

No. 21-1281

IN THE
Supreme Court of the United States

INTERACTIVE WEARABLES, LLC,
Petitioner,

v.

POLAR ELECTRO OY, *et al.*,
Respondents.

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

SUPPLEMENTAL BRIEF FOR RESPONDENTS

ANTHONY J. FUGA
Counsel of Record
JOHN P. MORAN
AMIT AGARWAL
HOLLAND & KNIGHT LLP
150 N. Riverside Plaza
Suite 2700
Chicago, IL 60606
(312) 715-5771
anthony.fuga@hklaw.com
Counsel for Respondents

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INTRODUCTION

The government's rewriting of the question presented (1) broadens the question to inherently make this another merit-based analysis, and (2) narrows petitioner's question to focus solely on the abstract idea exception, while proposing a new standard to resolve this case. The government's suggestions are ill-advised.

First, reviewing a district court's decision for error is neither necessary nor appropriate. Based on this Court's precedents, this was not a difficult case for the district court or the entire Federal Circuit.

Second, addressing solely the abstract idea exception removes consideration of the patent-eligibility issues that the Federal Circuit, Congress, and the government have considered to be at the forefront of the patent eligibility discussion—namely, medical diagnostics and the natural law exception.

Third, the Court need not clarify its patent eligibility framework or its relationship with other patent doctrines. Neither the litigants, the courts, nor the government contends that patent eligibility has, or should have, an intertwined relationship with other patent doctrines.

Fourth, the government presents its arguments as reconciling this case with this Court's precedents, namely *Alice Corp. Pty. Ltd. v. CLS Bank Int'l*, 573 U.S. 208 (2014), but the government actually asks this Court to overrule its precedents and create a new framework—one that is based on the tangibility of the claimed invention. This Court has explicitly rejected this approach. And to the extent patent eligibility law should be reworked, it is best left to Congress.

Finally, this case remains a poor vehicle even if this Court wants to address patent eligibility.

ARGUMENT

I. The Government's Question Presented Undercuts the Petition.

The government presents a question that is broader and, at the same time, narrower than the questions presented by the petitioner. This question undermines the petition.

A. The government's question presented emphasizes that this is another merits review.

The government asks this Court to decide “[w]hether the claimed invention is ineligible for patent protection under the abstract-idea exception to Section 101.” U.S. Amicus Br. (I). This underscores the primary reason why the petition should be denied: The decision below does not turn on a disputed legal question of general applicability, and the Nation’s court of last resort should not be asked to hear a case so that it may reapply established legal principles to the facts at hand.

The government recommends granting review in this case and *Tropp* to illustrate why some inventions are eligible for patent protection while others are not. *Id.* at 11, 21. But that puts the cart before the horse; it requires the Court to resolve the merits of two cases and then rely on those merits determinations in determining whether to grant certiorari. A better approach would ask if each case, on its own, provides a suitable vehicle for resolving a defined legal question that is important enough to warrant review. In this case, as in *Tropp*, the government’s invention-specific question presented fails that test.

B. The government’s question presented limits review to the abstract idea exception.

Addressing only the abstract-idea exception would remove consideration of the patent-eligibility issue that the Federal Circuit, Congress, *and the government* have considered vitally important—the natural law exception, especially medical diagnostics.

The government emphasized the perceived importance of the natural law exception when it argued in its Brief for the United States as Amicus Curiae at 22, *Hikma Pharmaceuticals USA Inc. et al. v. Vanda Pharmaceuticals Inc.*, 139 S. Ct. 1368 (2019) (No. 18-817) that the Court “should provide additional guidance in a case where the current confusion has a material effect . . .” referring to medical diagnostic patents. The government then suggested that the Court review *Athena Diagnostics Inc. v. Mayo Collaborative Servs., LLC*, 140 S. Ct. 855 (2020) (No. 19-430) because this would address confusion in the medical diagnostic space. In its Brief for the United States as Amicus Curiae at 20, *American Axle & Manufacturing, Inc. v. Neapco Holdings LLC, et al.*, 142 S. Ct. 2902 (2022) (No. 20-891), the government again identified medical diagnostics as deserving particular attention. *American Axle* and *Athena*, like other medical diagnostics cases, dealt with the natural law exception to patent eligibility.

