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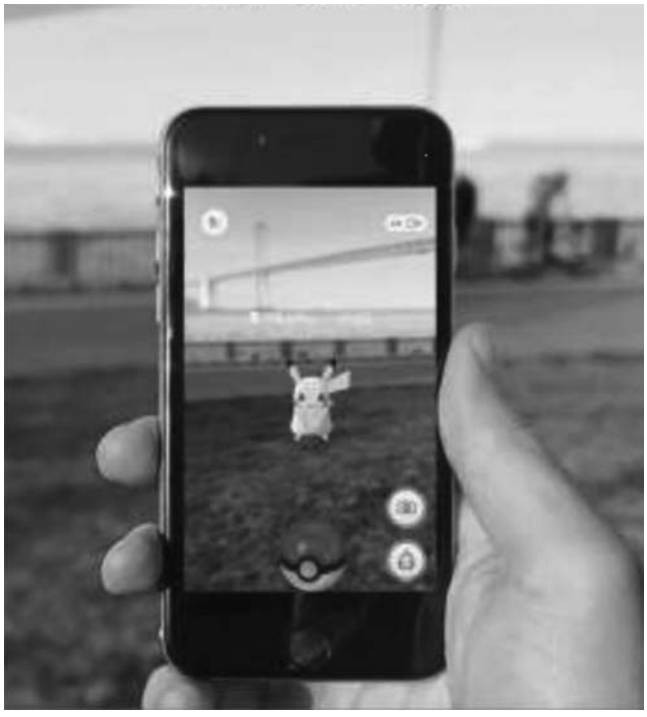
Blackbird Techs. v. Niantic, Inc.

Video game developer Niantic recently experienced a setback in its defense of a patent infringement suit brought by Blackbird Technologies in the U.S. District Court for the District of Delaware.[1] Niantic is best known for its *Pokémon Go* video game. In December 2017, Blackbird accused the location-based, augmented reality features of Niantic's *Pokémon Go* smartphone application (*see* graphic below from Blackbird's complaint filing) of infringing Blackbird's U.S. Patent No. 9,802,127 (the '127 patent).

Blackbird alleged that the '127 patent, which has a priority filing date of April 2011, claims improvements in the video game field that made augmented reality more practical to execute.

Niantic alleged that the '127 patent claimed nothing more than an abstract idea and sought to dismiss the suit in the wake of the U.S. Supreme Court's 2014 decision in *Alice Corp. Pty Ltd. v. CLS Bank Int'l*.[2] Niantic argued that the '127 patent was invalid as patent ineligible subject matter under *Alice* and should be dismissed at the pleading stage. The Delaware court disagreed—leaving Blackbird's '127 patent intact and leaving Niantic to defend the suit or consider settlement.



Two-Part Test under *Alice*

In *Alice*, the Court laid out a two-part test to determine whether inventions are directed to patent ineligible subject matter under 35 U.S.C. § 101. First, a court must determine whether the claims at issue are directed to an abstract idea. Second, if the claims are directed to an abstract idea, the court then considers the elements of each claim both individually and as an ordered combination, to determine whether the additional elements transform the nature of the claim into a patent-eligible application—*i.e.*, a search for an "inventive concept". The Court in *Alice* stated that in applying the § 101 exception, courts must distinguish between patents that claim the "building blocks" of human ingenuity versus those that integrate the building blocks into "something more," thereby transforming them into a patent-eligible invention.

Mapping Limitation Saves Blackbird's '127 Patent

The *Blackbird* court held that because the '127 patent claims are not directed to ineligible subject matter under *Alice* step one, they need not even reach *Alice* step two.[3] The *Blackbird* court followed a framework similar to that which the Court of Appeals for the Federal Circuit followed in *McRO, Inc. v.*

Bandai Namco Games Am. Inc.[4] Courts must be wary of describing the claims at such a high level of abstraction and "untethered from the language of the claims" lest the exceptions to § 101 swallow the rule.[5] Similarly, the *Blackbird* court concluded Niantic oversimplified the claims of the '127 patent to an inappropriate level of abstraction. Representative claim 1 of the '127 patent is reproduced below.

