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7

8 **UNITED STATES DISTRICT COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA**
10

11 SHIPPING AND TRANSIT LLC, a Florida
Limited Liability Corporation,

12
13 Plaintiff,

14 VS.

15 LOGINEXT SOLUTIONS INC., a Delaware
Corporation; and DOES 1 through 10,
16 Inclusive,

17 Defendants.
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Case No. 2:16-cv-03834 AG(AGR_x)

**DEFENDANT LOGINEXT
SOLUTIONS INC.'S
MEMORANDUM IN SUPPORT
OF ITS MOTION TO DISMISS.**

Date: September 12, 2016
Time: 10:00am
Ctrm: 10D
Judge: Honorable Andrew J. Guilford

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25 35 U.S.C. § 101 passim

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26 Federal Rule of Civil Procedure 12(b)(6),3, 6, 7

1 LogiNext Solutions, Inc. (“LogiNext”) moves to dismiss this case because
2 Shipping and Transit LLC (“S&T”) has failed to state a claim upon which relief can
3 be granted. S&T asserts U.S. Patent No. 6,415,207 (“the ‘207 Patent” or “Patent-in-
4 Suit”) is infringed by LogiNext. However, the patent claims are directed to the
5 abstract idea of maintaining vehicle status information and automatically providing
6 this information to users. Therefore, the patent claims are ineligible for patent
7 protection under 35 U.S.C. § 101. Resolving these issues does not require additional
8 discovery or claim construction. Therefore, to conserve judicial resources and
9 unnecessary litigation between the parties, LogiNext requests that the Court dismiss
10 the complaint pursuant to Rule 12(b)(6) of the Federal Rules of Civil Procedure.

11 **I. STATEMENT OF THE ISSUE**

12 The issue for the Court is whether this case should be dismissed for failure to
13 state a claim upon which relief can be granted because all of the claims (1-15) of the
14 ‘207 Patent are invalid for patenting an abstract idea, and therefore, ineligible for
15 patentability under 35 U.S.C. § 101.

16 **II. BACKGROUND**

17 On July 1, 2016, S&T filed this lawsuit accusing LogiNext of infringing the
18 Patent-in-Suit and US Patent No. 6,763,299 (“the ‘299 Patent”). On July 18, 2016
19 LogiNext requested that S&T dismiss its complaint because the ‘207 Patent and the
20 ‘299 patent are invalid under 35 U.S.C. § 101 pursuant to the Supreme Court’s ruling
21 in *Alice Corp. Pty. v. CLS Bank Int’l*, 134 S. Ct. 2347 (2014) as an attempt to patent
22 an abstract idea using a general purpose computer, among other reasons. S&T filed a
23 First Amended Complaint on July 27, 2016 and dropped the ‘299 patent, however the
24 First Amended Complaint does nothing to cure the defect of the ‘207 Patent. The
25 Patent-in-Suit relates to systems and methods for maintaining vehicle status
26 information and automatically providing this information to users. (Dkt. No. 13, Ex.
27 A, ‘207 Patent at 1:59-65.) The ‘207 Patent is entitled “System and method for
28 automatically providing vehicle status information.”

1 Independent claims 1, 5 and 10 of the '207 Patent generally claim a system and
2 method for maintaining vehicle status information and automatically providing this
3 information to users:

4 1. A system for monitoring and reporting status of vehicles, comprising:
5 a database storing status information associated with a vehicle, said status
6 information indicative of a current proximity of said identified vehicle;
7 a communication interface configured to communicate with communication
8 devices remotely located from said system; and
9 a system manager configured to receive a message transmitted from said
10 vehicle and to update said status information based on said message, said
11 system manager further configured to analyze caller identification information
12 automatically transmitted to said communication interface when a remote
13 communication device establishes communication with said communication
14 interface, said system manager further configured to automatically search for
15 and locate a set of said status information based on said caller identification
16 information, said system manager further configured to retrieve said set of
17 status information and to transmit said retrieved set of status information to
18 said remote communication device.

