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Emmanuel A. Fishelman

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## *MySpace, Inc. v. GraphOn Corp.*: Ignoring the Basic Premise that 101 Must Come Before 102 and 103

IN *MYSPACE, INC. v. GRAPHON CORP.*, the United States Federal Circuit (“Federal Circuit”) considered whether summary judgment of the invalidity of patents-in-suit was appropriate.<sup>1</sup> The court affirmed the grant of summary judgment and noted that the district court correctly decided the case under §§ 102 and 103 of the Patent Act,<sup>2</sup> as opposed to under § 101, as argued by the dissent.<sup>3</sup> In deciding to bypass the § 101 subject matter eligibility analysis,<sup>4</sup> the court incorrectly ignored several decades of United States Supreme Court (“Supreme Court”) and Federal Circuit precedent.<sup>5</sup> This decision will lead to increased confusion in the area of § 101 jurisprudence—an already extremely unclear and convoluted area of law.<sup>6</sup> As a result of *MySpace*, Supreme Court intervention will eventually be necessary to clarify whether § 101 is a preliminary question or if a judge can avoid it in the exercise of discretion.<sup>7</sup>

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1. *MySpace, Inc. v. GraphOn Corp.*, 672 F.3d 1250 (Fed. Cir. 2012).
2. *Id.* at 1253.
3. *Id.* at 1264 (Mayer, J., dissenting).
4. *Id.* at 1262.
5. See discussion *infra* Part IV.A.
6. See discussion *infra* Part IV.B.
7. See discussion *infra* Part IV.C.

I. THE CASE

*MySpace, Inc. v. GraphOn Corp.* was a patent<sup>8</sup> infringement case that involved four different patents.<sup>9</sup> Each of these four patents claimed priority to a parent application, filed on December 14, 1995.<sup>10</sup> The four patents disclosed a method that allowed users to “create, modify, and/or search” for database records over a computer network.<sup>11</sup>

The litigation began when MySpace, Inc. and Craigslist, Inc. (collectively referred to as “MySpace”) individually filed declaratory judgment suits against GraphOn Corporation (“GraphOn”) in the Northern District of California.<sup>12</sup> MySpace alleged that they did not infringe the four patents-in-suit because the patents were invalid and because an existing patent, called the Mother of All Bulletin Boards (“MBB”),<sup>13</sup> basically provided the same functions as those functions asserted in the patents.<sup>14</sup> In stressing that the MBB invalidated the asserted patents under any reasonable construction of the term “database,”<sup>15</sup> MySpace argued that the patents were invalid as anticipated under 35 U.S.C. § 102 (“§ 102”) and obvious under 35 U.S.C. § 103 (“§ 103”).<sup>16</sup> GraphOn denied these allegations and argued that construction of the term “database” was necessary for MySpace’s invalidity

8. *Patents*, U.S. PAT. & TRADEMARK OFF., <http://www.uspto.gov/inventors/patents.jsp#heading-1> (last modified July 31, 2013). A patent is “a property right granted by the Government of the United States of America to an inventor to exclude others from making, using, offering for sale, or selling the invention throughout the United States or importing the invention into the United States for a limited time in exchange for public disclosure of the invention when the patent is granted.” *Id.* (internal quotations omitted).

9. *MySpace*, 672 F.3d at 1254. The four patents at issue were U.S. Patent Nos. 6,324,538 (“538 Patent”), 6,850,940 (“940 Patent”), 7,028,034 (“034 Patent”), and 7,269,591 (“591 Patent”). *Id.*

10. *Id.* at 1254.

11. *MySpace, Inc. v. GraphOn Corp.*, 756 F.Supp.2d 1218, 1223 (N.D. Cal. 2010), *aff’d*, 672 F.3d 1250 (Fed. Cir. 2012). A prime example of such a computer network is the internet. *Id.*

12. *MySpace*, 672 F.3d at 1253. Fox Audience Network (“FOX”) is also included in “MySpace.” *Id.* The MySpace and Craigslist cases were consolidated in May 2010. *Id.* at 1254.

13. *MySpace*, 756 F. Supp. 2d at 1224. The MBB was created by Dr. Oliver McBryan at the University of Colorado, between Fall 1993 and February 1994. *Id.* The MBB “provid[ed] the ability to have online Internet catalogues . . . which could grow without any intervention from a webmaster.” It also allowed users to create entries that others could access, while the webmaster retained control, and it stored all of its files in a hierarchical file system. *Id.*

14. *Id.* at 1222.

