2018-1586

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

IN RE INTELLIGENT MEDICAL OBJECTS, INC.,

Appellant.

Appeal from the United States Patent and Trademark Office,
Patent Trial and Appeal Board in Application Serial No. 13/622,934.

DIRECTOR'S UNOPPOSED MOTION TO VACATE AND REMAND

Appellee, Director of the United States Patent and Trademark Office (USPTO), respectfully moves to vacate and remand this appeal to the Agency to permit further proceedings in light of this Court's decision in *Berkheimer v. HP Inc.*, 881 F.3d 1360 (Fed. Cir. 2018). Counsel for Appellant Intelligent Medical Objects, Inc., Mr. Richard P. Beem, was contacted and states that his client does not oppose this motion.

This appeal arises from the *ex parte* appeal decision of the Patent Trial and Appeal Board (Board), affirming the final rejection of claims 1-14 under 35 U.S.C. § 101 in Application Serial No. 13/622,934. In reaching its decision, the Board noted that the examiner "analyze[d] the claims using the two-step frame work described by the Supreme Court in *Alice Corp. Pty. Ltd., v. CLS Bank Int'l*, 134 S. Ct. 2347 (2014)."

Bd. Dec. at Appx4.[1] As part of that analysis the examiner found that certain steps in the claims are "well-understood, routine, and conventional activities previously known to the pertinent industry." *See, e.g.,* Bd. Dec. at Appx5; *id.* at Appx13 (finding "the concept of collecting, storing, and organizing medical[] records includes longstanding conduct that existed well-before the advent of computers and the Internet."). The Board also noted that Appellants did "not show how the claims are technically performed such that they are not routine, conventional functions of a computer." *Id.* at Appx15.

But after the Board issued the decision on appeal, this Court issued its decision in *Berkheimer v. HP Inc.*, 881 F.3d 1360 (Fed. Cir. 2018), holding that the question of whether a claim element is well-understood, routine, and conventional under *Alice* is a question of fact and requires evidentiary support, particularly where the issue is disputed. Appellant asserts that the Board decision in this case is inconsistent with *Berkheimer*. *See, e.g.,* Br. at 15 and 30-31 (disputing the examiner's finding of "conventionality" and asserting a lack of evidence). Additionally, shortly after *Berkheimer* was decided, the Agency issued guidance implementing *Berkheimer* in *ex parte* cases. *See Changes in Examination Procedure Pertaining to Subject Matter Eligibility, Recent Subject Matter Eligibility Decision* (*Berkheimer v. HP, Inc.*) (Apr. 19, 2018) at

[1] Citations to the Board's decision (attached to the Appellant's blue brief), are referenced as "Bd. Dec. at Appx__," and citations to Appellant's blue brief are referenced as "Br. at __."

https://www.uspto.gov/sites/default/files/documents/memo-berkheimer-20180419.PDF.

The Director believes that *Berkheimer* and related Agency guidance merit vacating the Board's decision and remanding it to the USPTO to allow the Agency to fully reconsider the patent eligibility of the pending claims under the *Alice* test, *Berkheimer*, and current agency guidance. A remand permitting further proceedings would prevent this Court, Appellant, and the Agency from needlessly expending resources. *See, e.g.*, *In re Gould*, 673 F.2d 1385, 1387 (CCPA 1982). That is particularly true here, where intervening precedent and guidance relate to factual issues that should be considered by the Agency in the first instance. This Court has previously granted remands to the Agency for further proceedings consistent with intervening legal precedent. *See, e.g.*, *In re Helferich Patent Licensing, LLC*, Appeal No. 2017-1293, ECF No. 28 (May 19, 2017) (non-precedential) (vacating and remanding to USPTO in light of intervening decision in *Perfect Surgical Techniques, Inc. v. Olympus America, Inc.*, 841 F.3d 1004 (Fed. Cir. 2016)); *see also SKF USA Inc. v. United State*s, 254 F.3d 1022, 1028 (Fed. Cir. 2001) (discussing agency remands based on "intervening events outside of the agency's control, for example a new legal decision or the passage of new legislation").

Because this motion "if granted, would terminate the appeal," the Director respectfully requests that the time to serve and file his response brief (currently due July 9, 2018) be suspended. *See* Fed. Cir. R. 31(c).

For the foregoing reasons, the Director moves the Court to *vacate* the Board's decision and *remand* the case to the USPTO to allow the Agency to fully reconsider the patent eligibility of the pending claims under the *Alice* test, *Berkheimer*, and current agency guidance.

Date: June 5, 2018

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on June 5, 2018, I electronically filed the foregoing **DIRECTOR'S UNOPPOSED MOTION TO VACATE AND REMAND** using the Court's CM/ECF filing system. Counsel for the Appellant was electronically served via e-mail through and by the electronic filing system per Fed. Cir. R. 25(e).

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RULE 32(A)(7)(C) CERTIFICATE OF COMPLIANCE

I hereby certify that pursuant to Fed. R. App. Proc. 32(a)(7), the foregoing **DIRECTOR'S UNOPPOSED MOTION TO VACATE AND REMAND** complies with the type-volume limitation required by the Court's rule. The total number of words in the foregoing motion, excluding parts exempted by the Federal Rule of Appellate Procedure and Federal Circuit Rules, is 666 words as calculated using the Microsoft Word® software program.

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