13 5. A system for monitoring and reporting status of vehicles, comprising:
14 means for maintaining status information associated with a vehicle, said status
15 information indicative of a current proximity of said identified vehicle;
16 means for communicating with a remote communication device, said means
17 for communicating including a means for receiving caller identification
18 information automatically transmitted to said communicating means;
19 means for utilizing said caller identification information to automatically
20 search for and locate a set of said status information; and means for
21 automatically retrieving and transmitting said set of said status information.

19 10. A method for monitoring and reporting status of vehicles, comprising
20 the steps of:
21 maintaining status information associated with a vehicle, said status
22 information indicative of a current proximity of said vehicle;
23 communicating with a remote communication device;
24 receiving caller identification information automatically transmitted in said
25 communicating step;
26 utilizing said caller identification information to automatically search for and
27 locate a set of said status information;
28 automatically retrieving said set of status information based on said searching
for and locating step; and
transmitting said retrieved set of status information to said remote
communication device.

1 The claims use computer and software components to store status
2 information associated with a vehicle and communicate that information when
3 requested. Significantly, however, no new software or computer technology is
4 disclosed or claimed in the '207 patent. Nothing claimed advances the art or is
5 inventive. Instead, the claims recite an abstract idea of storing and allowing people to
6 obtain vehicle information implemented by a computer, without claiming any
7 inventive features related to the components. Indeed, the claims merely employ the
8 computer and software components to perform routine database and communications
9 operations.

10 The dependent claims (2-4, 6-9, and 11-15) do not add anything significant
11 that would save these claims:

12 2. The system of claim 1, wherein said caller identification information is a
13 telephone number associated with said remote communication device.

14 3. The system of claim 1, wherein said caller identification information is
15 included within a message transmitted over the internet and received by said
16 communication interface, and wherein said caller identification information is
a source address automatically inserted into said message by said remote
remote communication device, said source address identifying an address of said
remote communication device.

17 4. The system of claim 1, wherein said system manager is configured to
18 transmit said retrieved set of status information to said remote communication
device in response to said caller identification information.

19 6. The system of claim 5, wherein said caller identification information is a
20 telephone number.

21 7. The system of claim 5, wherein said caller identification information is
an e-mail address.

22 8. The system of claim 5, further comprising: means for receiving a status
23 message transmitted from said vehicle; and means for updating said status
information based on said status message.

24 9. The system of claim 5, wherein said status information indicates a
25 proximity of said vehicle from a particular location.

26 11. The method of claim 10, wherein said caller identification information is
a telephone number.

27 12. The method of claim 10, wherein said caller identification information is
28 an e-mail address.

1 13. The method of claim 10, further comprising the steps of: receiving a
2 status message transmitted from said vehicle; and updating said status
information based on said status message.

3 14. The method of claim 10, further comprising the step of indicating a
4 proximity of said vehicle from a particular location via said status information.

5 15. The method of claim 10, wherein said utilizing, retrieving, and
6 transmitting steps are performed in response to said receiving step.

6 **III. LEGAL STANDARD**

7 A complaint may be dismissed for failure to state a claim upon which relief
8 can be granted for one of two reasons: (1) lack of a cognizable legal theory or (2)
9 insufficient facts under a cognizable legal theory. *Bell Atl. Corp. v. Twombly*, 550
10 U.S. 544, 555 (2007). *See also Mendiondo v. Centinela Hosp. Med. Ctr.*, 521 F.3d
11 1097, 1104 (9th Cir. 2008) ("Dismissal under Rule 12(b)(6) is appropriate only where
12 the complaint lacks a cognizable legal theory or sufficient facts to support a
13 cognizable legal theory."). A motion to dismiss should be granted if the complaint
14 does not proffer enough facts to state a claim for relief that is plausible on its face.
15 *See Twombly*, 550 U.S. at 558-59, 570; *see also William O. Gilley Enters., Inc. v. Atl.*
16 *Richfield Co.*, 588 F.3d 659, 667 (9th Cir. 2009) (confirming that *Twombly* pleading
17 requirements "apply in all civil cases"). "[W]here the well-pleaded facts do not
18 permit the court to infer more than the mere possibility of misconduct, the complaint
19 has alleged — but it has not `show[n]' — `that the pleader is entitled to relief."
20 *Ashcroft v. Iqbal*, 556 U.S. 662, 679 (2009) (quoting Fed. R. Civ. P. 8(a)(2)).

