wiley

ALERT

Federal Circuit Patent Bulletin: *Internet Patents Corp. v. Active Network, Inc.*

June 25, 2015

"[Under the 'inventive concept' protocol, if] the claims at issue are directed to [a patent-ineligible concept,] the court then considers the elements of each claim 'both individually and 'as an ordered combination' to determine whether the additional elements 'transform the nature of the claim' into a patent-eligible application.'"

On June 23, 2015, in *Internet Patents Corp. v. Active Network, Inc.*, the U.S. Court of Appeals for the Federal Circuit (Newman,* Moore, Reyna) affirmed the district court's dismissal of Internet Patents Corporation's (IPC) suits alleging infringement of U.S. Patent No.7,707,505, which related to the use of a conventional web browser Back and Forward navigational functionalities without data loss in an online application consisting of dynamically generated web pages, because the '505 patent was invalid for patent ineligibility under 35 U.S.C. § 101. The Federal Circuit stated:

Section 101 defines patent eligible subject matter as "any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof." Precedent has long established that eligible subject matter does not include laws of nature, natural phenomena, and abstract ideas. Other than as so limited, the patent system is described as available to "anything under the sun that is made by man." Yet the technologies of recent decades have challenged the understandings of a simpler past.

Recently, the courts have focused on the patent eligibility of "abstract ideas," for precision has been elusive in defining an all-purpose boundary between the abstract and the concrete, leaving innovators and competitors uncertain as to their legal rights. The [Supreme Court has] set forth a two-step methodology for determining patent-eligible

Authors

Lawrence M. Sung
Partner
202.719.4181
lsung@wiley.law

subject matter. "First, we determine whether the claims at issue are directed to one of those patentineligible concepts." If so, the court then considers the elements of each claim "both individually and 'as an ordered combination' to determine whether the additional elements 'transform the nature of the claim' into a patent-eligible application." The Court described this second step as "a search for an 'inventive concept'—i.e., an element or combination of elements that is 'sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [ineligible] concept itself.'" . . . Determination of what is an inventive concept favors inquiries analogous to those undertaken for determination of patentable invention, for a known idea, or one that is routine and conventional, is not inventive in patent terms . . . . Other precedent illustrates that pragmatic analysis of §101 is facilitated by considerations analogous to those of §§102 and 103 as applied to the particular case. The courts have recognized that it is not always easy to determine the boundary between abstraction and patent-eligible subject matter. . . .

The district court applied these principles to the IPC claims. The court determined that the '505 Patent claimed "the use of a conventional web browser Back and Forward navigational functionalities without data loss in an online application consisting of dynamically generated web pages." The district court described "retaining information lost in the navigation of online forms" as an ineligible abstract idea. . . . IPC stresses the unconventionality of the claim elements of maintaining the state, furnishing icons on a web page with a browser having Back and Forward navigation functions, and displaying an online application form. We agree with the district court that the character of the claimed invention is an abstract idea: the idea of retaining information in the navigation of online forms. . . . The additional limitations of these dependent claims do not add an inventive concept, for they represent merely generic data collection steps or siting the ineligible concept in a particular technological environment. The motion to dismiss addressed the dependent claims, arguing that they do not contain any limitations that make them patent-eligible. We have considered the arguments and conclude that the criteria of "inventive concept" are not met as to the dependent claims. We affirm the district court's ruling that the claims of the '505 Patent are directed to ineligible subject matter. The judgment of invalidity of the '505 Patent claims in terms of section 101 is affirmed.