

No. 24-806

IN THE
Supreme Court of the United States

AUDIO EVOLUTION DIAGNOSTICS, INC.,

Petitioner,

v.

UNITED STATES, ET AL.,

Respondents.

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

**AMICUS CURIAE BRIEF OF HARRIS
BRUMFIELD, TRUSTEE FOR ASCENT TRUST,
IN SUPPORT OF PETITIONER**

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INTEREST OF THE AMICUS CURIAE¹

Harris Brumfield, Trustee of Ascent Trust, is a renowned inventor in the field of electronic trading who patented an electronic trading GUI tool that revolutionized the trading industry in the early 2000s. Two of Mr. Brumfield's GUI patents have been the subject of contradictory opinions before the Federal Circuit. *Compare IBG LLC v. Trading Techs. Int'l, Inc.*, 757 F. App'x 1004, 1007 (Fed. Cir. 2019) (finding that the patents solved a technical problem with a technical solution),² *with Brumfield, Tr. for Ascent Tr. v. IBG LLC*, 97 F.4th 854, 868-69 (Fed. Cir. 2024) (finding the exact opposite). These contradictory decisions demonstrate that patent eligibility law is unworkable and must be fixed, as further explained in Mr. Brumfield's petition for a writ of certiorari. *See* Petition for a Writ of Certiorari at 24-36, *Brumfield v. IBG, LLC*, No. 24-764 (U.S. Jan. 2, 2025).

Additionally, like the Petitioner in this case, Mr. Brumfield has also been subjected to the Federal Circuit's practice of issuing one-word affirmances under the Federal Circuit's Local Rule 36. *Trading Techs. Int'l, Inc. v. IBG LLC*, 771 F. App'x 493 (Fed. Cir.

¹ Pursuant to Rule 37.2, counsel of record for all parties received timely notice of the amicus curiae's intent 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, its members, or its counsel made a monetary contribution intended to fund the brief's preparation or submission.

² Trading Technologies International, Inc. ("TTI") subsequently transferred its interest in these patents to Harris Brumfield, on behalf of and as Trustee for Ascent Trust.

2019). Mr. Brumfield files this amicus brief to address this improper practice as well.

INTRODUCTION

This case highlights the urgent need for this Court to fix the mess surrounding the current state of 35 U.S.C. § 101 jurisprudence.

Here, the Federal Circuit held that a medical diagnostic machine is ineligible for patenting as an “abstract idea.” (Pet. App. 38a-42a; Pet. App. 1a-2a). The patent eligibility inquiry has become completely untethered from the statutory text of § 101. Under the current state of the law, every claim of every patent that has ever been issued by the United States Patent & Trademark Office (“USPTO”), including physical machines, can now be characterized as unpatentable “ideas.”

The patents held by Petitioner, Audio Evolution Diagnostics, Inc. (“AED”), are directed to a medical diagnostic machine in the field of telemedicine for acquiring and processing sounds made by the human body. (Pet. App. 15a-17a; Pet. App. 39a). This is a physical device that includes a specific ordered combination of physical electronic components including a sensor that attaches to a body, an analog to digital converter, a processing unit and a customizable display, all of which capture, transform, analyze, and display physiologic sounds for diagnosing medical issues with the human body. (Pet. at 2). The customizable display permits medical professionals to select icons corresponding to various functions/filters so that they can zero in on specific information that is of interest to them without having to have any programming experience. (*Id.*; Pet. App. 17a).

Remarkably, the Government (Respondent) previously conceded that patents like AED's, which claim a physical device in a technological field, are not abstract ideas under § 101. Specifically, in a past brief, the Government stated that “[t]he *Interactive* patents claim an invention—a wearable content player with a display, controlled by a remote control that displays information about the content being played—that falls within [the] patent law’s traditional coverage of technological and industrial arts.” Brief for the United States as Amicus Curiae at 14-15, *Interactive Wearables, LLC v. Polar Electro Oy*, No. 21-1281 (U.S. Apr. 5, 2023). The Government also admitted that the claims “recite the kind of ‘machine,’ 35 U.S.C. 101, that has always been patent-eligible.” *Id.* at 15. In its analysis, the Government further noted that an “automobile is not an abstract idea. A remote control is not an abstract idea. A camera is not an abstract idea.” *Id.* at 14. The Government then equated the inventions in *Interactive* to these non-abstract physical devices. *Id.* On the other hand, it distinguished the patents in another case, *Tropp*, by arguing that those patents were abstract, because they “do not claim a physical device, such as the lock itself.” *Id.* at 15.