The *Blackbird* court found that the mapping step in claim 1 is tethered to specific instructions about which images are to be mapped (*e.g.*, camera images from the user's physical location), where those images are to be mapped (*e.g.*, the video game virtual environment), and how those images are to be displayed (*e.g.*, as a video wherein the user experiences both real and virtual objects within the video game virtual environment).

The '127 patent allegedly solves the problem in the industry of being confined to a "predetermined and merely virtual location" in a video game by "incorporating a user's physical location as part of the game environment." The *Blackbird* court further determined that the '127 patent solves that problem with specific ways of first taking camera images of the user's physical location (*i.e.*, a real physical space) and then mapping those images as a video into the virtual game environment. The court concluded that the '127 patent's claims, like the claims directed to lip-sync technology[6] in *McRO*, are "directed to the creation of something physical"—the display of camera images depicting the user's location overlaid with the virtual images from the video game "for viewing by human eyes." The claimed improvement is directed to how the physical display operated, that is, to "produce better quality images" by simultaneously displaying real and virtual objects, creating a more interactive video game environment.[7] Moreover, the *Blackbird* court found persuasive that the '127 patent's claims include "specific instructions on how the mapping is done," and were not merely result-focused.[8]

The court's initial determination of whether the '127 patent is directed to an abstract idea or not is expectedly devoid of analysis of prior art—this initial decision is based solely on whether the claims are directed to patent-eligible subject matter. Niantic can still defend itself in the lawsuit by showing that it does not infringe the '127 patent, that the '127 patent's claims are invalid as anticipated or obvious in view of prior art, or by showing that the '127 patent lacks sufficient written description in support of the claims.[9]

The first three steps of claim 1 (reproduced here) appear to be directed to augmented reality, generally, in combination with GPS positioning. The latter three steps appear to be directed to capturing an updated (second) position of a user device, and storing it in memory, but without requiring further use of the second position by the augmented reality system.[10] The claim is also ambiguous regarding what process captures the second position, *e.g.*, the video game versus the devices GPS system generally. Thus, Niantic could argue that the patent lacks sufficient written description in support of the claims.[11]

Often, prior art for early patents in a new technological field—here, augmented reality—is found in the form of research papers, journals, and academic publishing. However, *no* nonpatent literature

1. A computer-implemented method comprising:

receiving a first position indicator representing a first current physical location for a user of a video game, wherein said first position indicator is determined at least in part by taking a global navigation satellite system reading of said first current physical location;

obtaining image data relating to said first current physical location, said image data comprising two or more camera images of said first current physical location;

mapping said image data into a virtual environment of said video game by displaying said image data as a video, wherein said user experiences within said virtual environment real life objects from said first current physical location, and said user simultaneously encounters within said virtual environment virtual objects that are not physically present in said first current physical location;

receiving a second position indicator representing a second current physical location for said user as said user navigates a geographic area surrounding said first current physical location;

saving at least said second position indicator to a memory; and

storing at least said second position indicator in said memory when said video game is not executing.

was cited during prosecution of the '127 patent, despite such articles being readily available.[12] This is a not uncommon tactic pursued by some patent applicants—the ostrich approach—where the applicant is unaware of prior art because the applicant itself never searched for any, and chances that the patent examiner does not do an independent search of nonpatent literature. This could be the situation in this case. Thus, the validity of the claims in view of uncited prior art may be a significant issue in this litigation, which if pursued, could take years to resolve.

