

No. 22-22

In the Supreme Court of the United States

DAVID A. TROPP,

Petitioner,

v.

TRAVEL SENTRY, INC., BRIGGS & RILEY TRAVELWARE
LLC, DELSEY LUGGAGE INC., L.C. INDUSTRIES, LLC,
OUTPAC DESIGNS INC., TRAVELPRO INTERNATIONAL
INC., VICTORINOX SWISS ARMY, INC., WORDLOCK, INC.,

Respondents.

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

REPLY BRIEF FOR PETITIONER

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REPLY BRIEF FOR PETITIONER

A. Patent Eligibility Is An Important Issue

1. For all its rhetoric, Travel Sentry does not dispute that the 35 U.S.C. § 101 patent-eligibility inquiry has tremendous implications for the U.S. economy. As petitioner explained, a consistent and rational approach to patent eligibility is necessary to protect American global competitiveness and innovation. Pet. 25.

Nor could Travel Sentry seriously dispute that the “growing economic significance of patents” in the context of increasing “world-wide competition require[s] a clear-cut patent system on which everyone can rely.” Tomasz Ozyhar et al., *When Speed Matters*, 9 J.L. & Biosciences 1, 19 (2022). The United States long stood out for the “robust patent protection” it offered compared to other nations. Jonathan Stroud & Levi Lall, *Paper of Record: Modernizing Ownership Disclosures for U.S. Patents*, 124 W.V. L. Rev. 449, 460 (2022) (collecting sources). And the U.S. economy reaped the rewards of that approach. A robust system of patent rights “protect[s] our nation’s economy and innovation” and is “essential to economic growth.” Jessica Buchmann, *The Implications of the Court of Appeals’ Arthrex v. Smith Decision on Business Innovation*, 17 Rutgers Bus. L. Rev. 40, 40, 44 (2021). Since the United States issued the first patents in 1790, “[t]he number of patents issued each year has grown prodigiously with time.” John M. Golden, *Proliferating Patents and Patent Law’s “Cost Disease,”* 51 Hous. L. Rev. 455, 463 (2013). And it is no coincidence that the period of “particularly explosive” growth in the issuance of patents (*ibid.*) corresponds

to “the nation’s rapid [economic] expansion in the nineteenth century,” Nathan S. Chapman, *Due Process Abroad*, 112 Nw. L. Rev. 377, 438 (2017).

For patent holders, the stakes of 35 U.S.C. § 101 could not be higher. This Court has long recognized patents as a form of property “as much entitled to protection as any other property, during the term for which the franchise or the exclusive right or privilege is granted.” *Cammeyer v. Newton*, 94 U.S. 225, 226 (1876). Patents are integral to commercial success. Researchers have found a significant “relationship between a start-up company having a patent and * * * ultimately succeeding as a business.” Kristen Osenga, *Institutional Design for Innovation*, 68 Am. U. L. Rev. 1191, 1196-1197 (2019). For both “start-up compan[ies]” and “established firm[s]” alike, “patents are extremely important.” *Id.* at 1197.

But in order to incentivize innovation and enterprise, prospective patentees must have the “reasonable certainty and security which are the very objects of property ownership.” *Eastern Enters. v. Apfel*, 524 U.S. 498, 548 (1998) (Kennedy, J., concurring). Innovators’ perfectly rational “fear that granted patents will be taken away from them” years later, based on an unpredictable patent-eligibility framework, means even granted patents “lose their value” and “hamper[s] a business’s ability to commercialize its technology” and “deter[s] investment in additional innovation.” Osenga, *supra*, at 1197.

2. On Travel Sentry’s telling, all is well with the current state of 35 U.S.C. § 101 patent-eligibility review and, if ever there were a problem, that problem has long since resolved itself. See Opp. 2, 19-21. But the current framework is far from “working well” now,

let alone has it “worked well for nearly a decade.” *Id.* at 2.

Travel Sentry’s rosy view of the state of patent-eligibility review is belied by the recent even *en banc* split at the Federal Circuit, and the United States’ and many others’ amicus briefs in *American Axle & Manufacturing, Inc. v. Neapco Holdings LLC*, No. 20-891—as well as amici here. Indeed, Travel Sentry misapprehends the reason for petitioner’s discussion of the Solicitor General’s briefs in *American Axle, Hikma Pharmaceuticals USA Inc. v. Vanda Pharmaceuticals Inc.*, No. 18-817, and *HP, Inc. v. Berkheimer*, No. 18-415. The point was not that the same precise “issues in those cases” are “at play here.” Opp. 22. Rather, petitioner’s point was to show the increasing calls for the Court to provide a course correction or at least further guidance on the framework for judicially created exceptions to patent eligibility. See Pet. 13-16.

