2019-1141, 2019-1144

United States Court of Appeals for the Federal Circuit

AMERANTH, INC.,

Plaintiff – Appellant,

v.

DOMINO'S PIZZA, LLC, DOMINO'S PIZZA, INC.,

Defendants – Appellees,

PAPA JOHN'S USA, INC., OPENTABLE, INC., GRUBHUB, INC., SEAMLESS NORTH AMERICA, LLC, O-WEB TECHNOLOGIES LTD., HOTELS.COM, L.P., STUBHUB, INC., TICKETMASTER, LLC, LIVE NATION ENTERTAINMENT, INC., TRAVELOCITY.COM LP, HOTEL TONIGHT, INC., ORBITZ, LLC, EXPEDIA, INC., FANDANGO, INC., HOTWIRE, INC., KAYAK SOFTWARE CORPORATION, EMN8, INC., HILTON INTERNATIONAL CO., HILTON RESORTS CORPORATION, HILTON WORLDWIDE, INC., USABLENET, INC., STARWOOD HOTELS & RESORTS WORLDWIDE INC., MOBO SYSTEMS, INC., AGILYSYS, INC., ATX INNOVATION, INC., BEST WESTERN INTERNATIONAL, INC., HYATT CORPORATION, ORDR.IN, INC., NAAMA NETWORKS, INC., MARRIOTT HOTEL SERVICES, INC., MARRIOTT INTERNATIONAL, INC., RITZ CARLTON HOTEL COMPANY, LLC, RENAISSANCE HOTEL OPERATING COMPANY, APPLE, INC., TICKETBISCUIT, LLC, EVENTBRITE, INC., TICKETFLY, INC., STARBUCKS CORPORATION, IPDEV CO., ORACLE CORPORATION,

Defendants.

Appeal from the United States District Court for the Southern District of California in Case Nos. 3:11-cv-1810-DMS-WVG, 3:12-cv-00733-DMS-WVG, Judge Dana M. Sabraw

APPELLANT'S COMBINED PETITION FOR PANEL REHEARING AND REHEARING *EN BANC*

Richard C. Weinblatt STAMOULIS & WEINBLATT LLC 800 N. West Street, Third Floor Wilmington, DE 19801 (302) 999-1540 Email: weinblatt@swdelaw.com *Attorneys for Appellant Ameranth, Inc.*

December 2, 2019

UNITED STATES C	OURT OF APPEALS FOR TH	E FEDERAL CIRCUIT	
	UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT Domino's Pizza, LLC and		
Ameranth, Inc.			
	Case No. <u>2019-1141, 2019-1</u>	144	
	CERTIFICATE OF INTERES	Γ	
Counsel for the:	t) [(respondent) [(appellee) [(amicus) (name of party)	
Ameranth, Inc.			
certifies the following (use	e "None" if applicable; use extra s	heets if necessary):	
1. Full Name of Party Represented by me	 2. Name of Real Party in interest (Please only include any real party in interest NOT identified in Question 3) represented by me is: 	3. Parent corporations and publicly held Companies that own 10 % or more of stock in the party	
Ameranth, Inc.	N/A	None	
party or amicus now repres appear in this court (and case) are:	W. Osborne	gency or are expected to an appearance in this	

5. The title and number of any case known to counsel to be pending in this or any other court or agency that will directly affect or be directly affected by this court's decision in the pending appeal. See Fed. Cir. R. 47. 4(a)(5) and 47.5(b). (The parties should attach continuation pages as necessary).

Ameranth, Inc. v. Live Nation Ent., Inc., Case No. 3:12-cv-1648-DMS (WVG) (S.D. Cal., filed June 29, 2012); Ameranth, Inc. v. Papa John's USA, Inc., Case No. 3:12-cv-729 DMS (WVG) (S.D. Cal., filed Mar. 27, 2012); Ameranth, Inc. v. Open Table, Inc., Case No. 3:12-cv-731 DMS (WVG) (S S.D. Cal., filed Mar. 27, 2012); Ameranth, Inc. v. O-Web Techs. Ltd., Case No. 3:12-cv-732 DMS (WVG) (S.D. Cal., filed Mar. 27, 2012); Ameranth, Inc. v. GrubHub, Inc., Case No. 3:12-cv-739 DMS (WVG) (S.D. Cal., filed Mar. 27, 2012); Ameranth, Inc. v. Agilysys, Inc., Case No. 3:12-cv-858 H (MDD) (S.D. Cal., filed Apr. 6, 2012); Ameranth, Inc. v. Hyatt Hotels Corp., Case No. 3:12-cv-1627 DMS (WVG) (S.D. Cal., filed June 29, 2012); Ameranth, Inc v. Starwood Hotels and Resorts Worldwide, Inc., Case No. 3:12-cv-1629 DMS (WVG) (S.D. Cal., filed June 29, 2012); Ameranth, Inc. v. Best Western International, Inc., Case No. 3:12-cv-1630 DMS (WVG) (S.D. Cal., filed June 29, 2012); Ameranth, Inc. v. Marriott Internat'l, Inc., Case No. 3:12-cv-1631 DMS (WVG) (S.D. Cal., filed June 29, 2012); Ameranth, Inc. v. Hotel Tonight, Inc., Case No. 3:12-cv-1633 DMS (WVG) (S.D. Cal., filed June 29, 2012); Ameranth, Inc. v. Hotels.com, LP, Case No. 3:12-cv-1634 DMS (WVG) (S.D. Cal., filed June 29, 2012); Ameranth, Inc. v. Hilton Resorts Corp., Case No. 3:12-cv-1636 DMS (WVG) (S.D. Cal., filed July 2, 2012); Ameranth, Inc. v. Kayak Software Corp., Case No. 3:12-cv-1640 DMS (WVG) (S.D. Cal., filed June 29, 2012); Ameranth, Inc. v. Mobo Systems, Inc., Case No. 3:12-cv-1642 DMS (WVG) (S.D. Cal., filed June 29, 2012); Ameranth, Inc. v. Orbitz, LLC, Case No. 3:12-cv-1644 DMS (WVG) (S.D. Cal., filed June 29, 2012); Ameranth, Inc. v. Stubhub, Inc., Case No. 3:12-cv-1646 DMS (WVG) (S.D. Cal., filed June 29, 2012); Ameranth, Inc. v. Ticketmaster, LLC, Case No. 3:12-cv-1648 DMS (WVG) (S.D. Cal., filed June 29, 2012); Ameranth, Inc. v. Travelocity.com, LP, Case No. 3:12-cv-1649 DMS (WVG) (S.D. Cal., filed June 29, 2012); Ameranth, Inc. v. Usablenet, Inc., Case No. 3:12-cv-1650 DMS (WVG) (S.D. Cal., filed June 29, 2012); Ameranth, Inc. v. Fandango, Inc., Case No. 3:12-cv-1651 DMS (WVG) (S.D. Cal., filed June 29, 2012); Ameranth, Inc. v. Hotwire, Inc., Case No. 3:12-cv-1653 MMA (BGS) (S.D. Cal., filedJuly 2, 2012); Ameranth, Inc. v. Expedia, Inc., Case No. 3:12-cv-1654 CAB (RBB) (S.D. Cal., filed June 29, 2012); Ameranth, Inc. v. Oracle Corp., Case No. 3:12-cv-1655 DMS (WVG) (S.D. Cal., filed June 29, 2012); Ameranth, Inc. v. ATX Innovation, Inc., Case No. 3:12-cv-1656 DMS (NLS) (S.D. Cal., filed June 29, 2012); Ameranth, Inc. v. Ticketbiscuit, LLC, Case No. 3:13-cv-352- AJB (KSC) (S.D. Cal., filed Feb. 13, 2013); Ameranth, Inc. v. Starbucks Corp., Case No. 3:13-cv-1072 MMA (BGS)(S.D. Cal., filed May 6, 2013); Ameranth Inc. v. Splick-It, Inc., Case No. 3:17-cv-1093-DMS (WVG) (S.D. Cal., filed May 26, 2017); In re: Ameranth Litig., Case No. 3:11-

cv-1810 DMS (WVG) (S.D. Cal.).	
December 2, 2019 Date	<u>/s/ Richard C. Weinblatt</u> Signature of counsel
Please Note: All questions must be answered	Richard C. Weinblatt
cc:	Printed name of counsel

