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Ex-Fed. Circ. Chief Tells Justices Alice Is Scalpel, Not Hammer

By Mike LaSusa

Law360 (July 8, 2020, 10:04 PM EDT) -- Retired Federal Circuit Chief Judge Randall Rader told the U.S. Supreme Court on Wednesday that the justices' 2014 ruling in Alice Corp. v. CLS Bank should be used like a "scalpel, not a sledgehammer" when applied to the question of a patent's validity,

Rader, who retired from the federal bench in 2014, was joined by electric vehicle charging station maker <u>ChargePoint Inc</u>. in filing the amicus brief with the high court in a case involving an invalidated garage door patent belonging to The <u>Chamberlain Group Inc</u>.

Rader and ChargePoint urged the justices to take up The Chamberlain Group's case, saying a Supreme Court decision could help clear up lingering uncertainty around Section 101 of the Patent Act, which is used to invalidate patents covering abstract ideas.

"This narrow exception should be wielded like a scalpel, not a sledgehammer," Rader and ChargePoint argued. "Unfortunately, uncertainty is making it impossible for lower courts to narrowly construe the exception and resist attempts to wield it like a sledgehammer."

The arguments echoed those put forth in Chamberlain's bid for the high court to take a look at the case, in which it called the Federal Circuit's treatment of the issue a "patent emergency."

Chamberlain said in its petition that patent claims need to be viewed as a whole when deciding if they're abstract under Alice, not broken down to "a single supposed point of novelty." This has led to patents being invalidated that claim "concrete and specific" inventions, and the justices desperately need to step in, the petition said.

In the Alice ruling, the justices said abstract ideas aren't patent eligible without an added inventive concept. Petitioners have since been urging the high court to rein in how the Federal Circuit is handling questions of patent eligibility under Section 101 of the Patent Act, but the justices have repeatedly rebuffed those attempts.

In this case, the Federal Circuit invalidated Chamberlain's patent for a smart garage door opener in August, finding it claimed only the patent-ineligible abstract idea of "wirelessly communicating status information about a system."

The invalidation was particularly painful, given that Chamberlain won nearly \$20 million after a jury found <u>Techtronic Industries Co</u>. Ltd. infringed that patent and one other. The vast majority of that award was tied to the now-invalidated patent.

After the decision came down, the Senate Judiciary Committee's intellectual property subcommittee chairman, Thom Tillis, R-N.C., said "nothing better demonstrates the madness" in patent eligibility law than Chamberlain's case.

Jeremy Cooper Doerre of <u>Tillman Wright PLLC</u>, who represents Rader and ChargePoint, told Law360 on Wednesday that there was broad consensus among practitioners that the Supreme Court should give further guidance on patent eligibility law.

"While the brief certainly advances some substantive positions, the primary point is that uncertainty is rampant, and this uncertainty warrants the Court's review," Doerre said.

E. Joshua Rosenkranz of Orrick Herrington & Sutcliffe LLP, who represents Chamberlain, said the brief "powerfully documents" the uncertainty surrounding patent eligibility.

"With this brief, yet another Federal Circuit insider has confirmed the critical need for the Supreme Court to make order out of the mess of section 101 doctrine," Rosenkranz said.

Counsel for Techtronic did not respond on Wednesday to requests for comment.

The patent-in-suit is U.S. Patent No. 7,224,275.

Rader and ChargePoint are represented by Jeremy Cooper Doerre of Tillman Wright PLLC.

Chamberlain is represented by E. Joshua Rosenkranz, Melanie L. Bostwick, Elizabeth R. Moulton and Ned Hirschfeld of Orrick Herrington & Sutcliffe LLP; Katherine Vidal and Michael R. Rueckheim of Winston & Strawn LLP; and Benjamin C. Elacqua of Fish & Richardson PC.

Techtronic is represented by William R. Peterson of Morgan Lewis & Bockius LLP.

The case is The Chamberlain Group, Inc., v. Techtronic Industries Co. et al., case number 19-1299, before the <u>Supreme Court of the United States</u>.

--Additional reporting by Dani Kass. Editing by Peter Rozovsky.