

No. 24-764

IN THE
Supreme Court of the United States

HARRIS BRUMFIELD, TRUSTEE FOR ASCENT
TRUST,

Petitioner,

—v.—

IBG LLC, *et al.*,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED
STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

**BRIEF OF ISLAND INTELLECTUAL
PROPERTY LLC AS *AMICUS CURIAE* IN
SUPPORT OF PETITIONER**

JOHN G. DELLAPORTAS
EMMET, MARVIN &
MARTIN, LLP
120 BROADWAY
New York, NY 10271

CHARLES R. MACEDO
Counsel of Record
DAVID P. GOLDBERG
THOMAS E. HART
AMSTER, ROTHSTEIN &
EBENSTEIN LLP
405 Lexington Avenue
New York, NY 10174
(212) 336-8000
cmacedo@arelaw.com

Counsel for Amicus Curiae Island Intellectual Property LLC

February 11, 2025

QUESTION PRESENTED

Like the co-pending petition for certiorari in *Island Intellectual Property, LLC v. TD Ameritrade, Inc.*, No. 24-461 (filed Oct. 21, 2024), this petition represents a dangerous trend in patent cases where district courts weigh evidentiary disputes against non-movants and grant summary judgment despite the existence of material factual disputes. This practice violates the Federal Rules of Civil Procedure and deprives parties of their Constitutional right to a jury trial under the Seventh Amendment.

The U.S. Court of Appeals for the Federal Circuit has failed to correct this trend but instead has made matters significantly worse by encouraging a patent-specific rule for summary judgment.

Question 3 here asks:

Whether this Court's supervisory authority is needed to correct the Federal Circuit's improper (1) application of Rule 56 to patent cases and (2) practice of deciding issues that were never argued or briefed on appeal?

Similarly, Question 1 in *Island* asks:

Do the Federal Rules of Civil Procedure apply to patent cases like any other federal case, including in particular FRCP 56 and its prescription against granting summary judgment when the

nonmoving party presents evidence that raises material facts in dispute?

Collectively, these petitions (and at least one more) demonstrate that this Court should exercise its supervisory authority, as it did in *Tolan v. Cotton*, to instruct the lower courts to follow the same rules of civil procedure for summary judgment in patent cases as required in all other civil cases.

TABLE OF CONTENTS

QUESTION PRESENTED..... i
TABLE OF CONTENTS iii
INTEREST OF AMICUS CURIAE.....1
SUMMARY OF ARGUMENT.....5
REASONS FOR EXERCISING SUPERVIORY
REVIEW8
 I. This Court’s Supervisory Authority Is
 Needed to Correct Lower Courts’
 Misapplication of the *Tolan* Axiom in
 Patent Eligibility Determinations8
 A. *Tolan* Requires Federal Courts to Leave
 Factual Disputes on Conventionality For
 Trial.....8
 B. Notwithstanding Crystal Clear Guidance
 from This Court’s Prior
 Pronouncements, Lower Courts Failed to
 Follow These Rules in *Brumfield*, *Island*,
 and *Broadband*.11
 C. The Failure to Follow *Tolan* in Patent
 Validity Cases Permeates Many
 Decisions by the Federal Circuit and the
 Lower Courts.15
 D. The Failure of Courts to Follow the *Tolan*
 Axiom in Patent Cases and Their
 Substitution of Their Credibility
 Determinations Instead Contravenes the

Seventh Amendment Right to a Jury Trial.....	18
E. This Court’s Supervisory Intervention Is Necessary to Address the Federal Circuit’s Persistent Misapplication of Procedural Standards.....	20
II. <i>Brumfield</i> and <i>Island</i> Are Proper Vehicles for Correcting These Issues.....	23
A. <i>Brumfield</i> and <i>Island</i> Each Provide Well-Documented and Egregious Examples for this Court to Consider.....	23
B. <i>Brumfield</i> and <i>Island</i> Are Properly Motivated and Well Represented Parties with Sufficient Amicus Support.....	24
C. Absent This Court’s Supervisory Intervention, the Federal Circuit Will Not Correct the Persistent Misapplication of Procedural Standards in Patent Cases.....	24
D. This Court Should Grant at Least one of the Petitions and Hold in Abeyance the Remaining Petitions.....	25
CONCLUSION.....	26

TABLE OF AUTHORITIES

	Page(s)
CASES	
<i>Aatrix Software, Inc. v. Green Shades Software, Inc.</i> , 882 F.3d 1121 (Fed. Cir. 2018)	10
<i>Adickes v. S.H. Kress & Co.</i> , 398 U.S. 144 (1970) (Black, J., concurring)	18, 19
<i>Agosto v. INS</i> , 436 U.S. 748 (1978)	6, 8
<i>Alice Corp. Pty. Ltd. v. CLS Bank Int’l</i> , 573 U.S. 208 (2014)	9, 10, 11, 12, 16, 21
<i>American Axle v. Neapco</i> , 967 F.3d 1285, 1313 (Fed Cir. 2020)	17, 21
<i>Anderson v. Liberty Lobby, Inc.</i> , 477 U.S. 242 (1986)	2, 5, 6, 8, 14, 15, 16
<i>Berkheimer v. HP</i> , 890 F.3d 1369 (2018) (Moore, J., concurring)	10, 12, 15
<i>Bilski v. Kappos</i> , 561 U.S. 593 (2010)	9, 12, 21

