IN THE

Supreme Court of the United States

DAVID A. TROPP,

Petitioner,

v.

TRAVEL SENTRY, INC., et al.

Respondents.

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

BRIEF IN OPPOSITION

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QUESTION PRESENTED

Petitioner David Tropp sued respondent Travel Sentry, Inc. in January 2007, counterclaiming for infringement of his first two issued U.S. patents.¹ The following year, he sued several Travel Sentry licensees (respondents here), again claiming infringement of the patents. Those patents—and others subsequently granted to Tropp—claim the economic and human activity of (i) providing dual-access luggage locks to traveling consumers (ii) with a recognizable logo indicating they can be opened with a master key, and (iii) using the proprietary master key issued to the Transportation Security Administration ("TSA") at airports to (iv) open such locks when needed to inspect the luggage's contents. Not only are the four steps of each of petitioner's method claims abstract, they include nothing inventive. This practice of luggage inspection using master keys at airports long predated the formation of the TSA (and the first application date of the patents).

The question presented is:

Whether the Federal Circuit's application of the *Alice/Mayo* two-part framework was correct where Tropp's claims (i) recite an abstract method of economic activity and human behavior, (ii) do not describe any physical improvement or other modification to the locks themselves, and (iii) describe luggage screening activity that had been in place for decades.

 $^{^{\}rm 1}$ U.S. Patent Nos. 7,021,537 ('537 patent) and 7,036,728 ('728 patent).

RULE 29(6) STATEMENT

All parties in interest are identified in the caption of this brief.

Respondent Travel Sentry, Inc. is a wholly owned subsidiary of Travel Sentry Holdings LLC.

Respondent Travelpro International, Inc. is now named Travelpro Group Holdings, Inc., and is wholly owned by MidOcean Partners IV, L.P.

Respondent Victorinox Swiss Army, Inc. is a wholly owned subsidiary of Victorinox AG.

Respondent Wordlock, Inc. is a wholly owned subsidiary of Nova Wildcat Shurt-Line, LLC.

Respondent L.C. Industries, LLC has no parent corporation.

Respondent Outpac Designs, Inc. is wholly owned by Outpac Designs Limited and Maroma Limited.

Respondent Briggs & Riley Travelware, LLC is a wholly owned subsidiary of US Luggage, LLC.

Respondent Delsey Luggage, Inc. has no parent corporation.

No publicly held company owns 10% or more of the stock of any respondent.

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INTRODUCTION

The Court has recently, and repeatedly, declined more compelling invitations to revisit the two-part framework of patent eligibility under 35 U.S.C. § 101, Alice Corp. Pty. Ltd. v. CLS Bank Int'l, 573 U.S. 208 (2014) ("Alice Corp." or "Alice") and Mayo Collaborative Servs. v. Prometheus Labs., *Inc.*, 566 U.S. 66 (2012) ("Mayo"). Most recently it did so in Am. Axle & Mfg., Inc. v. Neapco Holdings LLC, et al., No. 20-891 (U.S. June 30, 2022), a case in which a bitterly divided Federal Circuit issued two panel decisions (both of which included a sharp dissent) and five separate (concurring and dissenting) opinions in its 6-6 decision denying rehearing en banc. Here, in contrast, there was no dissent in the short panel decision and petitioner did not even seek panel or en banc rehearing.

Similar denials of certiorari issued in *Hikma Pharms*. *USA Inc.* v. *Vanda Pharms*., *Inc.*, No. 18-817 (U.S. January 13, 2020) and *HP Inc.* v. *Berkheimer*, No. 18-415 (U.S. January 13, 2020). The Court has had ample opportunity to revisit the *Alice/Mayo* framework, and has not done so. This despite strong disagreement within the Federal Circuit and briefs filed by the United States.

There is no "pressing need" (see Pet. 2-3) for the Court to revisit *Alice* or to provide further "guidance" on the judicially created exceptions to eligibility under 35 U.S.C. § 101. And, even if there were, this case is a very poor candidate. This is a typical "run-of-the-mill" case, like hundreds before it, where the district court and Federal Circuit

correctly applied the two-part *Alice/Mayo* test. The text of the panel's unanimous decision is barely three pages long, and is as straightforward as they come. Pet. App. 3a–5a. Tropp's "special lock" and "master key" were held to be generic and not innovative. Pet. App. 3a–4a. Nothing in the claims or specifications describe anything inventive about either the lock or the claimed method. *Ibid*.

There is no compelling reason in Tropp's petition, see Rule 10, or any other basis for granting certiorari. The Federal Circuit decision here does not conflict in any way with this Court's decisions in *Alice*, *Mayo* or any of their progeny. Like petitioners before him, Tropp tosses this case up as a hopeful jump ball, but without any concrete suggestion for altering the *Alice/Mayo* framework.

That framework is working well and has worked well for nearly a decade. And, it is particularly well-suited to the facts here. Petitioner's claims recite an abstract method of selling dual-access luggage locks and performing security screening at airports and describes nothing inventive at all.

Finally, to the extent any modification to the eligibility standard is warranted—and respondents believe none is warranted, Congress is the proper body to make such law.

The petition should be denied.

