

FEDERAL CIRCUIT SUMMARY FOR WEEK ENDING MARCH 24, 2023**Hantz Software, LLC v. Sage Intacct, Inc., No. 2022-1390 (March 20, 2023) (nonprecedential); Patent Nos. 8,055,559; 8,055,560****Key point:**

- Claims that were not presented by the patentee during litigation are not subject to the trial court's ineligibility decision.

Facts/Background: Hantz sued Sage for infringing U.S. Patents Nos. 8,055,559 and 8,055,560. Hantz's first amended complaint (the operative complaint) alleged that Sage infringed claims 1 and 31–33 of each asserted patent. Sage moved to dismiss the complaint, arguing that the complaint asserted patent-ineligible claims under 35 U.S.C. § 101. Hantz opposed and also moved for leave to file a second amended complaint. The district court (1) concluded that the asserted patents were ineligible under § 101 and, on that basis, dismissed the operative complaint; (2) denied Hantz leave to file a second amended complaint; and (3) entered final judgment. Hantz appealed.

Holding: Affirmed in part and vacated in part. The district court concluded that the asserted patents were ineligible under § 101 because they failed at both steps of the *Alice* inquiry: (1) the asserted patents were directed to an abstract idea by generally claiming a method of improving financial recordkeeping for multi-company business via balancing lines; (2) the recited elements in the asserted patents, such as entering invoice amounts, adding up the invoice amounts, and displaying outstanding balances, were conventional computer functions and therefore insufficient to impart an inventive concept. The Federal Circuit affirmed the district court's decision, holding claims 1 and 31-33 of the asserted patents ineligible under § 101 and denying Hantz leave to file a second amended complaint. However, in response to Hantz's argument that ineligibility should apply to ONLY claims 1 and 31–33 of the asserted patents because Hantz's operative complaint asserted infringement of only those claims, the Federal Circuit vacated the district court's decisions holding claims other than claims 1 and 31-33 ineligible under § 101.

In re Ethanol Boosting System, LLC, Massachusetts Institute of Technology, No. 2023-19 (March 23, 2023) (nonprecedential); Patent Nos. 9,810,166; 9,255,519; 10,138,826

Key point(s):

- Petitioner was not entitled to a writ of mandamus because the burden of going through an IPR proceeding is not irreparable harm after the conclusion of the IPR proceedings.

Facts/Background: Ford filed IPR petitions challenging patent claims that EBS asserted in parallel district court proceedings. The PTAB denied institution. Ford then requested rehearing and asked the PTAB to hold Ford’s reconsideration request in abeyance pending EBS’s appeal before the Federal Circuit challenging the district court’s claim construction. The PTAB agreed. The Federal Circuit later issued its decision and reversed the district court’s claim construction. Following that decision, the PTAB granted Ford’s request for rehearing and instituted IPR proceedings. EBS then filed this petition, challenging the timeliness of the PTAB’s actions and requesting that the Federal Circuit direct the PTAB to terminate the proceedings.

Holding: Denied. The Federal Circuit held that EBS had failed to show entitlement to the “extraordinary remedy” of a writ of mandamus. In particular, EBS had not shown that it would be unable to raise its arguments after the conclusion of the IPR proceedings. Moreover, EBS had not identified any “irreparable interim harm [that] can justify mandamus, which is unavailable simply to relieve [EBS] of the burden of going through the *inter partes* review.”