

Justices Further Pushed To Clarify Alice Ruling

By [Adam Lidgett](#) · [Listen to article](#)

Law360 (April 18, 2022, 6:31 PM EDT) -- Universal Secure Registry has urged the [U.S. Supreme Court](#) to overlook [Apple](#) and Visa's arguments that the high court shouldn't clarify its own landmark Alice ruling, saying the ruling has led to "conflicts and confusion."

In a Friday reply brief, Universal Secure Registry — which saw its secure payment patents invalidated by the Federal Circuit — hit back at Apple and Visa's contention that the court should pass on the January petition because the high court has time and time again denied petitions asking it to clarify or undo principles outlined in Alice.

For one thing, Universal Secure Registry said those other petitions were irrelevant and that it asked the high court to answer different questions relating to Alice.

"Contrary to Apple's and Visa's suggestion, this court should resolve post-Alice conflicts and confusion as to 'abstract ideas' as well as 'natural laws,' and as to technological patents as well as mechanical patents," Universal Secure Registry said.

Apple and Visa argued that Universal Secure Registry's patents were for abstract ideas that the Federal Circuit and the Supreme Court have determined were not patent-protected, but Universal Secure Registry hit back at that assertion as well.

"USR's patents are not substantially the same as the patent in Alice, as Apple and Visa misleadingly suggest," Universal Secure Registry said in its reply.

Universal Secure Registry said in a Jan. 27 [certiorari petition](#) that its appeal of a Federal Circuit decision finding that its patents were abstract "is the perfect case" for the high court to fill in a gap in its 2014 landmark Alice decision, which held that abstract ideas, minus an inventive concept, aren't eligible to be patented.

The Alice decision laid out a two-part test, the first part of which determines if a patent is directed to ineligible subject matter. The second part of the test looks at whether there's an

inventive concept that makes it patent-eligible.

But the petition said the justices didn't put forth a methodology to determine if a patent is directed to an abstract idea in the first part of the Alice test, urging them to do so here to address "a concerning pattern" of Federal Circuit decisions that are "inconsistent and unpredictable."

Under *Alice Corp. v. CLS Bank*, the Supreme Court held in 2014 that abstract ideas are not patentable absent an added inventive concept transforming them into something patent-eligible.

The Federal Circuit panel ruled in August that Universal Secure Registry's patents, which cover various methods of securing electronic payment transactions, described well-known and conventional ways to perform authentication and did not include any technological improvements that transformed those abstract ideas into patent-eligible inventions.

The decision affirmed a June 2020 ruling from U.S. District Judge Colm Connolly that the patents were not patent-eligible under the U.S. Supreme Court's Alice test.

Counsel for the parties did not immediately respond to requests for comment on Monday.

The patents-in-suit are U.S. Patent Nos. [8,856,539](#); [8,577,813](#); [9,100,826](#); and [9,530,137](#).

Universal Secure Registry is represented by Kathleen M. Sullivan, Kevin A. Smith, Tigran Guledjian and Christopher Mathews of [Quinn Emanuel Urquhart & Sullivan LLP](#).

Apple is represented by Mark Selwyn, Thomas Sprankling and Liv Herriot of [Wilmer Cutler Pickering Hale & Dorr LLP](#).

Visa is represented by Steffen Johnson and James C. Yoon of [Wilson Sonsini Goodrich & Rosati PC](#).

The case is *Universal Secure Registry LLC v. Apple Inc. et al.*, case number [21-1056](#), at the U.S. Supreme Court.

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