Following the logic adopted by the Government in its amicus brief in *Interactive*, the claims in this case are no different than the claims in *Interactive* under § 101 because they also claim a physical device. However, in this case, the Government flip-flopped and took the opposite position that it took in *Interactive*, arguing that claims directed to physical devices in technical fields such as medicine are abstract. At the oral argument, the panel asked the Government why

the Government filed a motion to dismiss on § 101 grounds when, at that time, it was the Government's view that the Federal Circuit's standards on § 101 were all wrong and that inventions like AED's inventions were not abstract. Oral Argument at 11:56-14:45, *Audio Evolution Diagnostics, Inc. v. United States*, No. 23-1096 (Fed. Cir. May 10, 2024), https://oralarguments.cafc.uscourts.gov/default.aspx?fl=23-1096_05102024.mp3 ("Oral Arg."). The Government provided no rational explanation. *Id.* And instead of reconciling the Government's conflicting positions in a written opinion, the Federal Circuit simply issued a one-word decision—"affirmed." (Pet. App. 2a).

Another remarkable aspect to this case is that, just before the Court of Federal Claims issued its ruling finding AED's patents ineligible under § 101, the USPTO issued another AED patent having claims that are not substantially different from the claims at issue here for purposes of § 101. (Oral Arg. at 18:05-18:20; Pet. at 5). And those claims were issued after overcoming the USPTO's rejection of the claims under 35 U.S.C. § 101. (Pet. at 5). At the oral hearing, the panel asked the Government why the USPTO issued this patent, and again the Government had no valid explanation. (Oral Arg. at 18:05-18:58). And neither did the Federal circuit—it issued a Rule 36 affirmation. (Pet. App. 2a). Just like the Government's inconsistent positions, the USPTO's actions also highlight the confusion over § 101 and its application.

The confusion over § 101 is also highlighted by patents owned by Mr. Brumfield. In 2019, the Federal Circuit held that Mr. Brumfield's patents solved a technical problem with a technical solution. *IBG*, 757

F. App'x at 1007 (finding the patents “solve[d]” the problem of the user missing her price by “displaying market depth on a vertical or horizontal plane, which fluctuates logically up or down, left or right across the plane as the market fluctuates” (internal quotations omitted)). Then, in 2024, a different panel at the Federal Circuit looking at the *same patents* found that these claims do not recite any improvement in computer-related technology and are ineligible under § 101. *Brumfield*, 97 F.4th at 868-69.

At bottom, this case and Mr. Brumfield’s case highlight that the state of § 101 law remains as it has been for years ever since *Alice*—muddled and impossible to apply, frequently resulting in opposite outcomes for the same claims. The current law is so twisted and distorted that contrary to the Government’s previous position in *Interactive*, a claim directed to an automobile is now an abstract idea. A remote control is an abstract idea. A camera is an abstract idea. This Court needs to step in, now.

There is another important reason why this Court needs to weigh in here on § 101. Specifically, the Federal Circuit continues to conflate the concepts of novelty, obviousness, and enablement under §§ 102, 103, and 112 with that of patent eligibility under 35 U.S.C. § 101. Although the Federal Circuit did not render a written opinion in this case, it is clear from the oral argument that the panel mixed novelty and obviousness with eligibility by focusing solely on whether the claimed subject matter was known in the prior art. For example, Judge Reyna stated, “when I look at everything that’s used in this, *I just don’t see anything that’s, that’s [] not known.*” (Oral Arg. at 7:50-7:59 (emphasis added)). Similarly, Judge Taranto asked,

“does the patent [] make clear or is it undisputed that there were, before this patent, visual representations of sound signals?” (Oral Arg. at 15:25-15:35).