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STATEMENT OF COUNSEL

Based on my professional judgment, I believe this appeal requires an answer to one or more precedent-setting questions of exceptional importance:

1. Whether, on summary judgment, a panel may act as a first-time factfinder to examine disputed facts and evidence regarding inventiveness of a groundbreaking invention improperly ignored by the District Court rather than remand?

2. Whether, on summary judgment, a panel may shift the burden to the patentee to prove patent eligibility of claims not addressed in a summary judgment motion of unpatentability under § 101?

3. Whether § 101 can be interpreted to consume the enablement requirement of § 112, and whether it is appropriate to require the claims themselves meet enablement requirements under § 101?

4. Whether, on summary judgment, when the Pre-Trial Order and record evidence the patentee limited its infringement assertion to five claims, a panel may disregard parts of the record to increase the number of claims asserted to expand jurisdiction?

Based on my professional judgment, I believe the panel decision is contrary to the following decisions of the Supreme Court of the United States and precedents of this Court: *Alice Corp. Pty. Ltd. v. CLS Bank Int'l*, 573 U.S. 208 (2014); *Aatrix Software,*

Inc. v. Green Shades Software, Inc., 882 F.3d 1121 (Fed. Cir. 2018); *Atlantic Thermoplastics Co. v. Faytex Corp.*, 5 F.3d 1477 (Fed. Cir. 1993); *Berkheimer v. HP Inc.*, 881 F.3d 1360 (Fed. Cir. 2018); *Berkheimer v. HP Inc.*, 890 F.3d 1369 (Fed. Cir. 2018); *MyMail, Ltd. v. ooVoo, LLC*, 934 F.3d 1373 (Fed Cir. 2019); *Rapid Litig. Mgmt. Ltd. v. CellzDirect, Inc.*, 827 F.3d 1042 (Fed. Cir. 2016).

<u>/s/ Richard C. Weinblatt</u> Richard C. Weinblatt Attorney for Appellant Ameranth, Inc.

I. PRELIMINARY STATEMENT

Ameranth submitted – and the District Court did not consider – declarations from a technical expert and fact witnesses in support of patent eligibility when opposing a motion for summary judgment of unpatentability under 35 U.S.C. § 101. Instead of remanding, the panel chose to examine them and make its own 2019 factual findings in the first instance, ignoring Ameranth's evidence that established the inventive concepts were groundbreaking and non-conventional as of the time of the invention in 1999.

The panel also applied an erroneous § 101 standard that subsumes § 112's enablement requirement. Enablement involves underlying questions of fact and requires an assessment of whether the specification's teachings allow a *person of ordinary skill* to make and use a claimed invention without "undue experimentation." *Transocean Offshore Deepwater Drilling, Inc. v. Maersk Drilling USA, Inc.*, 699 F.3d 1340, 1355 (Fed. Cir. 2012). In its view, the panel decided the asserted claims *themselves* were results only and do not sufficiently inform *judges* how to make and use the invention.

The panel found jurisdiction existed for claims not argued in the summary judgment motion and shifted the burden on Ameranth to prove patent eligibility instead of applying the clear and convincing burden on the movant.

The Court should review and vacate the panel decision and restore the Court's

precedent to avoid significant and improper expansion of the Court's appellate role and law on patent eligibility.¹

II. BACKGROUND

A. U.S. Patent No. 8,146,077's Groundbreaking Inventions

The priority date of U.S. Patent No. 8,146,077 (the "'077 patent") is September 21, 1999. The prior art method for creating menus for handheld devices required both all of the raw data and the software for configuring the menu to exist on the handheld device, and then a programmer created a graphical user interface ("GUI") using the handheld device's configuration software to program the screen relationships; this had to be done for every handheld device. Appx1074. There was no synchronization between devices or between devices and a back-end computer or server, and there was no WiFi or 802.11 standard or technology. *Id.*; *see also* Appx1588-1589; Appx10340 at ¶ 13; Appx10344 at ¶ 18.

Claims 1, 9, and 13 created via software on the backend a GUI – a programmed handheld menu configuration ("PHMC") or hospitality application information ("HAI") – for two or more handheld devices having different screen

¹ Questions 2 and 3 in the pending petition for rehearing and rehearing *en banc* in *American Axle & Manufacturing, Inc. v. Neapco Holdings LLC*, No. 18-1763, raise the same questions as 1 and 3 raised in this petition. If this Court is inclined to grant American Axle's petition, Ameranth requests the Court also grant review here to have the benefit of two different factual scenarios that raise the same basic legal issues.

sizes and potentially different operating systems and then transmitted the GUIs to the handheld devices – that is automatically synchronized and formatted via cascaded sets of linked GUI screens. '077 patent at 15:56-61, 17:35-18:47, 18:65-20:17; *see also id.* at Figs. 5, 7; *id.* at 16:20-29, 17:2-13, 19:30-38.

B. District Court Proceedings

On September 20, 2013, Ameranth asserted certain claims of the '077 patent in an amended complaint against Domino's Pizza, LLC and Domino's Pizza, Inc. (collectively, "Domino's"). Appx336-367.

On August 7, 2017, in accordance with the District Court's Order, Appx2192, Ameranth served Domino's its Amended Disclosure of Asserted Claims and Infringement Contentions, identifying five asserted claims and reserving "the right to assert additional and/or different claims in the future by Court order" Appx2196.

On June 5, 2018, Domino's filed a Motion for Summary Judgment of Non-Infringement ("Non-Infringement MSJ"), seeking a non-infringement ruling for the asserted claims: "independent claims 1, 9 and 13, and dependent claims 8 and 17."² Appx4925; *id.* n.4 (emphasis added).

On July 27, 2018, Ameranth and Domino's filed their Pre-Trial Order, wherein

² Domino's made a typographical error. Appx4925 n.4 cites to "Ex. 11 at \P 26" when identifying the asserted claims, and \P 26 of that exhibit identifies the asserted claims as 1, 6, 9, 13, and 17.

Ameranth identified claims 1, 6, 9, 13, and 17 as being infringed without reserving the right to add additional claims. Appx10191; Appx10198.

On August 28, 2018, Domino's sought to join a summary judgment motion of unpatentability from a related case involving Pizza Hut, Inc. and Pizza Hut of America, Inc. (collectively, "Pizza Hut") that settled. Appx10204-10207. Pizza Hut's mooted motion sought to invalidate the "asserted claims," defined as claims 1, 6, 8, 13, and 17 of the '077 patent, and its arguments were directed to those claims. Appx6398; Appx6421. Other than informing the District Court that claim 9 was asserted against it and not Pizza Hut, Domino's neither argued nor submitted evidence in support of patent ineligibility. Appx10211-10212.