STATEMENT OF THE CASE

A. The Travel Sentry Standard and its November 2003 Commercial Launch

In November 2002, Travel Sentry's founder, John Vermilye, formulated the elements of the Travel Sentry standard. C.A. App. 1683. It was based on the system he helped TSA put in place in December 2002 to meet Congress' luggage screening mandate starting on January 1, 2003. *Ibid*. That system had existed at airports for decades, since the 1970s. Pet. App. 10a. It consisted of key rings with several dozen master keys for different luggage manufactures, which enabled TSA screeners to open many locked bags that needed inspecting. *Ibid*; see also C.A. App. 1704.

Vermilye's concept made one simple modification: Instead of using these more cumbersome key rings, the Travel Sentry standard called for an understanding among lock and luggage manufacturers for a standard master keyway on all locks displaying the Travel Sentry logo, regardless of make or model. C.A. App. 1684. This way, TSA could more efficiently open and inspect luggage secured by such locks using a single (or small number of) master keys. *Ibid*. No new or improved technology was needed or used to make this modification. C.A. App. 1550, 1704-1706. Each dual-access lock (or series of locks) containing Travel Sentry's (or, later, petitioner's) trademark had its master keyway configured to accept the same master key. C.A. App. 1684.

In early 2003, Vermilye completed his consulting work with TSA and formed Travel Sentry. C.A. App. 1685–1686. He spent the next several months meeting with lock and luggage manufacturers around the world to get buy in on this concept. C.A. App. 1687. Many agreed and several different (competitor) manufacturers began making locks (using no new technology) configured to use the same master key (regardless of make or model), and making copies of the master keys to be used by TSA. C.A. App. 1688. Travel Sentry provided each manufacturer a license to its reddiamond trademark, which was placed on each lock. In return, the license agreements required payment of a royalty to Travel Sentry for each lock sold or installed on a piece of luggage. C.A. App. 1706–1707. The master key sets were issued to the TSA free of charge. C.A. App. 1865.²

By August 2003, Travel Sentry's licensee manufacturers were scaling up inventories of Travel Sentry marked locks for sale in the United States. C.A. App. 1688. On August 20, 2003, the *Wall Street Journal* published an article on the upcoming launch of the Travel Sentry standard. C.A. App. 1689. Tropp testified that he did not know of the Travel Sentry standard (or Travel Sentry) until he read this article. C.A. App. 1693. Only then did

² Before Travel Sentry's commercial launch in November 2003, it issued master key sets to each of the 452 U.S. airports operated by the TSA. C.A. App. 1455. Travel Sentry continues to provide the TSA with replacement keys, parts, and upgrades at no cost. C.A. App. 1709–1710, 1743.

he take his initial steps to seek patent protection of his concept. C.A. App. 1693, 2778.³

On October 16, 2003, Travel Sentry put the final piece of the standard in place: It signed a Memorandum of Understanding with the TSA, in which TSA agreed to use the master keys provided by Travel Sentry to, "whenever practicable," open checked bags locked with Travel Sentry marked locks. C.A. App. 1689.

On November 12, 2003—the same day petitioner filed his first patent application—Travel Sentry commercially launched the standard. On that day, retailers in the U.S. began selling a variety of makes and models of luggage padlocks containing Travel Sentry's red diamond trademark. C.A. App. 1689.⁴ Over the years, Travel Sentry's

³ Petitioner claims to have conceived of his invention in December 2002. Pet. 4 & n. 1. However, even the two-page text of his "invention journal," which he claims to have written then, shows that he did not conceive all elements or steps of his method. C.A. App. 219, 343–346, 1690–1691. Only when he filed his first patent application for the '537 patent (on November 12, 2003) and later amended the claims in November 2004 were the additional "making available" and "marketing" to consumer steps included in the claims. C.A. App. 23–30, 1544, 1695–1696.

⁴ Scrambling to catch up to Travel Sentry, petitioner did not get TSA's verbal agreement to recognize his system until late 2003, C.A. App. 623, 1696; see Pet. 5, n. 2; *Travel Sentry* v. *Tropp*, 497 F. App'x 958, 960 (Fed. Cir. 2012), with a memorandum of understanding coming later. Thereafter, petitioner was unable to get his locks (with his Safe Skies' logo) manufactured and on sale in the U.S. until 2005. *E.g.*, *Travel Sentry*, 497 Fed. App'x at 960.

licensees have grown to several hundred manufacturers and distributors. C.A. App. 1091.

B. The Claimed Invention and Lack of Inventiveness

Petitioner's two patents in this case, both granted in 2006, claim a "method of improving airline luggage inspection." Pet. 5; C.A. App. 23–30, 33–41. Although the claims in each patent vary slightly, all claims, including representative claim 1 of the '537 patent, recite the same four method steps, summarized as follows:

- (1) making available (*i.e.*, selling or otherwise providing) dual-access locks with a recognizable logo to traveling consumers,
- (2) marketing them in a way that the consumer will know the TSA can open them during screening with a master key,
- (3) the logo (or "identification structure") signaling to the TSA screener that she can open that lock using the provided master key, and
- (4) the TSA screener, acting under a prior agreement, opens the lock with the master key. See *Travel Sentry*, 497 Fed. App'x at 960 (similarly summarizing the four steps before quoting the language of claim 1); see also C.A. App. 29; Pet. 8–9.

These steps are quintessentially abstract. They seek to monopolize the type of organizing human behavior and economic activity—in this case airline luggage screening—that has consistently been held ineligible for patent

protection. See, e.g., Elec. Commc'n Techs., LLC v. ShoppersChoice.com, LLC, 958 F.3d 1178, 1182 (Fed. Cir. 2020) ("[c]laims . . . that are directed to longstanding commercial practices do not pass step one of the two-part § 101 test"); Intellectual Ventures I LLC v. Symantec Corp., 838 F.3d 1307, 1313 (Fed. Cir. 2016) ("longstanding commercial practice[s]" and "method[s] of organizing human activity" are ineligible as abstract ideas).