Had the Federal Circuit stuck to the language of § 101, instead of asking whether the invention was novel or obvious over the prior art, it easily would have concluded that AED’s patents are eligible under § 101. The claims do not recite subject matter excluded from patent protection such as a law of nature or a natural phenomenon. Nor do they recite a mere idea in the human mind that is untethered from any practical application. Rather, the claims recite a useful application made by man in the form of a medical diagnostic machine having a specific ordered combination of electronic components that capture, transform, analyze, and display physiologic sounds for diagnosing medical issues with the human body, wherein the display is customizable by a medical professional. Judge Reyna recognized that the claims recited an “advance” in medical technology:

It’s an interesting invention, that’s for sure. I mean, and, and it appears to me that, that your advance, the claim advance of this is that it improves medical diagnosis by improving, that are based on the sounds that the human body is making, like, you know, our stomach, our heart, our liver, I don’t know, but that would be the claimed advance.

(Oral Arg. at 7:02-7:29). Likewise, the Government commented on the concrete nature of the customizable display aspect of the claims:

Kind of the core, the focus of these patents is this idea that instead of a doctor who might be unfamiliar with, you know, textually programming functions to be carried out on the signal, can now use this kind of drag-and-drop graphical programming interface. You select an icon representing a particular filter.

(Oral Arg. at 15:08-15:24). This aspect of the claims—a customizable display—can hardly be considered some mere idea in the human mind that is untethered from any practical application. Instead, the customizable display is a useful application made by man that easily passes the requirements of “any new and useful process [or] machine” required by 35 U.S.C. § 101. That is all that is required for a patent to be eligible.

SUMMARY OF THE ARGUMENT

An overriding question that arises in AED’s petition, and in Mr. Brumfield’s petition, is whether courts should be permitted to graft onto the statutory text of § 101 the broad judicially created exceptions embodied in the *Alice/Mayo* framework that appear nowhere in the text. Indeed, like Mr. Brumfield, AED presents the question of “[w]hether this Court should clarify its *Alice* and *Mayo* rulings at steps one and two by focusing on the language of 35 U.S.C. § 101 itself” instead of assessing other limitations and conditions that are not in the statute, such as whether the claims are “well-understood, routine, and conventional.” (Pet. at i).

The text of § 101 prohibits inventions if they are not *new and useful*. The judicially created exceptions

embodied in the *Alice/Mayo* framework, on the other hand, impose other limitations for patent eligibility such as, for example, limiting patent eligible claims to those that “purport to improve the functioning of the computer itself,” “effect an improvement in any other technology or technical field,” or provide an “inventive concept” that is not “well-understood, routine, [and] conventional.”³ In addition to not being in the text of § 101, these judge-made limitations actually conflict with the statute’s plain language and legislative history, while also conflating eligibility with substantive patentability criteria under §§ 102, 103, and 112. This Court should dispose of this unworkable jurisprudence and end the decade of turmoil during which courts have struggled to apply these judge-made limitations that are nowhere in the statute.

Additionally, the Federal Circuit’s practice of issuing one-word affirmances under Local Rule 36 should be reviewed by the Court. This is a significant and continued pattern of the Federal Circuit that stands apart from all other Circuit Courts. The failure of the Federal Circuit to articulate a rationale for its decision leaves the basis of the affirmance unclear and deprives property owners of an ability to seek meaningful review of that decision. It also undercuts the Federal Circuit’s mandate to create uniformity in patent law by articulating patent law precedent for the lower courts to follow.

This Court should review both issues.

³ *Alice Corp. v. CLS Bank Int’l*, 573 U.S. 208, 221, 225 (2014) (internal quotations omitted).

