer memory, comprising:
means for configuring said memory according to a logical table, said logical table including:

a plurality of logical rows, each said logical row including an object identification number (OID) to identify each said logical row, each said logical row corresponding to a record of information;

a plurality of logical columns intersecting said plurality of logical rows to define a plurality of logical cells, each said logical column including an OID to identify each said logical column; and

means for indexing data stored in said table.

Relational Model vs. Self-Referential Table




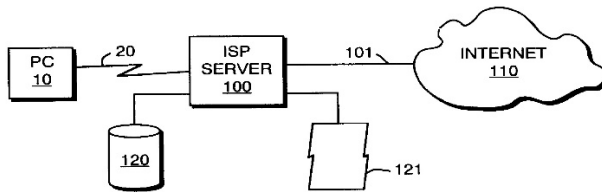
SELF-REFERENTIAL TABLE						
ID	Type	Title	Label	Address	Employed By (#4)	Author
#1	DOCUMENT	PROJECT PLAN		C:\WORD\PROJ.DOC		#2
#2	PERSON		SCOTT WLASCHIN		#3	
#3	COMPANY		DEXIS	117 EAST COLORADO		
#4	FIELD		EMPLOYED BY			

Enfish, LLC v. Microsoft Corp. (2016.5.12)

- **District Court** – found all the patent claims invalid under 35 U.S.C. § 101 as being directed to an abstract idea
- **CAFC** – reversed.
 - ✓ CAFC rejected the idea “that claims directed to software, as opposed to hardware, are inherently abstract.”
 - ✓ Step 1 of Alice test : determine whether the focus of the claims is on the specific asserted improvement in computer-capability instead on a process that qualifies as an abstract idea for which computers are invoked merely as a tool.
 - ❖ The claims are directed to a *specific implementation of a solution to a problem* in the software art and not to an abstract idea.
 - ❖ Look to the specification to determine advantages of the claimed implementation: here, the specification teaches the self-referential table functions in an improved manner compared to conventional database structures. (*i.e.* increased flexibility, faster search times, and smaller memory requirements.)
 - ✓ **A database can be patent eligible subject matter**

BASCOM Global Internet Services, Inc. v. AT&T Mobility LLC (2016.6.27)

United States Patent [19] Cirasole et al.		 US005987606A
[11] Patent Number: 5,987,606		
[45] Date of Patent: Nov. 16, 1999		
[54] METHOD AND SYSTEM FOR CONTENT FILTERING INFORMATION RETRIEVED FROM AN INTERNET COMPUTER NETWORK		
[75] Inventors: Peter Cirasole, Babylon; Robert DeRosa, Smithtown, both of N.Y.; Robert Fox, Danbury, Conn.		
[73] Assignee: Bascom Global Internet Services, Inc., Farmingdale, N.Y.		
[21] Appl. No.: 08/820,955		
[22] Filed: Mar. 19, 1997		
[51] Int. Cl.: 11041.9/00		
[52] U.S. Cl.: 713/200, 713/201, 713/202		
[58] Field of Search: 395/186, 187.01, 395/188.01, 200.59, 200.33, 200.49, 200.56, 713/200, 201, 202		
[56] References Cited		
U.S. PATENT DOCUMENTS		
5,673,322 9/1997 Pope et al. 380/49		
5,705,207 1/1998 Schlos 395/200.33		
5,732,216 3/1998 Logan 395/200.33		
OTHER PUBLICATIONS		
Internet Consortium: <i>The Top Shelf</i> , The Economist, May 18, 1996, at 84.		
Surfwatch Filtering Products from Spyglass (visited Oct. 7, 1996) <http://www.surfwatch.com/products/surfwatch/datasheet.html>.		
Spyglass Server Application Development Interface (visited Oct. 7, 1996) <http://www.spyglass.com/techspec/spocs/ssl_spec.html>. SurfWatch ProServer from Spyglass (visited Oct. 7, 1996) <http://www.spyglass.com/products/proserver/>. Trowe Investment—News Page (visited Oct. 7, 1996) <http://www.actnanny.com/netnanny/ninfo.html>. Trowe Investment Corporation—Net Nanny Product Page (visited Oct. 7, 1996) <http://www.actnanny.com/netnanny/product.html>. CYBERSitter Product Information (visited Oct. 7, 1996) <http://www.solidook.com/cysitter.htm>. Spyglass: Case Studies (visited Oct. 7, 1996) <http://www.spyglass.com/cases/index.html>. Primary Examiner—Ly V. Hua Attorney, Agent, or Firm—Andrew F. Strobert; Skadden, Arps, Slate, Meagher & Flom LLP		
[57] ABSTRACT		
A method and system for filtering Internet content retrieved from an Internet computer network (110) by a remote Internet Service Provider ("ISP") server (100) and forwarded to a local client computer (10). The method and system matches at least one filtering scheme (121), such as an inclusive or exclusive filter, and at least one set of filtering elements (120), such as a list of allowed or excluded sites, to each Internet access request generated at the local client computer (10). The filtering scheme is implemented on the ISP server (100).		
25 Claims, 6 Drawing Sheets		




1. A content filtering system for filtering content retrieved from an Internet computer network by individual controlled access network accounts, said filtering system comprising:

- a local client computer generating network access requests for said individual controlled access network accounts;
- at least one filtering scheme;
- a plurality of sets of logical filtering elements; and
- a remote ISP server coupled to said client computer and said Internet computer network, said ISP server associating each said network account to at least one filtering scheme and at least one set of filtering elements, said ISP server further receiving said network access requests from said client computer and executing said associated filtering scheme utilizing said associated set of logical filtering elements.

BASCOM Global Internet Services, Inc. v. AT&T Mobility LLC (2016.6.27)

- **District Court** – found all the patent claims invalid under 35 U.S.C. § 101 as being directed to an abstract idea
- **CAFC** – vacated and remanded
 - ✓ Step 1 of Alice test : the claims are directed to filtering content on the Internet → This is an abstract idea
 - ✓ Step 2 of Alice test : what is an inventive concept?
 - ❖ The limitations of the claims, taken individually, recite a generic computer, network, and Internet components, none of which is inventive by itself.
 - ❖ **BUT, “An inventive concept can be found in the non-conventional and non-generic arrangement of known, conventional pieces.”**
(i.e. the installation of a filtering tool at a specific location, remote from the end-users, with customizable filtering features specific to each end user → both the benefits of a filter on a local computer and the benefits of a filter on the ISP server)

McRO, Inc. v. Bandai Namco Games America Inc. (2016.9.13)

