

No. 19-400

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IN THE  
**Supreme Court of the United States**

GARMIN USA, INC., ET AL.,

*Petitioners,*

v.

CELLSPIN SOFT, INC.,

*Respondent.*

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

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**BRIEF IN OPPOSITION TO PETITION FOR  
WRIT OF CERTORARI**

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i.

**QUESTION PRESENTED**

Whether, on a motion for judgment on the pleadings, patent claims should fail step two of the *Mayo/Alice* test for lacking inventive concept when well-pled facts establish an inventive concept?

ii.

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## INTRODUCTION

A threshold fatal flaw with the Petition is Petitioners' waiver of the very issue they seek to present. In the proceedings below, Petitioners accepted *Berkheimer* and *Aatrix* as good law, and they argued against the specificity and sufficiency of the pled facts, in addition to making multiple other arguments based upon the patents, their prosecution history, and other assertions of historical facts. Aside from waiver, Petitioners' failure to assert their issue presented in the proceedings below makes this a poor case for review, especially since the Federal Circuit did not squarely address the issue.

Petitioners' attempt to justify their Petition with the implication that Cellspin Soft, Inc. ("Cellspin") is somehow a bad actor undeserving of justice is unpersuasive. Further, it is inaccurate. Cellspin is a former leader in mobile blogging software. The lead inventor of the patents-in-suit, Gurvinder Singh, is also the founder and president of Cellspin. Cellspin has every right to protect its intellectual property rights. Cellspin's motives are certainly no worse than those who unjustly seek a free ride on Cellspin's intellectual property.

In mentioning the district court's fee award, Petitioners again imply that Cellspin is somehow undeserving of justice. However, the Federal Circuit found the fee award to be deeply flawed, Pet. App 27a-28a, which Petitioners have not challenged.

The inventions of the patents-in-suit<sup>1</sup> are not “utterly routine” or “self-evident,” nor are they fairly characterized by the unsubstantiated pejoratives in the Petition. These are largely the same unsubstantiated conclusions that persuaded the district court to hold the claims ineligible. In many instances, the district court largely repeated the conclusions asserted by Petitioners in its erroneous ruling.

A fundamental issue with deciding inventiveness on the pleadings is that patents are not required to specify, and thus they rarely specify, the basis for the claims being inventive. *See, e.g.*, Pet. App. 23a (“As long as what makes the claims inventive is recited by the claims, the specification need not expressly list all the reasons...”). In general, a patent applicant is required to disclose her invention with sufficient specificity to enable persons of ordinary skill in the art to make and use the invention, and to claim her invention within the written description set forth in the specification. *See* 35 U.S.C. §112. In general, the Patent Office allows claims when they are deemed eligible, novel, non-obvious, enabled and supported by written description. *See* 35 U.S.C. §§101-103 & 112. Unless the Patent Office challenges eligibility, the applicant has no reason to address the issue during prosecution. On a motion for judgment on the pleadings based

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<sup>1</sup> The patents-in-suit are U.S. Patent Nos. 8,738,794; 8,892,752; 9,749,847 and 9,528,698. The '794 Patent can be found at C.A. Appx. 280-293.

upon §101, courts will review the patent and its prosecution history. Alleging well-pled facts in the complaint is a just and proper vehicle for patentee to bring highly relevant facts to the attention of courts in the context of a motion for judgment on the pleadings. Without this, the §101 deck is unfairly stacked against patentees, with courts making decisions on inventiveness uninformed by perhaps the most important facts underlying inventiveness. This leads to incorrect results which are contrary to the actual facts, fairness and justice.

A fundamental and deeply flawed premise of the Petition is that a court deciding a motion to dismiss on the pleadings based upon §101 should be able to consider and weigh all of the facts stated in, or implied from, the text of the patent, the prosecution history and other outside sources such as textbooks, and it should consider unspecified and perhaps unarticulated facts from its experience and common sense, but it should not consider well-pled facts in the complaint. This would violate the longstanding, well-founded principle that for motions to dismiss on the pleadings, well-pled facts in the complaint must be accepted as true. *See, e.g., Ashcroft v. Iqbal*, 556 U.S. 662, 678, 129 S.Ct. 1937 (2009); *Chavez v. United States*, 683 F.3d 1102, 1108 (9th Cir. 2012).<sup>2</sup> This would also unjustly relegate a class of

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<sup>2</sup> Most Petitioners had moved to dismiss Cellspin's complaints for failure to state a claim under Rule 12(b)(6), but Garmin moved for judgment on the



facts – ones that would likely favor eligibility – from consideration. The veracity of well-pled facts can of course be tested, as with any other case, at later proceedings, including with sworn proof.

Petitioners misunderstand the Federal Circuit’s ruling in this case. They suggest that mere allegations of inventiveness are now sufficient to defeat a motion to dismiss. To the contrary, the Federal Circuit held that the district court erred in not accepting “specific, plausible factual allegations about why aspects of its claimed inventions were not conventional.” Pet. App. 23a-24a.

Petitioners’ suggestion of division in the Federal Circuit is overstated. It is also speculative, because the panel opinion for this case was unanimous, and Petitioners did not request rehearing. The lack of *en banc* consideration by the Federal Circuit also weighs against certiorari review.