ARGUMENT**I. THE JUDICIALLY CREATED EXCEPTIONS AND THE ALICE/MAYO FRAMEWORK ARE INCONSISTENT WITH THE TEXT OF § 101 UNDER THE 1952 PATENT ACT**

The 1952 Patent Act’s eligibility rule was intended to broadly permit all “new and useful” inventions that were made by man. *Diamond v. Chakrabarty*, 447 U.S. 303, 309 n.6 (1980) (“Under section 101 a person may have invented a machine or a manufacture, which may include anything under the sun that is made by man” (quoting Hearings on H.R. 3760 before Subcommittee No. 3 of the House Committee on the Judiciary, 82d Cong., 1st Sess., 37 (1951))); 35 U.S.C. § 101 (limiting patenting to “new and useful process, machine, manufacture or composition of matter” or “improvement[s] thereof”). Whether an invention is “useful” means that it has some practical utility to the public. *Nelson v. Bowler*, 626 F.2d 853, 856 (C.C.P.A. 1980).

The 1952 Patent Act also separated the eligibility requirement from the substantive criteria of patentability. Specifically, the notion of allowing patents for something containing an “inventive concept” is not in Section 101, with the framers creating new, objective standards such as novelty and obviousness that were set forth in §§ 102, 103, and 112.

After the Patent Act, one of the first cases to substantively consider patent eligibility, *Gottschalk v. Benson*, 409 U.S. 63, 67 (1972), failed to analyze the text of the 1952 Patent Act or its legislative history. As a result, *Gottschalk* failed to appreciate that the

express wording of the statute already excludes the grant of a patent on subject matter that constitutes “the basic tools of scientific and technological work.” *Id.* Subsequent courts made the same errors.

This culminated in the *Alice/Mayo* framework, which created several judge-made limitations on patent eligibility that are simply not in the statute. The effect is that these judge-made exceptions to eligibility have become completely untethered from the statute and swallowed the rule of eligibility itself—even subsuming the separate statutory requirements, such as §§ 102, 103, and 112, within its analysis.

A. The *Alice/Mayo* Framework Is Unsupported by the Text of Section 101

Alice/Mayo establish a framework consisting of two steps, neither of which is found in the statutory text of § 101. The first step addresses whether the claims are “directed to” one of the judge-made categories: laws of nature, natural phenomena, or abstract ideas. *Alice*, 573 U.S. at 217. Given that the “directed to” inquiry is vague, subjective, and unpredictable in application, the Federal Circuit grafted an entirely new requirement onto this inquiry. Specifically, the Federal Circuit has stated that to determine whether a patent is “directed to” a law of nature, a natural phenomenon, or an abstract idea, courts must determine whether the “focus” of the claims is on one of these ineligible concepts. *Elec. Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350, 1353 (Fed. Cir. 2016) (internal quotations omitted). And predictably, determining the “focus” of the claims has also been rife with confusion. *See Visual Memory LLC v. NVIDIA Corp.*, 867 F.3d 1253, 1262 (Fed. Cir. 2017) (Hughes, J.,

dissenting) (disagreeing with majority over whether characterizing the claims as directed to “categorical data storage” views the invention “at an unduly ‘high level of abstraction’” (quoting *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1337 (Fed. Cir. 2016))).

The “focus” of the claims under Step 1 of the *Alice/Mayo* framework then morphed into something that considers the prior art. Specifically, relying on *Alice*, the Federal Circuit has explained that step 1 of the *Alice/Mayo* framework involves considering the “focus of the claimed advance over the prior art.” *Brumfield*, 97 F.4th at 868 (internal quotations omitted). This necessarily requires courts to consider prior art, which pertains more to the substantive requirements for patentability under §§ 102-103, and determine whether the claims recite some “advance” over that art. To that end, the Federal Circuit has explained that claims that do not purport to “improve the functioning of the computer itself,” *Enfish*, 822 F.3d at 1335 (internal quotations omitted), or “effect an improvement in any other technology or technical field,” are not patentable under § 101. *Alice*, 573 U.S. at 225. In addition to being nowhere in the statutory text or framework of § 101, what constitutes an improvement of a technological process is unworkable, and this case, as well as Mr. Brumfield’s case, exemplify that perfectly.