<i>Broadband iTV, Inc. v. Amazon.com, Inc., et al.</i> , No. 6:20-cv-00921-ADA, 2022 U.S. Dist. LEXIS 178425 (W.D. Tex. Sep. 30, 2022)	13
<i>Broadband iTV, Inc. v. Amazon.com, Inc.</i> 113 F.4th 1359, 1371 (Fed. Cir. 2024)	13, 14
<i>Dimick v. Schiedt</i> , 293 U.S. 474 (1935)	18
<i>Exergen Corp. v. Kaz USA, Inc.</i> , 725 F. App'x 959 (Fed. Cir. 2018)	10
<i>SEC v. Jarkesy</i> , 603 U.S. 109 (2024)	18
<i>In re Lockwood</i> , 50 F.3d 966 (Fed. Cir.), <i>vacated sub nom. Am. Airlines, Inc. v. Lockwood</i> , 515 U.S. 1182 (1995)	18, 19
<i>Mayo Collaborative Servs. v. Prometheus, Labs., Inc.</i> , 566 U.S. 66 (2012)	9, 10, 16
<i>Microsoft v. i4i L.P.</i> , 564 U.S. 91 (2011)	9, 10, 14
<i>Parsons v. Bedford</i> . 28 U.S. 433 (1830)	19

<i>Realtime Adaptive Streaming LLC v. Sling TV, L.L.C.</i> , No. 2021-2268, 2023 WL 3373583 (Fed. Cir. May 11, 2023)	17, 21
<i>Savvy Dog Systems, LLC v. Pennsylvania Coin, LLC</i> , No. 2023-1073, 2024 U.S. App. LEXIS 6702 (Fed. Cir. Mar. 21, 2024).....	16
<i>SCA Hygiene Prods. Aktieboloag v. First Quality Baby Prods., LLC</i> , 580 U.S. 328 (2017).....	3, 5, 22
<i>In re Tech. Licensing Corp.</i> , 423 F.3d 1286 (Fed. Cir. 2005)	19
<i>Tolan v. Cotton</i> , 572 U.S. 650 (2014).....	2, 5, 6, 7, 8, 9, 11, 13, 14, 15, 16, 18, 20, 22, 24, 25
<i>USC IP Partnership L.P. v. Facebook</i> 576 F. Supp. 3d 446 (W.D. Tex. 2021).....	15, 16
<i>USC IP P'ship, L.P. v. Meta Platforms, Inc.</i> , No. 2022-1397, 2023 U.S. App. LEXIS 22914 (Fed. Cir. Aug. 30, 2023)	15, 16
CONSTITUTIONAL PROVISIONS	
U.S. Const. amend. VII	7, 18, 19

STATUTES

28 U.S.C. § 1291	2
35 U.S.C. § 101	9, 10
35 U.S.C. § 102	9
35 U.S.C. § 103	9

RULES

Fed. Cir. Local R. 36.....	1, 17
Fed. R. Civ. Proc. 56.....	2, 3, 6, 7, 8, 14, 25
Fed. R. Civ. Proc. 12.....	3
S. Ct. R. 37.2.....	1
S. Ct. R. 37.6.....	1

BRIEFS

Petition for Writ of Certiorari, <i>Audio Evolution Diagnostics, Inc. v.</i> <i>U.S.</i> , No. 24-806 (U.S. filed Jan. 27, 2025)	1
Petition for Writ of Certiorari, <i>Broadband iTV, Inc. v. Amazon.com,</i> <i>Inc., et al.</i> , No. 24-827 (U.S. filed on Jan. 31, 2025) ("Broadband Pet.")	3, 5, 6, 7, 11, 12, 13, 14, 15, 18, 19, 21, 23, 25, 26

Petition for Writ of Certiorari, <i>Harris Brumfield, Trustee for Ascent Trust, Petitioner v. IBG LLC</i> , No. 24-764 (U.S. filed on Jan. 2, 2025) ("Pet.")	i, ii, 1, 5, 6, 7, 11, 14, 15, 18, 21, 23, 24, 25, 26
Petition for Panel Rehearing, for En Banc Hearing, <i>Island Intellectual Property, LLC. v. TD Ameritrade, Inc.</i> , No. 23-1318, 23-1441, ECF No. 54 (Fed. Cir. filed on Jun. 18, 2024)	2
Petition for Writ of Certiorari, <i>Island Intellectual Property, LLC. v. TD Ameritrade, Inc.</i> , No. 24-461 (U.S. filed on Oct. 21, 2024) ("Island Pet.")	i, ii, 1, 2, 3, 5, 6, 7, 9, 11, 12, 14, 15, 17, 18, 19, 21, 23, 24, 25, 26
Brief in Reply, <i>Island Intellectual Property, LLC. v. TD Ameritrade, Inc.</i> , No. 24-461 (U.S. filed on Dec. 6, 2024) ("Island Reply")	3, 9
Petition for Writ of Certiorari, <i>ParkerVision, Inc. v. TCL Industries Holdings Co., Ltd., et al.</i> , No 24-518 (U.S. filed on Nov. 4, 2024)	1
Petition for Writ of Certiorari, <i>Worlds Inc. v. Activision Blizzard, Inc.</i> , No. 21-1554 (U.S. filed on June 8, 2022)	18

OTHER AUTHORITIES

- Charles Macedo, et al., *Lower Courts in Patent Cases Continue to Ignore Factual Disputes and Weigh Evidence Against Nonmovants*, NYIPLA The Report, Summer/Fall 202420
- Dennis Crouch, *Blurring the Line Between Law and Fact in Patent Eligibility*, Patently-O (Feb. 5, 2025), <https://patentlyo.com/patent/2025/02/blurring-between-eligibility.html> (“Patently-O”) 14, 20, 25
- Steven M. Shapiro, et al, *Supreme Court Practices*, §14.6 (10th ed. 2013)25