The District Court permitted Ameranth to file a supplemental brief, Appx10228-10229, and Ameranth did so on September 7, 2018. Appx10230; Appx10235; Appx10237-10240; Appx10244-10249; Appx10250-10259. In support of patent eligibility, Ameranth filed declarations of technical expert Michael I. Shamos, Ph.D., '077 patent lead inventor Keith R. McNally, and fact witness and Microsoft employee at the relevant time Douglas S. Dedo. Appx11109-11114 at ¶¶ 4, 6-13; Appx10266-10272 at ¶¶ 22-27; Appx10480-10612; Appx10339-10359 at ¶¶ 9-37.

The District Court granted Domino's summary judgment motion, invalidated claims 1, 4-9, 11, and 13-18 of the '077 patent, Appx1-2, and improperly ignored

Ameranth's declarations. Appx3-16.

C. Panel Opinion

The panel affirmed as to claims 1, 6-9, 11, and 13-18, and vacated and remanded as to claims 4 and 5 because the District Court lacked declaratory judgment jurisdiction. Op. at 15. It decided jurisdiction existed for any claim Ameranth ever asserted against Domino's in the litigation and, without mentioning Domino's Non-Infringement MSJ or the Pre-Trial Order, ruled "[t]here was no indication that Ameranth altered its position that Domino's Ordering System infringes claims 7–8, 11, 14–16, and 18." *Id.* at 5-7. The panel decided "Ameranth's supplemental opposition addressed all the claims and not just the five listed in the summary judgment motion." *Id.* at 9-10.

Turning to the two-step *Alice* inquiry, the panel first ruled claims 1, 9, and 13 are enabled. *Id.* at 10-11 ("Here, claims 1 and 9 cover systems *enabled* for Similarly, claim 13 recites a system that *can*"). The panel acknowledged the specification enabled the claimed inventions. *Id.* at 11 ("This focus is confirmed by . . . the specification's emphasis that the inventions *enable* automatic database updates and fast synchronization between a database and handheld devices. (citing '077 patent at 3:27-35, 5:3-7)).

At *Alice* step 1, the panel found the claims were directed to an abstract idea. *Id.* At *Alice* step 2, the panel extended its § 101 standard, subsuming the enablement requirement of § 112, and decided, while contradicting its early rulings, "the claim limitations describe a desired result but do not instruct how to accomplish that result," *id.* at 13. Then turning to claims 6-8, 11, and 14-18 and without citing any record evidence or facts, the panel decided that the "additional limitations in those claims are themselves routine and conventional, and thus we determine that they are also patent ineligible." *Id.* at 13.

The panel acknowledged Ameranth's argument that the District Court failed to consider Ameranth's declarations in support of inventiveness and eligibility. *Id.* at 13-14. The panel then – in the first instance – reviewed the declarations and dismissed them. *Id.* at 14.

III. ARGUMENT

A. The Panel Exceeded Its Appellate Role by Deciding Facts in the First-Instance and It Disregarded *Berkheimer* and the Summary Judgment Standard

"[W]hether a claim element or combination of elements would have been well-understood, routine, and conventional to a skilled artisan in the relevant filed at particular point in time is a *question of fact*." *Berkheimer v. HP Inc.*, 881 F.3d 1360, 1370 (Fed. Cir. 2018) (emphasis added). On appeal from summary judgment, the Court must view the factual record in the light most favorable to and draw all reasonable inferences in favor of Ameranth, *Scott v. Harris*, 550 U.S. 372, 378 (2007), and all of Ameranth's evidence "is to be believed." *Anderson v. Liberty* *Lobby, Inc.*, 477 U.S. 242, 255 (1986). But, "[i]t is improper . . . to determine factual issues in the first instance on appeal," *MyMail, Ltd. v. ooVoo, LLC*, 934 F.3d 1373, 1380 (Fed Cir. 2019), and "[f]act-finding by the appellate court is simply not permitted," *Atlantic Thermoplastics Co. v. Faytex Corp.*, 5 F.3d 1477, 1479 (Fed. Cir. 1993). This Court consistently "remand[s] for the district court to make fact findings in the first instance." *International Rectifier Corp. v. Samsung Elecs. Co.*, 424 F.3d 1235, 1241 (Fed. Cir. 2005).

In its effort to refute the inventive concepts of the claims, the panel, in the first instance, reviewed Ameranth's declarations instead of remanding and decided "[t]he declarations *to a large extent* are directed to unclaimed features." Op. at 14. "To a large extent" means parts of the declarations <u>are</u> directed to claimed features. The panel's omission of any analysis of these parts confirms the panel did not view all facts and evidence in the light most favorable to Ameranth.

The panel's opinion regarding Dr. Shamos' expert declaration evidences clear error. The panel's assertion as to what claims 1, 9, and 13 cover and recite under *Alice* step 1 confirm that maintaining screen linkages (i.e., maintaining cascaded sets of linked GUI screens) *is* a claimed feature:

[C]laims 1 and 9 **cover systems enabled for** synchronous communications and automatic formatting of a programmed handheld menu configuration ("PHMC") that is generated using a master menu and that can display cascaded **sets of linked graphical user interface** ("GUI") screens for multiple handheld devices. Similarly, claim 13 recites a system that can automatically format a PHMC for display **as**

cascaded sets of linked GUI screens and synchronize information between its master database, handheld device, web server, and webpage.

Id. at 10-11. Yet, the panel dismissed Dr. Shamos' declaration's statements that "maintaining screen linkages was a core feature why the claimed inventions were not conventional" because it decided this is an unclaimed feature. *Id.* at 14. How can the claims cover or recite a feature that the panel also deems is an unclaimed feature? *See* '077 patent at 16:30-61, 18:13-46, 19:39-20:17. How can "**linked** GUI screens" not include "screen **linkages**"?

The panel recognized Mr McNally's declaration stated "no one had implemented the purported inventive features prior to his realization." Op. at 14; *accord* Appx11110-11112 at ¶¶ 7-8 (Mr. Dedo's declaring "Ameranth's own software solutions . . . provided functionality and delivered results no one else was providing"). This undisputed fact confirms the inventive features were not conventional in 1999. The panel also acknowledged Mr. Dedo declared "Microsoft considered Ameranth's new system synchronization and integration technology to be innovative and ground-breaking in 1999–2000." Op. at 14 (quoting Appx11112); *see also* Appx11109-11114 at ¶¶ 4, 6-13. Inexplicably, it then incorrectly decided that Mr. Dedo's and Mr. McNally's declarations "do little to relate the claimed features to the asserted praise." Op. at 14.

As Dr. Shamos' expert declaration explained, Mr. Dedo's declaration

contained statements that directly correspond to claim elements. Appx10269-10272 at ¶¶ 26-27. The praise for Ameranth's "synchronization and integration" technology clearly relates to the claimed synchronous inventions, which the panel ruled the claims cover and recite, *see* Op. at 10-11, and the claimed integration inventions clearly relate to claims 11 and 14-16. *See id.* at 13. The panel did not consider the ordered combinations of the claimed elements, both in the claims themselves and in view of the disclosure in the '077 patent, to determine if they satisfied *Alice*'s "something more" and again failed to view the facts and evidence in the light most favorable to Ameranth.

