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



No Abstract Idea Where Invention Cannot be “Practiced in the Abstract”

By Patrick T. Muffo

Courts have decided many recent *Alice* challenges based on whether the invention at hand is “physical” or not. Others determine patent-eligibility based on whether a human can practice the invention in their mind, or with pen and paper. Still others challenge patent-eligibility by defining the invention and dismissing other elements as “conventional” computer components. But what if those other components are physical, non-computer elements?

The case of *2-Way Computing, Inc. v. Grandstream Networks, Inc.*, 2:16-cv-01110-RCJ-PAL (D. Nev. Oct. 18, 2016 Memorandum Order and Opinion) dealt with this very issue. In *2-Way Computing*, the court heard an *Alice*-based §101 challenge to an invention that translates audio data packets to enable audio communication. The claims include several elements found in conventional electronics, such as a network interface, a microphone, a speaker, and an audio input and output unit. Claim 1 of the asserted patent is essentially a listing of these conventional, physical devices followed by a large paragraph setting forth steps performed by computer software to perform the intended function of translating data packets into recognizable audio.

The court performed an *Alice* analysis and determined the invention was not directed to an abstract idea. Although Grandstream argued the invention was as simple as “translating information to enable audio communication,” the court was not convinced and found there to be no abstract idea. The court specifically explained:

The question of unpatentability of abstract ideas under *Alice Corp.* is not whether an invention can be understood or described in the abstract, i.e., in one’s mind ... but whether the invention can be **practiced** in the abstract ...

(Emphasis in original). The court then emphasized the physical nature of the invention when declining to invalidate the claims under §101: “The Court is not convinced that Claim 1 is directed to an abstract concept. Rather, it is directed to a concrete, physical task.”

Takeaway:

Many software patents include claims that recite software steps within a larger framework of a physical device. For example, some software patents utilize vehicles or machines where physical devices use software to carry out the intended purpose of the machine. This case provides at least persuasive authority that such patents should withstand §101 attacks because the components, while conventional, are not conventional **computer** components like those discussed in *Alice*. Instead, they are “concrete” and “physical.”

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