INTEREST OF *AMICUS CURIAE*¹

Island Intellectual Property, LLC (“Island”) respectfully submits this *amicus curiae* brief in support of the Petition for Writ of Certiorari by Harris Brumfield, Trustee for Ascent Trust, No. 24-764. (“Pet.”). In particular, Island submits this *amicus curiae* brief in support of Brumfield’s request that “this Court ... exercise its supervisory authority to address the Federal Circuit’s persistent misapplication of procedural standards.” Pet., 5. Amicus Island is itself a petitioner in a pending petition in *Island Intellectual Property LLC v. TD Ameritrade, Inc.*, No 24-461, which raises a similar issue.²

Island is an affiliate of Double Rock Corporation (“Double Rock”). Since the 1970s, Double

¹ Pursuant to Rule 37.2, counsel of record for all parties received timely notice of the *amicus curiae*’s intention to file this brief. In accordance with Rule 37.6, counsel for the *amicus curiae* certifies that no counsel for any party authored this brief in whole or in part and that no person or entity other than the *amicus curiae* or its counsel made a monetary contribution intended to fund the brief’s preparation or submission.

² The Island Petition also raises as a second and separate issue, beyond the scope of the instant *Brumfield* Petition, but which is related to the Petition for Writ of Certiorari in *ParkerVision, Inc. v. TCL Industries Holdings Co., Ltd., et al.*, No 24-518 (U.S. filed on Nov. 4, 2024) and the Petition for Writ of Certiorari in *Audio Evolution Diagnostics, Inc. v. U.S.*, No. 24-806 (U.S. filed Jan. 27, 2025) (see Question 2). The second issue relates to the failure of the Federal Circuit to provide an explanation for its one-word judgment affirmances under its Local Rule 36.

Rock has been a leading, commercially successful cash-management and technology solution provider to the banking broker-dealer, qualified plan, and retail financial markets, with at times up to \$125 billion in assets under management. The company was founded by Bruce Bent, who co-created the world's first money-market fund in 1970. Mr. Bent and his son, Bruce Bent II, are pioneers and industry leaders in the deposit sweep and insured cash deposit industry.

As is pertinent to Island's petition, and its interest in this case, Island owns three separate patents that were the subject of litigation before the U.S. District Court for the Eastern District of Texas, an appeal under 28 U.S.C. § 1291 to the U.S. Court of Appeals for the Federal Circuit, petitions for rehearing and rehearing *en banc*, and, currently, a pending Petition for Certiorari to this Court. See *Island Intellectual Property, LLC. v. TD Ameritrade, Inc.*, No. 24-461 (filed Oct. 21, 2024) ("Island Pet.").

As the Island Petition explains, contrary to the well-recognized rules of this Court in, *inter alia*, *Tolan v. Cotton*, 572 U.S. 650, 651 (2014), and *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242 (1986), regarding the procedure for summary judgment in civil actions, in general, under FRCP 56, this Court's supervisory authority is needed because:

[l]ower courts have adopted a patent-specific practice in which judges substitute their own credibility determinations and unsubstantiated findings of fact, counter to well-stated

pleadings in Rule 12 motions and non-movant's evidence in Rule 56 motions. Like in *Tolan*, this Court's exercise of supervisory authority is again required to confirm "the same common-law principles, methods of statutory interpretation, and ***procedural rules as other areas of civil litigation***" also apply in patent cases.

Island Pet., 5-6 (also citing *SCA Hygiene Prods. Aktiebolag v. First Quality Baby Prods., LLC*, 580 U.S. 328, 340 (2017)); *see also* Island Pet., 21-34; Petitioner's Brief in Reply, 4-9, *Island Intellectual Property, LLC. v. TD Ameritrade, Inc.*, No. 24-461 (U.S. filed on Dec. 6, 2024) ("Island Reply").

Thus, the *Island* Petition raises as its first question presented:

Do the Federal Rules of Civil Procedure apply to patent cases like any other federal case, including in particular FRCP 56 and its prescription against granting summary judgment when the nonmoving party presents evidence that raises material facts in dispute?

Island Pet., i. A third petition, by Broadband also raises the same issue as a follow-on petition to the *Island* Petition. Petition for Writ of Certiorari, i, *Broadband iTV, Inc. v. Amazon.com, Inc., et al.*, No. 24-827 (U.S. filed on Jan. 31, 2025) ("Broadband Pet.")

Here, Island is an example of a patent-owning stakeholder that, together with its related former and ongoing practicing entities, built, developed, and commercialized computer-implemented technology in the field of financial services and patented the results of its research and development. Although some portions of the businesses that commercialized the results of the patented technologies have since been sold and/or licensed, Island maintains a substantial interest and investment in the fruits of such research and development in the form of ownership of its substantial patent portfolio.

SUMMARY OF ARGUMENT

In articulating the factual context of the case, the Fifth Circuit failed to adhere to the axiom that in ruling on a motion for summary judgment, “[t]he evidence of the nonmovant is to be believed, and all justifiable inferences are to be drawn in his favor.” . . . By weighing the evidence and reaching factual inferences contrary to Tolan’s competent evidence, the court below neglected to adhere to the fundamental principle that at the summary judgment stage, reasonable inferences should be drawn in favor of the nonmoving party.

