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## THE NORTHERN DISTRICT OF CALIFORNIA RULES THAT SOFTWARE METHOD CLAIMS FOR EXECUTING AN INSTRUCTION ARE PATENTABLE

### Intellectual Property Client Alert

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The U.S. District Court for the Northern District of California, San Jose Division, recently held that a software patent was patentable subject matter. In *Nazomi Communications, Inc. v. Samsung Telecommunications, Inc., et al.*, Civil Action No. 10-5545(RMW) (Mar. 21, 2012), the court denied defendant, Kyocera's motion for summary judgment, finding that the claims of U.S. Patent No. 6,338,160 ('160 Patent) did more than just recite an abstract idea and say "apply it." Rather, the Patent recited specific steps that confined the claims to a specific useful application. The claims of the '160 Patent were held not to be invalid under 35 U.S.C. § 101 ("Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefore," subject to the other requirements of the patent statute).

The '160 Patent relates to an implementation of the Java language in which the references to the constant pool are implemented by using a Data Resolution Field within the constant pool entry. A constant pool is a data structure. The claims of the '160 Patent are directed towards a "method of executing an instruction."

In its motion, Kyocera analogized to *Gottschalk v. Benson*, 409 U.S. 63 (1972), which held that patent claims directed to a method of converting numbers from binary-coded decimal (BCD) form to pure binary form were invalid because "one may not patent an idea." Kyocera further argued that the claims were so abstract and sweeping that they covered both "known and unknown" uses through existing or future-devised machinery, or without any apparatus. Kyocera also argued that the claims defined a "programming technique" and neither the Federal Circuit nor the Supreme Court has found a programming technique to be patentable. Plaintiff Nazomi responded that when read in the light of the specification, the claims of the '160 Patent were directed towards execution of computer instruction and thus they were not abstract.

The District Court held that the claims of the '160 Patent did more than recite an abstract idea and say "apply it," but set forth specific steps that confined the claims to a specific useful application. In reaching its decision, the Court noted that the claims of the '160 Patent were clearly more specific than Kyocera's generalized description because the claims specify that the data obtained must include data from a resolution data field, that the next step to be taken is a resolving step, and that the modification is to indicate that a reference is resolved. Additionally, the Court also found that the thrust of cases by the Federal Circuit and the Supreme Court on subject matter eligibility make clear that § 101 is a permissive provision with limited exceptions, including *Bilski v. Kappos*, 130 S. Ct. 3218, 3225 (2010). Thus, it was not sufficient to show that a type of claim has never been specifically upheld; rather, the defendant must demonstrate that the claims fall within one of the exceptions to "§ 101's broad patent-eligibility principles," which they

failed to do here. Moreover, the district court noted that its conclusion that the '160 Patent claims were not abstract was reinforced by the Supreme Court in *Mayo Collaborative Services v. Prometheus Labs., Inc.*, No. 10-1150, 2012 WL 912952 (Mar. 20, 2012) (discussed [here](#)), which distinguished between processes that were patent eligible and those that were impermissibly broad, by focusing on whether a process contained additional steps that “transform[] the process” from one that pre-empts all use of a natural law “into an inventive application of the formula.”

Software claims drawn to methods that can only be executed on a computer may be patent eligible but must be carefully drafted with a view to the evolving law.

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