Petitioners’ arguments about patent eligibility being a question of law lack clarity, and fail to frame proper issues for review of *this* case. *This* case does not present a good vehicle for Petitioners’ attempted wholesale assault on facts being put forth by patentees – either by way of

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pleadings under Rule 12(c). Since the analysis under Rule 12(b)(6) and Rule 12(c) was “substantially identical” in this case, *see* Pet. App 16a, dismissal for failure to state a claim and judgment on the pleadings are collectively referred to herein as judgment on the pleadings.

well-pled facts in this case involving judgment on the pleadings, or by way of sworn proof in other cases involving later proceedings – being considered in connection with their desired “streamlined,” myopic determination of eligibility. To state that eligibility is a question of law misses that, “[w]hile the ultimate determination of eligibility under §101 is a question of law, like many legal questions, there can be subsidiary fact questions which must be resolved en route to the ultimate legal determination.” *Aatrix Software, Inc. v. Green Shades Software, Inc.*, 882 F.3d 1128 (Fed. Cir. 2018)

Patent eligibility, and specifically the issue of inventiveness relevant to this case, cannot be decided without regard to facts, including historical facts at the time of invention, which may have been many years ago. In motions to dismiss on the pleadings, litigants routinely make factual assertions about issues such as the scope, content and capabilities of prior art, routineness, conventionality and inventiveness. Moreover, judges deciding such motions necessarily draw upon their own perceptions and recollections of historical and technological facts. Further, petitioners admit that outside sources such as textbooks, “experience” and “common sense” are often considered. However, judges are often ill equipped to adjudge the inventiveness of inventions often made many years prior, without the benefit of historical facts. For example, Cellspin’s patents-in-suit are continuations of a 2008 non-provisional application and they claim

priority to a 2007 provisional application.

Petitioners' desire for a mechanism to cheaply "knock out" patents they are accused of infringing does not justify depriving patentees of their intellectual property rights when the facts do not warrant the deprivation. If the facts dictate that the patent claims have a sufficient inventive concept, then the claims should survive step two of the *Alice/Mayo* framework. Barring consideration of perhaps the most relevant facts in the interest of cheaply "knocking out" patents is not a just means to a desirable or legitimate end.

Petitioners' suggestion that this case be considered in tandem with *Berkheimer* is ill advised. See *HP Inc. v. Berkheimer*, No. 18-415. Aside from Petitioners having waived the issue they seek to frame, *Berkheimer* presents markedly different issues, notwithstanding Petitioners' attempt to frame essentially the same issue while arguing numerous markedly different issues in their Petition. *Berkheimer* primarily concerns the consideration and weighing of factual evidence in summary judgment proceedings involving eligibility. See *Berkheimer v. HP Inc.*, 890 F.3d 1369 (Fed. Cir. 2019). Such matters involve different burdens, different types of evidence, different legal standards and different evidentiary considerations. *Berkheimer* cannot possibly implicate whether *any* facts outside of a patent (and possibly its prosecution history) can be considered when determining inventiveness. If no other facts could be considered, it would be impossible to fairly adjudge inventiveness in cases

such as this one, or at a minimum the deck would be unfairly stacked against the patentee, including as noted above. The summary judgment issues implicated by *Berkheimer* are not sufficiently similar to the judgment on the pleadings issues in this case to merit consideration in tandem.

Petitioners' suggestion that this case be considered even if certiorari is denied for *Berkheimer* is also ill advised. First, as noted above, Petitioners have waived the issue they seek to frame for review. Second, their Petition lacks legal or factual merit. Third, although the Federal Circuit did hold that the district court erred in refusing to consider Cellspin's well pled facts, the Federal Circuit did not indicate that its *de novo* review would have affirmed the district court in the absence of the facts taken as true from Cellspin's Complaints. Fourth, the mandate has already issued for these cases, so it is not possible to return them to the judgment on the pleadings stage.

## **BACKGROUND**

### **A. Legal Background**

To distinguish between eligible and ineligible patent claims, this Court has fashioned a two-step test. *Alice*, 573 U.S. at 217–18 (citing *Mayo Collaborative Services v. Prometheus Laboratories, Inc.*, 566 U.S. 66, 72–73, 77–79, 132 S.Ct. 1289 (2012)). At step one of the *Alice/Mayo* framework, courts ask whether the claim is directed to a

patent-ineligible concept such as an abstract idea. *Id.* at 217. If so, they go to step two, which has been described as search for an “inventive concept,” *i.e.*, an element or combination of elements that is sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the ineligible concept itself. *Id.* at 217–18; *Mayo*, 566 U.S. at 73. At step two, a court must consider the claim elements both individually and as an ordered combination to determine whether the additional elements transform the nature of the claim into a patent-eligible application. *Alice*, 573 U.S. at 217–18. Deciding whether claims recite an “inventive concept,” or something more than well-understood, routine, conventional activities previously known to the industry may turn on underlying questions of fact. *Aatrix*, 882 F.3d at 1128.

## **B. Procedural Background**

In 2017, Cellspin filed suit against Petitioners asserting against each infringement of one or more of the patents-in-suit. Petitioners moved under Federal Rule of Civil Procedure 12 to dismiss their respective cases on the pleadings, alleging ineligibility, namely that the asserted claims are directed to an abstract idea which lacked inventiveness because it was allegedly implemented by software applications run on Bluetooth enabled cellular phones and cameras. The district court, largely adopting the conclusory arguments proffered by Petitioners, held all claims to be ineligible.

The Federal Circuit affirmed under *Alice/Mayo* step 1, but reversed under step 2, including as follows:

While we do not read *Aatrix* to say that any allegation about inventiveness, wholly divorced from the claims or the specification, defeats a motion to dismiss, plausible and specific factual allegations that aspects of the claims are inventive are sufficient. *Id.* As long as what makes the claims inventive is recited by the claims, the specification need not expressly list all the reasons why this claimed structure is unconventional. In this case, Cellspin made specific, plausible factual allegations ...

