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United States District Court,
N.D. California.

Potter Voice Technologies, LLC, Plaintiff,
v.
Apple Inc., Defendant,

No. C 13–1710 CW | Signed June 11, 2015

Attorneys and Law Firms

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ORDER GRANTING IN PART DEFENDANT'S MOTION FOR SUMMARY JUDGMENT

CLAUDIA WILKEN, United States District Judge

***1** In this patent infringement case, Defendant Apple Inc. moves for judgment on the pleadings or summary judgment under 35 U.S.C. § 101 for patent invalidity. Plaintiff Potter Voice Technologies, LLC (PVT) opposes the motion. Having considered the parties' papers and oral argument on the motion, the Court GRANTS the motion IN PART.

BACKGROUND

PVT, a non-practicing entity, holds patent no. 5,729,659 (the '659 patent) for a method and apparatus for controlling a digital computer using oral input. The '659 patent specification describes a method and apparatus that "uses oral input, natural language based rules, associative search and tabular data structures to provide an easily learned means for controlling a digital computer." '659 patent at 2:21–24. "The oral input is received by a microphone and converted to digital input information ... by a voice recognition device." '659 patent at 2:46–48. "The input information is then used to associatively search the contents of a tabular data structure organized in rows and columns. The row or rows which contain the largest number of data elements equivalent to the elements of the word group are identified." *Id.* at 2:48–53. Through this process the computer determines the meaning of the spoken words and then performs the requested operation.

PVT asserts that Apple's Siri intelligent personal assistant system infringes claims 1, 4, 6, 7, 22, 23 and 24 of the patent. Apple contends that the '659 patent is drawn to an abstract idea and therefore not patent eligible under 35 U.S.C. § 101.

LEGAL STANDARD

Summary judgment is properly granted when no genuine and disputed issues of material fact remain, and when, viewing the evidence most favorably to the non-moving party, the movant is clearly entitled to prevail as a matter of law. Fed.R.Civ.P. 56; *Celotex Corp. v. Catrett,* 477 U.S. 317, 322–23 (1986); *Eisenberg v. Ins. Co. of N. Am.,* 815 F.2d 1285, 1288–89 (9th Cir.1987).

The moving party bears the burden of showing that there is no material factual dispute. Therefore, the court must regard as true the opposing party's evidence, if supported by affidavits or other evidentiary material. *Celotex,* 477 U.S. at 324; *Eisenberg,* 815 F.2d at 1289. The court must draw all reasonable inferences in favor of the party against whom summary judgment is sought. *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.,* 475 U.S. 574, 587 (1986); *Intel Corp. v. Hartford Accident & Indem. Co.,* 952 F.2d 1551, 1558 (9th Cir.1991).

Material facts which would preclude entry of summary judgment are those which, under applicable substantive law, may affect the outcome of the case. The substantive law will identify which facts are material. *Anderson v. Liberty Lobby, Inc.,* 477 U.S. 242, 248 (1986).

DISCUSSION

Section 101 of the Patent Act defines the subject matter eligible for patent protection. It provides that "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 therefor." 35 U.S.C. § 101. The Supreme Court has long held that § 101 " 'contains an important implicit exception: Laws of nature, natural phenomena, and abstract ideas are not patentable.' " *Alice Corp. v. CLS Bank Int'l,* 134 S.Ct. 2347, 2354 (2014) (quoting *Ass'n for Molecular Pathology v. Myriad Genetics, Inc.,* 133 S.Ct. 2107, 2116 (2013)).

***2** Laws of nature, natural phenomena, and abstract ideas are the basic tools of scientific and technological work, and "monopolization of those tools through the grant of a patent might tend to impede innovation more than it would tend to promote it." *Mayo Collaborative Servs. v. Prometheus Labs., Inc.,* 132 S.Ct. 1289, 1293 (2012). In applying the § 101 exception, the court "must distinguish between patents that claim the building blocks of human ingenuity and those that integrate the building blocks into something more." *Alice* 134 S.Ct. at 2354 (*citing Mayo* 132 S.Ct. 1289 at 1303) (internal quotation marks omitted).

