

Intellectual Ventures I: “Free Speech” vs. Software Patentability

Does the exclusive patent right granted for a software invention conflict with free speech rights of individuals under the Constitution? This is an issue raised in *Intellectual Ventures I* case, *Intellectual Ventures I LLC v. Symantec Corp.*, ___ F.3d ___, 2016 WL 5539870 (Fed. Cir. Sept. 30, 2016)(Mayer, J., concurring).

Bilski Déjà vu: Much has been written on this topic in the past few years, stimulated by a dissent in the *Bilski* case by the same author of the cited opinion in *Intellectual Ventures I*. See *In re Bilski*, 545 F.3d 943, 1008 (Fed. Cir. 2008)(en banc)(Mayer, J., dissenting), *subsequent proceedings sub nom Bilski v. Kappos*, 561 U.S. 593 (2010).

Excerpts from both opinions are included as part of the pdf version of this note.

Regards,
Hal

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The Mayer *Bilski* Dissent (2008)

Circuit Judge Mayer in the 2008 *Bilski* case opened up the door to several scholarly articles that deal with the issue – is the right to “free speech” under the Constitution is impinged upon by the grant of software patents?

As explained by Circuit Judge Mayer:

“By adopting overly expansive standards for [patent-eligibility under § 101], the government enables private parties to impose broad and unwarranted burdens on speech and the free flow of ideas. See Thomas F. Cotter, *A Burkean Perspective on Patent Eligibility*, 22 Berkeley Tech. L.J. 855, 880–82 (2007) (arguing that overly expansive patent eligibility standards can result in the granting of patents that threaten free speech, privacy and other constitutionally-protected rights); John R. Thomas, *The Future of Patent Law: Liberty and Property in the Patent Law*, 39 Hous. L.Rev. 569, 589 (2002) (arguing that “the patent law allows private actors to impose more significant restraints on speech than has ever been possible through copyright”); see also *Cent. Hudson Gas & Elec. Corp. v. Pub. Serv. Comm'n of New York*, 447 U.S. 557, 569–70 (1980) (The First Amendment mandates that restrictions on free speech in commercial transactions be “no more extensive than necessary.”).

“To the extent that business methods are deemed patentable, individuals can face unexpected potential infringement liability for everyday conversations and commercial interactions. ‘[I]mplicit in the Patent Clause itself [is the understanding] that free exploitation of ideas will be the rule, to which the protection of a federal patent is the exception.’ *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 151 (1989). In the wake of *State Street [Bank & Trust Co. v. Signature Financial Group, Inc.]*, 149 F.3d 1368 (Fed.Cir.1998)], too many patent holders have been allowed to claim exclusive ownership of subject matter that rightfully belongs in the public domain.”

The Mayer *Intellectual Ventures I* Concurrence (2008)

As explained by Circuit Judge Mayer in the *Intellectual Ventures I* case:

“[T]he Constitution protects the right to receive information and ideas. ... This right to receive information and ideas, regardless of their social worth, is fundamental to our free society.’ *Stanley v. Georgia*, 394 U.S. 557, 564 (1969) (citations omitted). Patents, which function as government-sanctioned monopolies, invade core First Amendment rights when they are allowed to obstruct the essential channels of scientific, economic, and political discourse. *See United States v. Playboy Entm’t Grp., Inc.*, 529 U.S. 803, 812 (2000) (‘The distinction between laws burdening and laws banning speech is but a matter of degree.’); *see also In re Tam*, 808 F.3d 1321, 1340 (Fed. Cir. 2015) (en banc) (explaining that the government may impermissibly burden speech ‘even when it does so indirectly’). Although the claims at issue here disclose no new technology, they have the potential to disrupt, or even derail, large swaths of online communication. U.S. Patent No. 6,460,050 (the ‘050 patent’) purports to cover methods of ‘identifying characteristics of data files,’ ‘050 patent, col. 8 l. 13, whereas U.S. Patent No. 6,073,142 (the ‘142 patent’) broadly claims systems and methods which allow an organization to control internal email distribution, ‘142 patent, col. 1 ll. 15–34. U.S. Patent No. 5,987,610 (the ‘610 patent’) describes, in sweeping terms, screening a communication for viruses or other harmful content at an intermediary location before delivering it to an addressee. *See* ‘610 patent, col. 14 ll. 34–47. The asserted claims speak in vague, functional language, giving them the elasticity to reach a significant slice of all email traffic. *See Gottschalk v. Benson*, 409 U.S. 63, 69 (1972) (‘*Benson*’) (explaining that claims are patent eligible only if they contain limitations ‘sufficiently definite to confine the patent monopoly within rather definite bounds’). Indeed, the claims of the ‘610 patent could reasonably be read to cover most methods of screening for harmful content while data is being transmitted over a network. *See* ‘610 patent, col. 1 ll. 59–61 (describing ‘screen[ing] computer data for viruses within a telephone network before communicating the computer data to an end user’).

“Suppression of free speech is no less pernicious because it occurs in the digital, rather than the physical, realm. ‘[W]hatever the challenges of applying the Constitution to ever-advancing technology, the basic principles of freedom of speech and the press, like the First Amendment’s command, do not vary when a new and different medium for communication appears.’ *Brown v. Entm’t Merchs. Ass’n*, 564 U.S. 786, 790 (2011) (citations and internal quotation marks omitted).