The second step of the *Alice/Mayo* framework is also not found in the statutory text of § 101. In this step, courts search for an “inventive concept.” This has been described as a “baffling standard that Congress removed when it amended the Patent Act in 1952.” *Athena Diagnostics, Inc. v. Mayo Collaborative Servs., LLC*, 927 F.3d 1333, 1371-73 (Fed. Cir. 2019)

(O'Malley, J., dissenting from denial of rehearing en banc) (discussing history and purpose of the 1952 Act). Judge Rich put it best: “[n]owhere in the entire act is there any reference to a requirement of ‘invention’ and the drafters did this deliberately in an effort to free the law and lawyers from bondage to that old and meaningless term.”⁴ And yet, the Court has instructed federal courts to read into § 101 the “inventive concept” requirement, which inevitably boils down to a court’s gut assessment of whether a claimed invention *feels* inventive—the precise subjective inquiry that Congress rejected, for good reason.

Moreover, in assessing the presence of an “inventive concept,” courts are supposed to determine if the claim limitations (both individually and as an ordered combination) are “well-understood, routine, [or] conventional.” *Alice*, 573 U.S. at 225 (internal quotations omitted). However, issues about what was “conventional” or “well-understood” at the time of the invention are, again, questions reserved under § 103 for obviousness or § 102 for lack of novelty. *See generally* MPEP § 2173.04 (9th ed. Rev. 1, Nov. 2024) (PTO guidance on “[u]ndue” claim breadth). And yet, it is clear from the hearing transcript that the Federal Circuit mixed novelty and obviousness with eligibility by focusing solely on whether the claimed subject matter was known in the prior art. *See supra* Introduction. But the text of § 101 is clear and leaves no room for judicial improvisation. Worse, the *Alice/Mayo* framework has resulted in a patent eligibility standard that is completely unworkable, where

⁴ Giles S. Rich, *Principles of Patentability*, 14 FED. CIRCUIT B.J. 135, 145 (2005).

even Federal Circuit judges cannot predict whether a given claim is eligible.⁵

B. Courts Cannot Engraft Their Own Exceptions onto the Statutory Text of § 101

This Court has consistently cautioned that courts “should not read into the patent laws limitations and conditions which the legislature has not expressed.” *Chakrabarty*, 447 U.S. at 308 (internal quotations omitted). And this concern has recently carried over to other areas of law. For example, in *Henry Schein, Inc. v. Archer & White Sales, Inc.*, this Court considered the Federal Arbitration Act (FAA), and whether a judicially created “wholly groundless” exception is consistent with that Act. 586 U.S. 63, 70 (2019).

Under the FAA, parties can agree to have an arbitrator, rather than a court, resolve disputes arising out of a contract, including the threshold arbitrability question—that is, whether their arbitration agreement applies to a particular dispute. *Id.* at 67-68. Even when a contract delegates the arbitrability question to an arbitrator, some federal courts were nonetheless short-circuiting the process and deciding the arbitrability questions themselves, if, under the

⁵ Steve Brachmann & Eileen McDermott, *First Senate Hearing on 101 Underscores That ‘There’s More Work to Be Done,’* IP Watchdog (June 4, 2019, 10:23 PM), <https://ipwatchdog.com/2019/06/04/first-senate-hearing-on-101-underscores-that-theres-more-work-to-be-done/id=110003/> (“I’ve spent 22 years on the Federal Circuit and nine years since dealing with patent cases and I cannot predict in a given case whether eligibility will be found or not found,” Judge Michel said.”).

contract, the argument for arbitration was “wholly groundless.” *Id.* at 68.

In a unanimous decision, this Court found that the “wholly groundless” exception was not consistent with the statutory text of the FAA. *Id.* It held “that the Act contains no ‘wholly groundless’ exception, and we may not engraft our own exceptions onto the statutory text.” *Id.* at 70 (citation omitted).

The same rationale applies here. No court should be permitted to engraft onto the statutory text of § 101 the broad judicially created exceptions as embodied in the *Alice/Mayo* framework that appear nowhere in the text.

