

No. 19-103

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In The  
**Supreme Court of the United States**

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STRIKEFORCE TECHNOLOGIES, INC.,

*Petitioner,*

v.

SECUREAUTH CORPORATION,

*Respondent.*

—◆—  
**On Petition For Writ Of Certiorari  
To The United States Court Of Appeals  
For The Federal Circuit**

—◆—  
**BRIEF IN OPPOSITION TO  
PETITION FOR WRIT OF CERTIORARI**

—◆—  
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**CORPORATE DISCLOSURE STATEMENT**

Respondent SecureAuth Corporation has the following parent corporations or publicly held companies that own 10% or more of its stock: Core Security SDI Corp.; Courion Intermediate Holdings, Inc.; and Courion Holding, LLC.

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## INTRODUCTION

Petitioner identifies no error in the decision below. Instead, Petitioner speculates that an error could arise retroactively under some legal standard for patent eligibility that does not currently exist. Petitioner argues that this Court may adopt a new legal standard for patent eligibility if it grants certiorari in *HP Inc., fka Hewlett-Packard Co. v. Berkheimer*, No. 18-415 (filed Sept. 28, 2018), but no party in that case is advocating for any standard that would change the outcome here.

The parties in *Berkheimer* dispute the role of factual findings in the analysis of patent eligibility under 35 U.S.C. § 101. The Federal Circuit's decision in *Berkheimer* held that although eligibility is a question of law it may involve underlying questions of fact, and when such questions are present, fact finding is needed to resolve them. The petitioner there, HP, argues that patent eligibility is a question of law to be decided by the court alone, without input from a fact finder. The respondent, Berkheimer, argues that the Federal Circuit's decision was correct and that eligibility may sometimes (but not always) depend on underlying fact questions. Neither side's position in *Berkheimer*, if adopted by this Court, would change the outcome here.

The Federal Circuit decided the present case more than a year after its decision in *Berkheimer*. The briefing and oral argument below thoroughly addressed *Berkheimer's* impact. With *Berkheimer's* applicability firmly established, the Federal Circuit affirmed a decision finding the patents at issue here ineligible under

§ 101 as a matter of law on a motion to dismiss. To reach this holding, the panel necessarily found that there were no *material* fact issues disputed in this case. Thus, *Berkheimer* failed to affect the outcome.

If the Court grants certiorari in *Berkheimer* and agrees with the respondent that the Federal Circuit’s decision was correct, there will be no basis for a remand because the Federal Circuit already applied the correct legal standard in the decision below. Alternatively, if the Court grants certiorari in *Berkheimer* and agrees with the petitioner that fact questions *never* affect the eligibility analysis, then the Federal Circuit’s decision in this case—that no fact issues are material to eligibility here—would still be correct. The Court should therefore deny the present petition regardless of the outcome in *Berkheimer*.



## FACTUAL BACKGROUND

### I. The District Court Decision

Petitioner StrikeForce Technologies, Inc. sued Respondent SecureAuth Corp. for patent infringement. The district court dismissed StrikeForce’s complaint because all asserted claims of StrikeForce’s patents were patent-ineligible under 35 U.S.C. § 101, based on the two-step framework this Court articulated in *Alice Corp. v. CLS Bank Int’l*, 134 S.Ct. 2347, 2355 (2014). Pet. App. 3a-20a. At the time of the district court’s decision, the Federal Circuit had not yet decided *Berkheimer*.

## II. The Federal Circuit Appeal

StrikeForce appealed the district court's decision to the Court of Appeals for the Federal Circuit. In its opening and reply briefs, StrikeForce cited the Federal Circuit's *Berkheimer* decision extensively and devoted about eight pages to explaining why that case allegedly required a remand for the district court to resolve disputed issues of fact. *StrikeForce, Inc. v. SecureAuth Corp.*, No. 18-1470, Dkt. 18, pp. 52-57, Dkt. 27, pp. 29-32 (Fed. Cir., filed Jan. 16, 2018). SecureAuth explained in its opposition brief, however, that the alleged facts StrikeForce identified were not material to the patent-eligibility analysis, so no remand was necessary under *Berkheimer. Id.*, Dkt. 22, pp. 63-69. StrikeForce also raised *Berkheimer* and the alleged need for fact finding repeatedly during oral argument.<sup>1</sup> Thus, the Federal Circuit was fully aware of that issue when it decided the appeal. By affirming the district court's decision, the Federal Circuit necessarily rejected StrikeForce's argument that disputed fact issues were material to the eligibility analysis.