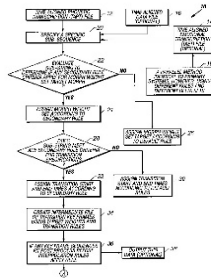
 US006307576B1	
(12) United States Patent Rosenfeld	(10) Patent No.: US 6,307,576 B1 (45) Date of Patent: *Oct. 23, 2001
(54) METHOD FOR AUTOMATICALLY ANIMATING LIP SYNCHRONIZATION AND FACIAL EXPRESSION OF ANIMATED CHARACTERS	5,684,983 * 11/1997 Kimura 345/473 5,692,117 * 11/1997 Bernad et al. 345/473 5,717,848 * 2/1998 Watanabe et al. 345/474 5,818,461 * 3/1999 Raset et al. 345/473 5,880,788 * 3/1999 Biegler 345/473 5,907,351 * 5/1999 Chen et al. 345/473 6,097,381 * 8/2000 Scott et al. 345/473 6,408,011 * 8/2000 Fowler 345/473 6,147,692 * 11/2000 Shaw et al. 345/473 6,232,965 * 5/2001 Scott et al. 707/500
(76) Inventor: Maury Rosenfeld , 1040 N. Las Palmas Ave., No. 25, Los Angeles, CA (US) 90038	
(*) Notice: This patent issued on a continued prosecution application filed under 37 C.F.R. 1.53(d), and is subject to the twenty year patent term provisions of 35 U.S.C. 154(a)(2). Subject to any disclaimer, the term of this patent is extended or adjusted under 35 U.S.C. 154(b) by 0 days.	
(21) Appl. No.: 08/942,987	
(22) Filed: Oct. 2, 1997	
(51) Int. Cl. ⁷ G06T 15/70	
(52) U.S. Cl. 345/956; 345/951; 345/955; 345/473	
(58) Field of Search 345/473, 951, 345/953, 956, 957, 955	
(56) References Cited U.S. PATENT DOCUMENTS 4,600,919 * 7/1986 Stern 345/473 4,884,972 * 12/1989 Casper et al. 345/473 5,111,406 * 5/1992 Casper et al. 345/473 5,416,899 * 5/1995 Poggio et al. 345/473 5,613,086 * 3/1997 Casper et al. 345/473 5,657,426 * 8/1997 Waters et al. 704/276 5,663,517 * 9/1997 Oppenheim 345/473	

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Beier et al; Feature-Based Image Metamorphosis: Computer Graphics, 26, 2, Jul. 1992.*
Brooke et al; Computer graphics animations of talking faces based on stochastic models; Proceedings, KNSPPN 1994 International Symposium; p. 73-76 vol. 1, Apr. 1994.*
* cited by examiner

Primary Examiner—Matthew Lau
Assistant Examiner—Lynn Yang
(74) Attorney, Agent, or Firm—The Hecker Law Group

(57) **ABSTRACT**
A method for controlling and automatically animating lip synchronization and facial expressions of three dimensional animated characters using weighted morph targets and time aligned phonetic transcriptions of recorded text. The method utilizes a set of rules that determine the systems output comprising a stream of morph weight sets when a sequence of timed phonemes and/or other timed data is encountered. Other data, such as timed emotional state data or emotes such as "surprise," "disgust," "embarrassment," "timid smile", or the like, may be inputted to affect the output stream of morph weight sets, or create additional streams.

26 Claims, 4 Drawing Sheets



1. A method for automatically animating lip synchronization and facial expression of three-dimensional characters comprising:
 - obtaining a first set of rules that define output morph weight set stream as a function of phoneme sequence and time of said phoneme sequence;
 - obtaining a timed data file of phonemes having a plurality of sub-sequences;
 - generating an intermediate stream of output morph weight sets and a plurality of transition parameters between two adjacent morph weight sets by evaluating said plurality of sub-sequences against said first set of rules;
 - generating a final stream of output morph weight sets at a desired frame rate from said intermediate stream of output morph weight sets and said plurality of transition parameters; and
 - applying said final stream of output morph weight sets to a sequence of animated characters to produce lip synchronization and facial expression control of said animated characters.

McRO, Inc. v. Bandai Namco Games America Inc.

(2016.9.13)

- **District Court** – found all the patent claims invalid under 35 U.S.C. § 101 as being directed to an abstract idea
- **CAFC** – reversed.
 - ✓ Step 1 of Alice test :
 - ❖ Claim construction: the claims are limited to rules that evaluate subsequences consisting of multiple sequential phonemes → The claims do not improperly preempt all processes for achieving automated lip-synchronization of 3-D characters
 - ❖ As the specification confirms, the claimed improvement here allows computers to produce accurate and realistic lip synchronization and facial expressions in animated characters that previously could only be produced by human animators.
 - ❖ When viewed as a whole, Claim 1 is directed to a patentable, technological improvement over the existing, manual 3-D animation techniques. The claim uses the limited rules in a process specifically designed to achieve an improved technological result in conventional industry practice.
 - ✓ **Merely automating a known manual process is not patent-eligible; however, automating a process that is not known to have been previously preformed manually *may be patent-eligible***

HOW DOES THIS AFFECT YOU?

- Be sure to include sufficient disclosure regarding the details of technical advancements in your patent application specification.
- The USPTO guidelines were updated on 2016.5.19
- Based on our experiences, Examiners are constructively suggesting that Applicants present arguments that reference *Enfish*
 - ❖ (1) under *Enfish* & *McRo*, the claim is unambiguously **directed to** a technological improvement
→ eligible under **Step 1 of Alice test**
 - ❖ (2) under *Bascom*, even if Step 1 of Alice test is a close call, the claim still recites patent eligible subject matter because the specific arrangement of features in the claim improves a technological process → eligible under **Step 2 of Alice test**
- Case law under 35 U.S.C. § 101 is still evolving

THANK YOU

Misung Lee

misung.lee@brundidge-stanger.com

Brundidge & Stanger, P.C.

PTAB Decisions in Post-*Alice* Appeals



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AMERICAN
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BAR ASSOCIATION