21 In deciding a 12(b)(6) motion, the court is limited to the allegations on the face
22 of the complaint (including documents attached thereto), matters which are properly
23 judicially noticeable, and other extrinsic documents when "the plaintiff's claim
24 depends on the contents of a document, the defendant attaches the document to its
25 motion to dismiss, and the parties do not dispute the authenticity of the document,
26 even though the plaintiff does not explicitly allege the contents of that document in
27 the complaint." *Knievel v. ESPN*, 393 F.3d 1068, 1076 (9th Cir. 2005). The court
28 must construe the complaint in the light most favorable to the plaintiff and must

1 accept all factual allegations as true. *Cahill v. Liberty Mutual Ins. Co.*, 80 F.3d 336,
2 337-38 (9th Cir. 1996). The court must also accept as true all reasonable inferences to
3 be drawn from the material allegations in the complaint. *See Brown v. Elec. Arts,*
4 *Inc.*, 724 F.3d 1235, 1247-48 (9th Cir. 2013); *Pareto v. F.D.I.C.*, 139 F.3d 696, 699
5 (9th Cir. 1998). Conclusory statements, unlike proper factual allegations, are not
6 entitled to a presumption of truth. *See Iqbal*, 556 U.S. at 681; *Moss v. U.S. Secret*
7 *Serv.*, 572 F.3d 962, 969 (9th Cir. 2009).

8 Patentability under 35 U.S.C. § 101 is a threshold legal issue. *In re Bilski*, 545
9 F.3d 943, 950-51 (Fed. Cir 2008) (en banc) (“*In re Bilski*”), *aff’d*, *Bilski v. Kappos*,
10 130 S. Ct. 3218 (2010). In order to be actionable, a patent’s claims must be drawn to
11 patent-eligible subject matter under § 101. *Id.* at 950. Accordingly, the § 101 inquiry
12 is properly raised on a motion to dismiss under Rule 12(b)(6). *See Ultramercial, Inc.*
13 *v. Hulu, LLC*, 772 F.3d 709 at 717 (Fed. Cir. 2014) (affirming dismissal under Rule
14 12(b)(6) because the asserted patent did not claim patent-eligible subject matter).
15 However, while the issue of patentable subject matter presents a question of law, the
16 legal analysis “may contain underlying factual issues.” *Accenture Global Servs.,*
17 *GmbH v. Guidewire Software, Inc.*, 728 F.3d 1336, 1340–41 (Fed. Cir. 2013). Under
18 the circumstances of this case, there are no material factual disputes that prevent the
19 Court from deciding the Motion at this time.

20 Section 101 of the Patent Act sets forth four categories of patentable subject
21 matter: “any new and useful process, machine, manufacture, or composition of
22 matter.” 35 U.S.C. § 101. Although this section is given wide scope, the law
23 recognizes three exceptions to patent eligibility. In particular, a patent cannot be
24 obtained for “laws of nature, physical phenomena, and abstract ideas.” *Diamond v.*
25 *Chakrabarty*, 447 U.S. 303, 308 (1980). Abstract ideas are ineligible for patent
26 protection because a monopoly over such ideas would preempt their use in all fields.
27 *See Bilski*, 130 S. Ct. 3218, 3231 (2010). In other words, “abstract intellectual
28 concepts are not patentable, as they are the basic tools of scientific and technological

1 work.” *Id.* at 3255 (quoting *Gottschalk v. Benson*, 409 U.S. 63, 67 (1972)).

