ARE Patent Law Alert:
Supreme Court Grants Certiorari In The Ultramercial Case And Remands To Federal Circuit For Consideration In Light Of Mayo

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On May 21, 2012, in the latest development in cases addressing patent-eligible subject matter and Section 101, the U.S. Supreme Court granted a petition for a writ of certiorari, vacated the decision of the Federal Circuit in *Ultramercial, LLC v. Hulu, LLC* , 657 F.3d 1323 (Fed. Cir. 2011) ("*Ultramercial*"), and remanded the case for further consideration in view of the Supreme Court's recent decision in *Mayo Collaborative Services v. Prometheus Laboratories, Inc.*, 566 U.S. ___, 132 S. Ct. 1289 (2012) ("*Mayo*"). In *Mayo*, the Supreme Court's most recent pronouncement on patent-eligible subject matter, the Court rejected the claims at issue as drawn to no more than a law of nature.

In *Ultramercial*, the panel decision, authored by Chief Judge Rader, took an expansive view of patent-eligibility. In particular, the Federal Circuit found that a claimed invention for a method of monetizing and distributing copyrighted material over the internet was patent-eligible. In doing so, it used Section 101 as a coarse filter that only invalidated claims that were "manifestly abstract." For a brief summary of this decision, please see our prior alert: Charles R. Macedo and David P. Goldberg, *Federal Circuit Finds Another Computer Implemented Method to be Patent-Eligible Under Section 101* (Oct. 3, 2011).

WildTangent, a co-defendant in *Ultramercial*, petitioned the Federal Circuit for rehearing and rehearing en banc. On November 18, 2011, the Federal Circuit rejected both petitions.

WildTangent subsequently petitioned the Supreme Court for certiorari. The Petition set forth the question presented as follows:

Whether, or in what circumstances, a patent's general and indeterminate references to "over the Internet" or at "an Internet website" are sufficient to transform an unpatentable abstract idea into a patentable process for purposes of 35 U.S.C. § 101.

After *Ultramercial* issued, and the Petition was filed, the Supreme Court issued its decision in Mayo, rejecting the machine or transformation test as a dispositive test, and reinforcing that the principles set forth in *Benson*, *Flook*, *Diehr* and *Bilski* decisions

applied not only to claims directed to abstract ideas, but also, to claims directed to laws of nature and natural phenomena. For a discussion of Mayo, please see our prior alert: Charles R. Macedo, David A. Boag and Michael J. Kasdan, *U.S. Supreme Court Finds Prometheus Method of Diagnosing and/or Treating Unpatentable Law of Nature* (March 20, 2012).

In its May 21, 2012 Order, the Supreme Court granted the Petition, vacating the Federal Circuit's decision, and remanded the case to the Federal Circuit in further consideration in light of *Mayo*.

We will continue to monitor *Ultramercial*'s remand to the Federal Circuit, as well as key developments in patent-eligibility, and encourage you to review the publications and events page of our firm website (www.arelaw.com) for more information. Please feel free to contact one of our firm's attorneys to learn more.

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