Although all of Ameranth's evidence "is to be believed," *Anderson*, 477 U.S. at 255, the panel ignored Ameranth's facts and evidence and decided to make its own 2019 fact-finding as to what was routine and conventional in 1999 when ruling the "additional limitations in [claims 6-8, 11, and 14-18] are themselves routine and conventional" *Id.* at 13. It cited nothing to support this assertion, and no record evidence supports it regarding claims 6-7, 11, and 14-18, nor did it consider the ordered combination of the claim elements. Whether these dependent claims were well-understood, routine, and conventional is a quintessential fact issue, inappropriate for the panel to decide in the first instance on an appeal of summary judgment. *Berkheimer*, 881 F.3d at 1370. This is especially true where Domino's neither provided evidence nor rebutted Ameranth's evidence regarding these claims.

Regarding the alleged routineness and conventionality of claim 8, which depends on claim 1, the declarations offer conflicting testimony, Appx10266-10273 at ¶¶ 22-28; Appx10488-10548 at ¶¶ 38-128; Appx10549-10550 at ¶ 131; Appx10339-10359 at ¶¶ 9-37; Appx6549-6574 at ¶¶ 110-210; Appx6575-6576 at ¶¶ 216-225; Appx11109-11114 at ¶¶ 4, 6-13, and Ninth Circuit law requires summary judgment be denied in such a situation. *Animal Legal Def. Fund v. U.S. Food & Drug Admin.*, 836 F.3d 987, 990 (9th Cir. 2016) ("[W]here the district court has made a factual determination, summary judgment cannot be appropriate."); *see also Direct Techs., LLC v. Electronic Arts, Inc.*, 836 F.3d 1059, 1067 (9th Cir. 2016) (Where evidence, such as conflicting testimony, is genuinely disputed on a particular issue, that "issue is inappropriate for resolution on summary judgment.").

Section 101 raises questions of fact, including "weighing evidence, making credibility judgments, and addressing narrow facts that utterly resist generalization." *Berkheimer v. HP Inc.*, 890 F.3d 1369, 1370 (Fed. Cir. 2018). The panel raised and answered these questions of fact for the first time on appeal, all while avoiding the summary judgment standard. Vacatur is appropriate.

B. The Panel Improperly Shifted the Burden to Ameranth to Prove Patent Eligibility of Claims Not Addressed in the Summary Judgment Motion

The panel recognized the summary judgment motion only "listed five claims," Op. at 9, and neither Pizza Hut nor Domino's provided argument or evidence as to claims 7, 11, 14-16, and 18. Appx6395; Appx6398-6400, Appx6402-6403; Appx6406-6421; Appx6518 at $\P\P$ 1, 5; Appx10204-10207; Appx10211-10212. Thus, there was no evidence, and surely not clear and convincing evidence, proving conventionality in 1999 of these claims. This fact alone justifies vacatur.

By contending that "Ameranth had the opportunity to and did address claims 7–8, 11, 14–16 and 18 in its supplemental briefing," Op. at 10, the panel put the burden on Ameranth to prove eligibility of claims not addressed in the summary judgment motion. It is axiomatic that this burden-shifting is wrong as a matter of law. *Cellspin Soft, Inc. v. Fitbit, Inc.*, 927 F.3d 1306, 1319 (Fed. Cir. 2019) (holding patents are presumed patent eligible and valid); *see also Microsoft Corp. v. i4i Ltd. P'ship*, 564 U.S. 91, 100 (2011).

Vacatur is warranted.

C. The Panel Supplants § 101 With Enablement (§ 112) and Required the Claims as a Matter of Law to Recite to a Judge How to Make and Use the Invention

The panel applied a § 101 standard that swallows § 112's enablement requirement. The panel created a requirement that to survive at § 101 challenge, the claims as written must recite to a *judge* exactly how to make and use a particular invention. Stated differently, despite the claim construction, teachings of the specification, or knowledge of the person of ordinary skill, the claims themselves must satisfy an enablement requirement under the § 101 inquiry so that a *judge* can practice the invention.

The panel asserted:

- "Claims 1, 9, and 13 do not contain specifics of a particular conception of how to carry out that concept and thus fail to make those claims nonabstract." Op. at 12 (quotation omitted).
- "Ameranth concedes that the claims cover 'a particular *way* of programming and designing the software.' But the claims do not describe the software other than results sought to be achieved." *Id.* (citation omitted).
- "[T]he claim limitations describe a desired result but do not instruct how to accomplish that result." *Id.* at 13.

These statements are incorrect, per the panel's own enablement rulings, *see, e.g., id.* at 10-11, and the claims themselves include specific elements that achieve the goal of creating a computer-based solution on the backend for a front-end GUI for two or more handheld wireless devices having different screen sizes and potentially different operating systems and then transmitting the data for the GUIs to the handheld devices that are automatically synchronized and formatted via cascaded sets of linked GUI screens. For example, the claimed configuration software (claims 1, 9, and 13)³ leverages the master database/menu and its file structures and includes

³ Claim 13's details of the "communications control software" and its "master database" result in improved efficiency with respect to computational speed and

features to design and generate PHMCs or HAIs for the wireless devices having "customized display layouts" that create a structured GUI with "cascaded sets of linked graphical user interface screens" by utilizing parameters from the master database/menu file structure that synchronizes in real-time information from the PHMC or HAI with analogous information in the master database. '077 patent at 15:56-16:61, 17:35-18:47, 18:65-20:17. Those characteristics are described in the claims and supported in the specification, along with examples that disclose various implementations. *See id.* at 7:31-10:41, 11:15-31, 11:52-12:4, 15:4-25, Figs. 5, 7; *see also* Appx2312-2321.

The panel sought something more and improperly enlarged the § 101 inquiry to include its new pseudo-enablement requirement. The Supreme Court cautioned against enlarging § 101 so that it "eviscerate[s] patent law," *Mayo Collaborative Services v. Prometheus Laboratories, Inc.*, 566 U.S. 66, 71 (2012), and requiring claims as written to meet some pseudo-enablement requirement under § 101 does exactly that.

The panel's decision shifts patent-eligibility inquiries to other sections of the patent code (including § 112). Regardless of factual disputes, declaring patents

equipment, *e.g.*, storage and processor of the handheld device, '077 patent at 15:38-46, and Ameranth's declarations address this feature. *See, e.g.*, Appx10268-10273 at ¶¶ 24-28; Appx10357 at ¶ 35; Appx10503-10507 at ¶¶ 61-67; Appx11110 at ¶ 7; Appx11112 at ¶ 10.

ineligible under § 101 based on courts' *sua sponte* views of the enablement, novelty, or obviousness of a claim, increases the uncertainty of future § 101 decisions and the bases for those decisions. Even if enablement were relevant, whether the patent would enable a skilled artisan to practice the claimed invention is an issue of fact, *Transocean Offshore Deepwater Drilling, Inc. v. Maersk Contractors USA, Inc.*, 617 F.3d 1296, 1305 (Fed. Cir. 2010), and a panel's announcement that the judges do not know how to make the claimed invention is improper.

Vacatur is justified.