Tolan v. Cotton, 572 U.S. 650, 651, 660 (2014) (quoting *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 255 (1986)).

As in *Tolan*, the *Brumfield*, *Island*, and *Broadband* petitions demonstrate lower courts have a “clear misapprehension” of the proper application of “fundamental” summary judgment standards in patent cases. 572 U.S. at 659-60. Thus, this Court should intervene using its supervisory authority to confirm that even in patent cases, courts should apply “the same common-law principles, methods of statutory interpretation, and ***procedural rules as other areas of civil litigation.***” *SCA Hygiene Prods. Aktiebolag v. First Quality Baby Prods., LLC*, 580 U.S. 328, 340 (2017) (emphasis added).

I. This Court’s supervisory authority is needed to provide guidance as to whether the Federal Rules of Civil Procedure, and Rule 56 in particular, apply in patent cases to the same extent as in other areas of civil litigation.

I.A. The general applicability of the Federal Rules of Civil Procedure, and Rule 56 in particular, should by now be well understood. As this Court has observed, it is an “axiom” that in ruling on a motion for summary judgment, “[t]he evidence of the nonmovant is to be believed, and all justifiable inferences are to be drawn in his favor.” *Tolan*, 572 U.S. at 651 (quoting *Anderson*, 477 U.S. at 255). “[A]t the summary judgment stage the judge’s function is not himself to weigh the evidence and determine the truth of the matter but to determine whether there is a genuine issue for trial.” *Anderson*, 477 U.S. at 249. Thus, “a district court generally cannot grant summary judgment based on its assessment of the credibility of the evidence presented.” *Agosto v. INS*, 436 U.S. 748, 756 (1978). These rules apply in all cases, including patent cases.

I.B. Notwithstanding what should be crystal clear from this Court’s prior pronouncements, the courts below failed to follow these rules in *Brumfield* as well as in *Island* and *Broadband*.

I.C. Unfortunately, the misunderstanding that patent law is somehow excepted from the Federal Rules of Civil Procedure permeates many decisions by the Federal Circuit and the lower courts.

I.D. The failure of courts to follow the *Tolan* axiom in patent cases, and the substitution of their own credibility determinations instead, contravenes the Seventh Amendment right to a jury trial.

I.E. Once again, this Court's supervisory intervention is necessary "to address the Federal Circuit's persistent misapplication of procedural standards." Pet., 5.

II. *Brumfield* and *Island* both present useful vehicles for the Court to evaluate the applicability of Federal Rules of Civil Procedure, and in particular Rule 56, in patent cases. The Court should take one or both together, and, if necessary, hold the other (along with *Broadband*) in abeyance.

II.A. The records are well-developed in *Brumfield* and *Island*, which both present egregious examples of lower courts in patent cases not following the same rules of civil procedure as in other civil cases.

II.B. The parties in *Brumfield* and *Island* are motivated and well-represented by experienced patent litigation and appellate counsel. Numerous *amici* have shown interest in *Island*'s case.

II.C. These issues are persistent and subject to repetition, with more examples continuing to occur. The time for this Court to address the issue is now. Given the history of *Brumfield*, *Island*, *Broadband* and similar cases, there is no reason to believe the Federal Circuit will correct its behavior without this Court's supervisory review.

II.D. The Court should grant one of the petitions raising the urgent issue of how Rule 56 summary judgment standards apply to factual disputes in patent cases, and hold other petitions raising the same issue in abeyance until it issues a determination on the merits resolving the issue.

REASONS FOR EXERCISING SUPERVISORY REVIEW

I. This Court’s Supervisory Authority Is Needed to Correct Lower Courts’ Misapplication of the *Tolan* Axiom in Patent Eligibility Determinations

A. *Tolan* Requires Federal Courts to Leave Factual Disputes on Conventionality For Trial

It is an “axiom that in ruling on a motion for summary judgment, [t]he evidence of the nonmovant is to be believed, and all justifiable inferences are to be drawn in his favor.” *Tolan*, 572 U.S. at 651 (quoting *Anderson*, 477 U.S. at 255). “[A]t the summary judgment stage the judge’s function is not himself to weigh the evidence and determine the truth of the matter but to determine whether there is a genuine issue for trial”. *Anderson*, 477 U.S. at 249. Thus, “a district court generally cannot grant summary judgment based on its assessment of the credibility of the evidence presented.” *Agosto*, 436 U.S. at 756 (1978). Simply put, a court may not substitute its judgment for the factfinder’s.

As discussed in the *Island Pet.*, 21-22, the *Tolan* Axiom applies to both steps of the two-step framework outlined by this Court to determine patent eligibility.

Patentability evaluations under 35 U.S.C. §§ 101, 102, and 103 involve “factual determinations” both at the USPTO and in resolving an “invalidity defense in an infringement action.” *Microsoft v. i4i L.P.*, 564 U.S. 91, 95-97, 100 (2011). This extends to both steps of the *Alice/Mayo* framework, each of which includes a comparison of the claims to historical fact. *Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 573 U.S. 208, 217-218 (2014); *Mayo Collaborative Servs. v. Prometheus, Labs., Inc.*, 566 U.S. 66, 77-87 (2012).

