BREAKING: Justices Again Decline To Reconsider Patent Eligibility Test

By Ryan Davis · Listen to article

Law360 (May 15, 2023, 9:50 AM EDT) -- The U.S. Supreme Court on Monday refused to hear two cases dealing with patent eligibility, turning aside a call by the U.S. Solicitor General to take up the cases in order to bring "much-needed clarification" to the contentious issue.

The high court shot down appeals of decisions where the Federal Circuit held patents invalid for claiming only patent-ineligible abstract ideas, one involving media player technology and one involving a type of luggage lock.

The justices have now declined to hear dozens of cases urging them to provide more guidance on the patent eligibility standard set by their Alice v. CLS Bank decision in 2014, including four that the federal government said the court should take up.

The Supreme Court did explain its decision not to hear the cases, except to note that Justice Brett Kavanaugh would have granted the petitions.

When she urged the justices in April to hear the media player and lock cases in tandem, U.S. Solicitor General Elizabeth Prelogar said that since Alice, there has been "significant confusion" about when patents are invalid for covering nothing more than abstract ideas.

"These cases would be suitable vehicles for providing much-needed clarification in this area," Prelogar wrote.

The Alice decision, which held that inventions directed to abstract ideas cannot be patented unless the patent contains an additional inventive concept that transforms the invention into a patent-eligible application, has been applied hundreds of times to find patents invalid.

Over the past decade, many litigants and judges, including members of the Federal Circuit,

have pleaded with the high court to better explain how to apply that test, saying there is uncertainty about what constitutes both an abstract idea and an inventive concept.

The Supreme Court previously turned down petitions in 2020 and 2022 that solicitors general from two different administrations recommended hearing.

In one of the cases the court has now declined to hear, the Federal Circuit summarily affirmed a lower court decision siding with accused infringer Polar Electro Oy, and invalidating Interactive Wearables' patents on a media player that provides details like the name of a song while the content is playing.

The court found the patents cover only the abstract idea of "providing information in conjunction with media content" and do not add elements that transform the idea into a patent-eligible application.

The government said that decision was wrong, because a wearable media player is "the kind of 'machine,' that has always been patent-eligible," and that the purported abstract idea identified by the court is simply the function of the device "described at a high level of generality."

In the second case, the Federal Circuit said inventor David Tropp's patents, on a method of letting the Transportation Security Administration unlock and screen luggage, covers only the abstract idea of coordinating luggage inspection.

The solicitor general said that was correct because the patent does not cover the lock, but a method marketing to consumers that the TSA can open the lock without cutting it off, which is a "fundamental economic practice" that cannot be patented.

Nevertheless, Prelogar recommended hearing both cases to "illustrate the types of claimed inventions that fall both within and without the scope of the abstract-idea exception."

The patents at issue in the Interactive Wearables case are U.S. Patent Nos. 9,668,016 and 10,264,311. The patents at issue in the Tropp case are U.S. Patent Nos. 7,021,537 and 7,036,728.

The government is represented by Elizabeth B. Prelogar, Brian M. Boynton, Malcolm L.

Stewart, Austin Raynor, Joshua Salzman, Steven Hazel and Ben Lewis of the U.S. Department of Justice and Thomas W. Krause, Farheena Y. Rasheed, Amy J. Nelson, Robert McManus and Robert E. McBride of the U.S. Patent and Trademark Office.

Interactive Wearables is represented by Andrea Pacelli, Michael DeVincenzo and Charles Wizenfeld of King & Wood Mallesons LLP.

Polar Electro is represented by Anthony J. Fuga and John P. Moran of Holland & Knight LLP.

Tropp is represented by Eric A. White and Jamie B. Beaber of Mayer Brown LLP.

Travel Sentry is represented by William L. Prickett, Brian L. Michaelis and Matthew Brekus of Seyfarth Shaw LLP, Peter I. Bernstein of Scully Scott Murphy & Presser PC and Michael E. Schollaert of Baker Donelson Bearman Caldwell & Berkowitz PC.

The cases are Interactive Wearables LLC v. Polar Electro Oy et al., case number 21-1281, and Tropp v. Travel Sentry Inc., case number 22-22, before the U.S. Supreme Court.