

## **Seyfarth PTAB Blog**



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

# Don't Cite Prior Art to Show the Lack of an Inventive Concept

By Patrick T. Muffo

The second prong of the *Alice* test is commonly abbreviated as requiring an "inventive concept." Of course, that same nomenclature is used by many international patent laws as a synonym for nonobviousness. Can a defendant then cite prior art to show an invention lacks an "inventive concept" pursuant to *Alice*?

The Eastern District of Texas was not persuaded by this argument in the case of *Chrimar Systems, Inc. v. Alcatel-Lucent USA, Inc. et al.* (Civil No. 6:15-cv-163-JDL, July 29, 2016 Order on Motion for Summary Judgment). The *Chrimar* case involved patents directed to wireless devices that are controlled by a remote module. The module measures an impedance of each of the devices without using network bandwidth to efficiently identify and manage remote devices.

The Defendants moved for summary judgment of invalidity under §101. In particular, the Defendants argued the claims were directed to the abstract idea of "correlating information about a device based on a measurable electrical property of the device," which the Defendants further argued could be performed as a mental task. Chrimar responded by arguing the claims were instead directed to "a particular arrangement of physical structures designed to allow two of those structures—the piece of BaseT Ethernet terminal equipment and the piece of central BaseT Ethernet equipment—to perform specific functions in a novel way."

The court applied the test from *Alice* and first held the claims were not directed to an abstract idea and refused to view portions of the claims in a vacuum from the remainder of the claims. "Defendants' primary argument is that there is no structure recited to perform the association of the impedance within the claimed path ... But Defendants fail to explain how this portion of the claim renders the entire claim abstract."

The court performed a more interesting analysis for Alice prong two. Here, the Court noted:

Defendants recite prior art to suggest that the 'Ethernet connectors' with 'multiple contacts' were well known in the art and therefore do not provide a transformative element...Regardless, §101 analysis is not focused on whether the individual elements of the claims were 'known in the art.' To conflate § 101 and § 103 inquiries and find the claim lacking an inventive concept because certain individual claim limitations were known in the art would effectively eviscerate the step two inquiry and implicitly make factual findings [obviousness] reserved for the jury.

The court was brief in explaining why the claim recited an inventive concept, only finding "This ordered configuration, aimed at the presentation of distinguishing information of the device associated to impedance, is a transformative inventive concept."	
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