Step 1. At *Alice/Mayo* Step 1, courts “must first determine whether the claims at issue are directed to a patent-ineligible concept”. *Alice*, 573 U.S. at 218. In *Alice* and *Bilski*, this Court determined that “intermediated settlement” (*Alice*) and “hedging risk” (*Bilski*) were abstract since each was “a fundamental economic practice **long prevalent in our system of commerce**”. *Alice*, 573 U.S. at 218-19; *Bilski v. Kappos*, 561 U.S. 593, 609, 612 (2010) (emphasis added). This Court did not make these patent-ineligible concept determinations in a vacuum. Instead, the Court relied on evidence: textbooks and articles which demonstrated the “long prevalent” and “building block” nature of the claimed inventions. *Island* respectfully submits that this is a question of historical fact which must be supported with evidence, as was done in *Alice* and *Bilski*. See *Island Pet.*, 21-22; *Island Reply*, 4-9.

Step 2. At *Alice/Mayo* Step 2, courts “must examine the elements of the claim to determine whether it contains an ‘inventive concept’ sufficient to ‘transform’ the claimed abstract idea into a patent-eligible application.” *Alice*, 573 U.S. at 221 (quoting *Mayo*, 566 U.S. at 72, 80). Although “‘well-understood, routine, conventional activities’ previously known in the industry” are not enough to transform a claim, non-routine, unconventional or inventive elements are. *Alice*, 573 U.S. at 225 (quoting *Mayo*, 566 U.S. at 73).

Whether an invention is “conventional” or “unconventional” “is a question of fact,” as the full court of the Federal Circuit has recognized. *Berkheimer v. HP*, 890 F.3d 1369, 1370 (2018) (Moore, J., concurring); *see also Aatrix Software, Inc. v. Green Shades Software, Inc.*, 882 F.3d 1121, 1126 (Fed. Cir. 2018); *Exergen Corp. v. Kaz USA, Inc.*, 725 F. App’x 959, 967 (Fed. Cir. 2018). This is common sense—courts must rely on evidence, including the testimony of experts in the field, and an examination of the prior art, to understand how the state of the art has evolved over time and to determine what is conventional (and not conventional) at a given point in time. Indeed, as this Court has recognized, patent eligibility under Section 101 is an example of one of the validity defenses that this court recognizes requires making “factual determinations -- for instance, the state of the art in the field and the nature of the advancement embodied in the invention.” *Microsoft*, 564 U.S. at 96 (2011)

As is discussed in further detail in Section I.B., *infra*, these factual questions as to the conventionality or unconventionality of inventions require courts to pay careful attention to the evidence provided by parties, and to properly follow the Federal Rules of Civil Procedure and this Court's pronouncements in taking account of such evidence.

B. Notwithstanding Crystal Clear Guidance from This Court's Prior Pronouncements, Lower Courts Failed to Follow These Rules in *Brumfield*, *Island*, and *Broadband*

Tolan and this Court's similar pronouncements are straightforward: disputed historical facts must remain disputed until trial. Yet, in *Brumfield*, as well as *Island* and *Broadband*, the lower courts failed to follow this axiom, and instead decided questions of fact regarding, *inter alia*, conventionality against the non-movant despite the existence of disputes of fact.

In *Brumfield*, the Federal Circuit ignored "over 800 pages of evidence" which showed that "the claims were *not* well-understood, routine, and conventional" at the time of the invention. Pet., 37. It ignored step 2 of *Alice* in doing so.

Similarly, in *Island*, the district court ignored over 1,400 pages of evidence and failed to follow steps 1 and 2 of *Alice*. *Island* Pet., 13-19, 23-27. It also found a previously non-existent "business practice" to be "fundamental", even though pertinent evidence established that the use of tiered interest rates in the

context of aggregated accounts was not a “longstanding” fundamental principle. *Id.*, 24-27.

This was palpably improper. As noted, whether an invention is “conventional” or “unconventional” “is a question of fact,” as the Federal Circuit has recognized sitting *en banc*. See *Berkheimer*, 890 F.3d at 1370 (Moore, J., concurring). This, of course, requires a resort to “historical fact”—what the state of the art was at a particular point in time. At the summary judgment stage, then, it follows that courts determining conventionality should not resolve facts where the evidence in the record demonstrates that conventionality is in material dispute.

Similarly, as discussed above, whether a business practice is “long prevalent” (*Alice*, 573 U.S. at 219; *Bilski*, 561 U.S. at 611) is likewise a question of historical fact that requires evidence to establish who did what, when, where and why. Island respectfully submits, as a historical fact, it cannot be decided on summary judgment where a factual dispute exists.

In *Broadband iTV*, the district court granted summary judgment on two patent families (the ’026 family and the ’825 family) despite the existence of disputed facts as to whether the claims were merely conventional and non-routine arrangements. *Broadband Pet.*, 5-7. As the *Broadband Petition* explains, in finding the patents contained admissions, the district court confused the prior existence of templates generally with the unconventional use of templates in the specific context of the claimed

invention, namely user interfaces for television program guides in 2006 (the time of the invention). Broadband Pet., 6-7, citing Broadband C.A. App at 3963-3976; *see also Broadband iTV, Inc. v. Amazon.com, Inc., et al.*, No. 6:20-cv-00921-ADA, 2022 U.S. Dist. LEXIS 178425, at *29 (W.D. Tex. Sep. 30, 2022).

As the Broadband Petition also explains, the district court ignored expert testimony and improperly weighed inventor testimony in reaching this determination, particularly with respect to the '825 family, as the district court did not address expert testimony showing that the ordered combination of the claims was not conventional (belied by the fact that Amazon did not contest the issue on appeal). Broadband Pet., 6-7.

