#### No. 21-1281

#### IN THE

### Supreme Court of the United States

Interactive Wearables, LLC, *Petitioner*,

v.

POLAR ELECTRO OY AND POLAR ELECTRO INC.,

Respondents.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

PETITIONER'S REPLY BRIEF

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#### INTRODUCTION

The United States' patent eligibility doctrine is perilously fractured. The lower courts have proven unable to apply this Court's judicial exceptions to Section 101 in a consistent and predictable manner. As highlighted in the petition, some Federal Circuit panels have correctly stated that Section 101 is a wholly separate inquiry from other provisions of the Patent Act, such as Section 112. Yet too many others, as in the present case, resort to a misplaced quasi-enablement inquiry, focused primarily on the patent specification's level of detail, to determine whether the claims are directed to an abstract idea. Such an analysis related to Section 112 has no place in determining whether, under the judicial exceptions to Section 101, the claims are drafted in a sufficiently concrete manner to avoid preemption concerns.

In recent years, the Federal Circuit's inability to consistently apply this Court's precedent has led it to invalidate claims directed to digital cameras, garage openers—and now, the claimed contentplayer/remote-control combination at issue here—as purportedly "abstract." Too many petitions over the last decade have had to detail the harm this is causing to the U.S. patent system, and Petitioner will not endeavor to describe the problem more eloquently than those that have already done so. Suffice it to say, no objective party seriously disputes that the current chaos in patent eligibility jurisprudence is a problem that needs immediate fixing. The Federal Circuit itself has unanimously called for this Court's intervention, and the U.S. Solicitor General has recently recommended this Court grant certiorari to rectify the situation. The only question is finding the appropriate case to address the problem in a manner that will have broad applicability across a wide range of industries. Interactive Wearables' petition presents such an opportunity.

The patent claims at issue in this petition starkly highlight how far the Federal Circuit's patent eligibility analysis has ventured into the realm of enablement. With no explanation, the panel below affirmed the district court's invalidation as patent ineligible—on a motion to dismiss no less—of the following claim directed to an improved content player:

#### A content player comprising:

a receiver configured to receive content and together with the content information associated with the content,

a processor coupled to the receiver and configured to process the content and the information associated with the content,

memory coupled to the processor,

a first display coupled to the processor, and

playing device equipment coupled to the processor and configured to provide the content to a user of the content player, the playing device equipment comprising an audio player;

wherein the content player is a wearable content player configured to be controlled by a wireless remote control device comprising a second display,

the wireless remote control device being configured to receive commands directing operations of the wearable content player, and wherein the wireless remote control device is configured to provide to the user at least a portion of the information associated with the content.

#### '016 Patent at 26:7-27.

There is nothing "abstract" about this claim. On its face, this claim is directed to, and narrowly claims, a concretely-recited improved wearable content-player device—one that, *inter alia*, has a display and a wirelessly-coupled remote-control with a second display that can both remotely control the content player and provide a user information associated with the content being played. By its own terms, this claim is not directed to the abstract idea of "providing information in conjunction with media content," as the district court found.

As noted in the petition, (1) it was undisputed that this claimed combination of components qualifies as a "machine" or "manufacture" under the statutory language of Section 101; (2) the district court tacitly recognized that the claim does not even pre-empt its stated abstract idea; and (3) there was no dispute that the claims on their face recite such components in a sufficiently concrete manner. This should have ended the inquiry in favor of patent eligibility. Nowhere in its opposition does Polar attempt to address any of these points and they remain unrebutted.

Both this Court and at least *certain* Federal Circuit panels have made clear that the proper patent eligibility analysis of what a claim is directed to must remain focused on the claim language itself, and ultimately consider whether the claim as a whole, not statements in the specification, poses a risk of preempting an abstract idea. Nevertheless, the district court wrongly determined that the claims in question are

directed to an abstract idea by resorting to a misplaced quasi-enablement inquiry. Such an inquiry is not provided for by the plain language of Section 101, nor is it sanctioned by this Court's jurisprudence setting forth the narrowly crafted judicial exceptions to Section 101.

