

## **PATENT DOCS**

October 04, 2016

### **Intellectual Ventures I LLC v. Symantec Corp. (Fed. Cir. 2016)**

Just When You Thought the Federal Circuit Was Softening Restrictions on Software Patents, the Tide Turns Again

*By Joseph Herndon --*

Intellectual Ventures I LLC ("IV") sued Symantec Corp. and Trend Micro (defendants) for infringement of various claims of three U.S. Patents (Nos. 6,460,050; 6,073,142; and 5,987,610). The District Court held the asserted claims of the '050 patent and the '142 patent to be ineligible under § 101, and the asserted claim of the '610 patent to be eligible. The Federal Circuit affirmed as to the ineligibility of the asserted claims of the '050 patent and '142 patent, but reversed as to the asserted claim of the '610 patent, resulting in finding all asserted claims ineligible under § 101.

Some reasoning applied during the two-step analysis, and in particular when finding that the patents are "directed to abstract ideas," is not clearly provided by the Federal Circuit. The analysis for each of the three patents is summarized below. This decision just muddies the waters following other recent patent-owner friendly decisions in which the Federal Circuit seemed to be creating more ways for software patents to survive.

The decision further includes quite an interesting concurrence in which First Amendment rights were discussed as being implicated with Software patents?? Further comments will be provided on the concurrence alone.

#### **The '050 Patent**

The '050 patent is entitled "Distributed Content Identification System." The patent application was filed on December 22, 1999, and the '050 patent issued on October 1, 2002. The patent is directed to methods of screening emails and other data files for unwanted content. Independent claim 9 is representative and recites:

9. *A method for identifying characteristics of data files, comprising:*  
*receiving, on a processing system, file content identifiers for data files from a plurality of file content identifier generator agents, each agent provided on a source system and creating file content IDs using a mathematical algorithm, via a network;*  
*determining, on the processing system, whether each received content identifier matches a characteristic of other identifiers; and*  
*outputting, to at least one of the source systems responsive to a request from said source system, an indication of the characteristic of the data file based on said step of determining.*

According to IV, this method of filtering emails is used to address the problems of spam e-mail and the use of e-mail to deliver computer viruses. The Federal Circuit, however, agreed with the District Court that receiving e-mail (and other data file) identifiers, characterizing e-mail based on the identifiers, and communicating the characterization -- in other words, filtering files/e-mail -- is an abstract idea.

The Federal Circuit equated the claimed features to a practice for people receiving paper mail to look at an envelope and discard certain letters, without opening them, from sources from which they did not wish to receive mail based on characteristics of the mail. Supposedly, the list of relevant characteristics could be kept in a person's head.

The Federal Circuit also found that claim 9 of the '050 patent resembled claims that have been held directed to an abstract idea. Recently, in [\*BASCOM Global Internet Services, Inc. v. AT&T Mobility LLC\*](#), a claim to a "content filtering system for filtering content retrieved from an Internet computer network" was found to be directed to an abstract idea (although later saved in step two from ineligibility).

The Federal Circuit proceeded to *Mayo/Alice* step two to determine whether the claims contain an "inventive concept" that renders them patent-eligible. IV argued that the proffered prior art did not anticipate or render obvious the asserted claims of the '050 patent. The Federal Circuit noted that while the claims may not have been anticipated

or obvious because the prior art did not disclose all features, that does not suggest that the idea of "determining" and "outputting" is not abstract, much less that its implementation is not routine and conventional.

To be clear, the Federal Circuit stated that the novelty of any element or steps in a process, or even of the process itself, is of *no relevance* in determining whether the subject matter of a claim falls within the § 101 categories of possibly patentable subject matter, despite the fact that the second step is considered a search for an "inventive concept". A bit confusing indeed.

The Federal Circuit found that the steps of the asserted claims of the '050 patent do not "improve the functioning of the computer itself," and are also distinguishable from those in *BASCOM*, which allegedly improved an existing technological process by describing "how [a] particular arrangement of elements is a technical improvement over prior art ways of filtering [Internet] content." The Federal Circuit found that there is not, in the '050 patent, any "specific or limiting recitation of . . . improved computer technology," as the asserted claims describe only generic computer elements.