SUJIN PARK
Sughrue Mion, PLLC

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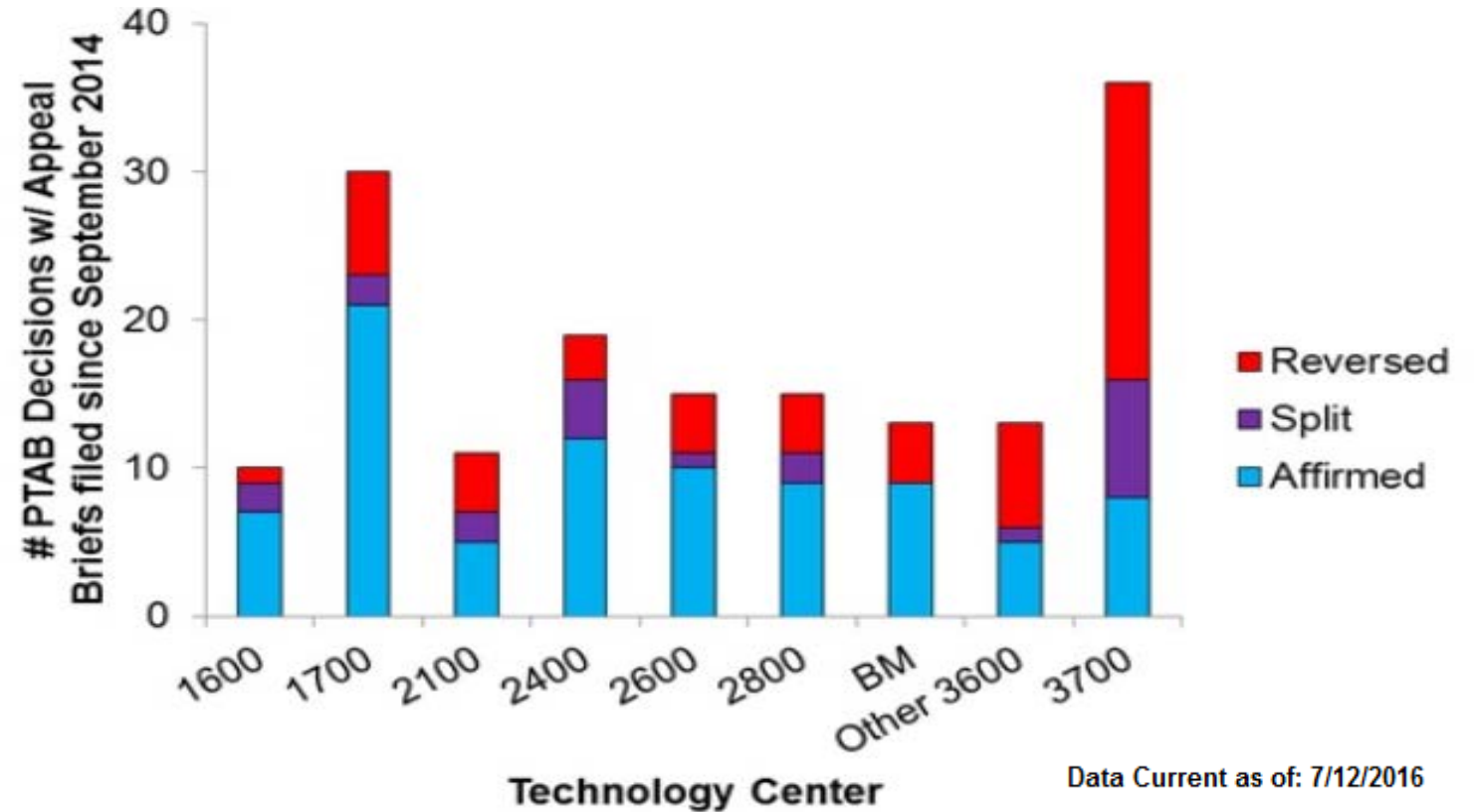
Post-*Alice* Prosecution Strategies

Applicants stuck in the post-*Alice* purgatory have had several prosecution options:

- Abandon their application;
- Attempt to wait out the *Alice* effects, in hopes that a new Federal-Circuit or Supreme-Court decision would change the current eligibility stance of an art unit or examiner; or
- Appeal a rejection.

Over Half of PTAB Decisions on Post-*Alice* Appeals Fully Affirm Rejections

Overall, the PTAB affirmed or affirmed-in-part two-thirds of the post-*Alice* appeals, 53% of which being affirmed in full and 14% being affirmed in part.

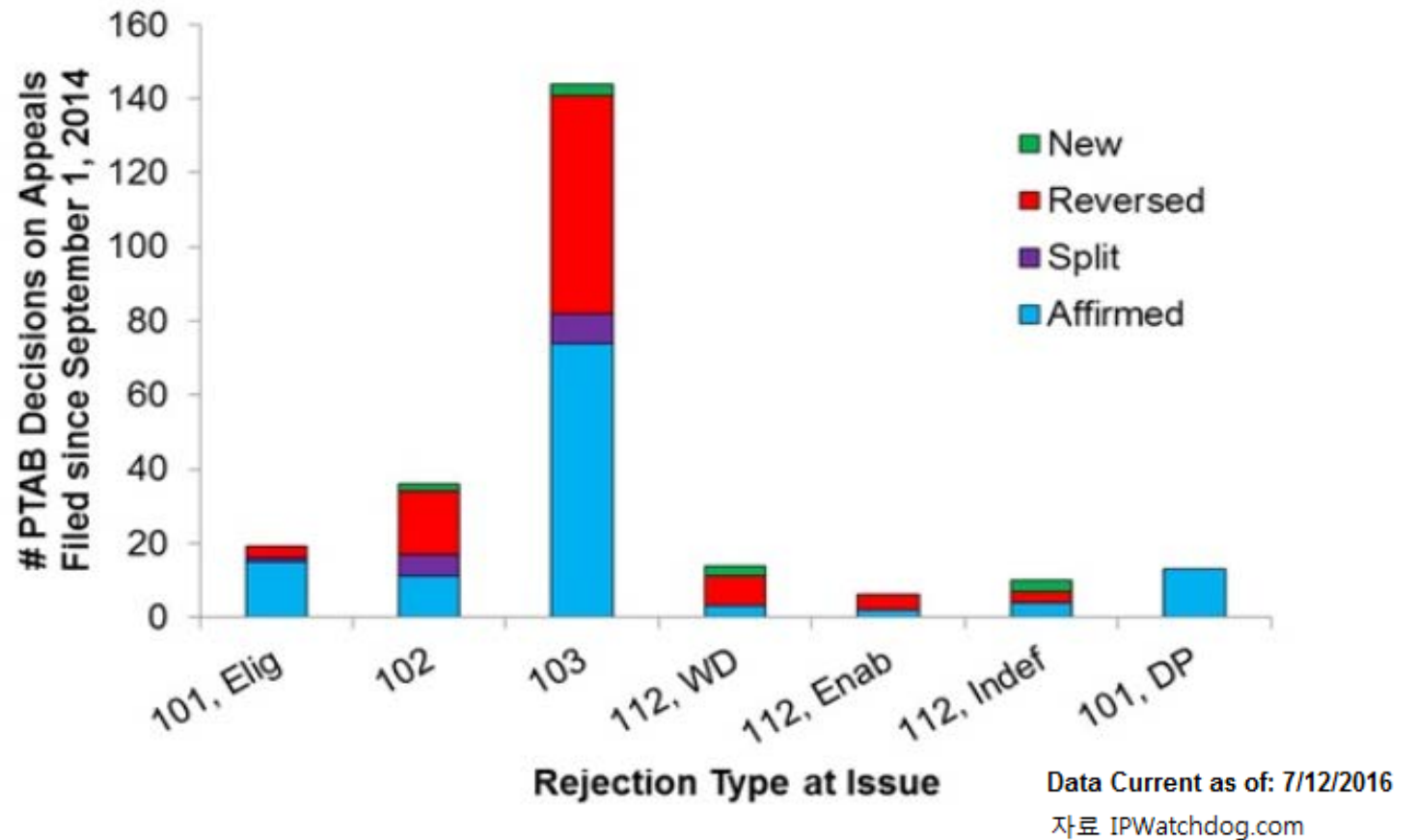


Data Current as of: 7/12/2016

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Appeals of rejections involving § 101 were unlikely to be successful