The district court decided that it could disregard the physical components of the content-player/remotecontrol combination because it believed that other than the purported abstract idea, "[n]othing else is described in the specification as the invention" and "specification fails to provide any technical details for the tangible components." App. 18–20. Yet, there was no reason for the district court to look beyond the face of the claim, where the claim is undisputedly narrowly and concretely recited and not pre-emptive of the district court's own broadly articulated abstract idea. Moreover, even when the district court did resort to its analysis of the specification, it did not find any admissions of conventionality of the claimed content-player/remotecontrol combination that might warrant disregarding them from the patent eligibility inquiry. Instead, the district court determined only that, in its estimation, the specification's level of detail regarding the claimed components was wanting.

Paradoxically, if the patents at issue had no specification, the district court would have had no basis to justify finding the claims improperly directed to an abstract idea. However, because the patent applicant included a specification that, for the district court, was insufficiently detailed in describing the claimed structural components, the district court interpreted the claims as directed to an abstract idea. Such a quasienablement analysis has no place in determining patent eligibility under Section 101 and this Court's

jurisprudence. Section 112 and Section 101 are meant to be separate inquiries.

Unfortunately, the Federal Circuit has shown that until this Court steps in, it will keep endorsing just such an analysis by the district courts.

#### ARGUMENT

I. THIS CASE SQUARELY PRESENTS THE QUESTION OF WHETHER THE SPECIFICATION'S LEVEL OF DETAIL SHOULD PLAY A ROLE IN THE ABSTRACT IDEA INQUIRY

Question 3 of the petition asks, "Is it proper to apply 35 U.S.C. § 112 considerations to determine whether a patent claims eligible subject matter under 35 U.S.C. § 101?" Polar alleges that "[t]his question is not implicated by this case...[because] [n]o one—neither Petitioner nor Polar, not the district court or the Circuit—contends Federal that Section considerations should inform the Section 101 inquiry." BIO 14. While Interactive Wearables welcomes Polar's concession that it is inappropriate for a court to conduct a quasi-enablement analysis as part of the patent eligibility inquiry, it is undeniable that the district court (and Federal Circuit via its affirmance) did just that.

 $<sup>^1</sup>$  Interactive Wearables acknowledges that the Court recently denied certiorari in  $American\ Axle\ \&\ Manufacturing,\ Inc.\ v.\ Neapco\ Holdings,\ LLC,\ et\ al.,\ Case\ No.\ 20-891.$  While Interactive Wearables believes that Questions Presented 1 and 2 in its petition still warrant review and that the petition is a good vehicle to do so, this Reply focuses primarily on Question Presented 3 of the petition which was not presented in American Axle's petition.

App. 18–20 (district court justifying ignoring physical components of the content-player/remote-control combination because "[n]othing else is described in the *specification* as the invention" and the "*specification* fails to provide any technical details for the tangible components." (emphasis added)).

Moreover, Polar's assertion that certiorari is not warranted here because, at worst, the district court misapplied well-settled Federal Circuit precedent (BIO 1) ignores reality. The glaring problem is that there is wide disparity between how various Federal Circuit panels have treated the relationship between the Section 101 and Section 112 analyses, leading to unpredictable and inconsistent application of the law.

Some panels have properly articulated that a specification's level of detail under Section 112 should not play a role in the Section 101 inquiry. *Visual Memory LLC v. NVIDIA Corp.*, 867 F.3d 1253, 1261 (Fed. Cir. 2017) (whether the "specification teaches an ordinarily skilled artisan how to implement the claimed invention presents an issue under 35 U.S.C. § 112, not an eligibility issue."). Other panels, however, have not made this distinction, as demonstrated by the present case and the similar cases cited in the petition. Pet. 22.

Interactive Wearables does not contend that any consultation of the specification is forbidden during a Section 101 inquiry, as Polar wrongly suggests. BIO 16, 20. Rather, consistent with this Court's precedent, Interactive Wearables contends that the patent eligibility analysis must be centered on what is recited on the face of the claims themselves, because it serves the purpose of determining whether the claims implicate pre-emption concerns. While an express admission in the specification that a certain claim component is

conventional may warrant disregarding such component from the analysis, the specification should not be consulted in the first instance merely to determine what the claims are directed to, where that is clear from the face of the claims.

