SEYFARTH SHAW

Seyfarth PTAB Blog

A legal look at Patent Trial and Appeal Board decisions and trends

Even Clever Inventions Can Lack Patentable Subject Matter

By Patrick T. Muffo

Software patents have been under fire so much that the courts now appear sympathetic when invalidating the claims as lacking patentable subject matter. A recent case out of the Southern District of New York emphasized the judge's appreciation of the invention and how "clever" the invention truly was. Alas, the court still invalidated the claims as being patent ineligible.

The case of *Stanacard, LLC v. Rubard, LLC,* Case No. 1:12-cv-05176 (S.D.N.Y. November 18, 2015) relates to a call forwarding system that simplifies and reduces the cost of making long distance and international calls. The system provides a ten digit number to an end user, which the end user can call from a designated phone to reach a previously designated recipient. For example, the telephone service provider can provide a number 555-123-4567 to an end user, and the end user can associate that number with the mother of the end user. When the end user wishes to call his mother, he can simply dial the 555-123-4567 number on the provided telephone, and the phone will contact the mother. While this system is less useful for domestic calling, it can be helpful for long distance calling where the recipient's phone number may include a country code, city code, or other required additional digits.

The court was noticeably impressed. The decision began by almost apologetically invalidating the patent-in-suit: "courts have been flooded with motions to dismiss patent cases, on the ground that the claimed invention, no matter how clever, should never have gotten a patent in the first place, because the subject matter of the claims is patent ineligible." Later, the court carefully separated the nonobviousness of the invention from its patent-eligibility, again showing respect for the invention at hand: "So we know that Stanacard's idea for routing long distance calls is at the very least clever; and there is a genuine issue of fact about whether it is or is not 'obvious' within the meaning of the patent laws… But is it patentable? No, it is not."

The court analyzed the claims under the *Alice v. CLS Bank* test, distinguishing or analogizing to a variety of case law decisions. The court eventually focused on the "technological" aspect of the invention, or lack thereof

> [Alexander Graham] Bell invented a device (a "machine," not a concept) that enabled people to speak to one another over long distances. Plaintiff has done no such thing. Stanacard invented no machine or manufacture, and its claims recite not a single piece of technology required to put the invention into practice.

Drawing on personal experiences, the court cited June Lockhart from the Lassie television show, to show how age-old and abstract the concept was, and how it did not employ an inventive concept:

> When I was a child I watched Lassie on television. Whenever June Lockhart, playing Ruth Martin, wanted to reach someone by telephone, she rang Jenny at Central and got herself connected to whomever she wished just by saying "Can you get the doctor?" or "I need to speak to Timmy's teacher, Miss Jones." Ruth didn't have to dial any numbers at all. Jenny, the intermediary, recognized Ruth as the caller from the line that rang at Central, and she knew which receptacle to plug Ruth's line into so that Ruth's call to Central would be forwarded to its intended recipient.

The court then held that, other than implementing this concept on a computer, the claimed invention offered no additional technology to render it patent-eligible.

Takeaway

Regardless of the court's respect for the invention, or its similarity to black and white television shows, this case illustrates yet again the importance of identifying a technological feature when faced with an *Alice* challenge. The court here found the invention similar to a concept often found in Lassie, a show that was canceled in 1973. And the court explicitly held there was at least an issue of fact with regard to novelty and obviousness. Regardless, the patent was invalidated due to the lack of any true "technical" concept associated with the invention. This case is therefore a great example of how claiming more "technology" can help overcome *Alice* challenges.

Patrick T. Muffo is Editor of the Seyfarth PTAB Blog and senior associate in the firm's Chicago office. For more information, please contact a member of the Patent Practice Group, your Seyfarth Shaw LLP attorney or Patrick T. Muffo at pmuffo@seyfarth.com.