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CLIENT ALERT

Gone *Enfish*ing: Software Patentees Reel in Another Huge Win at the Federal Circuit

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On Tuesday, the Federal Circuit, in *McRO v. Bandai Namco Games America*, ruled that software for automatically animating lip synchronization and facial expressions of a computer-generated character is patent-eligible subject matter under 35 U.S.C. § 101 ("Section 101"). Including its recent ruling in *Enfish v. Microsoft*, the Federal Circuit has now found two different instances in which a software-based invention is patentable under Section 101 within a span of about four short months. If the Enfish ruling was not clear enough, the *McRO* ruling now establishes a directive that courts must put more emphasis on determining whether claims are actually directed to an abstract idea without oversimplifying the claims.

In reversing the Central District of California's invalidation ruling, the Federal Circuit held that a court must look to the claims as an ordered combination, without ignoring the requirements of the individual steps, when determining the patentability of a method regardless of whether it is at step one or step two of the test set forth by the U.S. Supreme Court in *Alice v. CLS Bank*, 573 U.S. __, 134 S. Ct. 2347 (2014). In *McRO*, the patent claims are directed to the automation of synchronizing lip and facial expressions of an animated character. Conventionally, with the assistance of a computer, an animator was required to manually determine "morph weights" to modify the character's face to depict various facial expressions made during speech at keyframes (instead of at every frame of a timed transcript). In essence, the patent claims automate the animator's task of determining keyframes based on particular rules. These rules take into consideration the differences in mouth positions for similar sounding speech based on context. The Federal Circuit found that the claims were focused on a specific asserted improvement in computer animation; namely, the automatic use of "unconventional" rules, shooting down the argument that the claims merely use a computer to automate conventional activity.

Consequently, the Federal Circuit provides a more structured test to determine whether patent claims are directed to an abstract idea: do the patent claims focus on (i) a specific unconventional means or method that improves the relevant technology or (ii) are the claims instead directed to a result or effect that itself is an abstract idea merely invoking generic processes and machinery? If the answer is yes to the first question, the claims are not directed to an abstract idea and qualify as patent eligible subject matter under Section 101. If, however, the answer is yes to the second question, the inquiry continues to step two of the *Alice* test as the claims may be directed to an abstract idea.

Tuesday's Federal Circuit ruling is yet another reminder that step one of the *Alice* test—whether the claim at issue is directed to a judicial exception, such as an abstract idea—is the gating inquiry and must be carefully considered at the outset. Thus, the ruling also makes clear that claims should not be oversimplified or watered-down to an abstract concept without considering the specific requirements of the claims. Those drafting claims, especially claims directed to software, are guided to write claims with more specificity, focusing on the "specific means or method that improves the relevant technology."

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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