This Court has not previously endorsed turning to the specification in the first instance to determine what a claim is directed to in a Section 101 inquiry. Polar points to no decisions from this Court to the contrary, and cites only this Court's *Alice* decision as having looked to the specification "to fully understand the claimed invention" in analyzing patent eligibility. BIO 17 (citing *Alice Corporation Pty. Ltd. v. CLS Bank International*, 573 U.S. 208, 212–213 (2014)). Yet the *Alice* Court's determination of what the claims were directed to was based on the face of the claims:

On their face, the claims before us are drawn to the concept of intermediated settlement... 'a fundamental economic practice long prevalent in our system of commerce'... [which] is an 'abstract idea' beyond the scope of § 101.

Alice, 573 U.S. at 219–220 (citation omitted, emphasis added). The Alice Court determined what the claims were directed to by looking to the claim language, in the first instance, and characterizing the claims as a whole. In Alice, it was clear from the face of the claims that all the recited method steps collectively were directed to the concept of intermediated settlement.<sup>2</sup>

<sup>&</sup>lt;sup>2</sup> The patent owner in *Alice* conceded the claims were properly characterized as directed to "intermediated settlement" and only disputed whether that represented an abstract concept. *See id.* at 220.

reliance on the Federal Polar's Circuit's ChargePoint decision to justify using the specification to determine "what the patent describes as the invention" is also unavailing. BIO 16 (citing ChargePoint Inc. v. SemaConnect, Inc., 920 F.3d 759 (Fed. Cir. 2019)). ChargePoint did not suggest that the "directed to" inquiry is determined by a specification's teachings. Rather, like this Court did in Alice, the ChargePoint court began its inquiry of what the claims are "directed to" by first "turn[ing] to the claims at issue." 920 F.3d at 766. Based on its review of the *claim language*, the court identified an abstract idea that it believed concerned all the claim limitations, save one. *Ibid.* As such, the court then consulted the specification for confirmation that the claim could be classified as one directed to an abstract idea and not merely involving an abstract idea. Id. at 766–67. Even so, after consulting the specification, the court "return[ed] to the claim language itself to consider the extent to which the claim would preempt building blocks of science and technology." Id. at 768. Only after determining that "based on the claim language, claim 1 would preempt the use of any networked charging stations," did the ChargePoint court find the claim directed to an abstract idea. Id. at 769. This analysis is consistent with this Court's statements that the judicially created exception to patentability for abstract ideas is rooted in the language of the claims and the concern of pre-emption. Alice, 573 U.S. at 216 ("We have described the concern that drives this exclusionary principle as one of pre-emption."); Bilski v. Kappos, 561 U.S. 593, 612 (2010) (upholding the patent "would preempt use of this approach in all fields, and would effectively grant a monopoly over an abstract idea").

That is not what the district court did here. Instead, the district court began its analysis by ignoring the claim language and jumping straight into an examination of the *specification* for statements about the goals of the inventions, to determine what the *claim* was directed to. App. 18–20. However, focusing in the first instance on the claim language, one cannot reasonably conclude that the claim, on its face, is directed as a whole to the court's stated idea of "providing information in conjunction with media content."

Further, it is undisputed here that the claim language is not drafted so broadly as to pose a risk of pre-empting the alleged abstract idea. Indeed, as noted in the petition, the district court acknowledged what is clear from the face of the claims—that the narrowly claimed content-player/remote-control combination does not pre-empt its purported abstract idea. Pet. 20 (citing App. 28). Polar does not attempt to refute this. The undisputed concreteness of the actual claim<sup>4</sup>, and its undisputed lack of pre-emption, should have resolved

<sup>&</sup>lt;sup>3</sup> Polar's section titled "The Asserted Patents are Directed to Providing Information in Conjunction with Media Content" cites only support from the specification or portions of the district court decision citing the specification. BIO 10–11. Polar's failure to grapple with the actual claim language in articulating what the claims are "directed to" serves to highlight the erroneous analysis by the court below.

