



## **Banner & Witcoff Obtains Judgment for Lexmark Based on Invalidity Under § 101**

On October 8, 2015, the U.S. District Court for the District of Delaware issued an order in favor of Lexmark International, Inc., ruling that the claims asserted by Cyberfone Systems, LLC are patent ineligible under 35 U.S.C. § 101 and are therefore invalid.

Cyberfone's original complaint accused Lexmark of manufacturing, using, offering to sell, and selling form-based data processing products that purportedly infringe U.S. Patent No. 6,044,382.

The district court granted Banner & Witcoff, Ltd.'s motion for judgment on the pleadings that the asserted claims are directed to patent-ineligible subject matter, and thus are invalid under 35 U.S.C. § 101. According to the district court's order, the asserted patent is directed to "a form driven operating system which permits dynamic reconfiguration of the host processor into a virtual machine which supports any of a number of operating system independent data transactions, and more particularly, to a data transaction assembly server which downloads data transactions representative of different applications." The district court agreed with Lexmark's argument that the asserted claims are directed to the abstract idea of entering and processing data in response to questions on forms or templates. The district court also agreed with Lexmark's argument that the claims fail to recite any additional elements sufficient to transform the nature of the claim into something significantly more than the abstract idea.

In granting the motion, the district court applied the two-step framework set forth in *Alice Corp. v. CLS Bank Int'l*, 134 S. Ct. 2347 (2014). With respect to the first step, the district court determined "[t]he focus at step one of the Alice analysis is the purpose of the claims, here, entering and processing data in response to questions on forms or templates, an abstract concept." With respect to the second step, the district court reasoned that neither the specification nor the claims require any "specialized firmware, hardware, or processing capabilities" that would transform the claimed computing device "into a specialized computing device for the purpose of patent eligibility." The district court found that the claims do not "provide a specific way of using the specific computing device." In closing, the district court determined that although the problem addressed by the asserted claim is rooted in computer technology, the claimed solution is not disclosed with enough specificity to transform the abstract idea into a patentable application of such, thus risking monopolization of the abstract idea itself.

Lexmark International, Inc. was represented by Banner & Witcoff attorneys Timothy C. Meece, V. Bryan Medlock, Jr., Jason S. Shull, Michael J. Harris and Audra C. Eidem Heinze.

The district court case was *Cyberfone Systems, LLC v. Lexmark International, Inc.*, No. 14-1489-SLR.

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