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# What's Next For Patent Eligibility After Latest Denials?

By **Ryan Davis**

*Law360 (May 15, 2023, 11:13 PM EDT)* -- While the U.S. Supreme Court declined again on Monday to address patent eligibility, attorneys said calls for more clarity on the divisive issue aren't going away, with eyes turning to future cases at the high court or the Federal Circuit, or to Congressional legislation.

The justices refused to hear two cases that sought more guidance about which inventions are eligible for patents under Section 101 of the Patent Act, even though U.S. Solicitor General Elizabeth Prelogar said that hearing them would bring "much-needed clarification."

That brings to four the number of cases the Supreme Court has refused to hear on the issue in the last three years, after seeking the government's views and being told each time that the test for patent eligibility needs greater clarity. Attorneys said that despite not taking the cases, the invitations for input suggest the court has at least some interest in the issue.

"If they didn't continually ask for the solicitor general's views, perhaps it's more likely that they just want the Federal Circuit to clean this up," said Christina Ondrick of McKool Smith. The repeated requests, although followed by denials, "should suggest that they are looking for a proper vehicle to grant cert on," she said.

William Milliken of Sterne Kessler Goldstein & Fox PLLC said the way the high court approaches the next eligibility appeals it receives may provide some insight.

"I'm sure that people are not going to stop filing these 101 cert petitions," he said. "It will be interesting to see in the future if the court issues another [call for the government's views], or if they just start denying things," which could suggest the justices are done with the issue.

If the Supreme Court doesn't get involved, guidance on patent eligibility could come from Congress, where legislation has been introduced on the issue, or from a decision from the full Federal Circuit, which could spur the justices to act.

Those things are unlikely to happen in the short term, but may get increasing attention after the high court's repeated denials, attorneys said.

**Future Petitions**

If it's true that the high court is searching for the ideal case to address patent eligibility, it's anyone's

guess as to what that would look like. The court does not explain its denials, which have also come in dozens of other patent eligibility appeals that decried confusion over patent eligibility, but where the government did not file a brief.

"I suppose there's always a possibility of a better case, but this was a nice, ripe occasion for the court to do something about it and it didn't," said Paul Ragusa of Baker Botts LLP.

Jeremy Anapol of Knobbe Martens said the court may not have been interested in the most recent petitions because they asked for guidance on which inventions are eligible for patents, but "provide no concrete proposal for how to do so."

"The questions presented in these cases show that the petitioners did not give the Supreme Court the tools it would need to bring more clarity to this area of the law," he said.

For instance, he said one of the petitions, involving a luggage lock, asked the court whether the specific invention was patent eligible, which is not the type of recurring question the court looks for. The other petition, involving a media player, broadly asked what the appropriate standard for patent eligibility should be, which Anapol said "does not invite any specific, straightforward answer."

"The Supreme Court may be more willing to answer the call for clarity in the Section 101 analysis if a future petitioner manages to present a question that shows the justices a clear path forward," he said.

One aspect of Monday's decisions that stood out compared to the many other eligibility cases the high court has refused to hear is that there was a noted dissent. The order stated that Justice Brett Kavanaugh would have granted both petitions.

"It would have been more interesting if we had more than one [justice] that would have taken it up, but at least it's on the radar," Ragusa said. "It's a big, big leap between being on the radar and actually taking the case, though," since four votes are needed to hear a case.

The Supreme Court has other pending patent eligibility cases, and Edward Reines of Weil Gotshal & Manges LLP said a petition he filed earlier this month on behalf of CareDx and Stanford University may have what the justices are looking for.

"The Supreme Court is obviously interested in potential improvement to Section 101 law and I think the CareDx case is a perfect vehicle for that," he said.

CareDx is appealing a decision declaring patents on its blood test for diagnosing organ rejection are invalid for claiming only a natural phenomenon.

Reines said the patents, which were asserted against Natera Inc. and Eurofins Viracor Inc., cover an important improvement in laboratory measurement methods. He said they are not directed to the underlying natural phenomenon, as in other eligibility cases on diagnostics, and are therefore the type of inventions that should be patent eligible.

"I hope the court retains its interest, and doesn't get frustrated by seeing vehicles that it finds inadequate," he said, adding that "I think the bottom line is the Supreme Court needs an impressive invention in order to turn the corner on Section 101."

On Monday, Natera and Eurofins waived the right to respond to CareDx's petition. Counsel for Natera could not immediately be reached for comment Monday.

**Other Avenues**

The high court's refusal to address patent eligibility could add to calls for lawmakers to rewrite the statute governing the issue. Sen. Thom Tillis, R-N.C., introduced a bill last year to do that, calling the current law "confused, constricted, and unclear," and it was later co-sponsored by Sen. Chris Coons, D-Del.

The two senators now lead the Senate Judiciary Committee's IP subcommittee, giving them a high-profile forum to take up the issue, although Tillis' staff has acknowledged that enacting any legislation could take years.

"Given that the Supreme Court doesn't seem to have an appetite to look at this issue again, at least right now, the best bet is probably Congressional efforts," Ragusa of Baker Botts said. "But there has to be a wholehearted way to push that forward."

Sterne Kessler's Milliken noted that given the atmosphere in Congress and other issues that may seem more pressing to lawmakers than patent eligibility, "I don't know that it's super likely that we get a legislative solution anytime soon."

Another possibility that could now get renewed attention, despite long odds, is the Federal Circuit taking a patent eligibility case en banc. It has not done that for years, but doing so could provide guidance, or at least provide a full opinion on the issue that could attract the high court's attention, attorneys said.

"It's certainly a tool that the Federal Circuit has left in its toolbox, if they think that they can provide some clarification," said Milliken. Yet he noted the difficulty of getting a majority of the judges on the same page on eligibility, which has led to fractured decisions in the past.

"I think it's possible, and the court is so divided that you would certainly have an opinion with a variety of competing views," said Ondrick of McKool Smith. "But do I think that the Federal Circuit is going to do that anytime soon? No."

Exactly what qualifies as a patent eligible invention has vexed judges and litigants for years, and Monday's decisions, along with the slim near-term odds of other routes for addressing the issue, mean that will remain the case for now.

"To the extent we have uncertainty in the law, and I think most people would agree that we do, I think it's going to be with us for a while," Milliken said.

The cases are Interactive Wearables LLC v. Polar Electro Oy et al., case number 21-1281, and Tropp v. Travel Sentry Inc., case number 22-22, in the Supreme Court of the United States.

--Editing by Kelly Duncan and Michael Watanabe.

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