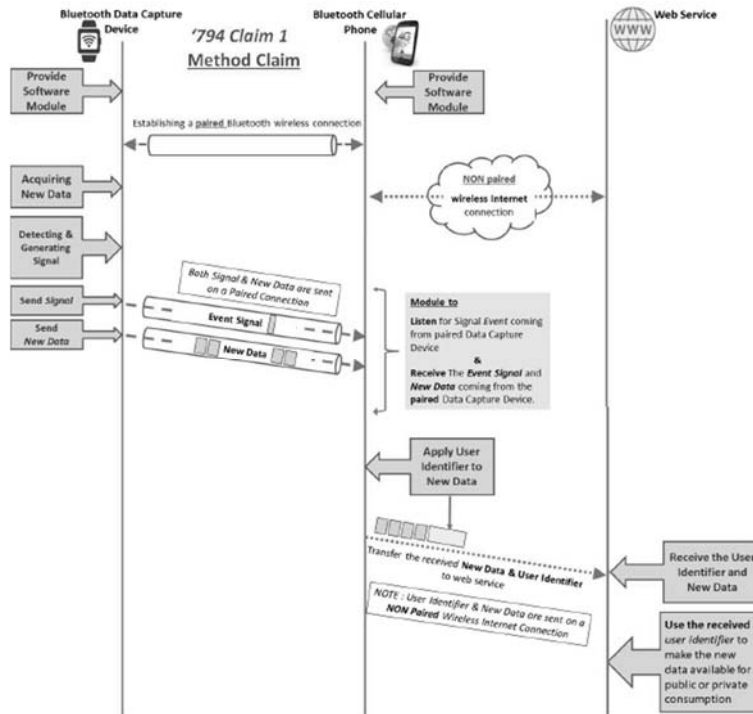
Pet. App 23a. Appellees mischaracterize Cellspin's appeal to the Federal Circuit by implying that the only issue raised was the district court's refusal to consider Cellspin's well pled facts. To the contrary, Cellspin argued that the District Court's decision was incorrect based upon the patents, their prosecution history and the well-pled facts.

### **C. The Patents-in-Suit**

Petitioners mischaracterize the patents-in-suit, including as evidenced by the contrary characterization by the Federal Circuit. Petitioners' argument that the claims "boil down" to acquiring data by generic devices; transferring data through generic technologies, and publishing data to generic devices is unfounded, and it lacks any meaningful comparison to actual claim

limitations.

A diagram showing the inventive way in which the '794 claim 1 method is performed is as follows:



'794 claim 1, which the Federal Circuit deemed as exemplary, is thus directed to, *inter alia*, a non-abstract, improved method of hardware, software, mobile network architecture, and mobile networked communications comprising transferring newly captured data from an Internet-incapable data capture device to an Internet server via a separate, intermediary Internet-capable mobile device by pushing event notifications within an already-paired Bluetooth connection between the data capture device and

mobile device.

Multiple meaningful benefits result, *i.e.*, flow from the technological improvements, inventive concepts, and concrete applications of inventive concepts of the claims.

First, the inventions of the claims result in power and battery savings for data capture devices. One reason is that the data capture device does not require cellular equipment, such as a transceiver or antenna, as uploading to websites is done by the mobile device, not by the data capture device. Since cellular transmissions use a lot of battery power, eliminating such equipment from the capture device saves battery resources.

Further, a significant amount of processing workload in the system described in the claims is offloaded to the mobile device running a software application, comprising: (i) active listening for event notification signals for new data from the data capture device is performed on the mobile device; (ii) polling is initiated by the mobile device; (iii) requests for new data are initiated by the mobile device; (iv) adding user identifiers to the new data is done by the mobile device; (v) adding website information to the new data is done by the mobile device; (vi) converting data to cellular data format is done on the mobile device; (vii) applying and using HTTP is done on the mobile device; and (viii) using the GUI on the mobile device.

Further, the one-to-one, secure Bluetooth pairing of the data capture device and mobile phone, and the using of event notification, polling,



and/or request-response techniques increases, *inter alia*, the life and longevity of batteries of capture devices, including because, with the claims, the capture device does not have to continually broadcast data to all nearby Bluetooth devices, or, can determine if the desired mobile device is either out of range or incapable of receiving Bluetooth data, for example because it is turned off.

Second, the claims result in cost savings, including because their inventions: (a) eliminate the need for data capture devices to have a cellular equipment to upload data directly since the claims leverage the existing mobile/cellular connection of the user's mobile device; (b) eliminate the need to pay for extra monthly cellular lines/fees to the wireless operator to upload data from capture devices directly; (c) minimize the need for processing capacity and memory on the capture device because data is stored and converted for HTTP transmission, and user information and website details are stored and processed, on the mobile device, not the data capture device; and (d) eliminate the need for removable memory housing in the Internet-incapable data capture device, including because the data is transferred between the data capture device and Internet-capable mobile device securely over a paired, short-range (*e.g.*, Bluetooth) wireless connection.

Third, the combination of all the derived benefits mentioned above make the Internet-incapable data capture device smaller, less

complex, more focused on data capture, more efficient, and/or less expensive to purchase, operate, and use.

Fourth, the claimed inventions allow posting Internet content captured while an Internet-incapable data capture device, such as a camera, is capturing data, including when it may be impractical, undesirable, or impossible to physically plug the data capture device into another device, such as a computer, with Internet capabilities, including in “real time” situations, including situations that could jeopardize the expensive and vulnerable components of the Internet capable device.

Fifth, including through the use of event notifications, polling, and/or request-response over a paired connection, the inventions of the claims allow for automatically detecting capture of data, transferring the data to the mobile device, and “publishing the data and multimedia content on one or more websites automatically or with minimal user intervention.”

The specification suggests use of conventional data capture or mobile devices, *but* the applications running on, and methods and functions of, those devices are not stated to be conventional, nor are they conventional. Conventional solutions are represented by background art in the specification and in the Kennedy prior art featured during prosecution. As noted in the prosecution history:

...Conventional wisdom was to not have a constant BT connection between devices. On

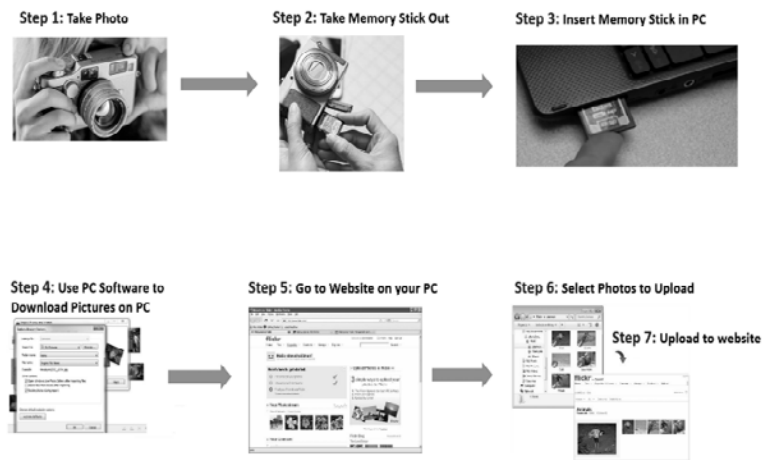
the contrary, conventional wisdom was to initiate the connection when required, use the connection and then terminate the connection to conserve battery charge on the devices.... However, applicant in his initial disclosure in 2007 took the opposing view...

