



ARE Patent Law Alert: U.S. Supreme Court Grants *Certiorari* in *Alice v. CLS Bank* to Address the Patent-Eligibility of Computer Implemented Inventions

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Author(s): Charles R. Macedo

On December 6, 2013, the U.S. Supreme Court granted *certiorari* in *Alice Corporation Pty. Ltd., v. CLS Bank Int'l, et. al*, No. 13-298 (U.S. Dec. 6, 2013) (“*CLS IV*”). The case relates to the patent-eligibility of computer-implemented inventions under 35 U.S.C. § 101. The four patents at issue involve system, method, and media claims for a computerized trading platform.

The case was previously heard *en banc* at the U.S. Court of Appeals for the Federal Circuit (“Federal Circuit”). *CLS Bank Int'l v. Alice Corp.*, 717 F.3d 1269 (Fed. Cir. 2013) (“*CLS III*”). This rehearing resulted in a split, highly divisive 135-page decision, with six separate opinions in which there was no clear majority rationale as to either the patent-eligibility of the claims under Section 101 or the approach to a Section 101 analysis in general. However, a majority of the court affirmed the District Court holding that the asserted method and media claims were directed to patent-ineligible subject matter and an equally divided court affirmed the patent-ineligibility of the asserted system claims.

Alice Corporation, the patentee, filed a petition for a writ of *certiorari* with the Supreme Court on September 4, 2013. It proposed that the Court consider “[w]hether claims to computer-implemented inventions . . . are directed to patent-eligible subject matter within the meaning of 35 U.S.C. § 101 as interpreted by [the Supreme] Court.”

In *CLS III*, the New York Intellectual Property Law Association (“NYIPLA”) submitted an amicus brief to the Federal Circuit arguing that the mere presence of a computer in a claim should not alter the fundamental analysis as to whether the claim as a whole preempts an abstract idea. In the face of the resulting highly divisive *en banc* decision, NYIPLA filed another amicus brief to support Alice’s petition for a writ of *certiorari* in the hopes of some clarifying guidance on the application of a Section 101 analysis to computer-implemented claims.

In its brief to the Supreme Court, the NYIPLA did not offer an opinion on the merit of the asserted claims, but generally advocated for a clarification on the patent-eligibility analysis under Section 101. The NYIPLA described how the proper approach to determining patent-eligibility has become unclear, as exemplified by the divided decision in *CLS III* and the resulting uncertainty in the law at the district court level. The NYIPLA brief



urged the Court to grant *certiorari*, explaining that clarification by the Supreme Court is necessary because of the vital role that patents play in the economy and the need for consistent precedent so that courts may provide reliable judgments while preserving judicial resources.

We will continue to monitor and report on Section 101 cases, and encourage you to review the publications page of our firm website (www.arelaw.com) for more information. Please also feel free to contact one of our firm's attorneys to learn more.

[Charles R. Macedo](#) is a Partner and Sandra Hudak is a patent agent at Amster, Rothstein & Ebenstein LLP. Their practice specializes in intellectual property issues. They may be reached at cmacedo@arelaw.com and shudak@arelaw.com.

Mr. Macedo is also the author of *The Corporate Insider's Guide to U.S. Patent Practice*, published by Oxford University Press in 2009, and, along with [Anthony F. LoCicero](#), [Joseph M. Casino](#), [Michael J. Kasdan](#), and [David P. Goldberg](#) of Amster, Rothstein & Ebenstein LLP and Matthew B. McFarlane and Mahesha P. Subbaraman of Robins, Kaplan, Miller & Ciresi L.L.P., was counsel on the amicus submission in support of the grant of *certiorari* submitted by the New York Intellectual Property Law Association to the Supreme Court in *CLS Bank v. Alice*. Ms. Hudak also worked on the amicus submission.