The problem of setting a principled framework for assessing patent eligibility—one that provides a degree of certainty and consistency for the benefit of inventors and patent challengers alike—has not disappeared of its own accord. *Contra* Opp. 13, 21. There remain fundamental problems both with the substantive requirements of the *Alice* framework and with its consistent application across patent claims. See, e.g., Cory N. Owan, *Don’t Abstract Machine Learning Patents*, 61 *Jurimetrics J.* 245, 246 (2021) (“Recent jurisprudence regarding the abstract idea exclusion to patentability * * * has caused great uncertainty in the patent world.”); David Kappos & Asa Kling, *Ground-Level Pressing Issues at the Intersection of AI & IP*, 22 *Colum. Sci. & Tech. Rev.* 263, 268 (2021) (“Since *Alice*, both courts and patent

examiners applying this test have treated similar technologies unevenly.”).

That is as true today as ever. Indeed, commentators describe a broken system. See, e.g., Kennedy Stanley, *The Plot Thickens in the Convolved Saga of Section 101 Patent Eligibility: Where Do We Go From Here?*, 23 Tulane J. of Tech. & Intel. Prop. L. 137, 138 (2021) (“[t]he current framework for identifying what constitutes patentable subject matter is highly subjective, leading to arbitrary results and unpredictable outcomes”); Jordan Nimitz, *Shattering the Looking Glass: How a Section 101 Revision Could Save Fintech from Alice*, 30 Fed. Cir. Bar J. 55, 65 (2020) (describing the “abstract idea exception” as “an unworkable framework with no objective criteria”); Osenga, *supra*, at 1196 (“th[e] [patent-eligibility] test and how it is to be applied is anything but clear”).

3. Finally, Travel Sentry says, even if the current state of 35 U.S.C. § 101 patent-eligibility review is amiss, any lingering problems with it are easily resolved by Congress. Opp. 28-30. But it is no answer simply to hope that eventually Congress might provide greater clarity on the Court’s judicially created exceptions to patent eligibility.

For one, on Travel Sentry’s own telling, the only legislation currently being discussed would not provide a comprehensive resolution of the patent-eligibility issues here. Opp. 29-30. And, indeed, despite repeated attempts at brokering a legislative solution, the chief backer of that legislation has himself called for “much-needed guidance” from the Court on the scope of the judicially created exceptions to patent eligibility. Brief of U.S. Senator Thom Tillis, Hon. Paul R. Michel, & Hon. David J. Kappos as *Amici*

Curiae in Support of Petitioner at 22, *American Axle*, No. 20-891 (Mar. 2, 2021). It is, of course, true in theory that “Congress remains free to alter what [this Court has] done.” *Halliburton Co. v. Erica P. John Fund, Inc.*, 573 U.S. 258, 274 (2014) (internal quotations omitted). But even when in theory Congress can fix something, “legislative action takes time; Congress has much to do; and other matters * * * may warrant higher legislative priority.” *Azar v. Allina Health Servs.*, 139 S. Ct. 1804, 1826 (2019) (quoting *Milner v. Department of Navy*, 562 U.S. 562, 592 (2011) (Breyer, J., dissenting from the denial of certiorari)). In the meantime, scores of patents are subjected to, and invalidated under, an unworkable patent-eligibility framework.

More importantly, the problem here is of the Court’s own making. It is well known that, “[b]etween 2010 and 2014, [this Court] issued four decisions culminating with *Alice*, which narrowed the scope of patent protection by significantly expanding the judicially created exceptions of patent eligible subject matter.” Michael R. Woodward, *Amending Alice: Eliminating the Undue Burden of “Significantly More”*, 81 Albany L.R. 329, 335 (2018); accord, e.g., Shahrokh Falati, *Patent Eligibility on Disease Diagnosis*, 21 N.C. J.L. & Tech. 63, 66 (2020) (discussing how, through cases like *Mayo* and *Alice*, the “Court has effectively redefined the scope of patent eligible subject matter by greatly expanding the scope of the judicially-created exceptions to the statutory patent eligibility laws, thereby significantly narrowing the scope of subject matter that is patent eligible.”). For the scope and application of the judicially created exceptions to patent eligibility, the Court effectively acts as the policymaker. Although it would have been preferable for the Court not to make

policy in the first place, it makes no sense for the Court to expand a doctrine and then decline to address the confusion occasioned by that expansion. Cf., *Davis v. United States*, 564 U.S. 229, 238 (2011) (discussing how, once the Court “came to acknowledge the exclusionary rule for what it undoubtedly is—a ‘judicially created remedy’ of this Court’s own making,” the Court “abandoned the old, ‘reflexive’ application of the doctrine, and imposed a more rigorous weighing of its costs and deterrence benefits”); cf., e.g., *Kakarala v. Wells Fargo Bank, N.A.*, 136 S. Ct. 1153, 1154 (2016) (Thomas, J., dissenting from denial of certiorari) (“I see no need to force Congress to fix a problem that this Court created.”).