Including as noted in the prosecution history and in Cellspin's well-pled facts, unconventional aspects of the combinations embodied in the claims comprise: (a) having paired Bluetooth connections between devices as a pre-requisite before data is acquired by the data capture device, and maintaining the Bluetooth paired connection on a continuous basis, including when event notifications, polling, and requests/responses for newly acquired data are occurring; (b) publishing newly captured data involving the ordered combination of elements, including the timing of pairing the two devices and using cryptographic techniques; (c) the mobile device detecting new data via event notifications, polling, and/or requests/responses on the data capture device, where conventional wisdom involved affirmative steps taken by the capture device (*e.g.*, pushing newly captured data) or in connection with the capture device (*e.g.*, using portable storage media or direct, physical connection); and (d) using an Internet protocol (*e.g.*, HTTP) in transit at the mobile device and adding website related user information at the intermediary transit mobile device, where conventional wisdom involved generating Internet-formatted data at the data capture device.

Further, for cameras in 2007, conventional wisdom was (a) to incorporate better cameras inside mobile device, but it was not conventional wisdom for camera devices to, *inter alia*, cryptographically authenticate physically separate Internet-connected cellular phones; and/or (b) to incorporate the GUI inside the camera, but it was NOT conventional wisdom for cellular phones to provide a GUI for the photos/videos captured on physically separate camera devices.

Appellees misunderstand the import and context of the words “automatically or with minimal intervention” in the specification. Indeed, this is one benefit of the claimed invention, but there are many other benefits, including when one juxtaposes the claimed inventions against what was conventional in the prior art.

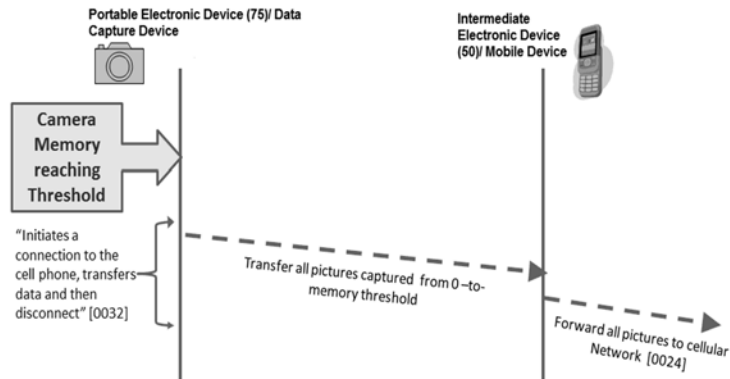
Contrary to what Petitioners’ contend, the patents do not involve automating a prior manual process, nor do they teach or claim merely use of known technologies in conventional ways. The manual process available in 2007 and described in the specification is illustrated in the following:

**State of the Art in 2007**

The claims amount to significantly more than merely automating this, or another, manual process. In fact, they involve very different processes.

For example, the Kennedy prior art cited during the prosecution of the '794 patent, which is evidence of the state of the art at the time, functioned as follows:

### Prior Art cited by USPTO : “Kennedy” Teaching



Unlike the prior art, or state of the art, manual processes disclosed by the Kennedy reference addressed during prosecution history, the claimed inventions comprise a data capture device transferring or sending data to a mobile device over a previously-established paired wireless connection through an event notification, request/response, and/or polling regime, using an encryption key in pairing, cryptographically authenticating the mobile device identity, and translating captured data into HTTP format in transit on the mobile device.

The claim elements, the benefits from the claimed inventions, and the unconventional aspects of them are substantially different than what the evidence, *i.e.*, manual processes and Kennedy, shows to be the prior art or conventional.

**THE PETITION SHOULD BE DENIED****I. PETITIONERS HAVE WAIVED THEIR QUESTION PRESENTED**

A threshold fatal flaw with the Petition is Petitioners' **waiver** of the very issue they now seek to present. Generally, appellate courts do not consider issues not passed on below. *See, e.g., Singleton v. Wulff*, 428 U.S. 106, 120 (1976). In the proceedings below, Petitioners accepted *Berkheimer* and *Aatrix* as good law, arguing merely against the specificity and sufficiency of Cellspin's pled facts. Petitioners fail to address the issue of waiver, including any extenuating circumstances that might possibly excuse their waiver here.

Aside from waiver, Petitioners' failure to assert their issue presented in the proceedings below makes this a poor case for certiorari review, especially since the Federal Circuit did not address Petitioners' issue presented, since no one had challenged *Berkheimer* and *Aatrix* as being good law.

**II. THERE IS NOTHING IN THE FEDERAL CIRCUIT'S DECISION INCONSISTENT WITH THIS COURT'S PRECEDENT**

Petitioners inexplicably state that the Federal Circuit erred in holding that patent eligibility is not a question of law for a court. To the contrary,

the Federal Circuit explicitly followed its holding in *Aatrix*, which states that, “[w]hile the ultimate determination of eligibility under §101 is a question of law, like many legal questions, there can be subsidiary fact questions which must be resolved en route to the ultimate legal determination.” *Aatrix*, 890 F.3d at 1128. Despite their argument to the contrary, Petitioners’ admit that this Court has looked to “an old textbook and a few modern book and articles” (in *Alice*) and “a dictionary and an article” (in *Bilski*). In both cases, the Court considered facts in reaching its determination on eligibility. For Petitioners’ to now argue that the eligibility determination must be made devoid of any factual determination or considerations is erroneous.

