

# Seyfarth PTAB Blog



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

## Software Patent for Summarizing Data Survives Invalidity Attack

By Patrick T. Muffo

In the case of *Versata Software, Inc. v. Zoho Corporation*, A-13-CA-00371-SS, (W.D. TX October 26, 2015), the court held a software invention to be patent-eligible as not being drawn to an abstract idea. This case is interesting because many courts have struggled to articulate what constitutes an abstract idea when analyzing the validity of software patents. Many courts, left without a clear test, commonly hold software inventions to be drawn to an abstract idea and focus on the second step (i.e. is there “something more” than the abstract idea) from *Alice* to truly determine whether the invention is patent eligible. The *Versata* case shows that some courts may be more willing to let software patents survive by taking a more critical view of whether the invention is indeed drawn to an abstract idea.

### The Invention

Versata’s patent is directed to software that monitors different “external states,” for example, the CPU load on a server at a specific time. The data relating to the external states can then be presented in easy-to-understand images on a mobile device (e.g., a green light if the load on the server is acceptable, and a red light if the load is excessive). The user can therefore digest large amounts of data at a glance, without excessive clicking and linking.

### The Arguments

Zoho argued the invention was directed to the abstract idea of “the disembodied idea of using symbols on a display to represent external information and updating these symbols as that information changes.” As for the second *Alice* prong, Zoho argued the data and imagery is presented using conventional computer technology and did not embody any inventive concept.

Versata countered by arguing the invention solves a problem; that is, presenting rich information content on a space-constrained mobile device. Versata focused the court on the more technical aspects of the invention, such as the monitoring of technical information, and the display of the technical information on a mobile device.

## The Holding

Other than re-stating the parties' positions, the court's patent-eligibility analysis is literally two sentences long:

Indulging every inference in Versata's favor, the Court concludes the '740 Patent does not embody an impermissibly abstract idea. Therefore, the Court need not determine whether the claims at issue contained an inventive concept sufficient to transform the allegedly abstract idea into patent-eligible subject matter.

## Takeaway

Unfortunately, the court did not expand on its reasoning for finding the invention to be patent eligible. The two sentences above show the court presumably agreed with the arguments presented by Versata, but that hardly means any invention that solves a problem is eligible for patent protection. Versata stressed the technical components of the invention – that it was directed to a “technical objective” within “the more limited display screen of a mobile phone, pager, PDA, or similar mobile device.” It is therefore possible that the court was persuaded that the invention was drawn to a more technical, and less abstract, invention.

[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](mailto:pmuffo@seyfarth.com).

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