Finally, the Federal Circuit found that the asserted claims do not contain any limitations that address IV's purported technological improvements of requiring automatic updates to the antivirus or antispam software or the ability to deal with a large volume of such software. The Federal Circuit summarized that when a claim directed to an abstract idea contains no restriction on how the result is accomplished and the mechanism is not described, then the claim is not patent-eligible. Thus, the asserted claims of the '050 patent were found to be not patent-eligible under § 101.

### **The '142 Patent**

The '142 patent is entitled "Automated Post Office Based Rule Analysis of E-Mail Messages and Other Data Objects for Controlled Distribution in Network Environments." The patent application was filed on June 23, 1997, and the '142 patent issued on June 6, 2000. The patent is directed to methods of routing e-mail messages based on specified criteria (*i.e.*, rules). Claim 1 is representative and recites:

*1. A post office for receiving and redistributing email messages on a computer network, the post office comprising:*

*a receipt mechanism that receives an e-mail message from a sender, the e-mail message having at least one specified recipient;*

*a database of business rules, each business rule specifying an action for controlling the delivery of an e-mail message as a function of an attribute of the e-mail message;*

*a rule engine coupled to receive an e-mail message from the receipt mechanism and coupled to the database to selectively apply the business rules to the e-mail message to determine from selected ones of the business rules a set of actions to be applied to the e-mail message; and*

*a distribution mechanism coupled to receive the set of actions from the rule engine and apply at least one action thereof to the e-mail message to control delivery of the e-mail message and which in response to the rule engine applying an action of deferring delivery of the e-mail message, the distribution engine automatically combines the email message with a new distribution list specifying at least one destination post office for receiving the e-mail message for review by an administrator associated with the destination post office, and a rule history specifying the business rules that were determined to be applicable to the e-mail message by at least one rule engine, and automatically delivers the e-mail message to a first destination post office on the distribution list instead of a specified recipient of the e-mail message.*

The '142 patent's abstract describes the invention as "[a] system, method and various software products . . . for automatic deferral and review of e-mail messages and other data objects in a networked computer system, by applying business rules to the messages as they are processed by post offices." Claim 1 also describes the patented system as a "post office" -- albeit an electronic one.

The District Court held that "the asserted claims of the '142 patent are directed to human-practicable concepts, which could be implemented in, for example, a brick-

and-mortar post office." The Federal Circuit agreed, and this allegedly demonstrated that the concept is well-known and abstract.

Turning to step two, the specification states that the claims can "operate[] on a conventional communications network" and the patent discloses only generic computers performing generic functions. The Federal Circuit found that this confirms that the implementation of the abstract idea is routine and conventional, and does not "improve the functioning of the computer itself." Thus, the asserted claims of the '142 patent were found to be not patent-eligible under § 101.

### **The '610 Patent**

The '610 patent is entitled "Computer Virus Screening Methods and Systems." The patent application was filed on February 12, 1998, and the patent issued on November 16, 1999. The patent is directed to using computer virus screening in the telephone network. Claim 7 is the only asserted claim of the '610 patent, and claim 7 depends from claim 1, which provides:

- 1. A virus screening method comprising the steps of:  
    routing a call between a calling party and a called party of a telephone network;  
    receiving, within the telephone network, computer data from a first party selected from the group consisting of the calling party and the called party;  
    detecting, within the telephone network, a virus in the computer data; and  
    in response to detecting the virus, inhibiting communication of at least a portion of the computer data from the telephone network to a second party selected from the group consisting of the calling party and the called party.*
  
- 7. The virus screening method of claim 1 further comprising the step of determining that virus screening is to be applied to the call based upon at least one of an identification code of the calling party and an identification code of the called party.*

The District Court held claim 7 of the '610 patent to be patent-eligible, but the Federal Circuit reversed this decision.