2 Under the framework explained by the Supreme Court in *Alice Corp. Pty. v.*
3 *CLS Bank Int’l*, 134 S. Ct. 2347, 2355 (2014), the patent eligibility of a claim is
4 determined using a two-step process. First, the Court must “determine whether the
5 claims at issue are directed to” an abstract idea. *Id.* Second, the Court must “consider
6 the elements of each claim both individually and ‘as an ordered combination’ to
7 determine whether the additional elements ‘transform the nature of the claim’ into a
8 patent-eligible application.” *Id.* (quoting *Mayo Collaborative Services v. Prometheus*
9 *Laboratories, Inc.*, 132 S. Ct. 1289, 1297–98 (2012)).

10 A claim is not meaningfully limited if it merely describes an abstract idea or
11 simply uses a computer to do what was already known. See *Ultramercial*, 772 F.3d
12 at 715 (concluding that “[w]ithout purporting to construe the claims, as the district
13 court did not,” the claims are directed to an abstract idea implemented with “routine,
14 conventional activity”). Indeed, if a claim could be performed in the human mind, or
15 by a human using pen and paper, it is not patent eligible. *Cybersource Corp. v. Retail*
16 *Decisions, Inc.*, 654 F.3d 1366, 1372 (Fed. Cir. 2011). In addition, a claim is not
17 meaningfully limited if its purported limitations provide no real direction, cover all
18 possible ways to achieve the provided result, or are overly generalized. See
19 *Prometheus*, 132 S. Ct. at 1300. Indeed, “simply appending conventional steps,
20 specified at a high level of generality, to laws of nature, natural phenomena, and
21 abstract ideas cannot make those laws, phenomena, and ideas patentable.”
22 *Prometheus*, 132 S. Ct. at 1300; see also *Fort Props., Inc. v. Am. Master Lease LLC*,
23 671 F.3d 1317, 1323 (Fed. Cir. 2012) (“Such a broad and general limitation does not
24 impose meaningful limits on the claim’s scope.”). The claims are invalid if, based on
25 the “concept embodied by the majority of the limitations” of the claims, see
26 *Ultramercial*, 772 F.3d at 715, the claims recite a simple invention.

27 The Court “examine[s] the elements of the claim to determine whether it
28 contains an inventive concept sufficient to transform the claimed abstract idea into a

1 patent-eligible application.” *Alice*, 134 S.Ct. at 2357 (quoting *Mayo*, 132 S.Ct. at
2 1294, 1298) (internal quotation marks omitted). “A claim that recites an abstract idea
3 must include additional features” which “must be more than well-understood,
4 routine, conventional activity.” *Ultramercial*, 772 F.3d at 715 (quoting *Mayo*, 132
5 S.Ct. at 1298 and *Alice*, 134 S.Ct. at 2357) (internal quotation marks omitted).

6 As this Court recognizes, claim construction is not required to conduct a § 101
7 analysis. See *Bilski*, 130 S. Ct. 3218, 3231 (2010) (finding subject matter patent
8 ineligible without claim construction); *CLS Bank Int’l v. Alice Corp.*, 717 F.3d 1269
9 (Fed. Cir. 2013) (determining whether subject matter was patent eligible without
10 claim construction).

11 **IV. ARGUMENT**

12 **A. The independent claims are not patent eligible under 35 U.S.C. § 101.**

13 The independent claims are invalid under § 101 for three reasons. First, the
14 independent claims are directed to abstract ideas that are not eligible for patent
15 protection. Second, the independent claims do not contain meaningful limitations that
16 restrict the claim to a non-routine and specific application of the idea. See *Alice*, 134
17 S.Ct. at 2358 (“Given the ubiquity of computers, wholly generic computer
18 implementation is not generally the sort of ‘additional feature[e]’ that provides any
19 ‘practical assurance that the process is more than a drafting effort designed to
20 monopolize the [abstract idea] itself.’” (quoting *Mayo*, 132 S.Ct. at 1297) (alterations
21 in original)). Finally, the independent claims fail the machine-or-transformation test.