Nevertheless, the Federal Circuit affirmed, endorsing the Broadband district court's faulty analysis. As the Broadband Petition explains, the Federal Circuit inappropriately "resolved factual disputes as to whether the claimed system, including WBCMS and templates, were routine and conventional." Broadband Pet., 10. With respect to the '825 family, rather than use evidence from the record, the Federal Circuit relied on ipse dixit, holding the patent was directed to "targeted advertising, which [it] ha[s] repeatedly found abstract." *Broadband iTV*, 113 F.4th 1359, 1371 (Fed. Cir. 2024) (citations omitted). The Federal Court stated that "[t]he district court largely based its step two analysis on the intrinsic record, and [that it] again agree[s] with the district court's interpretation of the intrinsic record",

ignoring the expert testimony to the contrary. *Id.* at *26; *Broadband Pet.*, 8.

As Professor Crouch put it, “[r]ather than viewing [the] evidence in the light most favorable to BBITV as required by Rule 56, both the district court and Federal Circuit effectively resolved [the] factual disputes themselves”—counter this Court’s admonition in *Tolan*. Dennis Crouch, *Blurring the Line Between Law and Fact in Patent Eligibility*, Patently-O (Feb. 5, 2025), <https://patentlyo.com/patent/2025/02/blurring-between-eligibility.html> (“Patently-O”).

Rather than credit the evidence presented by the patent owners, the courts below in each of *Brumfield*, *Island* and *Broadband* favored the evidence presented by the parties moving for summary judgment and improperly resolved disputed facts against the non-movants. This turns the summary judgment standard on its head.

Worse, the evidentiary standard applicable to patent validity suggests that the evidence presented in *Brumfield*, *Island* and *Broadband* should militate against granting summary judgement. Infringers must prove invalidity via “clear and convincing evidence.” *Microsoft*, 564 U.S. at 102. But, as this Court held in *Anderson*, “in ruling on a motion for summary judgment, the judge must view the evidence presented through the prism of the substantive evidentiary burden.” 477 U.S. at 255. This necessarily elevates the “actual quantum and quality of proof”, *id.*

at 254, required to show invalidity, which was not met in *Brumfield*, *Island*, or *Broadband*.

C. The Failure to Follow *Tolan* in Patent Validity Cases Permeates Many Decisions by the Federal Circuit and the Lower Courts

The issues presented in *Brumfield*, *Island* and *Broadband* are not isolated ones. *Berkheimer*, and the axioms of *Tolan* and *Anderson*, are too often ignored or glossed over in patent cases, with lower courts relying on either their own judgment concerning time-dependent historical facts or caselaw concerning inapposite inventions. This practice is erroneous and should be rectified.

USC IP Partnership L.P. v. Facebook presents another example where a district court in the Fifth Circuit failed to correctly apply the summary judgment standard. 576 F. Supp. 3d 446 (W.D. Tex. 2021). The nonmovant presented statements from its technical expert's rebuttal report, including testimony that "the claims present a unique and novel way of delivering webpages to consumers that was not previously demonstrated in the prior art." *USC IP P'ship, L.P. v. Meta Platforms, Inc.*, No. 2022-1397, 2023 U.S. App. LEXIS 22914, at *6 (Fed. Cir. Aug. 30, 2023) (citation omitted). The *USC* court, under *Tolan* and *Berkheimer*, should have found a dispute of fact as to conventionality. It did not. Instead, largely by analogizing to previous cases decided by the Federal Circuit, the district court rejected all evidence that contradicted its conclusion since that evidence was

“not backed by any concrete facts from the specification or the prior art.” 576 F. Supp. 3d at 457.

That is the same error for which this Court called out the Fifth Circuit in *Tolan*: “By failing to credit evidence that contradicted some of its key factual conclusions, the court improperly ‘weigh[ed] the evidence’ and resolved disputed issues in favor of the moving party.” 572 U.S. at 657 (quoting *Anderson*, 477 U.S. at 249). Rather than giving credence to the factual evidence presented by the *USC* nonmovant, the Federal Circuit affirmed the district court’s faulty analysis by discounting the evidence as “conclusory”. *USC*, 2023 U.S. App. LEXIS 22914, at *8-9.

Savvy Dog Systems, LLC v. Pennsylvania Coin, LLC, provides another example where the Federal Circuit substituted its own judgment on historical facts in contravention of the *Tolan* axiom. No. 2023-1073, 2024 U.S. App. LEXIS 6702 (Fed. Cir. Mar. 21, 2024). In *Savvy Dog*, the non-movant asserted that the patent claim was directed “to displaying the game field before the player commits to play the game.” *Id.* at *7. The Federal Circuit found this to be abstract at *Alice/Mayo* Step 1, despite citing no evidence that such a concept was long standing at the time of the alleged invention. *Id.* at *7-8. Rather than rely on the evidence presented with the motion, the Federal Circuit relied solely on its own prior determinations in supposedly analogous cases involving different inventions. *Id.* at *7. This kind of *ipso facto* factfinding is inappropriate and violates *Tolan*.

Realtime Adaptive Streaming LLC v. Sling TV L.L.C., provides yet another example of how factual disputes are ignored in patent eligibility cases. There, as appellee Realtime asserted, the trial court adopted the opinion of Sling’s expert without even mentioning Realtime’s opposing expert, effectively weighing the evidence in favor of Sling, the movant. Principal Br. of Pl.-Appellant Realtime, No. 2021-2268, 2023 WL 3373583 (Fed. Cir. May 11, 2023), at *56-57. Rather than explain how there was no genuine factual dispute, like in *Island*, the Federal Circuit simply affirmed under Rule 36. *Realtime Adaptive Streaming LLC v. Sling TV, L.L.C.*, No. 2021-2268, 2023 WL 3373583, at *1 (Fed. Cir. May 11, 2023).