The PTAB has predominately affirmed eligibility rejections challenged in Post-Alice Appeals, with **79% of patent-eligibility rejections (15 of 19 appeals) being affirmed.**



PTAB Decisions on Eligibility Rejections in Post-Alice Appeals

APP NUMBER	ART UNIT	APPEAL BRIEF DATE	PTAB DECISION DATE	PTAB DECISION ON ELIGIBILITY REJECTION	STATUS
13829207	3689	5/4/2015	10/19/2015	Affirmed	Abandoned
10668133	3689	4/17/2015	10/20/2015	Affirmed	Pending (2 RCEs since Decision)
12671702	1678	12/15/2014	11/2/2015	Affirmed	Abandoned
13630385	3696	5/19/2015	12/8/2015	Affirmed	Abandoned
14115488	3625	6/29/2015	1/19/2016	Affirmed	Abandoned
13560232	3689	4/30/2015	3/1/2016	Reversed	Patented
13743133	3688	6/15/2015	3/7/2016	Affirmed	Abandoned
13646285	3623	8/13/2015	3/8/2016	Affirmed	Abandoned
13743198	3686	6/9/2015	3/17/2016	Reversed	Allowed
14297996	3694	9/2/2015	3/28/2016	Affirmed	Abandoned
12506921	3687	8/31/2015	4/1/2016	Reversed	Allowed
13860821	3695	8/3/2015	4/15/2016	Affirmed	No Events since Decision
12426034	1628	10/27/2015	4/15/2016	Affirmed	Petition for Rehearing
14186552	3717	6/24/2015	4/25/2016	Affirmed	Abandoned
12587101	3626	4/3/2015	4/29/2016	Affirmed	Appeal to CAFC
12932295	1631	7/20/2015	5/18/2016	Affirmed	Abandoned
12080356	3622	7/6/2015	5/24/2016	Affirmed	No Events since Decision
14356747	3735	2/13/2015	6/3/2016	Affirmed	No Events since Decision
13073026	1631	11/18/2015	7/11/2016	Split	No Events since Decision

Data Current as of: 7/12/2016

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Ex parte Carvalho (Appeal No. 2015-001076)

Technology Center 2600

Decided: July 8, 2016

In [*Ex parte* Carvalho](#), in overturning the Examiner's rejection, the PTAB utilized the decision in *Enfish v. Microsoft* to find that the claims were directed to improving the functioning of a computer.

Ex parte Carvalho

14. A method comprising:
aligning words to a desired word boundary, wherein each of the words has a plurality of bits;
receiving from a word aligner, by a bit slipper, information regarding the aligning;
and
slipping bits of the words, **wherein total delay due to the aligning and the slipping is constant for all phases of a recovered clock signal,**
wherein the aligning and the slipping are performed by a transceiver system.

PTAB relied upon *Enfish* under step one of the *Alice* Framework

The PTAB reversed the rejection, citing *Enfish*.

- ✓ It is "relevant to ask whether the claims are directed to an **improvement to computer functionality** versus being directed to an abstract idea, even at the first step of the Alice analysis."
- ✓ The rejected method claims were directed to "an improvement in the functioning of a computer (i.e., eliminating word aligner latency delay uncertainty) and not to the addition of general-purpose computer components to a fundamental economic practice or mathematical equation."
- ❖ The PTAB looked to the specification of Appellant's application and identified that the specification taught how prior art systems would introduce "a Deserializer/Word aligner latency uncertainty."
- ❖ The PTAB then contrasted the deficiencies of the prior art with the solutions set forth in the specification (i.e., constant total delay for all recovered clock phases by using a bit slipper).

Takeaway

- ✓ It would be beneficial to include deficiencies of prior art in the specification and benefits of the invention that identify the technological improvements in order to align the claims at issue with the decision in *Enfish* (illustrating that claims are directed to improving the functioning of the computer).

Ex parte Ismail (Appeal No. 2014-005477)

Technology Center 1600

Decided: July 1, 2016

In [Ex parte Ismail](#), the PTAB reversed an Examiner's rejection of claims for utilizing multi-pixel spectral images to identify microorganisms under 35 U.S.C. § 101. In part, the PTAB focused on the practical application of the claimed subject matter to find that the claims do not preempt the abstract idea or any natural law.

Ex parte Ismail

1. A method for characterizing a microorganism said method comprising:
 - a) obtaining at least one multi-pixels spectral image of a sample of said microorganism, wherein each pixel of said multi-pixels spectral image has a corresponding spectrum;
 - b) selecting one or more spectra from said multi-pixels spectral image, wherein said **selecting is based on one or more spectral characteristics of said corresponding spectrum**; and
 - c) identifying said microorganism by **comparing said one or more selected spectra with spectra of reference microorganisms from a database** to determine an identity of said microorganism.

Positions taken by Examiner and Appellant

The **Examiner** found “there is *no clear-cut practical application* of the objective of the claim” and thus concludes the claims are drawn to a patent-ineligible “law of nature/natural principle” or “the abstract idea of data manipulation.”

The **Examiner** then argued that the “body of independent claim 1 relies on image data analysis of image data ... [that] may be interpreted to be *obtained empirically*.”

The **Appellant** argued that the Examiner has not sufficiently explained the rejection – both as to what aspect of the claims involve “empirical observation,” and what exactly is considered the “natural principle.”

The **Appellant** further contended that in the claims “[e]ach pixel in a multi-pixels spectral image of a sample has a *corresponding spectrum, which would be obtained by spectral analysis as opposed to empirical observation*.”

Two-part Alice/Mayo Framework Analysis

The PTAB reversed the Examiner's rejection.

✓ Step 1 of Alice test :

- ❖ The PTAB agreed with the Appellant in finding that the Examiner did not persuasively show that the claims, considered in their entirety, are limited to an abstract idea or natural principle.
- ❖ The PTAB found that the Examiner did not adequately explain why image data analysis of claim 1 may be interpreted to be obtained empirically ("Nor has the Examiner explained how the methods claimed may be accomplished **without specialized (i.e., non-abstract) techniques and equipment** (such as the FPA-FTIR spectrometer described in the specification.)")