D. The Panel Erred by Expanding Jurisdiction When The Pre-Trial Order and Record Evidence Indicates Ameranth Limited Its Infringement Assertion to Five Claims

To justify maintaining jurisdiction beyond the five claims identified in the summary judgment motion when ruling there was "no indication" Ameranth altered its infringement position, the panel ignored the Pre-Trial order superseded earlier pleadings and mistakenly relied on Ameranth's earlier amended complaint and Ameranth's August 7, 2017 amended infringement contentions that included "at least" language when identifying five asserted claims and reserved rights to add claims. Op. at 5-7. The record evidence establishes error:

• On June 5, 2018 – almost 10 months after Ameranth's August 7, 2017 amended infringement contentions – Domino's Non-Infringement MSJ stated "Ameranth asserts that Domino's infringes independent claims 1, 9 and 13, and dependent claims 8 and 17."² Appx4925 n.4. If there were "no indication that Ameranth here withdrew its accusations of alleged infringement of claims 7–8, 11, 14–16, and 18," Op. at 7, Domino's would have identifed those claims as asserted claims in its Non-Infringement MSJ.

• The July 27, 2018 Pre-Trial Order identifies the asserted claims as "Asserted Claims (1, 6, 9, 13 and 17)," not "at least claims 1, 6, 9, 13 and 17" and without a reservation of rights to add claims. Appx10191; Appx10198. This Pre-Trial Order "superseded all prior pleadings."⁴ *Rockwell Int'l Corp. v. United States*, 549 U.S. 457, 474 (2007); *Elvis Presley Enters., Inc. v. Capece*, 141 F.3d 188, 206 (5th Cir. 1998) ("[A] joint pretrial order signed by both parties supersedes all pleadings.... [I]f a claim or issue is omitted from the order, it is waived, even if it appeared in the complaint." (quotation omitted)).

• Domino's August 28, 2018 joinder motion stated "Pizza Hut's motion [which only addressed claims 1, 6, 8, 13, and 17, Appx6398; Appx6421] does not address claim 9, which is asserted against Domino's." Appx10212 n.1. If there were no indication that *only* claims 1, 6, 9, 13, and 17 were asserted, Domino's would have identified additional claims in its joinder motion.

Rehearing should be granted because there was no jurisdiction over claims 7-

⁴ *Voter Verified, Inc. v. Premier Election Solutions, Inc.*, 698 F.3d 1374 (Fed Cir. 2012), is inapposite. There was no pre-trial order and the patent owner did not reduce the number of asserted claims without a reservation of rights. *Id.* at 1382.

8, 14-16, and 18, and it is imperative that appellate decisions not be based on disregarding parts of the record.

IV. CONCLUSION

Ameranth requests the Court grant rehearing or rehearing en banc.

Dated: December 2, 2019

Respectfully submitted,

<u>/s/ Richard C. Weinblatt</u> Richard C. Weinblatt STAMOULIS & WEINBLATT LLC 800 N. West Street, Third Floor Wilmington, DE 19801 Telephone: (302) 999-1540 Facsimile: (302) 762-1688 Email: weinblatt@swdelaw.com

Attorneys for Appellant Ameranth, Inc.

ADDENDUM

NOTE: This disposition is nonprecedential.

United States Court of Appeals for the Federal Circuit

AMERANTH, INC., Plaintiff-Appellant

v.

DOMINO'S PIZZA, LLC, DOMINO'S PIZZA, INC., Defendants-Appellees

PAPA JOHN'S USA, INC., OPENTABLE, INC., **GRUBHUB, INC., SEAMLESS NORTH AMERICA,** LLC, O-WEB TECHNOLOGIES LTD., HOTELS.COM, L.P., STUBHUB, INC., TICKETMASTER, LLC, LIVE NATION ENTERTAINMENT, INC., TRAVELOCITY.COM LP, HOTEL TONIGHT, INC., ORBITZ, LLC, EXPEDIA, INC., FANDANGO, INC., HOTWIRE, INC., KAYAK SOFTWARE **CORPORATION, EMN8, INC., HILTON INTERNATIONAL CO., HILTON RESORTS** CORPORATION, HILTON WORLDWIDE, INC., **USABLENET, INC., STARWOOD HOTELS & RESORTS WORLDWIDE INC., MOBO SYSTEMS,** INC., AGILYSYS, INC., ATX INNOVATION, INC., **BEST WESTERN INTERNATIONAL. INC., HYATT** CORPORATION, ORDR.IN, INC., NAAMA NETWORKS, INC., MARRIOTT HOTEL SERVICES, **INC., MARRIOTT INTERNATIONAL, INC., RITZ** CARLTON HOTEL COMPANY, LLC, **RENAISSANCE HOTEL OPERATING COMPANY,** APPLE, INC., TICKETBISCUIT, LLC, EVENTBRITE, INC., TICKETFLY, INC.,

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AMERANTH, INC. v. DOMINO'S PIZZA, LLC

STARBUCKS CORPORATION, IPDEV CO., ORACLE CORPORATION, Defendants

2019-1141, 2019-1144

Appeals from the United States District Court for the Southern District of California in Nos. 3:11-cv-01810-DMS-WVG, 3:12-cv-00733-DMS-WVG, Judge Dana M. Sabraw.

Decided: November 1, 2019

RICHARD CHARLES WEINBLATT, Stamoulis & Weinblatt LLC, Wilmington, DE, argued for plaintiff-appellant.

FRANK A. ANGILERI, Brooks Kushman PC, Southfield, MI, argued for defendants-appellees. Also represented by THOMAS W. CUNNINGHAM, JOHN P. RONDINI.

Before PROST, Chief Judge, PLAGER and DYK, Circuit Judges.

DYK, Circuit Judge.

Ameranth, Inc. ("Ameranth") sued Domino's Pizza, LLC and Domino's Pizza, Inc. (together, "Domino's") for infringement of various claims of U.S. Patent No. 8,146,077 ("the '077 patent"). The district court entered judgment that claims 1, 4–9, 11, and 13–18 of the '077 patent are patent ineligible under 35 U.S.C. § 101. We affirm as to claims 1, 6–9, 11, and 13–18, but hold that the district court lacked declaratory judgment jurisdiction as to claims 4 and 5.

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BACKGROUND

Beginning in 2011, Ameranth filed numerous actions against companies in the hospitality industry for infringement of various patents covering communications systems for generating and transmitting menus. Ameranth asserted various claims of the '077 patent and U.S. Patent Nos. 6,384,850 ("the '850 patent"), 6,871,325 ("the '325 patent"), and 6,982,733 ("the '733 patent").

The district court consolidated the actions for pretrial purposes including discovery and claim construction. Ameranth's complaint against Domino's asserted infringement of the '077, '850, '325, and '733 patents. Domino's filed counterclaims asserting that the '077, '850, '325, and '733 patents are patent ineligible under § 101.

Various defendants challenged Ameranth's patents before the Patent Trial and Appeal Board ("Board") in Covered Business Method proceedings. In Apple, Inc. v. Ameranth, Inc., 842 F.3d 1229, 1245 (Fed. Cir. 2016), this court held that claims of the '850, '325, and '733 patents on appeal from the Board's decision are patent ineligible. By early 2017, those three patents were no longer at issue in the consolidated district court proceeding, and only infringement of the related '077 patent remained.

Domino's was among the various defendants accused of infringement in the district court actions. In June 2018, defendants Pizza Hut, Inc. and Pizza Hut of America, Inc. (together, "Pizza Hut") filed a motion for summary judgment of unpatentability under § 101 with respect to the '077 patent. Ameranth and Pizza Hut settled, and Domino's requested permission in effect to substitute itself for Pizza Hut to pursue the motion. That request was granted.