Although many judges recognize that summary judgment is inappropriate where there are factual disputes, others appear to ignore such disputes. For example, in *American Axle v. Neapco*, as Judge Moore explained in her dissent, “there are many [inventive concepts], about which there exist at least questions of fact which should have precluded summary judgment.” 967 F.3d 1285, 1313 (Fed Cir. 2020) (Moore, C.J., dissenting). Nonetheless, the majority authored by Judge Dyk found that “[t]here is no other inventive concept at step two in the claims and no dispute of any material fact”, like the lower court opinion written by then District Judge (now Circuit Judge) Stark. *Id.* at 1299.

As an earlier petition cautioned, these cases are just the tip of the iceberg: “As a result of the Federal Circuit’s confusing eligibility record, district courts regularly and improperly find patents ineligible at the

summary judgment stage, even though factual disputes combined with the presumption of validity should preclude many such rulings.” Petition for Writ of Certiorari, 19-20, *Worlds Inc. v. Activision Blizzard Inc.*, 143 S. Ct. 110 (2022) (No. 21-1554).

D. The Failure of Courts to Follow the *Tolan* Axiom in Patent Cases and Their Substitution of Their Credibility Determinations Instead Contravenes the Seventh Amendment Right to a Jury Trial

“Maintenance of the jury as a fact-finding body is of such importance and occupies so firm a place in our history and jurisprudence that any seeing curtailment of the right to a jury trial should be scrutinized with the utmost care.” *Dimick v. Schiedt*, 293 U.S. 474, 486 (1935), *quoted favorably* in *SEC v. Jarkesy*, 603 U.S. 109, 121 (2024). “The right to confront, cross-examine and impeach adverse witnesses is one of the most fundamental rights sought to be preserved by the Seventh Amendment provision for jury trials in civil cases.” *also Adickes v. S.H. Kress & Co.*, 398 U.S. 144, 176 (1970) (Black, J., concurring).

This right extends to invalidity in a patent infringement case seeking damages with a jury demand, as is the case in *Brumfield, Island*, and *Broadband. In re Lockwood*, relying upon historical American and English practice, explained that when a patent owner seeks damages for infringement, the patent owner is entitled to a jury trial on the factual issues underlying validity. 50 F.3d 966, 976 (Fed.

Cir.), *vacated on other grounds sub nom. Am. Airlines, Inc. v. Lockwood*, 515 U.S. 1182 (1995) (vacated after withdrawal of jury demand); *see also In re Tech. Licensing Corp.*, 423 F.3d 1286, 1289-90 (Fed. Cir. 2005) (discussing *Lockwood*), 1291-96 (Newman, C.J., dissenting) (discussing treatment of patent infringement as a common law action in American and English practice, as well as by this Court).

To be sure, summary judgment, properly applied and on its own, does not violate the Seventh Amendment. If there are no disputed facts, then it follows that the right to a jury is not usurped. But where, as here and in *Island* and *Broadband*, there are such disputed facts, “[t]he advantages of trial before a live jury with live witnesses, and all of the possibilities of considering the human factors, should not be eliminated by substituting trial by affidavit and the sterile bareness of summary judgment.” *Adickes*, 398 U.S. at 176 (Black, J., concurring). The pattern of lower courts ignoring this clear standard reflects a persistent violation of the right to a jury trial of patent owners under the Seventh Amendment.

Now is the time for this Court to carefully “watch” and act upon these “encroachment[s]” to the “trial by jury [that] is justly dear to the American people” as Justice Story warned almost two hundred years ago in *Parsons v. Bedford*. 28 U.S. 433, 446 (1830).

E. This Court’s Supervisory Intervention Is Necessary to Address the Federal Circuit’s Persistent Misapplication of Procedural Standards

As Professor Crouch recently explained, courts in patent cases currently feel “empowered to resolve conventionality disputes at summary judgment despite facially conflicting expert testimony” and ignore summary judgment standards otherwise applicable to other types of civil litigation. Patently-O. There are many reasons—including “institutional pressure” and a self-admitted tendency by the Federal Circuit to take a “casual” approach to certain facts. Patently-O. Regardless, this tendency “effectively creates a sort of ‘super-summary judgment’ standard unique to patent eligibility that come with the expectation that eligibility will be resolved before trial.” Patently-O.

As in *Tolan v. Cotton*, this Court’s intervention is needed to correct a “clear misapprehension of summary judgment standards”, 572 U.S. at 659, this time the application of a “super-summary judgement standard” in patent cases by the Federal Circuit. Patently-O. As discussed in Section I.D *supra*, the present case is part of a larger, disturbing trend, whereby lower courts are ignoring the proper application of the summary judgment standard in patent cases. *See, e.g.*, Charles Macedo, et al., *Lower Courts in Patent Cases Continue to Ignore Factual Disputes and Weigh Evidence Against Nonmovants*, NYIPLA The Report, Summer/Fall 2024, at 24-27.

Thus, for example and as discussed above, the lower courts violated applicable Federal Rules of Civil Procedure in patent cases by:

- in *Brumfield*, finding the asserted price axis conventional, in the face of 900 pages of contrary evidence;
- in *Island*, finding the use of tiered interest rates with aggregated accounts utilizing an interest allocation procedure to be conventional in the face of 1,400 pages of contrary evidence;
- in *Broadband*, finding the use of templates in the context of program guides to be conventional despite roughly 1,400 pages of contrary evidence;
- in *American Axle*, finding the tuning limitations are non-inventive application of Hook's law, in the face of fact and expert testimony and other evidence to the contrary (as noted by the dissent at 967 F.3d 1285, 1318-19); and
- in *Realtime*, adopting the opinions of the moving party's expert while ignoring the genuine dispute created by Realtime's expert and other evidence to the contrary.