Notably, neither patent claims a new or improved dual-access lock. Pet. App. 3a–4a. Indeed, the drawings of each patent (Figures 1-4) (C.A. App. 25–26, 35–36) show garden variety dual access combination locks of the sort sold by, for example, Master Lock, decades before petitioner's patent applications. C.A. App. 1698.⁵ Nor do any of the claims describe anything about the mechanical workings of petitioner's "special" locks, or how they differ from other conventional locks.

Similarly, none of petitioner's claims considered element by element or as an ordered combination—reveal any inventive concept over the

⁵ Companies like Master Lock, Corwin Russwin, and others have sold dual-access locks that can be opened by a single master key for more than half a century. Pet. App. 9a; C.A. App. 1545–1546, 1697–1699. One need only recall the long rows of high school lockers with combination locks, each of which could be opened by the superintendent's master key. See Pet. App. 8a. Dual-access locks also have a long history in the airline luggage industry. Pet. App. 9a. For example, Samsonite first designed a luggage lock, with both a combination and master key portion, in 1910. C.A. App. 1548, 1701. Each piece of Samsonite's "Streamlite" luggage, which was introduced by the early 1960s, could be opened by a single master key. *Ibid*; see also Pet App. 9a.

long-standing prior methods of luggage screening. As noted above (*supra* at 3), luggage inspectors had been using key rings with master keys to unlock luggage at airports well before 2003 and the Congressional screening mandate. C. A. App. 1704. The only functional difference in petitioner's method (and the Travel Sentry standard) is arranging for a larger number and variety of dualaccess locks to be opened by the same master key. See C.A. App. 1690–1691. There is no technological advance or change in the locks' mechanism, the master keys, or the luggage screening method itself. Pet. App. 3a-4a. Petitioner's (and Travel Sentry's) simple refinement of using a common master keyway, and thus fewer master keys, is not novel, inventive or in any way special. It is a logical, logistical adjustment to allow more efficient screening of the vastly increased volume of luggage to be screened following the January 1, 2003 screening mandate.

C. The Proceedings Below

1. As petitioner notes, the parties have been litigating this case since 2006, Pet. 6–7, when the patents issued. Travel Sentry and the other respondents previously prevailed on summary judgment in 2010, 2011 and 2016. C.A. App. 2770–2787, 2798–2801, 2804–2809. Each of those district court rulings, however, was limited to non-infringement—despite respondents' motions asserting additional bases, including invalidity and, later, ineligibility. C.A. App. 566, n. 10 (declining to decide the merits of Travel Sentry's invalidity claim); see also C.A. App. 2786, n. 10,

2805. At the Federal Circuit, each non-infringement ruling was reversed and remanded, as the law of divided infringement evolved in petitioner's favor. C.A. App. 2794–2795, 2802–2803, 2811–2826. Following respondents' fourth round of summary judgment motions, the district court finally addressed their eligibility argument under 35 U.S.C. § 101. Pet. App. 7a–14a, 18a–29a.

In determining that the patents claimed ineligible subject matter—that they were directed to an abstract idea, the district court compared the claims to ones the Federal Circuit previously found ineligible. Pet. App. 20a, 23a–24a. Looking at petitioner's method as a whole, the district court concluded that the claims "are directed to an ineligible abstract idea, namely the application of dual-access locks to airport luggage inspection." Pet. App. 21a. The district court noted that petitioner's method "essentially describe[s] the basic steps of using and marketing a dual-access lock for luggage inspection, a long-standing fundamental economic practice and method of organizing human activity." *Ibid*.

Addressing petitioner's arguments that the patents should not be cast in too general a light and that they claim "specific" locks and "specific" methods of marketing and opening them using the master key, the district court held that nothing in the patents provides any such specificity. Instead, the patent claims are devoid of "any technical specifications or concrete improvements. The methods described—'special procedure,' 'prior agreement,' 'marketing . . . in a manner that

conveys'—are neither complex nor specific." Pet. App. 21a–22a. The court concluded that the method simply describes an idea that has for a long time been incorporated in other uses. *Ibid*. The fact that the patents include a physical or tangible component—a dual-access lock—does not change the fact that the method claims are still directed to an abstract idea. Pet. App 22a.

Moving on to *Alice* step two, the district court also concluded that the claimed elementseither individually or as an ordered combination did not include an inventive concept. The patents "simply describe a well-understood and conventional device, a dual-access lock, and incorporates it with the fundamental economic practice of baggage inspection at airports. This is precisely the type of claim that has been rejected by courts as ineligible under § 101." Pet App. 26a. Further, the court rejected petitioner's argument that, even if the dual-access locks were generic and not novel, his particular combination of steps, using those locks, was inventive. As the district court stated: "[t]he claim combination of a dual-access lock with an indicia of some sort, described using its generic functions, to the well-known technique of inspecting luggage lacks anything inventive." Pet. App 27a. Citing the dual-access locks in the prior art and the master key rings at airports as far back as the 1970s, the district court determined that petitioner's claimed steps do "not significantly deviate from the use of dual access locks and master key rings already available on the market." Ibid.