C. Consideration of This Foundational Issue Is Urgently Needed

The Court’s review is necessary to resolve what Paul Michel, former Federal Circuit Chief Judge, has called the “chaos” of the patent-eligibility jurisprudence that is “devastating American business, including high tech . . . industries.”⁶ Numerous Federal Circuit judges have echoed Judge Michel’s concerns. Judge Linn has observed that “the abstract idea exception is almost impossible to apply consistently and coherently” and that the *Alice* standard “is indeterminate and often leads to arbitrary results.” *Smart Sys. Innovations, LLC v. Chicago Transit Auth.*, 873 F.3d 1364, 1377 (Fed. Cir. 2017) (Linn, J., dissenting in

⁶ Steve Brachmann, *Judge Paul Michel Presents Supplemental Testimony on PTAB Reforms to the House IP Subcommittee*, IP Watchdog (Sept. 19, 2017, 11:15 AM), <https://ipwatchdog.com/2017/09/19/judge-paul-michel-presents-supplemental-testimony-ptab-reforms/id=88047/> (internal quotations omitted).

part and concurring in part). Chief Judge Moore concluded that “[a]s the nation’s lone patent court, we are at a loss as to how to uniformly apply § 101.” *Am. Axle & Mfg., Inc. v. Neapco Holdings LLC*, 977 F.3d 1379, 1382 (Fed. Cir. 2020) (Moore, J., concurring). Judge Lourie determined that “the law needs clarification by higher authority” than the Federal Circuit. *Aatrix Software, Inc. v. Green Shades Software, Inc.*, 890 F.3d 1354, 1360 (Fed. Cir. 2018) (Lourie, J., concurring in the denial of rehearing en banc); *see also Berkheimer v. HP Inc.*, 890 F.3d 1369, 1376 (Fed. Cir. 2018) (Lourie, J., concurring in the denial of rehearing en banc) (“Resolution of patent-eligibility issues requires higher intervention . . .”).

The PTO has likewise observed that applying the *Alice/Mayo* framework “in a consistent manner has proven to be difficult, and has caused uncertainty in this area of the law.” 2019 Revised Patent Subject Matter Eligibility Guidance, 84 Fed. Reg. 50 (Jan. 7, 2019). Basically nobody, it concluded, can “reliably and predictably determine what subject matter is patent-eligible.” *Id.* “The *Alice* Court alleged that the PTO and courts were to tread carefully so as not to ‘swallow all of patent law’ with the § 101 prohibitions against patenting of abstract ideas . . . but this is exactly what is happening.”⁷ That is what happened in the *Brumfield* case, where two different panels of the Federal Circuit reached opposite conclusions on whether the same claims of the same patents recite technological improvements.

⁷ Kevin Madigan & Adam Mossoff, *Turning Gold into Lead: How Patent Eligibility Doctrine Is Undermining U.S. Leadership in Innovation*, 24 GEO. MASON L. REV. 939, 952 (2017).

All this has left U.S. businesses at a severe disadvantage. This year, the Congressional Research Service explained that “[i]nnovation in emerging technology areas may face unique challenges because of the restricted scope of patent-eligible subject matter.”⁸ Leading scholars question “whether the U.S. is surrendering its long-held position as the world leader in promoting and securing new technological innovation.”⁹ They warn that, absent intervention, the U.S. will be overtaken by other countries “as the forerunners of innovation, especially in the research-intensive sectors of the innovation economy.”¹⁰

II. THE COURT SHOULD CORRECT THE FEDERAL CIRCUIT’S COMMON PRACTICE OF ISSUING ONE-WORD AFFIRMANCES UNDER RULE 36 IN PATENT CASES

The Federal Circuit frequently relies on Federal Circuit Rule 36 as a vehicle to summarily affirm lower tribunals’ decisions, without an opinion. As Rule 36 permits summary affirmance on nearly any basis that the Federal Circuit could affirm a case (i.e., findings are not clearly erroneous, sufficient evidence, supportive record, affirmance appropriate under the standard of review for the administrative agency, or no error of law), this leaves the appellant and the public with no visibility into the rationale for the

⁸ CONG. RSCH. SERV., PATENT-ELIGIBLE SUBJECT MATTER REFORM: AN OVERVIEW (2024), <https://crsreports.congress.gov/product/pdf/IF/IF12563>.