Petitioners’ argument that eligibility of particular patent claims under §101 is merely a matter of “statutory construction” lacks merit. Patents are not statutes and the many legal principles for statutory interpretation are inapplicable to patents. This Court’s precedents have addressed the scope and application the §101 statute. At issue in this case are subsidiary fact questions relevant to the issue of eligibility, including inventiveness.

Petitioners’ attempt analogize claim construction with eligibility is unpersuasive, including because these are very different exercises. Further, the analogy weighs against Petitioners’ position. Construing claims in a public document differs markedly from determining whether claim limitations recite activities that



were deemed inventive, well-understood, routine or conventional in a particular field at a particular point in time. The latter is a question of historical fact, not a legal question of claim scope. Indeed, in *Mayo*, this Court observed that “in evaluating the significance of additional steps, the §101 patent eligibility inquiry and, say, the § 102 novelty inquiry might sometimes overlap.” 566 U.S. at 90. Claim construction, by contrast, involves no such overlap.

Moreover, claim construction also involves extrinsic evidence and fact-finding. *See, e.g., Teva Pharmaceuticals USA, Inc. v. Sandoz, Inc.*, 135 S.Ct. 831, 838 (2015) (“...in patent construction, subsidiary fact-finding is sometimes necessary” and “all such subsidiary findings” must be reviewed “under the ‘clearly erroneous’ standard.”) In the *Aatrix* opinion that underlies the opinion below, the Federal Circuit conceptualized patent eligibility the same way, as noted above. Thus, if patent eligibility is analogous to claim construction, this would mean that extrinsic evidence and fact-finding are sometimes necessary to resolve subsidiary factual disputes.

In claim construction determinations, the judge finds the facts, while in other types of invalidity determinations (such as obviousness), the jury finds the facts. In this case, the Federal Circuit did not take issue with the District Court addressing eligibility on a motion for judgment on the pleadings, nor did it state that the ultimate fact finder could not be a judge. The issue of judges versus juries deciding eligibility issues is

not implicated by this case involving a motion for judgment on the pleadings. The resolution of that issue remains for a different case, having a different history and procedural posture, on another day. *See, e.g., Exergen Corp. v. Kaz USA, Inc.*, 725 F. App'x 959, 968 (Fed. Cir. 2018) (“Whether the Seventh Amendment guarantees a jury trial on any factual underpinnings of §101 is a question which awaits more in-depth development and briefing than the limited discussion in this case.”).

Petitioners argue that the benefit of common-law guidance would be lost if the eligibility decision were entrusted to jury verdicts. However, as noted above, this case involved a motion for judgment on the pleadings, not issues of judges versus juries deciding eligibility questions or subsidiary fact questions.

Although the Federal Circuit in this case accepted that eligibility is a question of law, Petitioners inexplicably deny this, attempting to set up a conflict with *Alice* and *Mayo* due to their use of “we.” To the contrary, setting aside the lack of ripeness for Petitioners’ argument, nothing in *Alice* or *Mayo* resolves, or even mentions, whether patent eligibility is invariably a question of law. The selection of a pronoun is not a holding. Moreover, the use of the pronoun “we” likely reflected that there were no disputed facts in those cases, so the Court could resolve them as a matter of law—the very reason they may have been good vehicles for Supreme Court review. Here, however, the facts are disputed.

Petitioners state that *Alice* and *Mayo* had no suggestion that resolving eligibility on summary judgment might be inappropriate because of some genuine dispute as to any material fact. However, it is more correct to say that the issues in *Alice* and *Mayo* did not involve, one way or the other, whether disputed factual issues might have precluded those summary judgment determinations.

Traveling far afield from their question presented, Petitioners argue that “Federal Circuit accorded too much weight to the ‘conventionality’ piece of *Alice* step two.” Their specific complaint is an allegation that “the Federal Circuit wrongly indicated that an allegation that a claim element is unconventional is *sufficient* to establish eligibility at the motion to dismiss stage.” To the contrary, the Federal Circuit’s focus on unconventionality was in its addressing the district court’s opinion, which had focused on that very issue in an erroneous way. For example, the Federal Circuit wrote:

[T]he district court ... concluded that the various claim elements ... represent generic computer components ... [it] acknowledged Cellspin’s argument that there was a factual dispute about whether the “combination” of these elements was “well-understood, routine and conventional.”... But the district court concluded that it “need not reach the issue”

Pet. App. 13a. Because the district court’s opinion had hinged on conventionality, and because it had erroneously failed to consider well

pled facts indicating unconventionality, the Federal Court's decision of course comments on this most pertinent issue on appeal. In any event, the Federal Circuit made clear that, "[a]s long as what makes the claims inventive is recited by the claims, the specification need not expressly list all the reasons..." Pet. App 23a.

Petitioners' next point is more telling, wherein they dispute that "any piece of the eligibility test is a question of fact." Petitioners have no explanation of what this means or how it would work in the context of motions for judgment on the pleadings or other contexts not before the Court with this case. As already noted above, the fundamental premise of the Petition is that a judge deciding a motion to dismiss on the pleadings based upon §101 should be able to consider and weigh all sorts of facts stated or implied from the text of the patent, the prosecution history and other outside sources such as textbooks, and she should consider unspecified and perhaps unarticulated facts from her experience and common sense, but she should not consider well-pled facts in the complaint. Aside from being completely unworkable, this would violate longstanding, well-founded principles that for motions to dismiss on the pleadings, well-pled facts in the complaint must be accepted as true. This would also unjustly relegate a single class of facts—ones that would likely favor eligibility—from consideration.

Next, Petitioners digress again into the issue of whether courts or jurors are better positioned to

decide eligibility. However, as noted above, this case involves a motion for judgment on the pleadings, which is always decided by judges. The Federal Circuit did not address whether a jury would be the ultimate arbitrator of anything related to eligibility. That issue is not ripe in this case, and it remains for another case on a different day.