The district court followed this Court's two-step *Alice/Mayo* framework to the letter. It did not, as petitioner contends (Pet. 9), "mirror" its step two analysis on step one. Nor did the court short-cut its step two analysis or discount any of petitioner's arguments. It simply disagreed with petitioner's assertions—that the claims "made an entirely new process possible" (Pet. 9)—based on the undisputed record. Pet. App. 27a. The district court agreed that the method steps did not significantly deviate from the pre-TSA master key ring method of luggage inspection. *Ibid*.

2. On appeal, the Federal Circuit affirmed. It did not, as petitioner contends (Pet. 11), "collapse[] the *Alice* step-two inquiry into the first." Instead, it agreed with the district court's analysis at *Alice* step two. Namely, that petitioner

"identified no 'inventive concept' in the claim's details—in particular, in the claim's reference to a 'special' lock. No 'technical specification or concrete improvements' or identification of what physical changes are made to the lock mechanism to make the lock 'special,' is found in the claim (or, for that matter, the specification), an absence that 'only highlight[s] the generic nature' of the 'special lock' and other details to which Mr. Tropp pointed." Pet. App. 3a–4a (citations omitted).

Under such circumstances, where the claimed inventive concept is non-existent (or equally abstract), the claims cannot pass the *Alice* step-two test. *Id*. at 4a.

Petitioner did not seek either rehearing or rehearing *en banc* by the Federal Circuit. Pet. 11, n. 7.

REASONS TO DENY THE PETITION

The facts of this case provide little, if anything, to address or "revisit" on patent eligibility under Section 101 and *Alice Corp*. The district court's careful and thorough adherence to the two-part *Alice/Mayo* test was exemplary. And the Federal Circuit's swift, concise and unanimous affirmance—issued less than a week after oral argument—shows this case is not a close one. It has none of the hallmarks which tend to merit a grant of certiorari, including no circuit split, no decision on rehearing or en banc, and no disagreement among the judges of the Federal Circuit. See, e.g., Alice Corp., 573 U.S. at 215–216 (noting certiorari was granted following a divided panel decision, a fractured set of *en banc* opinions, and support by the United States).6

⁶ Petitioner states (Pet. 11, n. 7) that he did not seek panel rehearing or *en banc* review, noting that the Federal Circuit had recently split evenly *en banc* in *Am. Axle & Mfg., Inc.* v. *Neapco Holdings LLC*, 966 F.3d 1347 (Fed. Cir. 2020) (per curiam). His suggestion is that the Federal Circuit would be "deadlocked" on *any* Section 101 case following *American Axle*. That is nonsense. The facts in *American Axle* are very different from those here. And there were strong arguments regarding eligibility of American Axle's claim 22, which is not the case here.

Nor is the sky falling. In the eight years since *Alice*, district courts and the Federal Circuit have applied the *Alice/Mayo* framework, without controversy, in hundreds of cases. The vast majority are straightforward; and most appeals to the Federal Circuit are affirmed, many without need for an opinion. *E.g.*, Mark A. Lemley & Samantha Zyontz, *Does Alice Target Patent Trolls?*, 18 J. Empirical Legal Stud. 47, 73–75 (Mar. 13, 2021). This shows that the framework's flexible approach works well and does not need revision.

I. THE METHOD CLAIMS HERE ARE TEXTBOOK INELIGIBLE UNDER ALICE, MAKING THIS CASE A BAD CANDIDATE FOR FURTHER "GUIDANCE"

The Federal Circuit's concise, unanimous decision is unremarkable. That is because the claims here each recite an indisputably abstract set of steps. Far from "expand[ing] *Alice* far beyond its appropriate limits" as petitioner asserts (Pet. 18), these claims are precisely the type of abstract, non-inventive method *Alice* was designed to eliminate. See *Alice Corp.*, 573 U.S. at 225 (where the claims do no more "than simply instruct the practitioner to implement the abstract idea," they are not eligible under Section 101).

A. Here, as in *Alice*, the four abstract steps of the method do nothing more than instruct one to make dual-access locks with a logo available to consumers, and for TSA screeners, using provided master keys, to open the locks with those keys during luggage screening. There is nothing more

to the patents. And, like many other cases in which certiorari was denied, there is no controversy or disagreement among the judges below, or any other basis to claim a "slow mission creep" of the abstract idea exception to eligibility. See Pet. 18; cf. *Am. Axle*, No. 20-891 (U.S. June 30, 2022) (denying certiorari despite strong United States' support and the Federal Circuit's 6-6 split in denying rehearing *en banc*, with two concurring and three dissenting opinions).

Accordingly, to the extent the Federal Circuit has ever "deviated from this Court's holdings and used 35 U.S.C. § 101 to invalidate patents covering traditional forms of innovation," (Pet. 18), it did not do so in this case.

And, while it is true that the patents here include the use of "physical" products (dual-access locks) and the method is used in a "tangible physical realm," Pet. 19, petitioner still is unable to point to any specific innovation. Instead, he repeats the same generalities he argued below: That this case involves "improved specific *physical* products, with new characteristics not existing in the prior art and a new *physical* process." Pet. 19 (emphasis in original). But like the claims themselves, petitioner provides no explanation of what those "improvements" are or what is "new" about the locks or the process. *Ibid* (again arguing in conclusory fashion that the claims here are directed to "a particular type of dual access lock and a particular type of master key") (emphasis in original). Nowhere does petitioner specify what

those particularities are—just like he failed to do so in each of the claims (or specifications).

