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A Strange Evolution: The Federal Circuit Has Entered the Theater of the Absurd

By **Gene Quinn**
September 26, 2019

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Print Article

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Alfred Jarry's Ubu Roi

Something has happened at the United States Court of Appeals for the Federal Circuit over the past six months. After inching forward in a positive direction on patent eligibility, the entire court, including those judges who had been on the pro-patent eligibility wing of the court, have fallen, slipped, or just given up. The precisely correct characterization remains elusive given the traditional, characteristic and appropriate secrecy that surrounds judicial tribunals.

As constitutional officers charged with independently deciding cases, judges take few speaking engagements. Even when they do, they generally speak off the record, and never speak about specific issues or cases that may at some point come before them. In this industry, that means little discussion is had between the bench and bar relating to matters of patent eligibility outside the record, which is itself unfortunate. If the judges of the Federal Circuit would sit through a conference exploring patent eligibility as it applies to the software and biotechnology industries, they would learn much about the uncertainty their decisions are causing.

Still, something undeniably has changed.

The Beginning

Beginning in March 2019 in *ChargePoint v. SemaConnect*, 920 F.3d 759 (2019), the Federal Circuit determined that a vehicle charging station was not patent eligible. This was remarkable on one hand because the patent claims were drafted as apparatus claims, and for the Federal Circuit to determine that an apparatus is abstract seems

logically ridiculous on its face – because it is. On the other hand, this decision, while surprising, wasn't particularly shocking given the panel make-up. With Chief Judge Prost writing the decision for a panel further consisting of Judges Reyna and Taranto, one might be forgiven for not getting too worked up about such a decision. See "The Federal Circuit Just 'Swallowed All of Patent Law.'"

Then, on July 3, the Federal Circuit denied *en banc* rehearing in *Athena Diagnostics v. Mayo Collaborative Services*. The 86-page order from the Federal Circuit included eight separate opinions—four concurring with the *en banc* denial and another four dissenting from the decision. The separate opinions reflected a Federal Circuit that wasn't divided so much on the issue of the importance of Athena's now invalidated patent claims, because all 12 of the active Federal Circuit judges agreed that the Athena patent should be deemed eligible. The problem? Too many of the Federal Circuit judges feel helpless to do what they independently view as correct because they feel handcuffed by the U.S. Supreme Court's Section 101 jurisprudence under *Mayo Collaborative Services v. Prometheus Laboratories* (2012). Athena is expected to petition the Supreme Court for review of this decision.

It's a Choice

In *Athena*, we see a hopelessly fractured Federal Circuit. No single opinion gained support from more than one-third of the Court. And the truth is, the Federal Circuit is not helpless. The Federal Circuit is choosing to interpret *Mayo*—on the life science side—and *Alice*—on the software side—expansively.

Then on August 21, in *The Chamberlain Group v. Techtronic Industries Co.*, a Federal Circuit panel comprising Judges Lourie, O'Malley and Chen issued a precedential opinion finding that a "moveable barrier operator" (for example, a garage door opener) were patent ineligible. The claims were, as with *ChargePoint*, written to cover a device. Unlike *ChargePoint*, which referred to "an apparatus" in a general way in the preamble, the claims at issue in *Chamberlain* were specifically written to "A moveable barrier operator comprising…" How a moveable barrier can be an abstract idea is not explained in any intellectually satisfying way because there is no satisfying way to explain how something that actually exists can simultaneously exist and be abstract.

And this, although chronologically out of order, leads us to the most inexplicable of the bunch. In *Solutran, Inc. v. Elavon, Inc.*, Nos. 2019 U.S. App. LEXIS 22516 (Fed. Cir. July 30, 2019), the Federal Circuit held that the claims at issue, which related to processing paper checks, were invalid under 35 U.S.C. § 101. Judge Chen, writing for a panel that also included Judges Hughes and Stoll, explained: "[W]e have previously

explained that merely reciting an abstract idea by itself in a claim—even if the idea is novel and non-obvious—is not enough to save it from ineligibility."

Never mind that the physicality of the elements of the claim did not save the claim from being an abstract idea, which is absurd in and of itself since even Google defines "abstract" to mean "existing in thought or as an idea but not having a physical or concrete existence."

It is logically impossible for the method of processing paper checks to be novel and nonobvious and still not be inventive enough to save the claim from ineligibility. No matter how many times the Federal Circuit tries to explain otherwise, that logical flaw will never be resolvable.

Clearly, the Federal Circuit has as an entity abdicated its judicial responsibility. Each and every judge on the Federal Circuit has taken an oath. They are finding devices to be abstract, claims that are novel and nonobvious to be non-inventive, and an invention in *Athena* that they all agreed should be eligible to be patent ineligible. The Federal Circuit has clearly jumped the shark!

Afraid of What?

Federal Circuit judges have life tenure; they have guaranteed salaries that cannot be reduced, and they will receive a pension guaranteed by the U.S. federal government. They have all the security anyone could ever want, yet they are afraid to get reversed by the Supreme Court? Afraid of what exactly? No Supreme Court police are going to show up and arrest them if they get reversed. And why not try writing an opinion that explains how these cases with different facts, different inventions and issues of great concern for entire industries require – in fact absolutely mandate – the outcome that 12 out of 12 judges seem to agree is proper?

The judges on the Federal Circuit claim they are handcuffed, but we know they are not, and playing the victim like that is getting old, tired and frankly insulting. These judges are not *just* interpreting *Bilski*, *Myriad*, *Mayo*, and *Alice*, they are going far beyond any honest and fair reading of what the Supreme Court required, with cases that present wholly different facts, and inventions of entirely different magnitudes compared with the non-inventions the Supreme Court said they were dealing with in *Bilski*, *Myriad*, *Mayo*, and *Alice*.

In fact, the Federal Circuit, if anything, is explicitly ignoring the Supreme Court with each new illogical, irrational decision. The Supreme Court knew the judicial exceptions to patent eligibility, which are extra-statutory and potentially wholly untethered, are an awesome power that must be treated with great care. "[W]e tread

carefully in construing this exclusionary principle lest it swallow all of patent law," the Supreme Court wrote in *Alice v. CLS Bank*, pointing out that at some level all inventions start out as ideas.

And yet, the Federal Circuit has effectively reached a point in 2019 where even devices—the apparatus claim of *ChargePoint* and the moveable barrier claim of *Chamberlain*—are abstract ideas, and not inventive even if they are novel and nonobvious. To refer to the current state of U.S. patent law as asinine would be a euphemism, to say the least.