22 **1. The independent claims preempt the abstract idea of allowing 23 people to obtain vehicle tracking information.**

24 Patent eligibility is evaluated from the perspective of the claims. *Dealertrack*,
25 674 F.3d at 1334 (“In considering patent eligibility under § 101, one must focus on
26 the claims.”). Here, the independent claims are directed to the abstract idea of
27 allowing people to obtain vehicle tracking information. See, e.g., ‘207 Patent at 7:62-
28 8:17, 8:32-47, 8:60-9:7. To accomplish this, the claims merely recite (1) storing and

1 updating vehicle status information, and (2) retrieving the vehicle status information.
2 *Id.* These steps are no more than routine tasks performed to allow people to obtain
3 vehicle tracking information, and therefore, are abstract concepts. *See Prometheus*,
4 132 S.Ct. at 1294 (finding that a claim is not rendered patent-eligible by reciting an
5 abstract idea and adding additional steps that merely reflect routine, conventional
6 activity of those who work in the field). Therefore, the independent claims
7 encompass the abstract idea of allowing people to obtain vehicle tracking
8 information.

9 **2. The independent claims do not contain meaningful limitations**
10 **that would render them patent eligible.**

11 The independent claims do not recite meaningful limitations that render them
12 patent eligible. In fact, the abstract concepts found in the independent claims can be
13 performed by a human using pen and paper to store vehicle status and report the same
14 upon request, which confirms they do not qualify for patent protection. *See*
15 *CyberSource*, 654 F.3d at 1371-72 (“[M]ethods which can be performed mentally, or
16 which are the equivalent of human mental work, are unpatentable abstract ideas.”);
17 *see also id.* at 1372 (finding a method claim invalid under 101 because all the recited
18 “steps can be performed in the human mind, or by a human using a pen and paper”).
19 As discussed above, the claimed steps (*e.g.*, storing and updating vehicle status
20 information and reporting the status when requested) are no more than routine tasks
21 performed by transportation companies for many decades, such as airlines, bus
22 companies, taxi companies, railroads, and trucking companies. A claim is not
23 rendered patent-eligible by reciting an abstract idea and adding additional steps that
24 merely reflect routine, conventional activity of those who work in the field. *See*
25 *Prometheus*, 132 S. Ct. at 1294. The inclusion of a computer and database
26 components in the claim does not alter the analysis because such components do not
27 add meaningful limitations to the claim. *See Accenture Global Servs., GmbH v.*
28 *Guidewire Software, Inc.*, 728 F.3d 1336, 1345 (Fed. Cir. 2013) (reasoning that the

1 claim’s recitation of “a database of tasks, a means to allow a client to access those
2 tasks, and a set of rules that are applied to that task on a given event” were
3 insufficient to limit the abstract concept in a meaningful way).

4 Claiming a computer implementation of a purely mental process that could
5 otherwise be performed without the use of a computer does not render a claim
6 patentable. *See CyberSource*, 654 F.3d at 1375–76 and *Dealertrack*, 674 F.3d at
7 1333). Indeed, when “insignificant computer-based limitations are set aside from
8 those claims that contain such limitations, the question under § 101 reduces to an
9 analysis of what additional features remain in the claims.” *Accenture*, 728 F.3d at
10 1345 (quoting *Bancorp Servs., L.L.C. v. Sun Life Assur. Co. of Canada (U.S.)*, 687
11 F.3d 1266, 1279 (Fed. Cir. 2012) (holding claims patent ineligible even when the
12 specification “contains very detailed software implementation guidelines” because
13 “the system claims themselves only contain generalized software components
14 arranged to implement an abstract concept on a computer.”)). Here, the claims only
15 contain generalized computer and software components used to implement an
16 abstract concept on a computer, without limiting the abstract concept in a meaningful
17 way. *See Accenture*, 728 F.3d at 1345 (holding that the recitation of generalized
18 software components, such as a database or an event processor, does not transform a
19 claim to an abstract concept into a patent-eligible system or method).