Petitioner knows (and the undisputed record shows) that the locks and master keys have no new functionality, and the method is essentially unchanged from the methods used at airports since the 1970s.⁷

Merely including generic "physical rather than computer-processing steps" (Pet. i) does not make the claims patent eligible. And, the question Tropp raises has long been answered by this Court. *E.g.*, *Alice Corp.*, 573 U.S. at 226 ("what petitioner characterizes as specific hardware . . . is purely functional and generic"); see also *In re TLI Commc'ns LLC Patent Litig.*, 823 F.3d 607, 611 (Fed. Cir. 2016) ("the recited physical components merely provide a generic environment in which to carry out the abstract idea").8

⁷ As petitioner notes, he attempted to make new arguments at the Federal Circuit to address these deficiencies. He argued that the patents were "inventive" because the locks had improved functionality to allow for one master key to work on locks with different combination mechanisms. Pet. 11, n. 6. Not only are these arguments not supported in the record, no such detail appears in any of the claims (or either specification). Pet. App. 4a–5a; C.A. App. 23–30, 33–41. Further, the arguments were deemed waived in any event as they were not raised by petitioner in the district court. Pet. App. 5a; Pet. 11, n. 6.

⁸ Petitioner also points to an "improved master key" as innovative. Pet. 20. But no such improvement in the master key is described in either patent. See C.A. App. 23–30, 33–41. Instead, the patents only describe a generic master key, like ones used for decades before the claimed invention. C.A. App.

Ultimately, this is why the district court and Federal Circuit correctly found the patents to be directed to an ineligible abstract idea and contained no inventive concept to save them. Pet. App. 3a–5a, 7a–10a, 20a–29a.

B. Nor is there anything in this Court's most recent precedents—outlining the parameters of the judicially created exceptions to patent eligibility—limiting their holdings to the types of patents reviewed in those cases. See Pet. 20–21. Petitioner suggests that this case is different from Alice, Mayo and Bilski because those addressed abstract processes being performed on a computer and a mental process of hedging risk, respectively. Pet. 20 (citing *Alice Corp.*, 573 U.S. at 216–217, Mayo, 566 U.S. at 73 and Bilski v. Kappos, 561 U.S. 593, 611-612 (2010)). While the claims in those cases are different from petitioner's, the core holdings apply with full force here, and are not limited in the way petitioner implies. Namely, that patents claiming an abstract idea, like petitioner's, can only be eligible if they claim an inventive concept—something that transforms the abstract idea into something more than the idea itself. Alice Corp., 573 U.S. at 221; Mayo, 566 U.S. at 72. Petitioner's plainly do not.

While it may be true that *Alice* "was not meant to restrict the long-recognized patentability

^{1697–1701.} Even at the *Markman* stage, the district court adopted petitioner's proposed construction of merely a physical or electronic key to open the master key portion of the lock, and described "master key" and "master key lock portion" as "broad terms." *Travel Sentry, Inc.* v. *Tropp*, 661 F. Supp. 2d 280, 287-88 (E.D.N.Y. 2009); see also Pet. App. 4a.

of claims to industrial processes, new physical structures or inventions 'tied to a particular machine or apparatus," Pet. 21 (quoting Bilski, 561 U.S. at 600), no such claims are present in this case. There is nothing in petitioner's claims describing any new physical structures, any industrial process or indeed any "inventive concept" at all. Pet. App. 3a. Petitioner has not claimed, for example, a new process for making a drive shaft that has less vibration or some other new device or process that is useful and innovative. See, e.g., Am. Axle, 966 F.3d at 1348-1349. Instead, he has claimed a process for making generic dual-access locks available to consumers, providing master keys to those locks to luggage screeners and using those keys to unlock the bags during airport screening. Pet. App. 26a.

In inviting the Court to "weigh in" on the second step of the Alice framework, petitioner incorrectly states that there is "copious" evidence, including expert testimony, in the record showing innovation over the prior art. Pet. 21. Not so. As the district court held, it is undisputed that dualaccess locks have been used both on airline luggage and elsewhere for decades before 2003. Pet. App. 9a–10a (citing the parties' Local Rule 56.1 statements of undisputed fact). Nothing in petitioner's claims or specifications explains how any of the "special" locks differ from those used previously. C.A. App. 23–41. Further, it is undisputed that "[r]ings holding baggage 'master keys' were present at airports and used by airline baggage personnel since the 1970s," and that those baggage personnel would use "the key rings by

matching the indicia on the key to a manufacturer or other logo on the bag or number on the lock in order to open the lock." Pet. App. 10a (again citing the undisputed record). Nothing in the claims specifies how the process is materially different from that used previously.

Finally, there is no expert testimony in the record. No experts were deposed in the cases and petitioner omits that the district court struck petitioner's expert report related to Section 101 eligibility. It did so, among other reasons, because those opinions contained nothing but legal conclusions (and were thus unhelpful to the court), and because the expert report was untimely and violated the provision of a prior order of the district court. Pet. App. 14a–18a.

D. Petitioner repeats his argument below that much of the district court's consideration (and respondents' arguments) were more appropriately directed to "novelty" or "non-obviousness." Pet. 23–24. But in petitioner's cited examples, the district court is performing the *Alice* step-two analysis, to determine whether the claims, either individually or as an ordered combination, contain any inventive concept. *Ibid*; see also Pet. App. 27a–28a.