In *Alice,* the Supreme Court reaffirmed a "framework for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of those concepts" set out in *Mayo*. *Id.* at 2355. Under this framework, the court first asks whether the claim is directed to an "abstract idea" or other patent-ineligible concept. *Id.* If so, the court considers "whether the elements of each claim both individually and as an ordered combination" contain an "inventive concept sufficient to transform the claimed abstract idea into a patent-eligible application". *Id.* at 2355–57 (citing *Mayo,* 132 S.Ct. at 1294, 1297–98).

Under § 282 of the Patent Act, issued patents are presumed to be valid. 35 U.S.C. § 282. Accordingly, an alleged infringer asserting an invalidity defense pursuant to § 101 bears the burden of proving invalidity by clear and convincing evidence. *Microsoft Corp. v. i4i L.P.,* 131 S.Ct. 2238, 2242 (2011). Ineligibility under § 101 is a question of law. *In re Comiskey,* 554 F.3d 967, 975 (Fed.Cir.2009).

Apple contends that the '659 patent fails as a matter of law under the *Alice* and *Mayo* framework because the asserted claims are directed to an abstract idea and do not embody an inventive concept. Apple points out that the patent does not purport to invent any new device or computer component. Apple further contends that the crux of the alleged invention involves searching the contents of tables to find information which, it argues, is an ancient, abstract and unpatentable concept. Potter responds that none of the claims is directed at an abstract idea, but rather they disclose a physical process implemented through a specific combination of electronic devices.

I. The '659 Patent Claims Are Drawn to An Abstract Idea

In step one of the § 101 analysis, the court asks whether the claims at issue are directed at an abstract idea. *Alice,* 134 S.Ct. at 2355. "The abstract ideas category embodies the longstanding rule that [a]n idea of itself is not patentable." *Id.* at 2355 (alteration in original) (internal quotation marks omitted). The Federal Circuit has characterized an abstraction as "an idea, having no particular concrete or tangible form." *Ultramercial, Inc. v. Hulu, LLC,* 772 F.3d 709, 714 (Fed.Cir.2014).

A patent may be abstract if it is directed at a "longstanding," "routine" or "conventional" practice. *Id.* at 2356; *Bilski v. Kappos,* 561 U.S. 593, 611 (2010). For example, in *Bilski,* the Supreme Court found that a patent claiming a method for hedging against financial risk was abstract, because "[h]edging is a fundamental economic practice long prevalent in our system of commerce and taught in any introductory finance class." 561 U.S. at 611. Likewise, in *Alice,* the Court found that patents disclosing electronic systems to manage forms of financial risk were directed to the abstract idea of intermediated settlement, which was a longstanding practice and "building block of the modern economy." 134 S.Ct. at 2356. In addition, *Alice* made clear that mere "generic computer implementation" cannot "transform [an] abstract idea into a patent-eligible invention." *Id.* at 2357.

***3** Apple argues that the '659 patent is a case of generic computer implementation of longstanding practices. According to Apple, the claims are directed to the abstract idea of finding information in a tabular data structure. Apple points out that courts have repeatedly held that finding information using a computer is an abstract idea. *See Content Extraction and Transmission LLC v. Wells Fargo Bank, N.A.,* 776 F.3d 1343 (Fed. Cir.2014) (a patent reciting a method of extracting data from a document with a scanner and storing the information is drawn to the abstract idea of data recognition and storage); *Bascom Research, LLC v. LinkedIn, Inc.,* 2015 WL 149480, at *9 (N.D.Cal.) (invalidating a patent that uses conventional tables to implement the "abstract idea of establishing relationships between document objects and making those relationships accessible."). The use of an electronic logic table to manage data electronically has also been found to be abstract. *Enfish v. Microsoft,* 2014 WL 5662456 at *6 (C.D.Cal.).