In any event, Congress has *already* spoken on the topic of patent eligibility. The Patent Act authorizes patents for “[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof.” 35 U.S.C. § 101. As the Court readily concludes in other contexts, “[t]here is no reason to suspect that Congress did not mean what the language of the statute says.” *United States v. Ron Pair Enters., Inc.*, 489 U.S. 235, 246 (1989); see also, e.g., *Murphy v. Smith*, 138 S. Ct. 784, 788 (2018) (“respect for Congress’s prerogatives as policymaker means carefully attending to the words it chose rather than replacing them with others of our own”).

Indeed, Congress has been consistent in favoring a broad conception of patent rights. As the Court has observed, “[t]oday’s patent statute is remarkably similar to the law as known to Jefferson in 1793.” *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 148 (1989). Now, as then, the Patent Act

speaks in the “same broad language.” *Diamond v. Chakrabarty*, 447 U.S. 303, 308-309 (1980) (discussing the history of the Patent Act and noting that “Congress intended statutory subject matter to ‘include anything under the sun that is made by man’”) (citation omitted). And, in recognition of that intentional breadth, Congress “struck a balance between fostering innovation and ensuring public access to discoveries” by confining patents’ exclusive preemptive rights to a limited period of time. *Kimble v. Marvel Ent., LLC*, 576 U.S. 446, 451 (2015).

B. This Case Is A Good Vehicle To Address Patent Eligibility

1. As petitioner explained, the Federal Circuit’s application of the *Alice* framework here highlights the problems with 35 U.S.C. § 101 patent-eligibility review, and thus this case would make a good vehicle to revisit that doctrine—either to clarify the application of the framework or to rethink it entirely. Pet. 18-25. The decision below expands *Alice* beyond the bounds set by this Court. *Id.* at 18-21. The court of appeals also, by its own admission, *see* Pet. App. 4a, collapsed the *Alice* step-two inquiry into *Alice* step-one. *See* Pet. 21-23. And the panel’s decision aptly demonstrates how the 35 U.S.C. § 101 patent eligibility inquiry has expanded beyond the statutory text to encompass issues of novelty (35 U.S.C. § 102) and non-obviousness (35 U.S.C. § 103). *See* Pet. 23-24.

Travel Sentry does not seriously contest any of that. Its scattershot critiques (*see* Opp. 3, 8, 13-19) fail. For instance, Travel Sentry attempts to minimize the benefits of petitioner’s invention and the challenges posed by post-September 11 screening. Opp. 3, 8. But despite now claiming that petitioner’s patent concepts lack sufficient innovative concepts,

Travel Sentry itself practices petitioner’s invention in the marketplace today—to considerable acclaim from the travel industry. C.A. App. 1717. In 2004, Travel Sentry won the Travel Goods Association’s Innovation of the Year award. C.A. App. 1087, 1699. Much of Travel Sentry’s arguments thus bizarrely denigrate its own business model.

However much Travel Sentry tries to ignore it (see Opp. 15-17), Tropp’s patents claim a *physical* improvement over the prior art—a specific sequence of steps that describe a special lock that can be opened by a corresponding key controlled by a luggage screening entity and an identification structure to allow screening agents quickly and confidently to open the lock. C.A. App. 29 at Claim 1; C.A. App. 40 at Claim 1. This invention solved a specific, novel problem—enabling the newly formed TSA to screen luggage on a mass scale, uniformly across the country, following the September 11 attacks. The claims are directed to these specific real-world homeland-security improvements. See Pet. 22-23. And they have been a remarkable success: Petitioner’s process of special locks and master keys has displaced earlier luggage locks that lacked uniform identification structures. C.A. App. 1699, 2589-2590.

Travel Sentry attacks a strawman when it goes on at length about how petitioner did not invent the dual-access lock. Opp. 7 & n.5, 18-19. Petitioner never claimed to have done so. Rather, petitioner’s patents claim an *improved* dual-access lock that allows TSA agents quickly and confidently to match lock and key in the post-September 11 screening setting. See, *e.g.*, Pet. 5 (discussing how the ’537 and ’728 patents “disclose an improved method of screening airline

luggage using a special dual-access lock and an identification structure”).