Two-part Alice/Mayo Framework Analysis

✓ Step 2 of Alice test :

- ❖ The PTAB seemed to focus on *whether the claims would wholly preempt “access to the building block itself.”* (“[T]he Examiner has not persuasively demonstrated that the claim elements here add nothing of substance such that the claims stand to preempt any law of nature or abstract idea alone.”)
- ❖ In contrast, the PTAB found that “the rejected claims include multiple steps directed to a *practical application of a particular type* of spectral-image analysis.”

Takeaway

- ✓ In line with the decision in [BASCOM](#), the PTAB is starting to focus on whether the claims are directed to a practical application of the alleged abstract idea as opposed to encompassing the abstract idea (and thus preempting that abstract idea). Applicants may wish to formulate arguments that rely on the practical application aspect of the claimed subject matter.

Ex parte Barous (Appeal No. 2016-003320)

Technology Center 3600
Decided: August 1, 2016

In [*Ex parte* Barous](#), the PTAB reversed an Examiner's rejection of claims that recite utilizing a retailer's point-of-sale (POS) system that printed coupons for a third-party's unrelated goods or services under 35 U.S.C. § 101 as being directed to patent-ineligible subject matter.

Ex parte Barous

43. A checkout system for a retail outlet for distributing third- party discount coupons associated with one or more third-party retailers comprising:

a printer; and

a point-of-sale register having a processor configured to:

add prices of items purchased by a shopper to reach a total sale ST ;

compare the total sale ST of the shopper to a threshold sale value T ; and

*print one or more third-party coupons **for use with a respective third-party retailer to purchase goods or services unrelated to the goods or services offered by the retail outlet if the total sale ST of the shopper exceeds the threshold sale value T .***

Positions taken by Examiner and Appellant

The **Examiner** argued,

- (1) the claimed invention is directed to an abstract idea of *distributing coupons by a retailer for the purpose of enhancing revenue*, which is a fundamental economic practice and employs mathematical economic practice, and
- (2) there is no meaningful limitations because the claims require no more than a generic computer to perform generic computer functions that are *well-understood, routine and conventional*.

The **Appellant** has not disputed that the claims are directed to an abstract idea but asserted that the Examiner has erred in ignoring the additional features.

"[i]t is unconventional for a retailer's POS register to print a coupon for the purchase of a third-party retailer's unrelated goods or services. It is especially unconventional for the retailer's POS register to condition doing this on a shopper's total purchase from the retailer exceeding a certain threshold sale value. None of this is routine or well understood. In fact, twelve years of prosecution reveals that nothing in the prior art teaches these additional features or even renders them obvious. Nothing of record demonstrates that this sort of activity has ever been previously engaged in by those in the field."

PTAB relied upon specific limitations of claims

The PTAB reversed the rejection.

- ✓ Comparing the total sale value to a threshold and printing coupons for use with third party retailers clearly narrow the claims so that they do not preempt the "abstract idea" defined by the Examiner.
- ✓ The *2014 Interim Guidance on Patent Subject Matter Eligibility* require that if an Examiner decides the limitations do not add "significantly more" to the claim, the Examiner must identify the limitations and explanations provided as to why this is the case.
 - ❖ The PTAB found that the Examiner failed to provide persuasive arguments or evidence as to why the limitations were not "significantly more."
 - ❖ The argument "the limitations are generic computer functions (e.g. adding, comparing and printing) that are well-understood, routine and conventional activities previously known to the industry" did not suffice.

Takeaway

- ✓ Appellants may look to specific limitations recited in the claim that contrasts with the prior art to point out that those limitations add "significantly more" to the alleged abstract idea.
- ✓ Additionally, these specific limitations may be utilized to show that the claimed subject matter is an "unconventional" arrangement of elements.

THANK YOU

Post-Alice Litigation Trends for Invalidity Challenges under §101



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SUNG-HOON KIM
TREASURER OF KAIPBA
WESTERMAN, HATTORI, DANIELS & ADRIAN, LLP

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§101 Motions

- ❑ Rule 12(b)(6) motions to dismiss
 - ❑ Must be filed no later than the deadline for filing the answer and rely only on the complaint.
- ❑ Rule 12(c) motions
 - ❑ Can be filed at any time after the pleadings are closed but early enough not to delay trial and may rely on both parties' pleadings.
- ❑ Rule 56 motions
 - ❑ Can be filed at any time until 30 days after the close of all discovery and rely on actual evidence.

Advantages and Disadvantages of Pre-Markman §101 motions (for patent challengers)

❑ Advantages:

- ❑ If won, can save time and expense that would have been spent on litigation the case through Markman.
- ❑ Even if lost, can still file another §101 motions and use arguments made by the patent owner during the litigation.

❑ Disadvantages:

- ❑ May waste time and expense for preparing the motion.
- ❑ However, potential loss from a losing motion could be much less than cost of litigating the rest of the case.
- ❑ Patent owners: may allow to get a preview of the challenger's claim construction positions.