Apparently attempting to anchor their broad attack on juries potentially deciding eligibility to this case involving the very different issue of a motion for judgment on the pleadings, Petitioners note *Iqbal's* statement that, “[d]etermining whether a complaint states a plausible claim for relief ... requires the reviewing court to draw on its judicial experience and common sense.” *Ashcroft v. Iqbal*, 556 U.S. 662, 679 (2009). While this is true, it is also black letter law that well-pled facts in a complaint must be taken as true on a motion to dismiss on the pleadings. Notions of judicial experience or common sense cannot overcome this bedrock principle, which exists for very good reasons, including that motions to dismiss on the pleadings seek a summary determination before the plaintiff has any chance to put forth facts by way of documents, testimony or affidavits. Furthermore, to the extent that judicial experience or common sense are applied to determining the historical question of whether something was inventive years prior to when it was invented, judges are poorly equipped to decide such issues without also considering facts brought forth by the parties.

Petitioners argue that, “[w]here the specification outright says that some claim limitation is conventional, any contrary allegation is simply not plausible.” Here, they again stray far afield from their question presented. Moreover, the common specification of Cellspin’s patents does not state that all claim elements were conventional, nor does it state that the claimed combinations were conventional.<sup>3</sup>

That Cellspin’s novel software-implemented systems and methods may be implemented “in” technologies that were known as “pervasive” does not mean Cellspin’s novel software-implemented systems and methods could have been implemented “with” known or pervasive technologies at the time of Cellspin’s invention. That Cellspin’s inventive software-implemented systems and methods may be implemented in connection with a software application running on a mobile phone and that they involve, in part, Bluetooth connectivity, does not mean the patented software-implemented systems and methods, especially in combination, were known or ubiquitous at the time of invention.

Petitioners’ argument that the patented

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<sup>3</sup> Courts should consider whether the claimed elements “individually and as an ordered combination” recite an inventive concept. *Alice*, 573 U.S. at 217, 134 S.Ct. 2347. *See* Pet. App. 25a (“...implementing a well-known technique with particular devices in a specific combination, like the two-device structure here, can be inventive.”).

systems and methods run on “generic devices” misses the point that common devices such as mobile phones and capture devices, such as electronic cameras, can be programmed to perform inventive methods and functions. Under Petitioners’ flawed logic, no computers or mobile devices running inventive software applications and performing inventive functions could ever be eligible for patenting because they all ultimately run on “generic” computers or mobile devices.

If Cellspin’s specification had actually admitted that its claimed inventions were merely conventional, it would not have been awarded a patent in the first place. Further, the District Court did **not** find the factual allegations, including those regarding unconventionality, in Cellspin’s Amended Complaint were not plausible; rather, it improperly refused to consider them at all. Further, the Federal Circuit expressly found, in its *de novo* review, that Cellspin’s well-pled factual allegations were plausible. Pet. App. 23a. The issue of plausibility of well-pled facts is certainly not an issue well framed for certiorari review in this case.

Petitioners’ stated desire for a mechanism to cheaply “knock out” or “weed out” patents they are accused of infringing is insufficient to justify depriving patentees of their intellectual property rights when the facts do not warrant that legal determination. If the facts dictate that the patent claims have a sufficient inventive concept, then the claims should survive step two of the *Alice/Mayo* framework. Barring consideration of

the facts in the interest of cheaply “knocking out” patents is not a just means to a legitimate end.

Petitioners’ invitation for this Court to grant certiorari to “clarify” certain issues not ripe in this case violates basic principles of appellate jurisdiction and the imprudence of advisory opinions, and it seeks review based upon a legal, factual, procedural and appellate record not well framed for addressing such issues.

Petitioners first ask for a judicial declaration that “not all” eligibility challenges will involve questions of fact and that “many” can be resolved simply based on the claims themselves and intrinsic evidence. However, the opinion below did not state that “all” eligibility challenges will involve questions of fact. To the contrary, it states that, “[w]hile we do not read *Aatrix* to say that any allegation about inventiveness, wholly divorced from the claims or the specification, defeats a motion to dismiss, plausible and specific factual allegations that aspects of the claims are inventive are sufficient. Pet. App. 23a. Moreover, Petitioners have made no showing, and indeed they cannot show, that a *de novo* review by this Court would result in a decision of ineligibility based only on the claims themselves and intrinsic evidence. Indeed, the Federal Circuit properly acknowledged there are facts indicating inventiveness that should preclude judgment on the pleadings. *Id.*

Petitioners’ request for a judicial declaration that “many” eligibility decisions can be solved based only on the claims themselves and intrinsic



evidence is not an issue made ripe by this case, nor is it well framed for certiorari review.

Petitioners next ask for a judicial declaration that any question of fact on eligibility is for the judge, not a jury, to decide. As noted above, this issue is not ripe in this case, nor is it well framed for certiorari review. In particular, this case involves a motion for judgment on the pleadings, which is decided by a judge.

Petitioners next ask for this Court to “encourage” trial judges to decide the underlying fact questions — and the overall eligibility question — early in proceedings. However, no such encouragement is needed, nor is it ripe in this case which involves motions for judgment filed at the onset of the case. Nor is this an issue properly framed or suited for certiorari review.

Petitioners next go far afield from their question presented, suggesting that the Federal Circuit accepted legal conclusions rather than factual assertions. Here, Petitioners puzzlingly request certiorari review “to ensure that the Federal Circuit applies the motion to dismiss standard properly in this context.” As a threshold matter, Petitioners have not shown that the Federal Circuit accepted mere conclusions as facts. To the contrary, the Federal Circuit cited a multitude of specific, well-pled facts supporting inventiveness. Pet. App. 21a-23a. Further, this Court’s precedents are clear that mere legal conclusions are insufficient to overcome motions for judgment on the pleadings, and there is no basis for concluding that the Federal Circuit, or any other

lower courts, have strayed from this easily understandable and bedrock principle.