⁹ Madigan & Mossoff, *supra* note 7, at 941.

¹⁰ *Id.*

affirmance. This issue should be reviewed under the Court's Supervisory Authority.

**A. The Federal Circuit's Affirmance
Without Opinion Under Rule 36
Leaves the Basis of Affirmance Un-
clear**

The Federal Circuit's use of one-word affirmances, and corresponding failure to specify the bases for the affirmance, deprives the Petitioner, other courts, the USPTO, and members of the public of the ability to review the Federal Circuit's decision with any clarity. (Pet. App. 1a–2a). This is especially true when there are multiple issues raised at the lower court level. The Federal Circuit has grappled with this issue in the context of its issuance of mandates to lower courts. Specifically, in *TecSec, Inc. v. Int'l Bus. Machines Corp.*, the Federal Circuit considered the impact of a Rule 36 affirmance when there were multiple issues decided by the lower court, and agreed with the appellant that “the mandate rule does not apply because it is impossible to glean which issues this court decided when we issued the Rule 36 judgment.” 731 F.3d 1336, 1341 (Fed. Cir. 2013).

Rule 36 affirmances are particularly troubling when patents are invalidated. Here, AED invested heavily in its patents, spending over eight and a half years prosecuting them before the USPTO. (Pet. at 3). AED then filed a suit based on this patent in district court, where no patent eligibility challenges were even raised. *Id.* (citing Case No. 1:16-cv-1280-LPS). AED also sought and recently obtained (long after *Alice*) new patent claims from the USPTO that are not substantially different from the claims at issue here

for purposes of § 101. (Oral Arg. at 18:05-18:20; Pet. at 5). These recently issued claims were granted after the USPTO issued, and then *withdrew*, a rejection of the claims under § 101. (Pet. at 5). Moreover, the Government itself had argued in previous cases that claims such as AED's claims are patent eligible under § 101. *See supra* Introduction. Notwithstanding this detailed procedural background and the USPTO's and Government's contrary views on the eligibility of AED's patent claims, the Federal Circuit affirmed the Court of Claims' invalidation with a single word. (Pet. App. 1a-2a). This resulted in conflicting decisions on patent eligibility regarding the same claims, with no explanation to the public or the patent owner as to "how" or "why" the claims were ineligible.

This set of facts is not unique. The same occurred in a case involving one of Mr. Brumfield's patents that was invalidated by the PTAB in a Covered Business Method (CBM) Review proceeding. *IBG LLC v. Trading Techs. Int'l, Inc.*, No. CBM2016-00090, 2017 WL 6210830, at *1 (P.T.A.B. Dec. 7, 2017). In that case, issues such as patent eligibility, CBM jurisdiction, and obviousness were all appealed. *Id.* at *1, *5. Yet, the Federal Circuit disposed of the appeal with a single-word order. *IBG*, 771 F. App'x at 493. Like here, without knowing the bases of the affirmance, Mr. Brumfield and this Court were deprived of the ability to review the Federal Circuit decision with any clarity. *Id.*

In fact, this pattern has repeated itself again and again in many other high-value patent cases with detailed records. Professor Dennis Crouch, *Million-Dollar Mysteries: Recent Complex Patent Cases Lost to Rule 36*, Patently-O (Feb. 10, 2025),

<https://patentlyo.com/patent/2025/02/million-mysteries-complex.html> (discussing the implications of Rule 36 affirmances to patent cases). Professor Crouch’s recent article identifies eight such patent cases that received Rule 36 affirmances from the Federal Circuit *in the first month and a half of 2025 alone*. *Id.* While it would be expected that these affirmances would only occur in straightforward cases where no confusion could exist as to the basis for the affirmance, Professor Crouch’s analysis reveals that the Federal Circuit routinely issues Rule 36 affirmances, notwithstanding complex and varied legal issues and significant financial stakes. *Id.* As Judge Reyna of the Federal Circuit has observed about Rule 36 affirmances in *TecSec*:

What bothered me was that the “how” and the “why” behind the affirmance, the actual reasoning that would enable me to assist and guide a client, was lacking. The court’s silence on its analysis and reasoning thundered loudly.