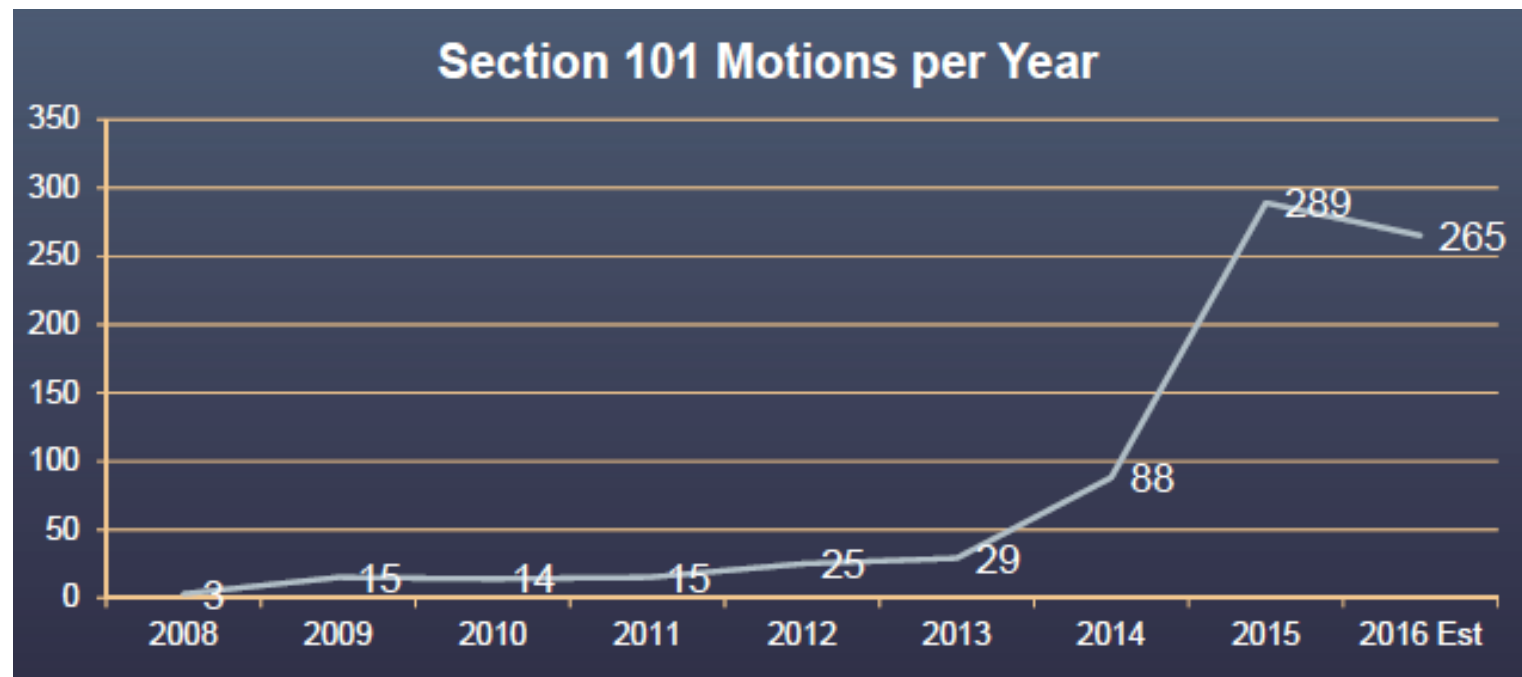
How to succeed in Pre-Markman §101 motions (for patent challengers)

- ❑ Ripeness:
 - ❑ Build characterization of the patent and any relevant limitations with intrinsic evidence (specification and prosecution history).
 - ❑ If any terms for construction or proposed constructions are not offered by patent owners, argue that the motion is procedurally ripe because patent owner has not identified any claim construction disputes.
 - ❑ If offered, argue that patent owners have not sufficiently explained how its constructions would affect court's §101 analysis.
- ❑ Merits: argue using 2-parts Alice analysis (directed to an abstract idea and no inventive concept).

How to succeed in Pre-Markman §101 motions (for patent owners)

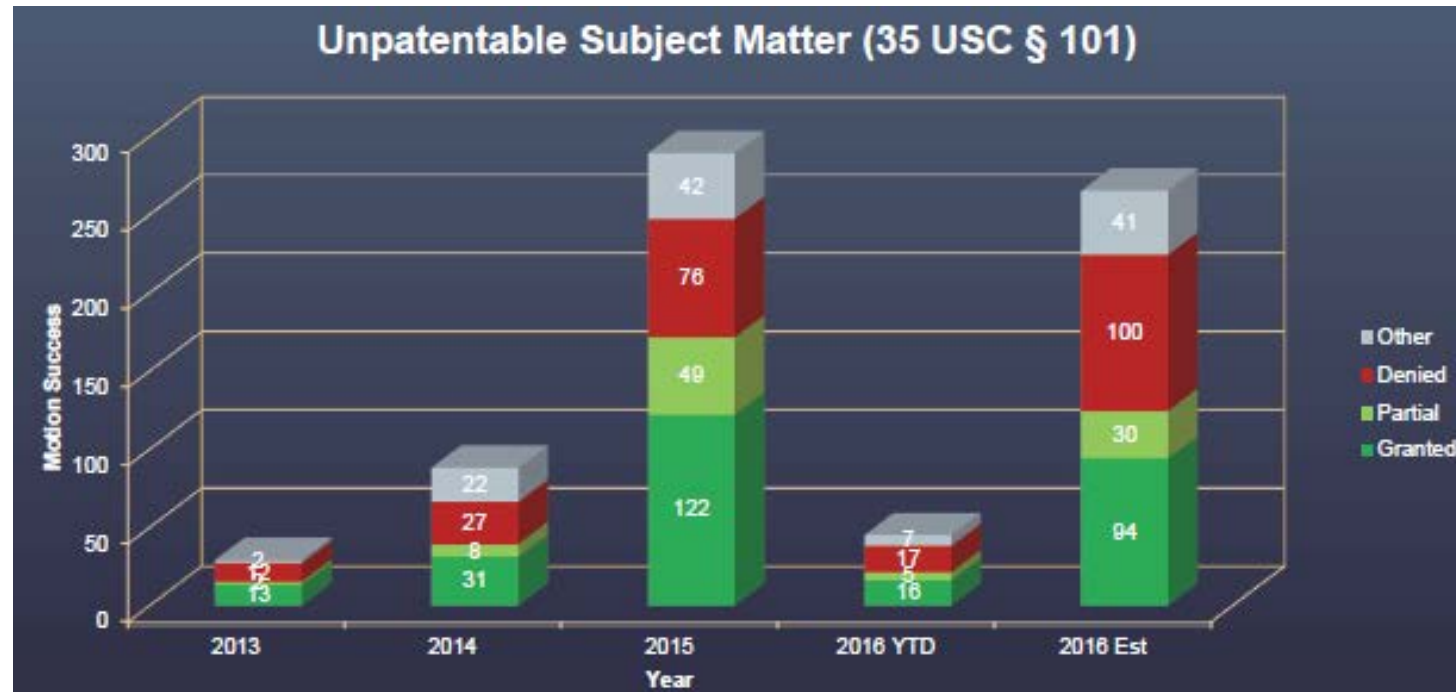
- ❑ Ripeness:
 - ❑ Argue that the factual record is not yet sufficiently developed and that there are genuine factual disputes that render the patent unclear prior to Markman.
 - ❑ Identify many terms that the court should construe prior to ruling on the motions and dispute patent challenger's claim constructions.
- ❑ Merits: argue using 2-parts Alice analysis (not directed to an abstract idea and inventive concept).