Again going far afield from their question presented, Petitioners puzzlingly allege that “the Federal Circuit abjured judicial experience and common sense” in reversing dismissal. However, the district court’s dismissal order did not state that it was relying upon judicial experience or common sense to disbelieve Cellspin’s factual allegations; rather the district court improperly ignored them altogether. Further, Petitioners’ invitation to allow often times vague notions of “judicial experience and common sense” to overcome well-pled factual allegations at the dismissal on the pleadings stage seeks to overturn longstanding and well-founded jurisprudence holding that, at the pleadings stage, well-pled facts must be accepted as true.

Next, again going far afield from their question presented, Petitioners make unsubstantiated and unpersuasive assertions that the claims of the patents-in-suit are “plainly ineligible.” Here again, they complain of the Federal Circuit’s finding sufficient evidence that multiple claim elements and combinations were unconventional. As already noted above, the Federal Circuit focused a significant amount of its opinion on this issue because it had been the lynchpin of the district court’s erroneous ruling. Here again, Petitioners focus on alleged “admissions” in the specification. As already explained in detail above, the specification does not admit that everything about the claimed inventions was

conventional or that the claimed combinations are conventional. As noted above, that Cellspin's novel software-implemented systems and methods may be implemented "in" technologies that were known or pervasive does not mean Cellspin's novel software-implemented systems and methods could have been implemented "with" known or pervasive technologies at the time of Cellspin's invention. Again, under Petitioners' flawed logic, no software application acting on a computer, cellular phone or camera could ever be patent eligible, because computers, cellular phones and cameras are preexistent.

Again going far afield from their question presented, Petitioners rehash multiple merits issues straight from their prior merits briefing. Here, suffice it to say that the facts cited by the Federal Circuit, which are not the only facts that must be considered on a *de novo* review of eligibility, are clearly sufficient to justify overturning the district court's erroneous opinion. At a minimum, the district court's error in refusing to consider Cellspin's well-pled facts was ample grounds for reversal.

Again going far afield from their question presented, Petitioners allege that Federal Circuit somehow confused the issue of patentable subject matter under §101 with that of obviousness under §103." However, nothing from the actual opinion indicates any such confusion. Petitioners' confused argument appears to assert that the Federal Circuit should not have considered the technology in existence at the time of the invention when

determining whether the claimed combinations had an inventive concept over technology in existence at the time of the invention. This is simply absurd. Any analysis of inventiveness must necessarily look to historical facts, including the state of the art at the time of the invention (which may be evidenced by, *inter alia*, prior art). Indeed, most patents have internal discussions of the prior art, and courts look to the prosecution history – which is all about prior art – when determining eligibility. It is ironic that Petitioners argue that judges should consult their personal judicial experience and common sense when deciding eligibility while somehow ignoring the state of the art and prior art. It is also ironic that Petitioners argue at length for ineligibility based upon prior art discussed in the specification while they simultaneously claim error in considering other prior art. Moreover, in *Mayo*, this Court observed that in evaluating the significance of additional steps, the §101 eligibility inquiry may “sometimes overlap” with validity issues. 566 U.S. at 90. Petitioners have shown no error in the Federal Circuit’s approach, and indeed there was none.

### **III. PETITIONERS OVERSTATE AND SPECULATE ABOUT INTERNAL DIVISION AT THE FEDERAL CIRCUIT**

Petitioners speculate about potential division over this case because the Federal Circuit panel’s

opinion was unanimous, and Petitioners did not request rehearing.

Petitioners' reliance upon Judge Reyna's dissent from the denial of rehearing en banc in the *Aatrix* case is misplaced. That dissent was premised largely upon disagreement with the *Aatrix* majority's "broad statements on the role of factual evidence in a §101 inquiry." *See Aatrix*, 890 F.3d at 1365 (Reyna, J., dissenting from denial of rehearing en banc). However, there is no indication that such "broad statements" were also made by the Federal Circuit in this case.

Petitioners' reliance upon Judge Reyna's dissent from the denial of rehearing en banc in *Berkheimer* is also misplaced. There, Judge Reyna noted that "[p]erhaps the single most consistent factor in this court's §101 law has been our precedent that the §101 inquiry is a question of law." *Berkheimer*, 890 F.3d at 1377. However, as noted above, in this case the Federal Circuit explicitly acknowledged that eligibility is a question of law.

Further, the dissents from the Federal Circuit's denials of rehearing en banc in *Berkheimer* and *Aatrix* indicate, if anything, that the issues raised by those cases need more development in the lower courts, including in the Federal Circuit, before they are suitable for this Court's review.

Petitioners again cite to various commentators, some of whom likely often represent defendants in eligibility challenges, who complain primarily of *Berkheimer*, and who suggest Supreme Court review of various issues from *Berkheimer* and

*Aatrix*. Such commentators do not seem focused upon Supreme Court review of this particular case, with its fairly narrow opinion and measured approach in line with precedent. HP's petition for certiorari review of the *Berkheimer* case is currently before this Court. The briefing on certiorari for this case is simply not the forum to argue over the propriety of granting certiorari for *Berkheimer*.

Further, Petitioners cannot point to any other Court of Appeals that disagrees with the well-established rule allowing consideration of well-pleaded facts on motions to dismiss based on the pleadings.

#### **IV. PETITIONERS' PERCEPTION OF THE IMPORTANCE OF THE QUESTION PRESENTED IS FLAWED**

Setting aside all the flaws with Petitioners' question presented guiding certiorari review of this case, their assertion of importance is overstated. Here again, Petitioners' attempt to justify their unfounded Petition with the implication that Cellspin is somehow a bad actor undeserving of justice is unpersuasive. Further, it is inaccurate. As noted above, Cellspin is a former leader in mobile blogging software; and the inventor of the patents-in-suit, Gurvinder Singh, is also the founder and president of Cellspin. Cellspin has every right to protect its intellectual property rights. Cellspin's motives are certainly

no worse than those who unjustly seek a free ride on Cellspin's intellectual property.

