

McRO, Inc. v. Bandai Namco Games

America:

In Support of Software Patent Eligibility



McRO, Inc. v. Bandai Namco Games America

- Software patents can still be patent-eligible even if it does not improve performance or operation of computer itself.
- Preemption analysis may require increased evidentiary support to an argument of “complete preemption”

This month the Federal Circuit reversed a district court decision regarding the patent eligibility of software that automatically animates lip-synching of characters in video games. The district court had previously held that the subject matter of the patent were directed at ineligible subject matter, however, in their reversal in *McRO, Inc. v. Bandai Namco Games America*, the Federal Circuit fleshed out how eligibility standards set forth in *Alice* apply to software-related patents.

In *Alice*, the Court applied a two-step framework for analyzing whether claims are patent eligible. First, whether the claim at issue is “directed to” a judicial exception, such as an abstract idea. Second, whether the claims contain an “inventive concept” sufficient to “transform the nature of the claim into a patent-eligible application.”

In this case, the Court decided the case under step one of the analysis, namely, that the claims of the patents-in-question were not directed to an judicial exception, such as an abstract idea. Thus, step two was not needed.

More particularly, the patents in question (U.S. Pat Nos. 6,307,576 and 6,611,278) involved the automation of animating lip-synching of characters in video games. Previously, the process of animating lip-synching was conducted by individual artists who entered in values and movements of the character manually. This was a process largely dictated by the artist’s subjective judgment and creative input. The patent at issue relied on a rules-based method to automate the process of entering the movements and values.

At the district court, the patent was found invalid because the claims merely added the use of rules, rather than artists, to compile and enter values and movements. The district court further found that the claims were patent ineligible because they were not limited to a specific set of rules.

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Because it was not limited to a specific set of rules, the district court held that the claims preempted the entire field of lip-syncing using a rules-based approach.

The Federal Circuit however disagreed with this analysis. As the court laid out, preemption occurs when claims do not cover the means or method to produce a result, but rather attempts to cover the effect or results produced by a means or method. In a prior decision *Enfish, LLC v. Microsoft Corp*, the court stated the analysis of preemption should ask whether a claim focuses on “a specific means or method that improves the relevant technology or are instead directed to a result or effect that itself is the abstract idea and merely invoke generic processes and machinery.” In the instant case, the court held that the claims were directed towards improvement of a specific technology, animation of lip-syncing. These claims were based on specific rules, not just the use of a computer to achieve the desired results. Moreover, the court found that the defendants provided no evidence that the process previously used by animators is the same as the process required by the claims.

Finally, speaking to the analysis of preemption, the court found the claimed rules were not a “complete preemption” of the field of automating lip-syncing animations. The true question, the court stated, was whether the “claimed genus of rules” would cover all rules based methods of automating lip-syncing animations. In focusing solely on this question, the court found there was “no record evidence” that the claimed rules were the only method by which to automate lip-syncing animations. To the contrary, an amicus brief the court cited described how there are potentially many different alternatives to the automation of this processes, and hence it “need not [be] assume that future alternative discoveries are foreclosed.”

The result of this case is an addition to the growing reservoir of authority supporting the patent eligibility of software patents. In this case the claims that were found to be patentable were incorporated into software programs to be run by a general-purpose computer; it did not improve the performance or functionality of the computer technology itself. Importantly, this means that claims can be patentable even when the improvement only allows computers to produce an outcome that previously was only done intuitively by human hands. Finally, in terms of preemption arguments, this case could stand for the increased importance of evidentiary support showing a “complete preemption” of claims.



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