§101 Motions per year



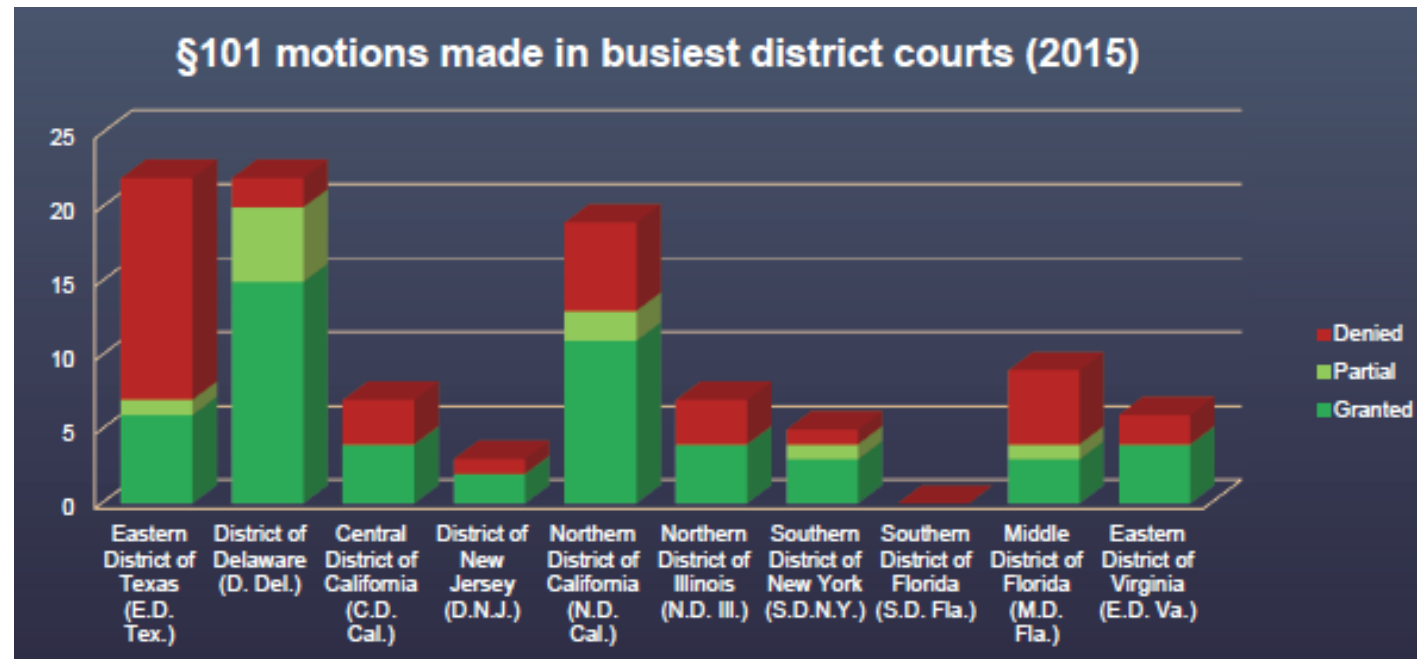
<http://www.pillsburylaw.com/siteFiles/Events/AliceMayoPresentation.pdf>

Success rate of §101 motions



<http://www.pillsburylaw.com/siteFiles/Events/AliceMayoPresentation.pdf>

§101 Motions by jurisdictions



<http://www.pillsburylaw.com/siteFiles/Events/AliceMayoPresentation.pdf>

Post-Alice §101 Prosecution Tips



KOREAN
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SUNG-HOON KIM
TREASURER OF KAIPBA
WESTERMAN, HATTORI, DANIELS & ADRIAN, LLP

Tip 1: Show failure to meet prima facie requirements

- ❑ Show that the Examiner does not provide sufficient evidence to support BOTH PRONGS of the 2-step statutory subject matter analysis.
- ❑ Check whether the Office Action contains little more than a form paragraph, or otherwise fails to analyze all of the claim limitations and the claim as a whole.

Tip 2: Tie method claims to a physical object

- ❑ Amend method claims to put a machine in the preamble so that the machine is clearly performing the method.
- ❑ If claiming virtual machine or virtual memory, amend with the limitations stating that the virtual device is implemented with physical computing resources.

Tip 3: Need “right” kind of detail

- ❑ Show the “heart” of the invention in the claim by describing key elements or steps with sufficient substance.
- ❑ For functional limitations, consider the “way” that a function is implemented.
- ❑ Keep business goals in mind: increase the chance of a granted patent v. commercial value.

Tip 4: Identify a basis for patentability independent of abstract idea (“significantly more”)

- ❑ Show that specific limitations or combinations of limitations provide distinct advantages over any identified abstract idea.
- ❑ Enfish: “self-referential” table improves the prior art and is a specific solution apart from the alleged abstract idea.
- ❑ Bascom: installation of a filtering tool at a specific location provides “significantly more.”

Tip 5: Identify technical solutions to technical problems

- ❑ Show that the specification describes advantages of the invention in the context of a specific solution to a particular problem in detail.
- ❑ Enfish: technical problem with databases.
- ❑ Bascom: technical problem with content filtering systems.
- ❑ **The specification is as important as the claims.**

Tip 6: Show there is no preemption

- ❑ Show that the patent is limited to a specific process.
- ❑ McRO: “the patent is limited to a specific process for automatically animating characters using particular information and techniques and does not preempt approaches that use rules of a different structure or different techniques.”

Tip 7: Examiner's interview

- ❑ Discuss two-steps Alice analysis process with the Examiner and may get a read on which approaches may be effective for a response to the Office Action.

THANK YOU



Sung-Hoon Kim (김성훈 미국 특허변호사)
skim@whda.com

Westerman, Hattori, Daniels & Adrian, LLP

Software Invention: Subject Matter Eligibility



THOMAS JOONWOO HONG, ESQ.

