

Seyfarth PTAB Blog



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

Software Patent Survives *Alice* Even Where Invention Could be Performed Manually or in Human Mind

By Patrick T. Muffo

A district court recently held that a software decompiler patent was not invalid for lack of patentable subject matter. The decision comes less than four months after the Supreme Court's *Alice v. CLS Bank* decision that shifted the rules for software patents and opened the doors to a flood of challenges in front of the PTAB. The court found the invention not invalid despite the parties agreeing that the invention could be performed manually or by a human mind, which had previously doomed software patents.

The software at issue was a decompiler program. For background, source code is not readable by a computer, and must be converted into an intermediary file, which is then assembled into a binary code readable by the computer. Binary code is not readable by humans, so some programs can operate in reverse and "decompile" the binary code into a human-readable representation. These are called decompiler programs.

In *Veracode et al. v. Appthority*, 12-10487-DPW (D. Mass September 30, 2015) the court held that Veracode's patent directed to a particular decompiler program was not invalid under §101 for lack of patentable subject matter. The court applied the test from *Alice* - holding patent claims invalid if the claims (1) are directed to an abstract idea; and (2) do so without claiming something more to transform the abstract idea into a patent-eligible invention.

The court first noted that Veracode appeared to concede its patent was directed to an abstract idea. In fact, the court found the invention eerily similar to the binary decimal algorithm in *Gottschalk v. Benson* that was held invalid by the Supreme Court decades ago. The invention was therefore directed to an abstract idea under the first prong of *Alice*.

Applying the second prong of the *Alice* test, the court found the invention was directed to improving the functioning of the computer itself, or to solving a "computer problem." Significantly, the court noted that the parties agreed that the invention could be implemented manually or by a human mind. Veracode's expert admitted on the stand that the process could be performed manually or by a human mind, but doing so would be "painful" compared to the more automated approach discussed in the patent. The expert later clarified that performing the claimed process manually would be an "extremely

Seyfarth Shaw LLP PTAB Blog | October 20, 2015

©2015 Seyfarth Shaw LLP. All rights reserved. "Seyfarth Shaw" refers to Seyfarth Shaw LLP (an Illinois limited liability partnership). Prior results do not guarantee a similar outcome.

difficult process that could not be readily performed by hand." This testimony convinced the court that performing the process was only minimally possible with little precision, and would never be practically done. The court therefore held the claims patent-eligible as improving upon a technical field and preexisting technology.

Takeaway

The court summarized their §101 decision well with the following quote: "If the invention merely improved the speed and accuracy of a particular task through computer implementation, that would not be enough to generate a patent-eligible concept. But the claimed method exceeds mere automation of a well-known process by harnessing and improving upon the unique properties and complex capacities of computer technology."

In the end, the court held the process could be performed by a human mind or manually, a determination typically resulting in the claims of the patent being held invalid. But here, the court focused on the technical contribution of the invention, and held the invention patent-eligible where the "manual" implementation was possible, but not practical.

<u>Patrick T. Muffo</u> 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 <u>Patent Practice Group</u>, your Seyfarth Shaw LLP attorney or Patrick T. Muffo at <u>pmuffo@</u> <u>seyfarth.com</u>.

www.seyfarth.com

Attorney Advertising. This post is a periodical publication of Seyfarth Shaw LLP and should not be construed as legal advice or a legal opinion on any specific facts or circumstances. The contents are intended for general information purposes only, and you are urged to consult a lawyer concerning your own situation and any specific legal questions you may have. Any tax information or written tax advice contained herein (including any attachments) is not intended to be and cannot be used by any taxpayer for the purpose of avoiding tax penalties that may be imposed on the taxpayer. (The foregoing legend has been affixed pursuant to U.S. Treasury Regulations governing tax practice.)

Seyfarth Shaw LLP PTAB Blog | October 20, 2015

©2015 Seyfarth Shaw LLP. All rights reserved. "Seyfarth Shaw" refers to Seyfarth Shaw LLP (an Illinois limited liability partnership). Prior results do not guarantee a similar outcome.