20 The ‘207 Patent specification admits a “human operator” presently provides
21 the vehicle status information claimed:

22 Presently, it is possible for users to call a central processing station to obtain
23 information on the status of a vehicle of interest. For example, it is possible for
24 a user to call an airline or a bus depot and find out whether an airplane or bus
25 is on or off schedule. In some situations a **human operator** at the processing
26 station (e.g., the airline or bus depot) receives the call from the user who asks
27 the operator for information regarding the status of a particular vehicle. The
28 operator then looks up the status of the vehicle from a chart or database and
provides the user with the requested information. (Emphasis added. ‘207
Patent at 1:23-32).

Each of the independent claims of the ‘207 Patent can be performed entirely by
a human using pen and paper to store and retrieve vehicle status information. Claims

1 1, 5 and 10 generally claim the abstract idea of a method and system for allowing
2 people to obtain vehicle tracking information by storing the information in a
3 database, communicating updates to the database, and reporting the current status
4 when requested. The method of claim 10 that is performed by the “system manager”
5 software of claim 1 can simply be replaced by the “human operator” described in the
6 background section of the specification. Therefore, the patent eligibility of these
7 claims turn on whether they contain limitations that meaningfully tie that abstract
8 idea to a patent-eligible application. *Alice*, 134 S.Ct. at 2357 (quoting *Mayo*, 132
9 S.Ct. at 1294, 1298). Whatever may be disclosed in the specification of the ‘207
10 Patent itself, nothing in Claims 1 and 10 indicates any particular hardware or
11 software to carry out the vehicle status storing, updating, and reporting functions.
12 Indeed, the claimed method and system could be performed by a human without
13 employing a computer.

14 The system of claim 1 for storing and retrieving vehicle status information on a
15 computer may make the process of storing and retrieving the information quicker or
16 easier, but that does not make the claim patentable. *See Bancorp*, 687 F.3d at 1279
17 (“Using a computer to accelerate an ineligible mental process does not make that
18 process patent-eligible.”). Because Claims 1 and 10 of the ‘207 Patent are directed to
19 the abstract idea of allowing people to obtain vehicle tracking information, they are
20 unpatentable.

21 Similarly, employing a human in place of the computer system in Claim 5
22 produces the same result. The system of Claim 5 is not significantly different from
23 Claim 1 of the ‘207 Patent, it is the same claim written in a means-plus-function
24 format. The specification only discloses convention hardware and software for
25 performing the claimed functions. See ‘207 Patent at 4:12-5:4. Moreover, like
26 Claim 1, Claim 5 of the ‘207 Patent can be performed by a human. The use of a
27 computer database to store and associate vehicle information in the claim does not
28 alter the analysis. *See Accenture*, 728 F.3d at 1345 (reasoning that the claim’s

1 recitation of “a database of tasks, a means to allow a client to access those tasks, and
2 a set of rules that are applied to that task on a given event” were insufficient to limit
3 the abstract concept in a meaningful way). The same analysis noted above with
4 respect to claims 1 and 10 apply to claim 5. Because Claim 5 claims only a computer
5 program product for performing an abstract idea, it is not patent eligible under § 101.

6 As the analysis indicates, “cloaking an otherwise abstract idea in the guise of a
7 computer-implemented claim is insufficient to bring it within Section 101.”

8 *MySpace, Inc. v. GraphOn Corp.*, 672 F.3d 1250, 1267 (Fed. Cir. 2012). Because the
9 independent claims of the ‘207 Patent do not have meaningful limitations that restrict
10 the claim to a non-routine and specific application of the idea, the independent claims
11 should be held invalid under § 101.

12 **3. The independent claims fail the Machine-or-Transformation Test.**

13 Courts often look to the machine-or-transformation test (“MOTT”) as “an
14 investigative tool” to assess patent eligibility. *Bilski*, 130 S. Ct. at 3227. Under this
15 test, a process is patentable if “(1) it is tied to a particular machine or apparatus, or
16 (2) it transforms a particular article into a different state or thing.” *Id.* at 3225-26.
17 Significantly, however, although the MOTT still remains a “useful and important
18 clue,” the Supreme Court has held that it is not the sole test for determining the
19 patent-eligibility of process claims. *Id.* at 3227; *see also Prometheus*, 628 F.3d at
20 1349.