<sup>&</sup>lt;sup>4</sup> As detailed in the petition, the Federal Circuit has explained that the eligibility analysis examines whether "the claim itself...identif[ies] 'how' [a] functional result is achieved by limiting the claim scope to structures identified **at some level of concreteness**." Pet. 19 (quoting *Am. Axle & Mfg., Inc. v. Neapco Holdings LLC*, 967 F.3d 1285, 1302 (Fed. Cir. 2020) (emphasis added)).

the inquiry in favor of patent eligibility. Unfortunately, like many other recent panels, the Federal Circuit affirmed the district court's misplaced quasi-enablement analysis.<sup>5</sup>

# II. THE QUESTION OF RELIANCE ON THE SPECIFICATION'S LEVEL OF DETAIL IN THE ABSTRACT IDEA INQUIRY IS AN IMPORTANT AND RECURRING ISSUE

Interactive Wearables identified four petitions submitted to this Court in just the last year that implicate the same issue as Question 3 of the petition. Pet. 22. Polar dances around this point by asserting that none of the Federal Circuit decisions leading to those petitions included any dissents, and two were summarily affirmed. BIO 24–25. That misses the point. Regardless of the ultimate success of those petitions, the fact remains that they each raised the same issue as in this petition, and the question keeps making its way to In fact, since Interactive Wearables this Court. submitted the present petition three months ago, yet another petition was filed raising the same issue. Pet. for Writ of Cert. in Spireon, Inc. v. Procon Analytics, *LLC*, No. 21-1370 (Apr. 19, 2022) at pp. 13 ("Instead, the district court conflated the requirements of § 101 with the enablement and written description requirements of § 112.").

<sup>&</sup>lt;sup>5</sup> Polar does not allege that Interactive Wearables waived Question 3, not could it, as Interactive Wearables squarely presented the issue before the Federal Circuit. Case No. 21-1491 (Fed. Cir.), Dkt. No. 8 at 27–36; Dkt. No. 14 at 10–12, 15–17; Dkt. No. 28 at 6–14.

The question of whether courts can substitute the Section 101 inquiry with a quasi-enablement inquiry, as the district court did here, keeps winding up before this Court because the Federal Circuit keeps misapplying this Court's jurisprudence on the judicial exceptions to Section 101. Until this Court provides further guidance to the lower courts, the issue seems poised to repeatedly resurface.

## III. THIS CASE WOULD BE A GOOD VEHICLE FOR REVIEW

As stated in the petition, the patents at issue "involve relatively straightforward and understandable technology." Pet. 24. Polar agrees with this statement (BIO 25 "It is true that the technology is straightforward."). So does the amicus brief filed in support of the petition. See Brief of the Chicago Patent Attorneys as *Amici Curiae* in Support of Petitioner at 20. Accordingly, "[t]his case presents an opportunity for this Court to clarify § 101 analysis without delving into the technical features and possible inherent laws of nature present" in other cases. Ibid. Moreover, the case involves claims directed to consumer electronics devices, which are frequent targets of patent eligibility challenges, providing the Court an opportunity to provide guidance that has widespread applicability. *Ibid*; Pet. 24. This case also involves the abstract ideas exception, which is the most frequently litigated of the judicial exceptions to Section 101. *Ibid*.

Polar suggests that this case is not a good vehicle for review because it is "just another forgettable Section 101 decision that was...summarily...affirmed by the Federal Circuit." BIO 26–27. Tellingly, however, Polar

ignores that the Federal Circuit oral argument here reveals that this was anything but an easy decision for the panel to justify. Pet. 25 (quoting a panel member acknowledging the problematic nature of her line of questioning about the specification's level of detail: "I know I sound like I'm talking about enablement, I know, I understand the problem."). Under the circumstances, the panel's failure to provide an explanation for its affirmance only underscores the need for review and does not detract from the present petition's ability to serve as a good vehicle to do so.

#### CONCLUSION

Interactive Wearables respectfully requests that the Court grant certiorari.

Respectfully submitted,

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