PVT argues that Apple mischaracterizes the patent by focusing on the use of tabular data structures, which it notes is only one limitation, and ignoring other important claim elements. In determining patentability, patent claims " 'must be considered as a whole.' " *Alice,* 134 S.Ct. at 2355 n.3 (quoting *Diamond v. Diehr,* 450 U.S. 175, 188 (1981)). PVT points out that the tabular data structures are only employed for data storage, whereas the '659 patent accomplishes much more, including word recognition, search functioning, content determination and processing. PVT also emphasizes that the patent is directed to using the human voice to control a computer using natural language.

Nevertheless, a patent is directed towards an abstract idea if it has no particular concrete or tangible form. *Ultramercial,* 772 F.3d at 715. In *Ultramercial,* the Federal Circuit held that a patent directed to a method using advertisements to allow for the distribution of copyrighted media products at no cost to the consumer was directed to an abstract idea. *Id.* at 712. While the patent was not a "routine" or "long prevalent" business practice as seen in *Alice,* the court still found the patent was abstract. The court reasoned, "Although certain additional limitations, such as consulting an activity log, add a degree of particularity, the concept embodied by the majority of the limitations describes only the abstract idea of showing an advertisement before delivering free content." *Id.* at 715. The present patent is like that in *Ultramercial* in that it is directed to an abstraction; its disclosure of the use of a human voice to control a computer has no tangible or concrete form. Like *Ultramercial,* the claims contain some limitations, such as the use of a microphone and word recognition software, but these are not novel inventions.

Quoting *DDR Holdings, LLC v. Hotels.com, L.P.,* PVT asserts that a patent cannot be found invalid under *Alice* when its claimed invention is "necessarily rooted in computer technology in order to overcome a problem specifically arising in the realm of computer networks." 773 F.3d 1245, 1257 (Fed.Cir.2014). However, the language cited is the *DDR Holdings* court's effort to distinguish the patent in that case from those in *Alice* and other cases which "merely recite the performance of some business practice known from the pre-Internet world along with the requirement to perform it on the Internet." *Id.* Instead the *DDR Holdings* court found that the patent at issue addressed the problem of internet users being directed away from one business's web page to another when they clicked on an advertisement. The patent created a method which instead "directs the visitor to an automatically-generated hybrid web page that combines the visual 'look and feel' elements from the host website and product information from the third-party merchant's website related to the clicked advertisement." *Id.* Although the patent in this case is unlike the patent in *Alice,* it is also unlike that in *DDR Holdings.* The '659 patent does not simply perform a pre-existing business practice on the internet, but neither does it solve a business problem created by internet commerce. *DDR Holdings* does not provide a basis for finding that the claims at issue are patent-eligible.

***4** Because the patent is directed to an abstract idea, it is only valid if it involves an inventive concept under step 2 of the § 101 test.

II. Whether the '659 Patent Claims Involve an Inventive Concept

In step two of the *Alice* test, the Court must determine whether the claims at issue "do significantly more than simply describe [the] abstract method." *Ultramercial,* 772 F.3d at 715 (citing *Mayo,* 132 S.Ct. at 1297). This analysis requires the Court to "tr[y] to identify an inventive concept by considering the claim elements both individually and as an ordered combination." *California Institute of Technology v. Hughes Communications Inc.,* 2014 WL 5661290, *3 (C.D.Cal.).

Claim 1 provides:

> A method for controlling a digital computer using oral input, comprising:
>
> (a) providing receiving means and a digital computer;
>
> (b) receiving oral input comprising a plurality of words;
>
> (c) generating input information corresponding to said oral input;
>
> (d) associatively searching a tabular data structure comprising labels using at least a first part of said input information to locate at least a first label in such tabular data structure relating to said input information; and
>
> (e) determining content information relating to said oral input.

'659 patent at 18:47–69. Claims dependent on claim 1 include a method to use content data to identify an operation to be performed on that data and performing the operation on a computer (claim 4); a method to output a request for further input information (claim 6); and a limitation that the plurality of words comprise "a verb or verb phrase and at least a first noun or noun phrase" (claim 7).