The Federal Circuit found that the idea of virus screening was well known when the '610 patent was filed, and thus, was a long prevalent practice in the field of computers, and, as the patent admits, performed by many computer users. The specification recites conventional "virus screening software," and the Federal Circuit noted that by itself, virus screening is well-known and constitutes an abstract idea.

At step two of *Mayo/Alice*, the Federal Circuit found that there is no other aspect of the claim that is anything but conventional. Just as performance of an abstract idea on the Internet is abstract, so too the performance of an abstract concept in the environment of the telephone network is abstract.

The Federal Circuit further found that the asserted claim does not improve or change the way a computer functions. IV argued that the claims of the '610 Patent include meaningful limitations that narrow the claimed invention to a specific way of screening for computer viruses *within the telephone network* . . . and does not preempt all virus detection. The Federal Circuit basically ignored this argument and stated that while preemption may signal patent ineligible subject matter, the absence of complete preemption does not demonstrate patent eligibility.

In summary, the Federal Circuit compared the claims to [English](#) and [DDR Holdings](#), and stated that unlike the claims at issue in *English* (which involved a "specific type of data structure designed to improve the way a computer stores and retrieves data in memory") claim 7 of the '610 patent does not improve or change the way a computer functions. Nor does claim 7 overcome a problem unique to the Internet as was the case in *DDR Holdings*.

Judge Stoll provided a dissent with respect to the '610 patent. Judge Stoll noted that the '610 patent confirms that the claimed invention "advantageously screen[s] computer data for viruses within a telephone network before communicating the computer data to an end user," and this was a fundamental architectural shift from prior-art virus screening, which occurred locally on an end user's computer rather than

centrally as in the invention. Such a shift improved the overall security of telecommunication networks by thwarting the ability of viruses to reach and exploit end users.

Although Judge Stoll agrees that the patent is directed to the abstract idea of "virus screening," Judge Stoll found that claim 7 is eligible as an ordered combination under step two. While the network components and virus screening software recited by the claim may themselves be conventional, claim 7's inventive concept is moving virus screening software from its typical location on end users' computers and deploying it instead "within the telephone network" itself. Thus, the invention harnesses network architecture and exploits it by utilizing a non-conventional and non-generic arrangement of virus screening components, which improves overall network security and usability. As to this arrangement being non-conventional and non-generic, the District Court had before it IV's expert testimony that the invention provided a novel solution to the protection gap problem and greatly reduced the likelihood of an end user receiving a virus when it held claim 7 eligible.

Judge Stoll analogized the claims in the *BASCOM* case to the present claims. In *BASCOM*, the claims were directed to filtering content on the Internet, *i.e.*, not on a user's local computer, and the present invention advantageously screens computer data for viruses within a telephone network before communicating the computer data to an end user. Judge Stoll found no meaningful difference between *BASCOM* and this case in terms of eligibility because claim 7 also purports to improve the functioning of the computer itself, or, at the very least, the functioning of the network.

Judge Stoll further noted that the claims at issue do not simply invoke the Internet as a means to an end, but they improve the security and functioning of the Internet itself.

In response, Judge Dyk disagreed and found this case to be unlike *BASCOM*, where the technology overcame existing problems with other Internet filtering systems, and because the record does not indicate that claim 7 recites any improvement to conventional virus screening software, it is conventional.

This decision, overall, provides more confusion than guidance as to how to determine eligibility of software patent claims. With respect to the '610 patent, the two judges each have differing views for whether the claims are like or unlike those in *BASCOM*, and basically, depending on how the claims are "characterized", the outcome of the case is controlled. This is troubling because the claims should not be characterized at all, and should stand on their own. In terms of determining what is conventional, it seems that the Court can characterize the claims in a way to achieve a desired outcome. More standard rules need to be applied and followed.

[\*Intellectual Ventures I LLC v. Symantec Corp.\* \(Fed. Cir. 2016\)](#)

Panel: Circuit Judges Dyk, Mayer, and Stoll

Opinion by Circuit Judge Dyk; concurring opinion by Circuit Judge Mayer; opinion dissenting-in-part by Circuit Judge Stoll