In determining there was none, the district court cited the undisputed fact that petitioner's luggage screening steps did not "significantly deviate" from the ones used since the 1970s. Pet. App. 27a. Where a claimed method is unchanged from the prior art, it means there is no inventive concept in the patent. And, while such language—

the invention "does not significantly deviate from" prior methods—might also be used in a novelty or obviousness analysis, it does not mean the district court overstepped in its Section 101 analysis.

As this Court noted in Mayo, in evaluating whether a patent claims something more (in the second step consideration), "[w]e recognize that . . . the § 101 patent-eligibility inquiry and, say, the § 102 novelty inquiry might sometimes overlap." Mayo, 566 U.S. at 90; see also Alice Corp., 573 U.S. at 221–222 (considering the claims at step two, and whether the claimed elements were already "well known in the art") (quoting Mayo, 566 U.S. at 79). As such, a determination of eligibility must often (if not always) include consideration of the prior art at *Alice* step two. This case is such an example. But it does not mean the eligibility inquiry supplants other inquiries, including novelty, obviousness or enablement. And, it does not mean the district court or Federal Circuit erred in holding petitioner's claims ineligible.

II. THE COURT'S ALICE/MAYO FRAMEWORK IS WORKING WELL AND NO NEW MODIFICATION OR "GUIDANCE" IS NEEDED

There is no need, as petitioner suggests (Pet. 12–17), for any rework or further clarification of the *Alice/Mayo* framework. Patent eligibility cases in which the lower courts have struggled, and the Federal Circuit judges have clashed, are few and far between. They almost always involve technical and scientific inventions that are not present here. And, while petitioner (and the

amici) cite several critics of the *Alice/Mayo* framework, neither offers any concrete suggestion for adjusting the framework. Pet. 18–25; Brief of *Amici Curiae* US Inventor and Eagle Defense Fund, No 22-22 (U.S. August 4, 2022) ("Amici Br.") 2–13.

A. Criticism of the *Alice/Mayo*Framework is Predominant in the Software and Life Sciences Industries

Although some commentators have called for further guidance "because it remains unclear what the boundaries of Section 101 are," Pet. 12 (quoting Shahrokh Falati, Patent Eligibility of Disease Diagnosis, 21 N.C. J.L & Tech. 63, 99 (Mar. 2020)), this view is not the prevailing one. See U.S. Patent & Trademark Office, Patent eligible subject matter: Public views on the current jurisprudence in the United States, at 20–21 (June 2022) ("USPTO 2022 Report") (noting that "[n]umerous commentators expressed the view that the current jurisprudence is beneficial to innovation and technological development"). The *Alice/Mayo* test protects from "abusive litigation practices or assertions of 'overbroad' patents covering little more than abstract ideas." USPTO 2022 Report at 23 (describing stakeholders' belief that "the current jurisprudence is procompetitive").

Although the immediate aftermath of *Alice* found courts "overwhelmingly invalidat[ing]" patents, "[t]here is a decided trend in the decisions towards more patent-friendly outcomes." Lemley

& Zyontz, (supra at 13) at 63.9 Like the panel decision here, the Federal Circuit was "almost always unanimous" in applying the Alice/Mayo test in 2021. Dan Bagatell, Law360, Fed. Cir. Patent Decisions: An Empirical Review, 2021, at 12. Only one of forty-one Section 101 cases before the Federal Circuit in 2021 included a dissent. Ibid.

The Falati law review article petitioner relies on is narrow in scope and argues for more clarity in the medical and life sciences fields of invention. Here, no such issues are implicated. Tropp's claims are limited to providing luggage locks and airport luggage screening of bags secured by such locks.

As respondents in other recent cases have noted, to the extent there is any confusion over how to apply Section 101, it lies almost entirely with software and life sciences patents. See, *e.g.*, Br. in Opp. at 14–15, *Am. Axle*, No. 20-891 (U.S. Mar. 31, 2021). According to the cited recent study of patent eligibility decisions between 2014 and 2019, 90% of post-*Alice* decisions were in the software/IT industry and 9% were in the biotech/life sciences industry. *Id.* at 14 (citing Lemley & Zyontz, at 65–68). That means only 1% of cases involved other industries, like petitioner's patents here. The facts of this case provide none

⁹ Amici similarly relies on data from the first two years following *Alice Corp*. (which was skewed towards ineligibility), and ignores the data from more recent years showing a more balanced approach by the courts. See Amici Br. 2-3.

of the technical or complex science issues that might cause confusion on eligibility. And, to the extent the Court intends to further review the *Alice/Mayo* framework, a case in either of those fields would be more appropriate than this one.

B. In Petitioner's Selected Cases, the United States' Views on Eligibility Have Little to do with the Claims Here

Aside from citing commentary focused on software and life sciences patents, petitioner does not explain why further guidance is warranted. Pet. 12–17. Instead, petitioner walks through a chronology of selected briefs filed by the United States in prior cases, several of which argued against certiorari. Pet. 13–16 (citing briefs filed by the United States in *HP*, *Inc.* v. *Berkheimer*, No. 18-415 (U.S. Dec. 6, 2019), *Hikma Pharms. USA Inc.* v. *Vanda Pharms., Inc.*, No. 18-817 (U.S. Dec. 6, 2019), and *Am. Axle*, No. 20-891 (U.S. May 24, 2022)).