On September 25, 2018, the district court granted the motion for summary judgment of unpatentability, finding that "the asserted claims of the []077 Patent are unpatentable under § 101." J.A. 15. The district then entered final

judgment in the action against Domino's and adjudicated that "all asserted claims of the '077 Patent (claims 1, 4–9, 11, 13–18) are patent ineligible under Section 101." J.A. 1–2.

Ameranth appeals. We have jurisdiction under 28 U.S.C. § 1295(a)(1).

We review a district court's grant of summary judgment without deference. A district court's decision on patent eligibility is reviewed de novo except that its factual determinations are reviewed for clear error. *Berkheimer v. HP Inc.*, 881 F.3d 1360, 1365, 1368 (Fed. Cir. 2018).

With respect to jurisdiction, we review de novo whether a case or controversy exists and apply Federal Circuit law. *Sanofi-Aventis U.S., LLC v. Dr. Reddy's Labs., Inc.*, 933 F.3d 1367, 1372 (Fed. Cir. 2019).

DISCUSSION

I. Jurisdiction

Ameranth contends that it asserted only claims 1, 6, 9, 13, and 17 against Domino's and thus the district court's order invalidating nine other claims (i.e., claims 4–5, 7–8, 11, 14–16, and 18) should be vacated for lack of declaratory judgment jurisdiction.

Article III courts have subject matter jurisdiction only if there is an actual case or controversy. See MedImmune, Inc. v. Genentech, Inc., 549 U.S. 118, 126–27 (2007). "[T]he existence of a case or controversy must be evaluated on a claim-by-claim basis" in patent cases. Fox Grp., Inc. v. Cree, Inc., 700 F.3d 1300, 1307 (Fed. Cir. 2012) (quoting Jervis B. Webb Co. v. So. Sys., Inc., 742 F.2d 1388, 1399 (Fed. Cir. 1984)). "[J]urisdiction must exist 'at all stages of review, not merely at the time the complaint [was] filed," Streck, Inc. v. Research & Diagnostic Sys., Inc., 665 F.3d 1269, 1282 (Fed. Cir. 2012) (second alteration in original) (quoting Benitec Austl., Ltd. v. Nucleonics, Inc., 495 F.3d

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1340, 1343 (Fed. Cir. 2007)), and "a counterclaimant must show a continuing case or controversy with respect to withdrawn or otherwise unasserted claims," *id.* at 1283. All of the circumstances are considered in determining the existence of a case or controversy. *See MedImmune*, 549 U.S. at 127.

Ameranth does not dispute the existence of a case or controversy for claims 1, 6, 9, 13, and 17. But Ameranth argues that the district court was without power to determine the patent eligibility of claims 4–5, 7–8, 11, 14–16, and 18 of the '077 patent because there was no case or controversy with respect to those claims. We first address the latter seven claims (claims 7–8, 11, 14–16, and 18).

In its infringement contentions, Ameranth accused Domino's of infringing various claims of the '077 patent including the seven claims. Ameranth attached to the complaint, its Disclosure of Asserted Claims and Infringement, including allegations that "Domino's Ordering System infringes at least ... claims 1, 3, 6, 7, 8, 9, 11, 12, 13, 15, 16, 17, and 18 of the [']077 patent." J.A. 12425-26. Domino's then pled counterclaims seeking a declaratory judgment that the claims were unpatentable under § 101. Despite the broad language of the complaint, the district court ordered Ameranth to "select no more than five (5) claims from each patent to assert" and that it "may assert additional claims at this time only with leave of Court." J.A. 2192; In re: Ameranth Patent Litig. Cases ("In re Ameranth"), No. 3:11-cv-01810 (S.D. Cal. 2012), ECF 623 at 2. The district court also required Ameranth's infringement contentions to "consist of one representative version of each Defendant's accused system for the five selected claims." J.A. 2192.

As a result, Ameranth amended its disclosure of asserted claims: it listed claims 6–8, 14, and 18 in its November 15, 2013 disclosure; and claims 1, 6, 9, 13, and 17 in its July 5 and August 7, 2017 disclosures. *In re Ameranth*,

ECF 1217-5 at 1, 1217-6 at 1; J.A. 2196. Thus, Ameranth did not list claims other than 1, 6, 9, 13, and 17 in its latest amended disclosure of asserted claims. In the amendments, Ameranth stated that the selection was due to the district court's order and alleged that "Domino's infringes *at least* the [listed five claims of the '077 patent]" and it "reserves the right to assert additional and/or different claims in the future by Court order." *In re Ameranth*, ECF 1217-5 at 1–2, 1217-6 at 1; J.A. 2196. There was no indication that Ameranth altered its position that Domino's Ordering System infringes claims 7–8, 11, 14–16, and 18.

The fact that Ameranth did not include certain claims which it originally accused of infringement in the amended disclosure of asserted claims does not mean that a case or controversy with respect to those claims disappeared. An actual suit affirmatively asserting the claims is not a requirement for an Article III case or controversy. Cardinal Chem. Co. v. Morton Int'l, Inc., 508 U.S. 83, 95 (1993) ("In patent litigation, a party may satisfy th[e] burden, and seek a declaratory judgment, even if the patentee has not filed an infringement action."). The Supreme Court in *MedImmune* has also held that even a "reasonable apprehension of suit" is not a requirement for Article III jurisdiction. 549 U.S. at 132 n.11; see also Asia Vital Components Co. v. Asetek Danmark A/S, 837 F.3d 1249, 1252 n.1 (Fed. Cir. 2016) (recognizing that a "reasonable apprehension of imminent suit" is no longer a prerequisite although it may be a factor that can satisfy Article III controversy).

Ameranth's original accusation that Domino's infringed claims 7–8, 11, 14–16, and 18 created a case or controversy. See Cardinal Chem., 508 U.S. at 99–100. "A company once charged with infringement must remain concerned about the risk of similar charges if it develops and markets similar products in the future." Id. "Merely the desire to avoid the threat of a 'scarecrow' patent, in Learned Hand's phrase, may [] be sufficient to establish jurisdiction under the Declaratory Judgment Act." Id. at 96.

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Under our case law, the original case or controversy could cease if the patentee withdrew its claims of infringement. See Streck, Inc. v. Research & Diagnostic Sys., Inc., 665 F.3d 1269, 1276, 1284 (Fed. Cir. 2012) (patentee eliminated claims in its infringement contentions that included information on "[e]ach claim of each patent in suit that is allegedly infringed" by the opposing party (alteration in original)); Fox Grp., Inc. v. Cree, Inc., 700 F.3d 1300, 1308 (Fed. Cir. 2012) (patentee withdrew its assertion of certain claims).

Unlike *Streck* and *Fox*, there is no indication that Ameranth here withdrew its accusations of alleged infringement of claims 7–8, 11, 14–16, and 18. Ameranth limited its claims here only because it was compelled to limit the claims by order of the district court. Eliminating claims 7–8, 11, 14–16, and 18 from the amended disclosure of asserted claims did not eliminate the case or controversy with respect to those claims.