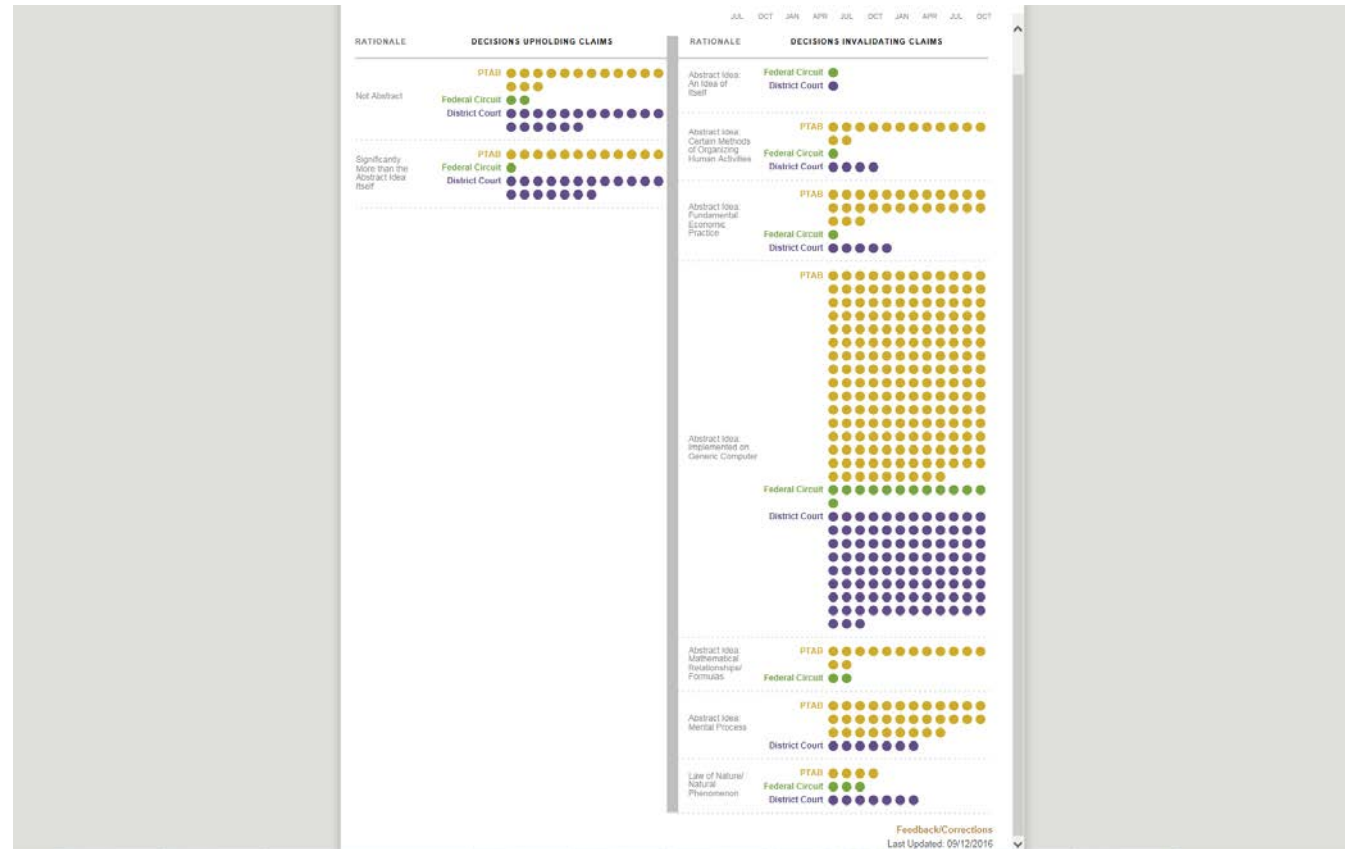
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KOREAN-AMERICAN INTELLECTUAL PROPERTY BAR ASSOCIATION

PATENT EXAMINER, UNITED STATES PATENT AND TRADEMARK OFFICE

DISCLAIMER

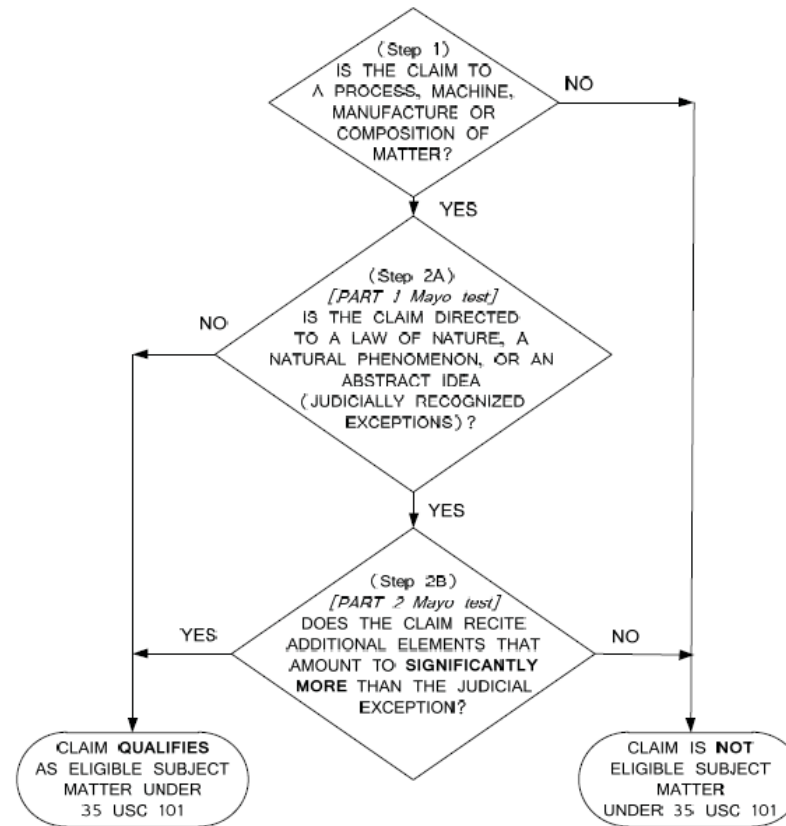
This presentation was prepared or accomplished by Thomas Hong in his personal capacity. The opinions expressed in this article are the author's own and do not reflect the view of the United States Patent and Trademark Office, the Department of Commerce, or the United States government. Also, this presentation does not provide any legal advice.

Post-Alice Patent Eligibility Court Decisions



<https://www.fenwick.com/pages/post-alice.aspx>

Subject Matter Eligibility Test (2014 IEG)



https://www.uspto.gov/patents/law/exam/2014_eligibility_qrs.pdf

USPTO Subject Matter Eligibility Guidelines

December 2014

- Two-Part Analysis for Judicial Exceptions
- Examples

July 2015

- Additional Examples
- Further information on Identifying Abstract Ideas in Step 2A
- Requirements of A Prima Facie Case
- Preemption/Streamlined analysis

May 2016

- Formulating a 101 Rejection
- Evaluating Applicant's Response

<https://www.uspto.gov/patent/laws-and-regulations/examination-policy/2014-interim-guidance-subject-matter-eligibility-0>

May 2016 Updates (2016.5.4)

Formulating a § 101 Rejection

- *A. When making a rejection, identify and explain the judicial exception recited in the claim (Step 2A)*
- *B. When making a rejection, explain why the additional claim elements do not result in the claim as a whole amounting to significantly more than the judicial exception (Step 2B)*

Evaluating Applicant's Response

- identification of an abstract idea
- something is well-known, routine, conventional activity with a specific argument or evidence
- 'specially programmed' or 'particular machine'
- the claim is specific and does not preempt all applications

Enfish & TLI Communications Memo (2016.5.19)

Additional information and clarification on SME analysis

- In step 2A, compare the claim to claims already found to be directed to an abstract idea in a previous court decision
- "directed to" inquiry applies a filter to claims, when interpreted in view of the specification, based on whether their character as a whole is directed to a patent ineligible concept
- caution against describing a claim at a high level of abstraction untethered from the language of the claim
- invention's ability to run on a general purpose computer does not automatically doom the claim

The fact that a claim is directed to an improvement in computer-related technology can demonstrate that the claim does not recite a concept similar to previously identified abstract ideas.

THANK YOU

Thomas Joonwoo Hong, joony76@gmail.com