But none of the issues in those cases are remotely at play here. And none of the reasons articulated for further review by the United States apply here. In *Berkheimer*, the Federal Circuit reversed a finding of ineligibility and did not reach a decision on the patentability of the claims. Brief for the United States, *HP*, *Inc.* v. *Berkheimer*, No. 18-415, 17 (U.S. Dec. 6, 2019). As a result, the United States counseled against granting certiorari. *Id.* at 14. As the Solicitor General noted, the Court would be "without the benefit of a ruling from the court of appeals on the application

of Section 101 to the claims still at issue." *Id.* at 17. Further, the question presented was whether patent eligibility is a question of law or fact, *id.* at I, which is not the question asked by petitioner here.

The United States also counseled against granting certiorari in *Hikma* because the Federal Circuit upheld the claimed medical treatment method as eligible. Brief for the United States, *Hikma Pharms. USA, Inc.* v. *Vanda Pharms., Inc.*, No. 18-817, 21 (U.S. Dec. 6, 2019). *Hikma*, the United States argued, did not "cast doubt on the patent-eligibility of a wide swath of medical technologies." *Ibid.* Instead, the government posited that upholding eligibility of the challenged method of using human-made drugs to treat medical conditions was arguably in conflict with *Mayo*, with respect to "laws of nature" and medical innovations. *Id.* at 11–16. None of these issues are applicable here.

In American Axle, the Federal Circuit had just split bitterly in a 6-6 decision denying en banc review. In that case, the claim which caused such disagreement, claim 22, was arguably directed to a patent eligible invention—an automobile drive shaft that added tuned liners to reduce multiple types of vibration. See Am. Axle, 966 F.3d at 1360 (Newman, J. dissenting) ("it is apparent that these claims are for an automotive driveshaft, not for an abstract idea or law of nature"); id. at 1362 (Stoll, J. dissenting) ("the claims at issue here . . . recite the process and machinery necessary to produce the desired effect of reducing vibrations in a shaft

assembly"). In such circumstances, the Court understandably invited a brief from the United States. See Order Inviting U.S. Brief, *Am. Axle*, No. 20-891 (U.S. May 3, 2021).

The United States focused on what it viewed as inconsistency between holding American Axle's invention in claim 22 ineligible while other similar automotive inventions historically received patent protection. See Brief for the United States, *Am. Axle*, No. 20-891 (U.S. May 24, 2022) at 8–10. It noted that industrial processes such as the one described in claim 22 "are the types which have historically been eligible to receive the protection of our patent laws." *Id.* at 10 (citing and quoting from *Diamond* v. *Diehr*, 450 U.S. 175, 184 (1981)). The Government saw little distinction between the invention deemed eligible in *Deihr* and claim 22. *Ibid*.

Next, the United States' brief reviewed the Court's key principles on eligibility over the past 150 years, and in particular those from *Diehr*, *Bilski*, *Mayo*, and *Alice* (*id.* at 11–13), and why, in the Unites States' view, the Federal Circuit did not adhere to those principles in *American Axle*. *Id.* at 13–19. The remaining three pages of the Solicitor General's brief (*id.* at 20–22) generally calls for further clarity of the Section 101 eligibility standard. But when specifics are cited, they relate to applying the flexible standard to the difficult and unique facts in *American Axle*, and not to any fundamental problem with the *Alice/Mayo* framework generally. *Ibid.* Most importantly, despite the arguably compelling call for

clarification of the framework in *American Axle*, the Court denied certiorari. Order denying certiorari, *Am. Axle*, No. 20-891 (U. S. June 30, 2022), 2022 WL 2347622.

Conversely, the eligibility review of the claims here is "run of the mill" and has not provoked any controversy, much less anything close to the sort of controversy in *American Axle*.

C. The Alice/Mayo Framework Works Well and Needs no Alteration or Clarification

The reality is that district courts and the Federal Circuit have had little difficulty applying the *Alice/Mayo* framework in the vast majority of cases.

As several recent empirical studies show, in the five years after *Alice*, the Federal Circuit invalidated patents under Section 101 in 88.9% of the cases appealed to it. And, over 50% of those decisions (affirming ineligibility) are so unremarkable that there is no written opinion. See Lemley & Zyontz, at 72–73; see also Robert R. Sachs, Alice: *Benevolent Despot or Tyrant?*Analyzing Five Years of Case Law Since Alice v. CLS Bank: Part I, IP Watchdog (Aug. 29, 2019) ("the Federal Circuit affirms . . . 89% of lower court decisions invalidating patents" and showing overall affirmance rate for section 101 appeals of 88.4%).

Further, as other recent respondents have noted, the affirmance rate for Section 101 cases is higher than the average Federal Circuit affirmance rates (which range between 75-80% from 2017 to 2020). See, e.g., Br. in Opp. 19, Am. Axle, No. 20-891 (U.S. March 31, 2021) (citing Dan Bagatell, Law360, Fed. Cir. Patent Decisions: An Empirical Review, 2017-2020, at 2; J. Jonas Anderson & Peter S. Menell, Informal Deference: A Historical, Empirical, and Normative Analysis of Patent Claim Construction, 108 Nw. U. L. Rev. 1, 42 (2013)).