Aseet Patel is a partner in the Chicago office of the intellectual property law firm of Banner & Witcoff. Aseet concentrates on patent prosecution, counseling, licensing, and litigation matters, for a wide range of industries including electrical, computer, IoT, cybersecurity, medical, financial, and apparel industries. He provides opinion counseling services to clients, including various types of clearance opinions on both utility and design patents. Aseet relies on his experience as a former U.S. Patent Examiner at the U.S. Patent and Trademark Office when representing clients. Before serving at the USPTO, Aseet was a consultant and programmer for an e-Commerce software start-up, where he helped develop and deploy multi-million dollar software products for Fortune 500 clients using HTML, SQL, Java, Javascript, and other web technologies. Aseet can be contacted at apatel@bannerwitcoff.com.

Ross Dannenberg is an intellectual property attorney and senior partner with the law firm of Banner & Witcoff in Washington, D.C. Ross handles a wide range of intellectual property issues, including patents, copyrights, and trademarks, working primarily with software developers of all shapes and sizes. Ross has been working extensively with the video game industry since 2005, when he started PatentArcade.com, the web's only blog dedicated to the cross section of video games and intellectual property law. Since that time, Ross has helped protect well-known game franchises, including Halo®, World of Tanks®, Guild Wars®, The Witcher, Dying Light, Blue Dragon, Letterpress, Entranced, Perfect Dark®, Flight Simulator®, Project Gotham Racing, Midtown Madness, Bowl-O-Rama®, and RuneScape®, among others. In addition to a wide variety of articles and interviews appearing in publications such as USA Today, ABC News, Bloomberg, PC Magazine, and Gamasutra, Ross is also the editor of the American Bar Association's Legal Guide to Video Game Development (2nd Ed., 2016), and an editor of Computer Games and Immersive Entertainment: The Next Frontiers in Intellectual Property Law (2nd Ed., 2019). For more information, please visit www.bannerwitcoff.com and www.PatentArcade.com, or follow @gamelawyer on Twitter. Ross can be contacted at rdannenberg@bannerwitcoff.com.

1. *Blackbird Techs. v. Niantic, Inc.*, C.A. No. 17-cv-1810 (Del. Oct. 31, 2018).
2. 134 S. Ct. 2347 (2014).
3. *Blackbird*, slip op. at 8.
4. 837 F.3d 1299 (Fed. Cir. 2016). See also, R. Dannenberg, *Computer Software Litigation: McRO v. Namco Bandai*, IP Litigator, Vol. 22, No. 1, Jan/Feb 2016.
5. *McRO*, 837 F.3d at 1313.
6. *See, e.g.*, Dannenberg et al., *IP Alert: McRO Inc. v. Bandai Namco Games America Inc. et al.,* Sept. 15, 2016, available from https://bannerwitcoff.com/ip-alert-mcro-inc-v-bandai-namco-games-america-inc-et-al.
7. *Blackbird*, slip op. at 7–8.
8. *Blackbird*, slip op. at 7 (citing *Electric Power Group, LLC v. Alstom S.A.*, 830 F.3d 1350 (Fed. Cir. 2016)).
9. Niantic may also avail itself of any other defense under U.S. patent laws, 35 USC § 101 *et seq*.
10. Integration of the second position, however, is recited in the dependent claims of the '127 patent, e.g., dependent claim 8, which recites "retrieving said second position indicator from said memory when said video game starts executing."
11. *See, e.g.*, *McRO v. Bandai Namco et al.*, 837 F.3d 1299, 1313 (Fed. Cir. 2016), where the Federal Circuit upheld the McRO patent as being directed to patent-eligible subject matter, but was subsequently invalidated by the district court on remand as lacking sufficient written description support of the claims under 35 U.S.C. § 112. C.D.Cal., Case No: CV 12-10322-GW(FFMx), Nov. 13, 2018.
12. *See, e.g.*, Krevelen & Poelman, *A Survey of Augmented Reality Technologies, Applications and Limitations*, June 2010, available from https://www.researchgate.net/publication/279867852_A_Survey_of_Augmented_Reality_Technologies_Applications_and_Limitations (visited Dec. 31, 2018).