Congress has also identified medical diagnostics when discussing patent eligibility reform. For example, Sens. Coons and Tillis stated a goal is “to ensure that critical advances like artificial intelligence and medical

diagnostics qualify, but not economic transactions or social interactions.”¹

The government implicitly accepts this when it states that “Section 101 cases have repeatedly fractured the Federal Circuit” and cites five cases, three of which, however, relate to either the natural law or natural phenomena exception. U.S. Amicus Br. 20.

The two cases that do deal with abstract ideas—*Int’l Bus. Machines Corp. v. Zillow Group Inc.* and *Weisner v. Google, LLC*—do not support the government. The dissenting opinion in *Int’l Bus. Machines* opined that the court erred by ignoring plausible factual allegations. This is not a “fracturing” on patent eligibility law; it is a disagreement on pleading sufficiently. *Int’l Bus. Machines Corp. v. Zillow Grp., Inc.*, 50 F.4th 1371, 1383 (Fed. Cir. 2022). In *Weisner*, the dissent disagreed on *some of the claims*, but not all. *Weisner v. Google LLC*, 51 F.4th 1073, 1088 (Fed. Cir. 2022). This is not a “fracturing”; it is a standard dissent-in-part.

This case highlights the lack of a “fracturing”—with a summary affirmance and two re-hearing denials without the need for written opinion.

II. The Court’s Section 101 Framework Does Not Require Clarification.

The government argues that patent-eligibility guidance needs clarification in: (1) how Section 101 relates to other doctrines, and (2) how courts should

¹ See Chris Coon & Thom Tillis, *Tillis and Coons: What we learned at Patent Reform Hearings*, THOM IN THE NEWS (June 24, 2019), <https://www.tillis.senate.gov/2019/6/tillis-and-coons-what-we-learned-at-patent-reform-hearings>.

understand the Court’s previous “guideposts.” Neither is necessary.

A. This Court’s precedents define the relationship between Section 101 and Sections 102, 103, and 112.

The government argues, without citation, that “the *Interactive* court placed undue emphasis on considerations of novelty, obviousness, and enablement . . .” and that the different statutory provisions “perform different functions.” U.S. Amicus Br. 11.

This relationship is well understood. No party, entity, or court disputes this, and there was no confusion in this case. The government identifies that this Court has *already* made clear that these different statutory provisions perform different functions, citing *Diehr* for the proposition that “whether a particular invention is novel is ‘wholly apart from whether the invention falls into a category of statutory subject matter.’” *Id.* at 17 (quoting *Diamond v. Diehr*, 450 U.S. 175, 190 (1981)). Similarly, the petitioner emphasizes that the Federal Circuit has “recognized that Claims ‘that are not enabled raise questions of patentability [under Section 112], not eligibility.’” Pet. 19 (citation omitted).

The district court followed this Court’s and the Federal Circuit’s guidance, even citing *Diehr*. Pet. App. 42. In sum, this is an uncontroversial statement of law. There is no disagreement and no clarification is needed. This is another request for a merits-based review to address an alleged misapplication of a properly stated rule of law. This is not an issue suited for this Court.²

² The government, like the Petitioner, effectively argues that the district court mishandled the *Alice / Mayo* step 1 “directed to”

B. Clarification on patent eligibility is unnecessary.

The government suggests patent eligibility requires guidance. Its brief, however, undercuts itself by identifying the “Court’s precedents [that] provide certain guideposts for ascertaining the exception’s scope,” arguing that the exception “precludes the patenting of both the fundamental building blocks of technological innovations and innovations in non-technological fields,” such as an idea itself or methods of organizing human activity. U.S. Amicus Br. 12-13 (citations omitted).

The district court, following the guideposts the government identifies, found the asserted patents to be directed to the “abstract idea behind consulting a TV Guide—i.e., ‘to obtain more information’ about a program while viewing it” Pet. App. 23-24. Checking the TV Guide is organizing human activity and is not patent-eligible.

Petitioner argued to the contrary, but the district court pointed to this Court’s guidance: “limiting an abstract idea to one field of use or adding token postsolution components [does] not make the concept patentable.” *Id.* at 28 (citing *Bilski v. Kappos*, 561 U.S. 592, 612 (2010), and *Parker v. Flook*, 437 U.S. 584, 593 (1978)).

Despite the purported “difficulties” applying the law, the district court explicitly—and correctly—followed this Court’s precedents. The Federal Circuit

inquiry merely by looking to the patent specification to determine what is claimed as the true innovation. The district court performed the analysis correctly, under this Court’s guidelines. Respondent addressed this at pages 15-21 of its opposition brief.

summarily affirmed and denied rehearing requests, finding no reason to even provide a written opinion.