As to the alleged impropriety of enforcing the patents-in-suit, aside from the Federal Circuit's proper reversal of the district court's ineligibility ruling, it should be noted that three of the four patents issued from the Patent Office after this Court's *Alice* opinion, all four of the patents issued after this Court's *Bilski* opinion, and all four are presumptively valid. See *Alice Corp. Pty. v. CLS Bank International*, 573 U.S. 208, 134 S.Ct. 2347 (2014); *Bilski v. Kappos*, 561 U.S. 593, 130 S. Ct. 3218 (2010).

The "crisis" alleged by Petitioners, again citing commentators who likely practice primarily on the defense side of patent cases, concerns too many patent infringement cases, which Petitioners attribute, without any data, to ineligible patents being asserted.

Petitioners proposed solution to this alleged "crisis" is summary execution of patents on eligibility grounds without consideration of inconvenient facts, including well-pled facts relating to inventiveness. As noted above, a fundamental issue with deciding inventiveness on the pleadings is that patent applicants have no reason to state a basis for eligibility in the specification or to argue eligibility during prosecution unless the issue is raised by the Patent Office. Petitioners' proposal to limit the eligibility analysis to the patent and prosecution history conveniently excludes relevant evidence of inventiveness that is inconvenient to their agenda.

Alleging well-pled facts in the complaint is the just and proper vehicle for the patentee to bring highly relevant facts to the attention of the court on a motion for judgment on the pleadings. Without this, the §101 deck is unfairly stacked against the patentee, with courts making decisions on inventiveness uninformed by perhaps the most important facts underlying inventiveness. This leads to incorrect results which are contrary to the actual facts. To make matters worse, if a patent case is dismissed on the pleadings, the patentee must appeal to the Federal Circuit, which issues a high percentage of affirmances without explanation. *See* Fed. Cir. Rule 36. It is also important that the context of this case is a motion on the pleadings. Despite Petitioners' parade of horrors, nothing stops them from further challenging the eligibility of the patents-in-suit, with facts, as this case moves forward.

Further, Petitioners' alleged "crisis" involving NPEs misses the fact that the unjustly myopic eligibility review they propose would apply to all patent holders, not just NPEs.

Petitioners state they are "innovative companies that create products and jobs." From Cellspin's point of view, Petitioners are taking a free ride on Cellspin's intellectual property. Petitioners' stated ends do not justify unjust means that unfairly undercut the ability of patentees to bring highly relevant evidence of innovation to the attention of Courts deciding eligibility issues.



Petitioners note a decreasing grant rate for §101 motions without any data for the decrease being attributable to claims lacking inventive concept being allowed to proceed past summary proceedings. An also plausible explanation for a decreasing grant rate of §101 motions is that *Bilski*, *Alice* and *Mayo*, and their many progeny, have taken hold and fewer ineligible patents are being asserted than in years past.

The asserted decrease in grants of motions for judgment on the pleadings post-*Aatrix* is evidence, if anything, that courts are rightly considering well-pled factual allegations that refute unfounded assertions that inventive concept is lacking. Petitioners have no data to suggest that such pleadings have stated inaccurate facts or facts that could not be backed up with admissible evidence. Fundamentally, Petitioners bemoan their inability to argue lack of inventive concept while patentees are muffled by an inability to bring highly relevant facts to the attention of courts.

**V. WHETHER OR NOT THE COURT GRANTS  
CERTIORARI IN *BERKHEIMER*, IT  
SHOULD NOT HEAR THIS CASE.**

A threshold fatal flaw with the Petition is Petitioners' waiver of the very issue they seek to present. Because Petitioners did not argue their issue presented in the courts below, this case presents a poor vehicle for addressing it, even if latched onto *Berkheimer*. Further, Petitioners'

suggestion that this case be considered in tandem with *Berkheimer* is ill advised. *Berkheimer* presents markedly different issues, notwithstanding Petitioners' attempt to initially frame essentially the same issue while arguing numerous, markedly different issues in their Petition. *Berkheimer* primarily concerns the consideration and weighing of factual evidence in summary judgment proceedings involving eligibility. See *Berkheimer*, 890 F.3d 1369. Such matters involve different burdens, different types of evidence, different legal standards and different evidentiary considerations. *Berkheimer* cannot possibly implicate whether *any* facts outside of a patent (and possibly its prosecution history) can be considered when determining inventiveness. If no other facts could be considered, it would be impossible to fairly adjudge inventiveness in cases such as this one, or at a minimum the deck would be unfairly stacked against the patentee, including as noted above. The summary judgment issues implicated by *Berkheimer* are not sufficiently similar to the judgment on the pleadings issues in this case to merit consideration in tandem.

Petitioners' rationale for certiorari being granted in this case even in the absence of it being granted in *Berkheimer* is weak and unpersuasive. First, as noted above, Petitioners have waived the issue they seek to frame for review. Second, their Petition lacks legal or factual merit. Third, although the Federal Circuit did hold that the district court erred in refusing to consider

Cellspin's well pled facts, the Federal Circuit did not indicate that its *de novo* review would have affirmed the district court in the absence of the facts taken as true from Cellspin's Complaints. Fourth, the mandate has already issued for these cases.

Petitioners basically argue that patent litigation is expensive, and that unidentified NPEs might obtain "leverage" if their patent claims are not summarily dismissed on eligibility grounds at the earliest stage of the case notwithstanding the factual basis for inventive concept being present.

Finally, Petitioners summarily argue that this Court should hold their petition in abeyance pending the resolution *Berkheimer* because it "will unquestionably affect the outcome of this one." This is mere speculation on the part of Petitioners. Further, Petitioners again miss the fact that they waived the very issue they seek to present, which is presumably the issue from *Berkheimer* they contend would affect this case in some unspecified way. Had Petitioners really desired to hold these cases in abeyance they would have moved to stay the mandate. As it stands, the mandate has issued; however, the district court has stayed these cases pending certiorari review. There is no just reason or good cause for holding these cases in lengthy abeyance, especially when the mandate for each has already issued.

**CONCLUSION**

The petition for a writ of certiorari should be denied.

Respectfully submitted,

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