Essential First Amendment freedoms are abridged when the Patent and Trademark Office (‘PTO’) is permitted to balkanize the Internet, granting patent owners the right to exact heavy taxes on widely-used conduits for online expression. Like all congressional powers, the power to issue patents and copyrights is circumscribed by the First Amendment. *See Golan v. Holder*, 132 S. Ct. 873, 889–93 (2012); *Eldred v. Ashcroft*, 537 U.S. 186, 219–21 (2003). In the copyright context, the law has developed ‘built-in First Amendment accommodations.’ *Eldred*, 537 U.S. at 219; *see also Park ‘N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 201 (1985) (noting that the Lanham Act contains safeguards to prevent trademark protection from ‘tak[ing] from the public domain language that is merely descriptive’). Specifically, copyright law ‘distinguishes between ideas and expression and makes only the latter eligible for copyright protection.’ *Eldred*, 537 U.S. at 219; *see also Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 556 (1985) (explaining that ‘copyright’s idea/expression dichotomy’ supplies ‘a definitional balance between the First Amendment and the Copyright Act by permitting free communication of facts while still protecting an author’s expression’ (citations and internal quotation marks omitted)). It also applies a ‘fair use’ defense, permitting members of ‘the public to use not only facts and ideas contained in a copyrighted work, but also expression itself in certain circumstances.’ *Eldred*, 537 U.S. at 219; *see* 17 U.S.C. § 107 (‘[T]he fair use of a copyrighted work, including such use by reproduction in copies ... for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research, is not an infringement of copyright.’). Just as the idea/expression dichotomy and the fair use defense serve to keep copyright protection from abridging **free speech** rights, restrictions on subject matter eligibility can be used to keep patent protection within constitutional bounds. Section 101 creates a ‘patent-free zone’ and places within it the indispensable instruments of social, economic, and scientific endeavor. *See Alice Corp. v. CLS Bank Int’l*, 134 S. Ct. 2347, 2354 (2014) (emphasizing that the ‘building blocks of human ingenuity’ are patent ineligible); *Benson*, 409 U.S. at 67 (stating that ‘mental processes ... and abstract intellectual concepts are not patentable, as they are the basic tools of scientific and technological work’). Online communication has become a ‘basic tool[],’ *Benson*, 409 U.S. at 67, of modern life, driving innovation and supplying a widely-used platform for political dialogue. *See Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 716 (Fed. Cir. 2014) (noting that the Internet ‘is a ubiquitous information-transmitting medium’); *see also U.S. Telecom Ass’n v. Fed. Comm’n Comm’n*, 825 F.3d 674, 698 (D.C. Cir. 2016) (explaining that online communication ‘has transformed nearly every aspect of our lives, from profound actions like choosing a leader, building a career, and falling in love to more quotidian ones like hailing a cab and watching a movie’).

Section 101, if properly applied, can preserve the Internet's open architecture and weed out those patents that chill political expression and impermissibly obstruct the marketplace of ideas.

“As both the Supreme Court and this court have recognized, section 101 imposes ‘a threshold test,’ *Bilski v. Kappos*, 561 U.S. 593, 602 (2010), one that must be satisfied before a court can proceed to consider subordinate validity issues such as non-obviousness under 35 U.S.C. § 103 or adequate written description under 35 U.S.C. § 112. *See Parker v. Flook*, 437 U.S. 584, 593 (1978) (*‘Flook’*) (*‘The obligation to determine what type of discovery is sought to be patented’* so as to determine whether it falls within the ambit of section 101 *‘must precede the determination of whether that discovery is, in fact, new or obvious.’*); *In re Comiskey*, 554 F.3d 967, 973 (Fed. Cir. 2009) (*‘Only if the requirements of § 101 are satisfied is the inventor allowed to pass through to the other requirements for patentability, such as novelty under § 102 and ... non-obviousness under § 103.’* (citations and internal quotation marks omitted)); *State St. Bank & Trust Co. v. Signature Fin. Grp., Inc.*, 149 F.3d 1368, 1372 n.2 (Fed. Cir. 1998) (explaining that section 101 is *‘[t]he first door which must be opened on the difficult path to patentability’* (citations and internal quotation marks omitted)). Indeed, if claimed subject matter is not even *eligible* for patent protection, any pronouncement on whether it is novel or adequately supported by the written description constitutes an impermissible advisory opinion. *See, e.g., Golden v. Zwickler*, 394 U.S. 103, 108 (1969) (emphasizing that Article III courts *‘do not render advisory opinions’* (citations and internal quotation marks omitted)).

“The public has a ‘paramount interest in seeing that patent monopolies ... are kept within their legitimate scope.’ *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2144 (2016) (citations and internal quotation marks omitted); *see also Medtronic, Inc. v. Mirowski Family Ventures, LLC*, 134 S. Ct. 843, 851 (2014). Nowhere is that interest more compelling than in the context of claims that threaten fundamental First Amendment freedoms. *See Palko v. Connecticut*, 302 U.S. 319, 326–27 (1937) (*‘[F]reedom of thought and speech ... is the matrix, the indispensable condition, of nearly every other form of freedom.’*). *‘As the most participatory form of mass speech yet developed, the Internet deserves the highest protection from governmental intrusion.’* *ACLU v. Reno*, 929 F. Supp. 824, 883 (E.D. Pa. 1996), *aff’d*, 521 U.S. 844 (1997). A robust application of section 101 at the outset of litigation will ensure that the essential channels of online communication remain *‘free to all men and reserved exclusively to none,’* *Funk Brothers Seed Co. v. Kalo Inoculant Co.*, 333 U.S. 127, 130 (1948).”