

# Seyfarth PTAB Blog



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

## Need a Software Patent Roadmap? Read This Opinion

*By Patrick T. Muffo*

With all the confusion surrounding software patents, Judge Otero of the Central District of California has historically done his best to provide clarification. The case of *Timeplay, Inc. v. Audience Entertainment, LLC*, CV 15-05202 SJO (Nov. 10, 2015, C.D. CA) may be the most insightful opinion to date. In this case, Judge Otero held an invention to be patent-eligible and provided a detailed framework for arriving at his decision.

The invention of the asserted patent is a multi-player video game. Participants play the game in separate locations, connected to each other by a server. The players use conventional video game equipment to do so, for example, a controller and display screen.

Timeplay sued Audience Entertainment for patent infringement, and Audience Entertainment responded to the complaint with a motion to dismiss for lack of patentable subject matter under §101 and *Alice*. Audience Entertainment argued the invention was “nothing more than the abstract idea of allowing multiple people to play a game together on a shared display using generic computer and communications hardware.” Judge Otero cited this characterization several times throughout the opinion and later discussed the importance of how the alleged “abstract idea” is defined:

As articulated by another court in this district, “[t]he characterization of the claim is essential to the [Section] 101 inquiry.

Applying the *Alice* framework, Judge Otero first determined whether the invention was really drawn to an abstract idea. This prong of the test has confused many, with Judge Wu of the same Central District of California once holding that an abstract idea is similar to profanity, in that “I shall not today attempt further to define the kinds of material I understand to be embraced within that shorthand description; and perhaps I could never succeed in intelligibly doing so. But I know it when I see it.” *Eclipse IP v. McKinley Equipment*. Here, however, Judge Otero attempted to lay out a framework:

Although there is some disagreement among courts as to how expansively a claim should be examined at *Alice/Mayo* step one, the Federal Circuit and courts in this district require that a court

examine the *purpose* of the challenged claim to determine whether it is abstract...the court must identify the purpose of the claim – in other words, what the claimed invention is trying to achieve – and ask whether that purpose is abstract.

Judge Otero then looked to the specification to find a “purpose” and noted the specification listed objectives for the invention. Finding the particular objective to be non-abstract, Judge Otero held the invention to be patent-eligible.

The court then applied *Alice* step 2 and addressed the defendant’s characterization of the claims: “such a characterization both ignores the stated purpose of the patented invention and the limitations of the claims themselves.” Citing additional case law such as the *DDR Holdings* decision, Judge Otero then held the claims to be patent-eligible.

## Takeaway

The *Timeplay* case is a breath of fresh air for those looking for guidance on patentable subject matter. Although not a Federal Circuit decision, Judge Otero is an influential judge in the patent world and his analysis provides a clear articulation of a starting point for the patentable subject matter framework; most importantly, the purpose and characterization of the invention. This starting point calls into question the long-held view that “objectives” in a patent specification are categorically wrong. Indeed, the objective in *Timeplay*’s patent saved it from an *Alice* challenge by connecting the patented invention to its “purpose” for determining abstractness. The characterization of the invention was also a common theme throughout the opinion. Judge Otero cited the importance of the characterization while striking down what he thought was an overly abstract characterization offered by the defendant.

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