This case is similar to Voter Verified, Inc. v. Premier Election Solutions, Inc., 698 F.3d 1374 (Fed. Cir. 2012). In Voter Verified, the patentee alleged in its complaint infringement of every claim of the asserted patent but "later pared back its infringement contentions" with the "caveat that discovery might dictate reintroducing 'other claims in the patents in suit." Id. at 1382. This court held that the defendants "kept any 'unasserted' claims before the district court by maintaining their respective counterclaims" and thus the district court had jurisdiction to rule on the validity of those claims. *Id.* This is consistent with the Declaratory Judgment Act, which allows a defendant to "counterclaim for a declaration of invalidity and noninfringement . . . [so that] the defendant is protected against the possibility that the [rights holder] will dismiss the suit or that the infringement action will not resolve all of the issues between the parties." Green Edge Enters., LLC v. Rubber Mulch Etc., LLC, 620 F.3d 1287, 1300-01 (Fed. Cir. 2010) (quoting 10B Charles Alan Wright, Arthur R. Miller

& Mary Kay Kane, *Federal Practice and Procedure* § 2761 (3d ed. 1998 & Supp. 2010)). In summary, a case or controversy existed with respect to claims 7–8, 11, 14–16, and 18.

The remaining claims found to be patent ineligible by the district court are claims 4 and 5. In its infringement contentions, Ameranth did not accuse Domino's of infringing claims 4 and 5 while it noticed other claims discussed above. Domino's conceded during oral argument that there was no case or controversy with respect to claims 4 and 5.¹ We therefore conclude that the district court did not have jurisdiction to determine the patent eligibility of claims 4 and 5 of the '077 patent.

II. Notice

Ameranth contends that even if there was a case or controversy with respect to claims 4–5, 7–8, 11, 14–16, and 18, it did not receive notice that those claims would be subject to the summary judgment motion or ruling.

Ameranth points out that Pizza Hut originally filed a motion for summary judgment of unpatentability with respect to only claims 1, 6, 8, 13, and 17. But under Rule 56 of the Federal Rules of Civil Procedure, a district court has power to enter summary judgments sua sponte. Fed. R. Civ. P. 56(f); see also Int'l Visual Corp. v. Crown Metal Mfg. Co., 991 F.2d 768, 770 (Fed. Cir. 1993) (citing Celotex Corp. v. Catrett, 477 U.S. 317, 326 (1986)). For such judgments to be proper, generally the losing party should be on notice so that it has an opportunity to present evidence. See Fed. R. Civ. P. 56(f); Int'l Visual, 991 F.2d at 770; OSRAM Sylvania, Inc. v. Am. Induction Techs., Inc., 701 F.3d 698, 709 (Fed. Cir. 2012) (citing Portland Retail Druggists Ass'n v.

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¹ During oral argument, Domino's included claim 14 in the list of claims not originally asserted, but, as discussed above, the record shows that Ameranth affirmatively asserted claim 14 in its November 15, 2013, amended disclosure.

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Kaiser Found. Health Plan, 662 F.2d 641, 645 (9th Cir. 1981)).

Ninth Circuit law, which governs here, recognizes situations where a district court may enter summary judgment against a party even without notice if the party had a "full and fair opportunity to ventilate the issues." See Arce v. Douglas, 793 F.3d 968, 976 (9th Cir. 2015) (quoting United States v. Grayson, 879 F.2d 620, 625 (9th Cir. 1989)). In *Grayson*, for example, the district court ruled beyond the government's summary judgment motion and dismissed the defendants' counterclaim. 879 F.2d at 625. The defendants had developed factual allegations and legal theories with respect to the counterclaim and presented them in their briefing in opposition to the government's motion. Id. The defendants thus had a "full and fair opportunity to ventilate the issues raised in their counterclaim" that was not covered by the motion. Id. There was similarly a full and fair opportunity here.

When Pizza Hut settled with Ameranth and Domino's requested to join Pizza Hut's motion, the district court allowed the request and permitted Ameranth to file a supplemental opposition. Ameranth's supplemental opposition addressed all the claims and not just the five listed in the summary judgment motion. For instance, Ameranth argued the patent eligibility of "the claims of the []077 Patent," stating that "none of the []077 Patent claims are directed to merely 'configuring and transmitting menus," and contended that they are "not directed to any abstract idea." J.A. 10235, 10240; In re Ameranth, ECF 1313 at 8. It asserted the "eligibility of claims 1–12 of the [']077 Patent," and further argued the non-conventionality of "all claims," noting that they were issued after "a lengthy, seven year prosecution process" and "found valid by the PTAB" in response to multiple CBM petitions. J.A. 10250– 51, 10255. Ameranth also argued that "claims 2-5, 7, 10-12, 14–16 and 18 are patent eligible." J.A. 10258.

As such, we find that Ameranth had the opportunity to and did address claims 7–8, 11, 14–16 and 18 in its supplemental briefing. After a hearing, the district court granted the summary judgment motion, ruling that "the asserted claims of the [']077 Patent are unpatentable under § 101," J.A. 15, and entered judgment that "all asserted claims of the '077 Patent (claims 1, 4–9, 11, 13–18) are patent ineligible under Section 101," J.A. 1–2. Under the circumstances, we see no procedural error in granting summary judgment with respect to claims 7–8, 11, 14–16 and 18.

III. Patent Eligibility

We next address the patent eligibility of claims 1, 6–9, 11, and 13–18 of the '077 patent. Ameranth argues that the district court erred by relying on *Apple, Inc. v. Ameranth, Inc.*, 842 F.3d 1229 (Fed. Cir. 2016), which held that claims of the '850, '325, and '733 patents on appeal are patent ineligible. Those patents and the '077 patent are in the same patent family.

In Apple, the claims covered a first menu consisting of menu categories and an application software for generating a second menu using the first menu. 842 F.3d at 1234. The Board had determined that the claims "are directed to the abstract idea of 'generating a second menu from a first menu and sending the second menu to another location." *Id.* at 1240. This court held that the claims are abstract as they neither recited "a particular way of programming or designing the software to create menus" with particular features nor covered "a specific improvement in the way computers operate" and that the claim limitations are insignificant post-solution activities. *Id.* at 1241–42.

Ameranth asserts that claims 1, 6–9, 11, and 13–18 of the '077 patent recite different elements than the claims at issue in *Apple*. To be sure, independent claims 1, 9, and 13 are different from the claims in *Apple* in some respects. Here, claims 1 and 9 cover systems enabled for synchro-

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nous communications and automatic formatting of a programmed handheld menu configuration ("PHMC") that is generated using a master menu and that can display cascaded sets of linked graphical user interface ("GUI") screens for multiple handheld devices. Similarly, claim 13 recites a system that can automatically format a PHMC for display as cascaded sets of linked GUI screens and synchronize information between its master database, handheld device, web server, and webpage. Notwithstanding the difference from *Apple*, the district court found that the claims of the '077 patent suffered from the same ineligibility defects. We agree, applying the two-step approach of *Alice Corp. v. CLS Bank International*, 573 U.S. 208 (2014) and *Mayo Collaborative Services v. Prometheus Laboratories, Inc.*, 566 U.S. 66 (2012).

At step one, we "first determine whether the claims at issue are directed to a patent-ineligible concept." Alice, 573 U.S. at 218. We generally agree with the district court that the claims are directed to configuring and transmitting hospitality menu related information using a system that is capable of synchronous communications and automatic formatting. This focus is confirmed by Ameranth's characterization that automatically configuring and synchronizing menus for multiple handheld devices was not previously possible and the specification's emphasis that the inventions enable automatic database updates and fast synchronization between a database and handheld devices. '077 patent, col. 3, ll. 27–35, col. 5, ll. 3–7; see also Charge-Point, Inc. v. SemaConnect, Inc., 920 F.3d 759, 765-66 (Fed. Cir. 2019) (explaining that the step one inquiry "as looking at the 'focus' of the claims" and the specification may illuminate the true focus).