In a similar vein, Travel Sentry conjures up “long rows of high school lockers with combination locks, each of which could be opened by the superintendent’s master key.” Opp. 7 n.5. But the record shows that those kinds of locks lacked a signal alerting users what locks the key could open. C.A. App. 1699; see also *id.* at 2149, 2886-2890. That is not a problem in the school-locker setting—a closed registered system where every student could simply be forced to use the same lock, so that the principal could confidently open every lock with the same master key. *Id.* at 1699, 2877-2878, 2889. The traveling public, by contrast, chooses from a broad array of luggage locks. So the identification structure in petitioner’s patent becomes not only helpful but *necessary* to provide the same ease of dual access in the very-different setting of mass luggage screening. Tellingly, Travel Sentry repeatedly elides that claim step. See Opp. 9, 14, 17.

Finally, Travel Sentry also plays fast and loose with the record. For instance, in its revised question presented it suggests that the claims at issue here extend beyond the ’537 and ’728 patents to include “other[] [patents] subsequently granted to Tropp.” Opp. i. Not so. The *only* patents at issue here are the ’537 and ’738 patents. See, e.g., Pet. App. 3a (“These two patent cases involve David Tropp’s U.S. Patent Nos. 7,021,537 and 7,036,728.”).

2. Travel Sentry suggests that it would be a waste of the Court’s time to address this “typical ‘run-of-the-mill’ case” (Opp. 1; accord *id.* at 25) instead of one involving biotech or an automotive invention, *id.* at 21, 25. But an individual inventor’s innovation that improves everyday life is just as deserving of patent

protection as corporate advances on drugs and cars. Petitioner is an excellent example. He practices his invention against a major corporate player; he is Travel Sentry's chief competitor in the TSA-accepted dual-access luggage-lock market. See Pet. 6; C.A. App. 1717. And small entrepreneurs, with creative inventions, play an outsized role in the U.S. economy. Indeed, it is small enterprises like petitioner's that "often provide the seedbed for the emergence of new entrepreneurial talent." Martin Robson, *Explaining Cross-National Variations in Entrepreneurship: The Role of Social Protection & Political Culture*, 28 Comp. Lab. L. & Pol'y 863, 889 (2007) (discussing how the lack of a culture fostering entrepreneurs who start "[s]mall and medium-sized" enterprises hampered economic growth in post-communist countries, in contrast to the U.S. market-economy culture). Moreover, even the largest enterprises had to start someplace. Whether big or small, how much a nation protects intellectual property rights "affects not only the opportunities for engaging in entrepreneurship, but also the success or failure of many entrepreneurial efforts." Stuart G.H. Graham et al., *High Technology Entrepreneurs & the Patent System*, 24 Berkeley Tech. L.J. 1255, 1258 (2009).

It is also a feature, not a bug, that petitioner's case does not present "the technical or complex science issues" that some patent-eligibility disputes do. Opp. 22. After all, this Court's review is reserved for "important federal question[s]," not factbound error correction. S. Ct. R. 10(a). By Travel Sentry's own telling, *American Axle* involved "difficult and unique facts" that would have stood in the way of a fresh rethink of the 35 U.S.C. § 101 patent-eligibility doctrine. Opp. 24; see also Pet. 17 (discussing how *American Axle* turned on a largely factbound

application of the natural law exception). By contrast, nothing here prevents the Court from addressing the doctrinal patent-eligibility issue head-on.

Finally, this case homes in on the key judicially created exception—that of abstract ideas. It makes sense for the Court’s post-*Alice* guidance to concern the exception at issue in *Alice* itself. Unlike, for instance, the natural law exception at issue in *American Axle*, “terms like ‘abstract’” are inherently problematic. John R. Harris, *The Patent System Is Under Assault*, 44 *AIPLA Quarterly J.* 27, 56 n. 136 (2016) (discussing how the current “guidelines for practical application in patent law are unworkable” and how one “simply cannot know how to apply them when writing and prosecuting patent applications”); see also David Zuckerman, *Abstraction & Indefiniteness: Expanding the Traditional Interpretation of 35 U.S.C. § 112(b) to Cover the Abstract Idea Doctrine*, 23 *Geo. Mason L. Rev.* 423, 425 (2016) (“the abstract idea doctrine is ultimately unworkable as a matter of both law and policy”). Moreover, the abstract-idea exception arises much more frequently. Pet. 17. And, as technology marches on, the frequency with which that exception is litigated will continue to rise. See, e.g., Owan, *supra*, 61 *Jurimetrics J.* at 246 (“A judicially created exception under § 101—the abstract idea—has made it increasingly difficult to patent machine learning inventions.”).

CONCLUSION

For the foregoing reasons and those stated in the petition for a writ of certiorari, the petition should be granted.

Respectfully submitted.

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