Factual determinations in *Alice* and *Bilski* were made with evidentiary support, and the lower court's contrary practice of ignoring and/or improperly favoring contradictory evidence should not be tolerated by this Court. Because the Federal Circuit, the sole appellate court with authority over patent

cases, has not corrected this trend but instead has exacerbated it, this trend will continue uncorrected if not addressed by the Court.

Something must change. Litigants in patent cases have the same constitutionally derived procedural and substantive rights as litigants in other cases. *SCA Hygiene Prods.*, 580 U.S. at 340. As the *Tolan* axiom makes clear, disputed facts should be considered in the non-moving party's favor on summary judgment. Not doing so leads to injustice, further disputes, fewer resolutions, and more petitions to this Court.

II. *Brumfield* and *Island* Are Proper Vehicles for Correcting These Issues

Brumfield and *Island* each highlight the need for this Court to intervene like it did in *Tolan*. This Court should provide supervisory guidance that the lower courts' approach of ignoring and/or contradicting evidence put forth in opposition to summary judgment in patent cases is clear error and will not be countenanced. *Brumfield* and *Island* set forth the factual records necessary for this Court to consider this issue. Whether the Court takes this issue in *Island* or *Brumfield* or both together, it should not reject either case (or *Broadband*)³ until this issue has been fully briefed and resolved.

A. *Brumfield* and *Island* Each Provide Well-Documented and Egregious Examples for This Court to Consider

The record is well-developed in each of these cases, both of which showcase examples of summary judgment being granted despite the existence of a dispute of relevant material facts. *See* *Island* Pet., 9-19, Apps. A-D; Pet., 6-16, Apps. A-D.

³ The *Broadband* Petition requests that the Court grant the *Island* Petition and hold *Broadband* pending resolution of *Island*. *Broadband* Pet., 10-12.

B. *Brumfield* and *Island* Are Properly Motivated and Well Represented Parties with Sufficient *Amicus* Support

The parties in both *Brumfield* and *Island* are well-motivated and have sufficient resources to present this Court with proper framing and arguments on the issues presented.

The parties are well represented by experienced patent and appellate counsel. *See* Pet. (Baker & Hostetler LLP); Respondent IBG (*Brumfield*) (Wilson Sonsini Goodrich & Rosati); Island Pet. (Amster, Rothstein & Ebenstein LLP; Emmet, Marvin & Martin, LLP); Respondent TD (*Island*) (Greenburg Traurig).

Key commentators and media have shown interest in the topic and these cases, including *Patently-O*, *IPWatchdog* and *Law360*.

C. Absent This Court's Supervisory Intervention, the Federal Circuit Will Not Correct the Persistent Misapplication of Procedural Standards in Patent Cases

As discussed above, the Court's guidance in *Tolan* is routinely ignored in patent cases, depriving patent owners of the right to submit validity to a jury. Rather than apply the proper summary judgment standard (which respects the right to a jury by limiting summary judgment to those circumstances in which there is no genuine dispute of material fact)

lower courts have de facto adopted what Professor Crouch calls a “sort of ‘super-summary judgement’ standard” by resolving disputed facts in favor of the movant (at least) when it comes to conventionality. *See* Patently-O.

Absent intervention, the lower courts are unlikely to course-correct. As urged in the Petition, this Court’s intervention is needed to address the Federal Circuit’s persistent misapplication of procedural standards. It did so in *Tolan* and it should do so again here.

D. This Court Should Grant at Least one of the Petitions and Hold in Abeyance the Remaining Petitions

This Court has now been squarely presented, as Question 1 in *Island*, Question 3 here in *Brumfield*, and as the sole Question in *Broadband*, how Rule 56 summary judgment standards apply to factual disputes in patent cases. “When different cases presenting substantially the same issue come before the Court at the same time, the Court may grant review in one case and simply hold the petition or jurisdictional statement in the other case for summary disposition in light of the decision ultimately rendered in the first case.” Steven M. Shapiro, et al., *Supreme Court Practice* §14.6, at 780 (10th ed. 2013).

Island urges this Court to accept at least one of these petitions and to hold in abeyance the remaining

petitions unless and until it resolves this important and reoccurring issue on the merits.

CONCLUSION

For the foregoing reasons, this Court should review the lower courts' practice of granting summary judgment in patent eligibility cases even where there are disputes of facts as to conventionality or long-standing prevalence of an economic practice, as raised in *Brumfield*, *Island*, and *Broadband*. If the Court grants the petition for only one of *Brumfield* and *Island*, Island respectfully requests the Court to hold in abeyance the other petitions until the case is resolved.

Respectfully submitted,

JOHN G. DELLAPORTAS
EMMET, MARVIN
& MARTIN, LLP
120 BROADWAY
New York, NY 10271

CHARLES R. MACEDO
Counsel of Record
DAVID P. GOLDBERG
THOMAS E. HART
AMSTER, ROTHSTEIN
& EBENSTEIN LLP
405 Lexington Avenue
New York, NY 10174
(212) 336-8000
cmacedo@arelaw.com

Counsel for Amicus Curiae
Island Intellectual Property LLC

February 11, 2025