As recited in the claims, the concept of synchronous communications and automatic formatting for different handheld devices without more is an abstract idea. *See Cellspin Soft, Inc. v. Fitbit, Inc.*, 927 F.3d 1306, 1316 (Fed. Cir. 2019) ("[T]he need to perform tasks automatically is

not a unique technical problem."). Claims 1, 9, and 13 do not contain specifics of "a particular conception of how to carry out that concept" and thus fail to make those claims non-abstract. Interval Licensing LLC v. AOL, Inc., 896 F.3d 1335, 1346 (Fed. Cir. 2018). Those claims "fail] to recite a practical way of applying an underlying idea ... [and] instead were drafted in such a result-oriented way that they amounted to encompassing 'the principle in the abstract' no matter how implemented." Id. at 1343; see also *Elec. Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350, 1356 (Fed. Cir. 2016) ("[E]ssentially result-focused" and functional language "has been a frequent feature of claims held ineligible under § 101"). Ameranth concedes that the claims cover "a particular way of programming and designing the software." Appellant Br. 23. But the claims do not describe the software other than results sought to be achieved.²

Given that the claims are abstract, at step two, we next determine whether the claimed limitations involve more than "well-understood, routine, and conventional activit[ies]." *Alice*, 573 U.S. at 225 (alteration in original) (quoting *Mayo*, 566 U.S. at 73). The district court concluded that the recited hardware and software elements and features including "real-time synchronization," "automatic formatting . . . for display as cascaded sets of linked graphical user interface[s]," and a "different number of user interface screens from at least one other wireless

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² Ameranth argues that this case is like *Core Wireless Licensing S.A.R.L. v. LG Electronics, Inc.*, 880 F.3d 1356 (Fed. Cir. 2018) where claims involving the display of menu on a screen were held to be patent eligible. *Core Wireless* is distinguishable because there the claims included specific details such as, inter alia, "a particular manner by which the summary window must be accessed" and limitations on "the type of data that can be displayed in the summary window." 880 F.3d at 1362–63.

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handheld computing device" do not make the claims inventive. J.A. 14–15.

Claims fall short of an inventive concept when they "simply instruct the practitioner to implement the abstract idea with routine, conventional activity." Ultramercial, Inc. v. Hulu, LLC, 772 F.3d 709, 715 (Fed. Cir. 2014). The specification acknowledges that the "functions falling within the described invention" can be based on "commonly known" programming steps, '077 patent, col. 12, ll. 57–61, and the claim limitations describe a desired result but do not instruct how to accomplish that result. The alleged abstract idea cannot, itself, provide an inventive concept. This is because "a claimed invention's use of the ineligible concept to which it is directed cannot supply the inventive concept that renders the invention 'significantly more' than that ineligible concept." BSG Tech LLC v. Buyseasons, Inc., 899 F.3d 1281, 1290 (Fed. Cir. 2018). That is the case here. Accordingly, we conclude that independent claims 1, 9, and 13 are directed to an abstract idea, fail to disclose an inventive concept, and thus are patent ineligible.

Dependent claims 6–8, 11, and 14–18 recite limitations that do not cure the above problems. Claims 6 and 18 require a smartphone; claims 7 and 17 recite completion of payment processing; and claim 8 recites creating layout, views, or fonts in conformity with display screen parameters and enabling preview for manual modification. Claims 11 and 16 require two integrated hospitality applications; claim 14 covers a Wireless Hub Application, Web Hub Application, Linked Databases, and Communications Setup Application; and claim 15 recites automatic importation of information from a database. These additional limitations in those claims are themselves routine and conventional, and thus we determine that they are also patent ineligible.

Ameranth contends that the district court ignored its declarations on the inventiveness of its patent claims. But

even after reviewing the evidence in the light most favorable to Ameranth, it does not create a genuine dispute of material fact that would preclude summary judgment.

The declarations to a large extent are directed to unclaimed features. For instance, the declaration of Dr. Michael Shamos, Ameranth's expert, emphasizes that maintaining screen linkages was a core feature why the claimed inventions were not conventional. Such a feature, however, is not recited in the claims.³

Other declarations are equally irrelevant for different reasons. The declaration of inventor Mr. Keith McNally includes statements that no one had implemented the purported inventive features prior to his realization. The declaration of Mr. Douglas Dedo states that "Microsoft considered Ameranth's new system synchronization and integration technology to be innovative and ground-breaking in 1999–2000." J.A. 11112. But these declarations do little to relate the claimed features to the asserted praise. In any event, "[g]roundbreaking, innovative, or even brilliant discovery does not by itself satisfy the § 101 inquiry." Ass'n for Molecular Pathology v. Myriad Genetics, Inc., 569 U.S. 576, 591 (2013). And "[t]hat some of the . . . steps were not previously employed . . . is not enough-standing aloneto confer patent eligibility." Ultramercial, 772 F.3d at 716; see also Synopsys, Inc. v. Mentor Graphics Corp., 839 F.3d 1138, 1p151 (Fed. Cir. 2016) ("[A] claim for a new abstract idea is still an abstract idea." (emphasis in original)).

Ameranth also argues that its declarations confirm that the inventions solved computerized problems. But they contain general statements that are uninformative and suffer from the above deficiencies.

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³ Ameranth similarly argues that its inventions eliminate the need for scrolling in the display of small screen devices. This feature also is not claimed.

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Accordingly, we agree with the district court's determination that claims 1, 6–9, 11, and 13–18 are patent ineligible.

CONCLUSION

For the foregoing reasons, we affirm the district court's grant of summary judgment of patent ineligibility with respect to claims 1, 6–9, 11, and 13–18, and remand to the district court to vacate the judgment with respect to claims 4 and 5 for lack of declaratory judgment jurisdiction.

AFFIRMED-IN-PART, VACATED-IN-PART, AND REMANDED

Costs

Each party shall bear its own costs.

United States Court of Appeals for the Federal Circuit

Ameranth, Inc. v. and Domino's Pizza, LLC and Domino's Pizza, Inc., 2019-1141, 2019-1144

CERTIFICATE OF SERVICE

I, Robyn Cocho, being duly sworn according to law and being over the age of 18, upon my oath depose and say that:

Counsel Press was retained by STAMOULIS & WEINBLATT LLC, Attorneys for Appellant to print this document. I am an employee of Counsel Press.

On **December 2, 2019**, Counsel for Appellant has authorized me to electronically file the foregoing Appellant's Combined Petition for Panel Rehearing and Rehearing *En Banc* with the Clerk of Court using the CM/ECF System, which will serve via e-mail notice upon all counsel registered as CM/ECF users, including the following principal counsel:

Frank A. Angileri Brooks Kushman PC 1000 Town Center, 22nd Floor Southfield, MI 48075 248-358-4400 *Principal Counsel for Appellee*

18 paper copies will be filed with the Court within the time provided in the Court's rules.

December 2, 2019

/s/ Robyn Cocho Counsel Press

CERTIFICATE OF COMPLIANCE WITH TYPE-VOLUME LIMITATION, TYPE-FACE REQUIREMENTS, AND TYPE-STYLE REQUIREMENTS

I hereby certify that this petition complies with the type-volume limitations of

Federal Rule of Appellate Procedure 35(b)(2)(A) because it contains 3,799 words,

excluding the parts exempted by Federal Circuit Rule 35(c)(2).

Dated: December 2, 2019

<u>/s/ Richard C. Weinblatt</u> Richard C. Weinblatt

STAMOULIS & WEINBLATT LLC