And even if this were a borderline case, which it is not, the government acknowledges that “*Alice*’s two-step framework exists to assess [borderline cases].” U.S. Amicus Br. 14. This acknowledgement—even for borderline cases—undercuts the argument that the Court must clarify the law.

C. The government is proposing a new patent-eligibility standard.

The government, at bottom, is proposing a new standard of assessing whether a patent claim is directed to an ineligible abstract idea—a standard that turns solely on whether the claim is a tangible machine. To begin, the government states that the *Interactive* and *Tropp* disputes “turn on the scope of the abstract-idea exception,” noting that the Court declined to define “the precise contours of the ‘abstract idea’ category.” *Id.* at 12 (citing *Alice*, 573 U.S. at 221).

The government does not explain why one patent is eligible but the other is not—with one evident exception: the representative *Interactive* patent claim is an apparatus claim while the *Tropp* representative patent claim is a method claim—*i.e.*, one is a machine; one is not. *See, e.g., id.* at 14-15.

The government makes its point clearer, stating the *Interactive* patent claims a “machine”—a “tangible system”—in the form of a wearable content player and wireless remote-control device and the *Tropp* patent claims “a process” for “coordinating one aspect of airport luggage inspection.” *Id.* at 12. Later, the government argues that the “*Interactive* patents claim an invention—a wearable context player with a display,

controlled by a remote control that displays information about the content being played” *Id.* at 14.

If there were a question of the government’s intention, it left no doubt. Citing *Corning v. Burden*, 56 U.S. (15 How.) 252, 267 (1854), the government argues: “taken as a whole, the [*Interactive*] claims recite the kind of ‘machine’ . . . that has always been patent eligible.” *Id.* at 15. The parenthetical is telling: “[t]he term machine includes *every mechanical device or combination of mechanical powers and devices* to perform some function and produce a certain effect or result.” *Id.* (emphasis added).

The government is not suggesting the Court clarify its guideposts; the government is suggesting the Court *discard* its guideposts and make patent-eligibility determinations based on whether the patent claim is directed to a machine or not. There is no way to reconcile this with this Court’s precedents.³

The Court addressed this head-on in *Alice*:

There is no dispute that a computer is a tangible system (in § 101 terms, a ‘machine’), But if that were the end of the § 101 inquiry, an applicant could claim any principle of the physical or social sciences by reciting a computer system configured to implement the relevant concept. Such a result would make the determination of patent eligibility ‘depend simply on the draftsman’s art,’ thereby eviscerating the rule that ‘laws

³ It is also unclear how the government would reconcile this with the patent-eligibility statute, which explicitly includes both machines and *processes*, as being eligible. 35 U.S.C. § 101.

of nature, natural phenomena, and abstract ideas are not patentable.’

Alice, 573 U.S. at 224 (citing *Flook*, 437 U.S. at 593, and *Ass’n for Molecular Pathology v. Myriad Genetics, Inc.*, 569 U.S. 576, 589-90 (2013)).⁴

Following the government’s standard—that every machine is necessarily not abstract—would dismantle the Court’s precedents, and allow clever patent drafters to overcome the patent-eligibility exceptions simply by claiming a generic apparatus that *performs* the abstract idea, as is the case here. This Court cautioned against such a result because it “would make the determination of patent eligibility ‘depend simply on the draftsman’s art’” and eviscerate the patent-eligibility exceptions. *Alice*, 573 U.S. at 224 (citing *Flook*, 437 U.S. at 593).

Under the government’s proposal, claims as seen in *Alice* or *Interactive* would survive because a computer or generic remote control is a “mechanical device or combination of mechanical powers and devices to perform some function and produce a certain effect or result.” U.S. Amicus Br. 15 (citation omitted). This Court rejected this, and the government presents no argument why these precedents should be discarded.

This Court, citing the *Bilski* to *Mayo* to *Alice* line of cases, emphasized the importance of consistency in *Kimble v. Marvel Ent., LLC*: “stare decisis carries enhanced force when a decision . . . interprets a statute . . . critics of our ruling can take their objections across the street, and Congress can correct

⁴ The representative *Alice* claim was a computer method, but the Court found the “machine” claims ineligible, as well. See *CLS Bank Int’l v. Alice Corp. Pty. Ltd.*, 717 F.3d 1269, 1306 (Fed. Cir. 2013), *aff’d*, 573 U.S. 208 (2014).

any mistake it sees.” 576 U.S. 446, 456-57 (2015). There is no reason to abandon the Court’s precedents.