Independent claim 22 similarly provides:

> An apparatus for using oral input to control a digital computer, comprising:
>
> (a) receiving means for receiving oral input;
>
> (b) word recognition means, operatively associated with said receiving means, for generating input information;
>
> (c) a digital computer, operatively associated with said word recognition means;
>
> (d) storage means located within said digital computer, for storing data in a tabular data structure;
>
> (e) search means, located within said digital computer, for associatively searching said tabular data structure, comprising means for identifying labels within said tabular data structure which relate to at least a first part of such input information;
>
> (f) content determination means, located within said digital computer, for determining content information relating to input information; and
>
> (g) processing means, located within said digital computer, for processing data.

'659 patent at 20:23–42. Among the claims dependent on claim 22 are apparatuses to output information from the computer (claim 23), including an apparatus to output audio speech (claim 24).

PVT contends that its patent introduces the inventive concept of using associative searching. However, the patent defines "associative searching" as "a technique of accessing or identifying an entire datum from a body of data by specifying any

portion of the datum." '659 patent at 3:4–6. As Apple points out, this is itself an abstract idea.

The patent does not introduce any novel hardware. PVT does not claim that a digital computer, storage means, processing means or audio speakers are inventive. The independent claims disclose a way to use oral input to control a digital computer, comprising several components. However, the patent itself indicates that these components are existing devices. For example, the means for receiving oral input "is a conventional microphone" and the patent indicates that "[s]uitable word recognition devices ... are commercially available." '659 patent at 8:26–34. Such hardware is the type the Supreme Court described as "purely functional and generic" in *Alice.* 134 S.Ct. at 2360. Patent claims directed at abstract ideas are invalid when they simply "recite the abstract idea implemented on a generic computer." *Alice,* 134 S.Ct. at 2360. These disclosures fail to provide an inventive concept. With the exception below, the claims simply recite the abstract idea of finding and processing data implemented on a generic computer which is controlled by a generic word recognition device.

***5** Claim 22 contains a means-plus-function content determination term. Accordingly, the claim includes and is limited to the "corresponding structure, material, or acts described in the specification and equivalents thereto." 35 U.S.C. § 112(f). Although the claim term does not disclose any inventive concepts, the specification further describes using content determination in conjunction with natural language and associative search. *See* '659 patent at 11:7–27. PVT argues that the '659 patent advanced existing voice controls for computers by using syntactic and semantic content information to enable associative searching. It points out that the specification describes using "information regarding the position of a word or phrase relative to the other words or phrases, the use of rules derived from syntactic and semantic rules and conventions of the written and spoken natural language and the use of information derived from the tabular data structure" and "information related to the classification of the word (i.e., the word 'red' is a color) which is derived from the tabular data structure as well as information relating to the possible meaning(s) of each word." '659 patent at 2:55–60; 2:67-3:3. PVT contends that these teachings allow the computer to identify or access something "merely by describing it using natural language words" instead of requiring "the user to determine and input an address, or point at a visual representation, in order to identify or access a data element or object, or to specify an action." '659 patent at 3:7–14.

In light of *Alice's* instruction to "tread carefully in construing [its] exclusionary principle lest it swallow all of patent law," the Court finds that claim 22 and its dependent claims, claims 23 and 24, may involve an inventive concept of content determination when described and limited by the relevant language in the specification.[1] 134 S.Ct. at 2354.

At the hearing on the motion, PVT argued that claim 1(e) also involves content determination. However, claim 1(e) is not a means-plus-function claim term. Accordingly, the limitations found in the specification do not save claim 1 or its dependent claims.

Finally, PVT argues that the '659 patent is not invalid under *Alice* because it does not preempt the abstract idea at issue in this case. Although the *Alice* test may be rooted in concerns about preemption, complete preemption of a particular idea is not required.

CONCLUSION

For the reasons stated above, the Court summarily adjudicates that claims 1, 4, 6 and 7 of the '659 patent are invalid as a matter of law. The Court finds that the content determination means-plus-function claim term in claims 22, 23 and 24, as limited by the patent's specification, colorably involves an inventive concept. Accordingly, the Court GRANTS Apple's motion for summary judgment in part and DENIES it in part. Docket No. 408.

IT IS SO ORDERED.

All Citations

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Footnotes

[1] As discussed at the hearing, whether this language meets other validity requirements, such as enablement and non-obviousness, remains to be decided.

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