21 The independent claims fail both prongs of the MOTT because the recitation of
22 general purpose computer and database components are not meaningful limitations
23 and simply storing vehicle status information and updating it for later retrieval does
24 not constitute a requisite transformation. Although the machine-or-transformation test
25 is applied to process claims, the Federal Circuit has stated that “system claims that
26 closely track method claims and are grounded by the same meaningful limitations
27 will rise and fall together.” *Accenture*, 728 F.3d at 1341.

28 ///

1 **(a) The independent claims are not tied to a particular**
2 **machine or apparatus.**

3 A claim does not satisfy the machine prong of the MOTT if the claim as a
4 whole reveals that it only calls for a general purpose computer to perform the abstract
5 idea. *See Dick's Sporting Goods*, No. 6:12-cv-00674-LED, Dkt. No. 116 at 11 (citing
6 *Bancorp*, 687 F.3d at 1273, 1278 (affirming the district court's ruling that a general
7 purpose computer does not satisfy the machine prong of the MOTT test)); *see also*
8 *OIP Techs., Inc. v. Amazon.com, Inc.*, 2012 WL 3985118, at *13 (N.D. Cal. Sept. 11,
9 2012) (“[M]erely identifying general ‘machine elements’ does not satisfy the MOTT;
10 were that so, virtually any use of devices beyond the human body for a claimed
11 method would satisfy the test.”).

12 Here, nothing in the independent claims distinguish the recited computer
13 components from a general purpose computer. In particular, the independent claims
14 do not “specify how the computer hardware and database are specially programmed
15 to perform the steps in the patent.” *Dealertrack*, 674 F.3d at 1333. In addition, the
16 computer components add nothing of significance to the claimed abstract idea.
17 Indeed, as illustrated above, the recited actions can just as easily be performed by a
18 human. *Cf. Sirf Tech., Inc. v. Int’l Trade Comm’n*, 601 F.3d 1319 (Fed. Cir. 2010)
19 (holding that the GPS receiver is essential to the process claim because a human
20 cannot receive satellite signals). Of course, “[u]sing a computer to accelerate an
21 ineligible mental process does not make that process patent-eligible.” *Bancorp*, 687
22 F.3d at 1279. Therefore, the independent claims fail the machine prong of the
23 machine-or-transformation test.

24 In *Ultramercial*, the Federal Circuit held that the patented steps of “receiving
25 copyrighted media, selecting an ad, offering the media in exchange for watching the
26 selected ad, displaying the ad, allowing the consumer to access the media, and
27 receiving payment from the sponsor of the ad” using computers and the internet were
28 directed to a patent-ineligible abstract idea. 772 F.3d at 715. If the instant claims can

1 be said to involve complex computer programming, then the claims at issue in
2 *Ultramercial* can be said to require at least the same level programming complexity.
3 *See id.* However, the instant claims and the *Ultramercial* claims fail for the same
4 reason: they comprise only “conventional steps, specified at a high level of
5 generality, which is insufficient to supply an inventive concept.” *Id.* at 716 (quoting
6 *Alice*, 134 S.Ct. at 2357) (internal quotation marks omitted).

7 **(b) The independent claims do not transform a particular**
8 **article into a different state or thing.**

9 “[M]ere manipulation or reorganization of data . . . does not satisfy the
10 transformation prong.” *Cybersource*, 654 F.3d at 1375. Here, the independent claims
11 merely store vehicle status information, update the information and retrieve the
12 information upon request. Because the vehicle status information is merely a
13 collection of the original data it is not transformative. In other words, the result of the
14 claimed process is nothing more than storing and retrieving the original data. For this
15 reason, the independent claims also fail the transformation prong.