These data are compelling. They show that in most cases, including this one, the concerns voiced by petitioner are non-existent. Yes, there will always be difficult cases on the margin, where it is a challenge to apply the flexible approach consistently. See, e.g., Am. Axle, 966 F.3d at 1357 (Chen, J. concurring) ("[a]ssessing claim validity under section 101 is difficult work Differences of opinion within our court on how to apply those principles to a particular case inevitably arise from time to time, given the inherently imprecise nature of the legal framework"). But that does not mean the framework is broken; far from it.

Several of the sources petitioner cites actually undercut his concerns. See, e.g., Pet. 12 (citing the USPTO 2022 Report at 18-41). As Director Vidal noted, stakeholders "faced with abusive and costly litigation" support the current state of the law on eligibility. Id. at ii. "Numerous commentators expressed the view that the current jurisprudence is beneficial to innovation and technological development." Id. at 20-21. Additionally, "the volume of Federal Circuit case law is now large

enough that it is becoming apparent where the eligibility lines fall." Joseph Matal, The Three Types of Abstract Ideas, 30 Fed. Cir. Bar J. 87, 88 (2021).

Tropp argues that the Federal Circuit is "deadlocked" on Section 101. Pet. 11, n. 7. However, the Federal Circuit's decision here was unanimous. Pet. App. 3a–5a; see also Bagatell, at 12 (describing the Federal Circuit was "almost always unanimous" in applying the Alice/Mayo test in 2021); Robert R. Sachs, Alice: Benevolent Despot or Tyrant? Analyzing Five Years of Case Law Since Alice v. CLS Bank: Part II, IP Watchdog (Sept. 3, 2019) (the Federal Circuit found only one-third of engineering type patents before it ineligible, with few dissents).

The bottom line is that the *Alice/Mayo* framework is working, across the vast majority of cases. Its strength is its flexibility. It must be highly flexible as it has to be applied across a very wide range of complex inventions. A bright line test, in contrast, would be more difficult, and would likely lead to unintended results. This is particularly the case in complex patent cases, and this Court has repeatedly rejected Federal Circuit efforts to impose such rules. E.g., KSR Int'l Co. v. Teleflex Inc., 550 U.S. 398, 419 (2007) (rejecting a new Federal Circuit rule seeking to limit the obviousness inquiry); eBay Inc. v. MercExchange, *LLC*, 547 U.S. 388, 390 (2006) (rejecting Federal Circuit rule of entering permanent injunctions in all cases finding patent infringement). Section 101 law has always steered clear of a bright line test,

for good reason. See *Amdocs (Israel) Ltd.* v. *Openet Telecom, Inc.*, 841 F.3d 1288, 1294 (Fed. Cir. 2016) ("a search for a single test or definition in the decided cases concerning § 101 from this court, and indeed from the Supreme Court, reveals that at present there is no such . . . test"). Instead, the law of eligibility is maturing through case law, a more flexible "methodology for creating law when a single governing definitional context is not available." *Ibid.* (citing *Alice Corp.*, and noting that this flexible approach is also the one employed by this Court).

For these reasons, what is needed is continued application of the *Alice/Mayo* framework in the lower courts and Federal Circuit, not more "guidance" by this Court. As the body of decisions builds, the application of the framework will become more consistent and predictable.

D. Any Change to Section 101 Should be by Congress, Not This Court

Both petitioner and the amici argue that the exceptions to patent eligibility under *Alice* and *Mayo* are stifling innovation and harming the U.S. economy. Pet. 12–13; Amici Br. 2–5, 9–10. While debate on that subject is far from over (and many commentators praise the *Alice/Mayo* framework for its screen on ineligible patents), Congress is in the best position to weigh the considerations and determine whether any change to Section 101 is needed. See *McClurg* v. *Kingsland*, 1 How. 202, 206 (1843) ("the powers of Congress to legislate upon the subject of patents is plenary by the terms of the Constitution"). Even the amici, who

purports to support petitioner, argues that Congress is the proper forum for the relief petitioner seeks. See Amici Br. 11–13. As amici notes, "[t]he power to 'amend' an existing law is a legislative power, which the Constitution vests solely with Congress." *Id.* at 12–13 (citing and quoting *Clinton* v. *City of New York*, 524 U.S. 417, 438 (1998) and *INS* v. *Chadha*, 462 U.S. 919, 954 (1983)); see also Amici Br. 6 ("Courts are not suited for crafting exceptions to patent eligibility. Courts operate without the benefit of congressional hearings, public commentary, and feedback by inventors").

Indeed, Congress is actively reviewing this issue, obviating any need for review by the Court. In mid-2019, the Senate Subcommittee on Intellectual Property held multiple hearings and solicited public comments on Section 101, debating whether the eligibility standard should be loosened, the judicial exceptions eliminated, or whether other changes were appropriate. Last month, on August 3, 2022, Senator Tillis (R-NC) introduced S. 4734, entitled "A Bill to amend Title 35, U.S. Code, to address matters relating to patent subject matter eligibility, and for other purposes." This bill directly addresses each of the judicially created exceptions to Section 101. One exception to

¹⁰ See, *e.g.*, Hearings before the Subcommittee on Intellectual Property of the Senate Committee on the Judiciary, 116th Cong., 1st Sess. (2019).

¹¹ See https://www.tillis.senate.gov/2022/8/tillis-introduces-landmark-legislation-to-restore-american-innovation.

eligibility under S. 4734 are methods which are "non-technological economic, financial, business, social, cultural or artistic" processes like petitioner's here.¹²

Because Congress is considering changes to Section 101, review by the Court is unnecessary and unwarranted.

CONCLUSION

The petition should be denied.

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