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<sup>1</sup> A recording of the oral argument is available on the Federal Circuit's web site at <http://oralarguments.cafc.uscourts.gov/default.aspx?fl=2018-1470.mp3>. The relevant discussion occurs in the recording at 07:12-46, 13:05-37, and 35:22-32.

## REASONS FOR DENYING THE PETITION

### I. Petitioner Identifies No Alleged Error.

The question presented in the Petition is “[w]hether the Federal Circuit conducted the proper analysis under step two of *Alice*, as this Court *will* explain it, *should* certiorari be granted in *Berkheimer SCT*.” (Emphases added.) On its face, this question is contingent on a legal standard that does not currently exist.

There is no allegation here that the Federal Circuit erred in its decision below under any existing legal standard. Nor does the Petition advocate for any specific change in legal standards that would be sufficient to render the Federal Circuit’s decision erroneous. Thus, the Petition fails to identify any error in the decision below.

### II. Petitioner Waived Its Argument.

Petitioner argues that the Court should remand this case to the Federal Circuit to apply a new, unspecified legal standard. However, Petitioner never advocated for such a legal standard in the briefing below. To the contrary, Petitioner asked the Federal Circuit to apply the existing legal standard articulated in *Berkheimer v. HP Inc.*, 881 F.3d 1360 (Fed. Cir. 2018). *See* Pet. at 7 (“StrikeForce relied on *Berkheimer CAFC*”). Thus, Petitioner waived any argument that the eligibility of its patent claims should be evaluated under a new legal standard.

### **III. Petitioner Fails to Show How The Court’s Resolution of *Berkheimer* Would Affect The Outcome Here.**

Regardless of whether certiorari is granted in *Berkheimer*, and which side ultimately prevails, the outcome of the present case will not change. If the petitioner in *Berkheimer* prevails and this Court concludes that fact finding is never necessary in the patent-eligibility analysis, then no fact finding was necessary here. Accordingly, the decision below affirming the district court’s dismissal would be correct. Conversely, if the respondent in *Berkheimer* prevails and the Court concludes that the Federal Circuit’s decision there was correct, then the Federal Circuit’s decision in this case also would be correct because the Federal Circuit already considered *Berkheimer* when issuing the decision below. Thus, there would be no reason for a remand here.

Petitioner’s argument for a remand is premised on the idea that because the Federal Circuit issued the decision below without opinion under Rule 36, it did not necessarily apply *Berkheimer* and may not have even considered the role of fact questions in the eligibility analysis. Pet. 16 (arguing that “it is impossible to know if the [Federal Circuit] even considered the issue”). But *Berkheimer* was binding precedent on the Federal Circuit panel that decided the case. *Deckers Corp. v. United States*, 752 F.3d 949, 964 (Fed. Cir. 2014) (A panel is “bound by the precedential decisions of prior panels unless and until overruled by an intervening Supreme Court or en banc decision.”). Moreover, the impact of *Berkheimer* was thoroughly briefed



and discussed at oral argument. *Supra*, pp. 2-3. There is no basis to doubt that the Federal Circuit fully considered this issue when reaching its ruling.

Petitioner also raises the possibility that if the Court grants certiorari in *Berkheimer* it will adopt “an entirely new approach, rather than the two-step approach set forth in *Alice*.” Pet. 14. But neither side in *Berkheimer* seeks such a result, and both sides’ articulation of the question presented assumes that *Alice* continues to govern the eligibility analysis. The notion that the Court would use *Berkheimer* as a vehicle to develop an entirely new test that is inconsistent with its own precedent and does not arise from any question presented in that case is farfetched conjecture, and provides no justification for granting the present petition.

#### **IV. The Petition Relies on Incorrect Facts.**

Petitioner attempts to bolster its request for a remand by arguing that the members of the panel that issued the decision below have expressed reservations regarding the current eligibility law, and thus may not have properly applied the law here. Pet. 14. However, Petitioner’s argument relies on a misidentification of the panel members:

In this case, the Panel included Judge Lourie, who has already expressed his view that the entire § 101 jurisprudence needs to be revisited. . . . The panel also included Judge

Wallach, who . . . applied an extremely limited view of *Berkheimer CAFC*.

*Id.*; see also *id.* at 16 (casting doubt on the decision below “given the panel”). Contrary to Petitioner’s assertions, neither Judge Lourie nor Judge Wallach sat on the panel below. The panel consisted of “Newman, Mayer, and Dyk, Circuit Judges.” Pet. App. 2. Thus, Petitioner’s argument regarding the panel’s composition is meritless.

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## CONCLUSION

For the foregoing reasons, the Court should deny StrikeForce’s petition for a writ of certiorari without awaiting the disposition of *Berkheimer*.

Respectfully submitted,

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