731 F.3d at 1353 (Reyna, J., dissenting). Likewise, the Rule 36 affirmance here also leaves the public and investors at a loss as to what subject matter is eligible for a patent.

Moreover, the use of Rule 36 is inappropriate because it interferes with the public notice function of patents by undermining principles of transparency and accountability in the judicial process. By issuing decisions without providing any rationale, the Federal Circuit deprives the highest court of a reasoned explanation to evaluate in the context of a writ of certiorari. This lack of explanation not only denies

litigants the opportunity to understand the basis of the decision but also hinders the development of legal precedent and clarification of the legal principles to be followed in this area.

Furthermore, such a practice is improper, as it diminishes the judicial responsibility to articulate legal reasoning, which serves as the foundation for legal consistency and public confidence in the courts. This is especially true at the Federal Circuit, whose jurisdiction is premised on providing a unified body of legal precedents from which lower courts may adhere to and follow in their cases.

Aside from the public policy issues above, the Federal Circuit's practice of summary Rule 36 affirmances further weakens a patent system that is being decimated by the uncertainty and confusion surrounding the current state of 35 U.S.C. § 101 jurisprudence. Former USPTO Director, David Kappos, has expressed concerns that "our patent system may have been overcorrected and excessively weakened, discouraging investments in innovation." David Kappos, *The State Of The Patent System: A Look At The Numbers*, Law 360 (Nov. 27, 2017), <https://www.law360.com/articles/987044/the-state-of-the-patent-system-a-look-at-the-numbers>. He also "said he has begun telling clients that patent protection for biotechnology and software inventions is more robust in other countries like China and Europe." Ryan Davis, *Kappos Calls For Abolition Of Section 101 Of Patent Act*, Law 360 (Apr. 12, 2016), <https://www.law360.com/ip/articles/783604%20>; see also *World Intellectual Property Indicators Report: Global Patent Filings Reach Record High in 2023*, WIPO (Nov. 7, 2024),

https://www.wipo.int/pressroom/en/articles/2024/article_0015.html (showing China having more than double the number of patent filings than the U.S.). These concerns provide further evidence of the need for oversight in the form of written opinions.

B. The Federal Circuit Issues Rule 36 Affirmances at an Alarming High Rate, Which Conflicts with the Practice of the Other Circuit Courts

A recent study found that “the Federal Circuit issued Rule 36 affirmances in 580 cases (42.74%).” Daniel F. Klodowski et al., *Federal Circuit PTAB Appeal Statistics for July, August, and September 2024*, Finnegan (Nov. 5, 2024), <https://www.finnegan.com/en/insights/blogs/at-the-ptab-blog/federal-circuit-ptab-appeal-statistics-for-july-august-and-september-2024.html>. These statistics show that judicial oversight over patent invalidations is lacking. They also stand in stark contrast to the other circuit courts. For instance, the majority of circuits, including the First, Second, Third, Fourth, Sixth, Seventh, Ninth, Eleventh, and DC Circuits, do not have a rule that permits a summary affirmance. Charles Macedo et al., *Justice is Not Silent: The Case Against One-Word Affirmances in the Federal Circuit*, Patently-O (Sept. 22, 2024), <https://patentlyo.com/patent/2024/09/appellate-decision-reasoning.html>. Of the remaining four circuits that do permit this practice, “in the past year only the Fifth and Federal Circuit have used one-word affirmances, with the Federal Circuit’s use standing out by a high margin.” *Id.*

This Court should grant the Petition and correct this troubling practice.

CONCLUSION

For the foregoing reasons, AED's petition for a writ of certiorari should be granted.

Respectfully submitted,

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