D. A change to the Court’s patent-eligibility guideposts is a policy decision.

At bottom, any revision to patent-eligibility guidance is a policy decision. The government acknowledges the 2022 bill to amend patent eligibility, but discounts it because of the conclusion of the 117th Congress. The introduction of the bill itself, however, only emphasizes that this is a policy issue—and one that has Congress’s attention.

Congressional leaders recently reasserted their focus on addressing patent eligibility. Sens. Coons and Tillis plan to address patent eligibility, with Sen. Coons stating that patent eligibility is an area where “it’s possible for us to make progress between the House and the Senate.” Rep. Johnson, the ranking member of the relevant House Subcommittee went even further: “[patent eligibility] actually begs for legislative solution.”⁵

To the extent patent eligibility should be reformed, it is a job for Congress.

III. This Case Is Not A Suitable Vehicle For Addressing the Confusion The Government Posits.

The government sees this case as “an opportunity for the Court to clarify the proper reach and application of the abstract-idea exception to patent eligibility under Section 101.” U.S. Amicus Br. 10. Even assuming

⁵ Riddhi Setty & Samantha Handler, *Senate IP Leaders ‘Optimistic’ for Patent Eligibility Changes*, BL (Mar. 14, 2023), <https://news.bloomberglaw.com/ip-law/senate-ip-leaders-optimistic-for-patent-eligibility-changes>.

this Court should grant such open-ended review to “clarify” the Section 101 framework, this is not the case in which to do it.

1. This case is a poor vehicle for clarifying the ill-defined category of “Section 101 cases” that “have repeatedly fractured the Federal Circuit,” *id.* at 20, because this case does not appear to implicate any disagreement within the Federal Circuit. As discussed above, just the opposite.

Those same facts refute the government’s assertion that this case “is representative of the difficulties the court of appeals has experienced in applying Section 101.” *Id.* So far as one can tell, the court of appeals had no difficulty in applying Section 101 to this case. If “*every judge* on the Federal Circuit” is of the view that “[o]ngoing uncertainty” calls for this Court’s clarification in an appropriate case, *id.*, it should not be hard to find a case in which at least *one judge* on the Federal Circuit dissents or otherwise tees up the issue for consideration.

2. The summary affirmance below makes this case a particularly unsuitable vehicle. The Federal Circuit has not said one word about how Section 101 applies to the facts of this case. There is no basis for concluding that this case implicates any legal issue on which the Federal Circuit is split—or that the Federal Circuit committed the alleged errors of which the government complains.

The government argues the summary affirmance does not make this case unsuitable because the district court’s alleged “errors followed directly from governing Federal Circuit precedent.” *Id.* at 22. But the government does not identify any allegedly erroneous precedent;

and still less does it argue that any such precedent departs from this Court's precedents.

If, as the government plainly intimates, this Court should revisit its own precedents or those of the Federal Circuit, it should do so in a case in which there is more than a summary disposition below.

3. The government urges the Court to reverse in *Interactive* and affirm in *Tropp*, because *Interactive* involves a “quintessentially technological” invention while *Tropp* involves “non-technological methods of organizing human activity.” *Id.* at 10-11. But the facts are not so clear. As the government itself notes, for example, “*Interactive*’s patents also contain method claims reciting ‘substantially the same concept.’” *Id.* at 12 n.1. It is no answer to say that “the court below did not analyze those claims separately,” *id.*, because—in light of the Federal Circuit’s summary disposition—we do not know how the court of appeals analyzed those claims.

Similarly, *Tropp* argues that his patents recite “specific physical products.” *Id.* at 16; *Tropp* Pet. App. 4a. The government argues that *Tropp* forfeited this argument. U.S. Amicus Br. 15. But this makes that petition a poor vehicle for “clarifying” how the law applies to the claimed inventions at issue. The forfeiture means that the case does not cleanly present the eligibility inquiry; and, even if this Court were to agree with the government’s position on forfeiture, the Court could not assess the full range of arguments germane to the § 101 inquiry in *Tropp*.

CONCLUSION

The petition should be denied.

Respectfully submitted,

ANTHONY J. FUGA

Counsel of Record

JOHN P. MORAN

AMIT AGARWAL

HOLLAND & KNIGHT LLP

150 N. Riverside Plaza

Suite 2700

Chicago, IL 60606

(312) 715-5771

anthony.fuga@hklaw.com

Counsel for Respondents

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