16 **B. The dependent claims are also not patent eligible under 35 U.S.C. § 101.**

17 The dependent claims add nothing not found in the independent claims, and therefore
18 are invalid under § 101 for the same reasons discussed above. Nothing in the dependent
19 claims takes them beyond the abstract ideas in the independent claims. The
20 dependent claims do not contain meaningful limitations that restrict the claims to a
21 non-routine and specific application of the abstract idea of allowing people to obtain
22 vehicle tracking information. Therefore, the dependent claims must fail for the same
23 reasons discussed above. *See Alice*, 134 S.Ct. at 2357. Finally, the dependent claims
24 fail the machine-or-transformation test for the same reasons the independent claims
25 fail the test. *See Ultramercial*, 772 F.3d at 716 (“That some of the [claimed steps]
26 were not previously employed in this art is not enough—standing alone—to confer
27 patent eligibility upon the claims at issue.”).

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1 **C. The Enfish Decision Does Not Save These Claims.**

2 The Federal Circuit recently instructed that the "'directed to' inquiry applies a
3 stage-one filter to claims, considered in light of the specification, based on whether
4 'their character as a whole is directed to excluded subject matter.'" *Enfish, LLC v.*
5 *Microsoft Corp.*, — F.3d —, 2016 WL 2756255, at *4 (Fed. Cir. May 12, 2016)
6 (quoting *Internet Patents Corp. v. Active Network, Inc.*, 790 F.3d 1343, 1346 (Fed.
7 Cir. 2015)); see also *Cal. Inst. Tech. v. Hughes Commc'ns, Inc.*, 59 F. Supp. 3d 974,
8 991-92 (C.D. Cal. 2014) (requiring that a court "identify the purpose of the claim—in
9 other words, what the claimed invention is trying to achieve—and ask whether that
10 purpose is abstract," making the *Alice/Mayo* step 1 "a sort of 'quick look' test, the
11 object of which is to identify a risk of preemption and ineligibility"); *DDR Holdings,*
12 *LLC v. Hotels.com, L.P.*, 773 F.3d 1245, 1258-59 (Fed. Cir. 2014) (although blurring
13 steps one and two in analyzing internet-based patent claims, finding the claims not
14 patent-ineligible where they "specify how interaction with the Internet are
15 manipulated to yield a desired result—a result that overrides the routine and
16 conventional sequence of events ordinarily triggered by the click of the hyperlink").
17 It is "relevant to ask whether the claims are directed to an improvement to computer
18 functionality versus being directed to an abstract idea, even at the first step of the
19 *Alice* analysis," which can entail reviewing both the claim language and the
20 specification. *Enfish*, — F.3d —, 2016 WL 2756255, at *4-*6.

21 The Federal Circuit recently held in *Bascom Global Internet Services, Inc. v.*
22 *AT&T Mobility LLC* that "an inventive concept can be found in the nonconventional
23 and non-generic arrangement of known, conventional pieces," particularly where the
24 invention claimed is more than the implementation of an abstract idea "on generic
25 computer components, without providing a specific technical solution beyond simply
26 using generic computer concepts in a conventional way." — F.3d —, 2016 WL
27 3514158, at *6, *8 (Fed. Cir. June 27, 2016). The claims of the '207 Patent use
28 generic conventional computer components in a conventional manner.

1 Courts have determined similar claims to be directed to abstract ideas. *See,*
2 *e.g., Wireless Media Innovations, LLC v. Maher Terminals, LLC*, 100 F. Supp. 3d
3 405, 408–09, 413–15 (D.N.J. 2015) (claims directed to the abstract idea of
4 “monitoring locations, movement, and load status of shipping containers within a
5 container-receiving yard, and storing, reporting and communicating this information
6 in various forms through generic computer functions”), *aff’d*, 636 F. App’x 1014
7 (Fed. Cir. 2016) (nonprecedential); *GT Nexus, Inc. v. Intra, Inc.*, No. 11-02145-
8 SBA, 2015 WL 6747142, at *4–6 (N.D. Cal. Nov. 5, 2015) (claims directed to the
9 abstract idea of “intermediated booking and tracing of shipping containers”).

10 **V. CONCLUSION**

11 Because the claims of the ‘207 Patent do not embrace patentable subject matter
12 under § 101, LogiNext respectfully requests the Court dismiss this case for failure to
13 state a claim upon which relief can be granted.

14 Dated: August 8, 2016

TEKLAW

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LogiNext Solutions Inc.

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