15. *Id.* at 1225. The three different models of database structures, in use prior to the suit, were: hierarchical, relational, and network. *Id.* at 1222. A hierarchical database “uses a tree structure, which resembles a parent-child relationship in which one parent can have many children, but a child can only have one parent.” *Id.* A network database “uses a modified tree structure that allows for a node to be pointed to by more than one parent.” *Id.* at 1223. A relational database “uses a table structure which is designed to manage and organize large amounts of related data.” *Id.* At the time of the patents-in-suit, the relational database was the most powerful and flexible of all the databases. *Id.*

16. *Id.* at 1222.

argument because “database” was present in all four patents-in-suit.<sup>17</sup> On May 26, 2010, MySpace filed a summary judgment motion on this issue of patent invalidity.<sup>18</sup>

The primary issue the district court faced was whether a database consists solely of a relational database or whether a database can also encompass a hierarchical database, such as a file system.<sup>19</sup> If “database” was defined to include both relational and hierarchical systems, then GraphOn’s patents, which described a hierarchical system, would be invalid as anticipated under § 102<sup>20</sup> or obvious under § 103,<sup>21</sup> because of the MBB.<sup>22</sup> However, if “database” was defined to only consist of a relational system, then it would be unclear whether the MBB invalidates the patents-in-suit, and as a result, summary judgment would be inappropriate as there would be a genuine issue of disputed fact regarding the invalidity.<sup>23</sup> The district court did not address the subject matter eligibility requirements laid out in 35 U.S.C. § 101 (“§101”)<sup>24</sup> in its analysis.

In its analysis of the parties’ claims, the district court began by evaluating the claim language for its “ordinary and customary meaning.”<sup>25</sup> The court noted that the term “relational” was not found anywhere in the patent claims or specification.<sup>26</sup> GraphOn’s proposed construction<sup>27</sup> would, therefore, impose limitations that are not present in the claims.<sup>28</sup> Next, the court turned to the specification and noted that the specification encompassed several types of databases, as opposed to a solely relational database.<sup>29</sup> The court also noted that the specification contained other language that weighed against GraphOn’s narrow definition of “database.”<sup>30</sup> Therefore, the court concluded that the specifications supported a broader

17. *Id.* at 1225.

18. *Id.* at 1222.

19. *Id.* at 1227.

20. See discussion *infra* Part II.B.

21. See discussion *infra* Part II.B.

22. *MySpace, Inc. v. GraphOn Corp.*, 672 F.3d 1250, 1255 (Fed. Cir. 2012).

23. *Id.*

24. See discussion *infra* Part II.B.

25. *MySpace, Inc. v. GraphOn Corp.*, 756 F. Supp. 2d 1218, 1225 (N.D. Cal. 2010), *aff’d*, 672 F.3d 1250 (Fed. Cir. 2012). The ordinary and customary meaning is understood to be “the meaning that the term would have to a person of ordinary skill in the art in question at the time of the invention.” *Id.* (quoting *Phillips v. AWH Corp.*, 415 F.3d 1303, 1313 (Fed. Cir. 2005)).

26. *MySpace*, 756 F. Supp. 2d at 1227. The Court explained that the fact that “relational” was not found in the patent claims or specifications supported MySpace’s argument that “database” is not limited to a relational system. *Id.*

27. *Id.* GraphOn defined database narrowly as a relational database. *Id.*

28. *Id.*

29. *Id.* The Court inferred that the language in the specification indicated that various types of databases were intended by the term “database.” *Id.* at 1228.

30. *Id.* at 1228.

construction of “database” than solely relational systems.<sup>31</sup> Lastly, the court considered the extrinsic evidence proffered in the case and noted that the expert testimony supported MySpace’s construction of “database” and “reinforced the appropriateness of a broader definition of database.”<sup>32</sup>

Using these steps, the district court construed “database” as “a collection of data with a given structure that can be stored and retrieved” and granted MySpace’s Motion for Summary Judgment.<sup>33</sup> GraphOn filed a timely appeal to the United States Court of Appeals for the Federal Circuit.<sup>34</sup>

## II. LEGAL BACKGROUND

The issue of whether the subject matter eligibility requirements of § 101 must be addressed before the §§ 102 and 103 issues of anticipation and obviousness are analyzed has been addressed in several patent infringement cases heard by the Federal Circuit<sup>35</sup> and Supreme Court.<sup>36</sup> This precedent clearly states that § 101 must be addressed at the onset of a patent invalidity analysis, prior to the analysis of §§ 102 or 103.<sup>37</sup>

### A) *Brief History and Overview of the Federal Circuit*

In order to understand the Federal Circuit’s role in patent infringement cases, it is helpful to briefly review its history and jurisdiction. The United States Court of Appeals for the Federal Circuit was created in 1982.<sup>38</sup> The Federal Circuit consists of a merger between the United States Court of Customs and Patent Appeals and the United States Court of Claims.<sup>39</sup> The Federal Circuit has exclusive jurisdiction over appeals in all patent cases and its precedent is binding on those cases.<sup>40</sup> Only the Supreme Court of the United States has the authority to overturn a decision of

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31. *Id.* at 1229.

32. *Id.* at 1230–31. The experts included the inventor of the ‘538 patent and the founder of the MBB. *Id.* at 1234.

33. *Id.* at 1232, 1243. In adopting MySpace’s definition of “database,” the Court declined to restrict “database” to solely relational system, as set forth by GraphOn. *Id.* At 1232. This invalidated the patents-in-suit as anticipated under § 102 or obvious under § 103. *Id.* at 1243.

34. *MySpace, Inc. v. GraphOn Corp.*, 672 F.3d 1250, 1253 (Fed. Cir. 2012).

35. See discussion *infra* Part II.B.

36. See discussion *infra* Part II.C.

37. See discussion *infra* Part II.B–C.

38. *Court Jurisdiction*, U.S. COURT OF APPEALS FOR FED. CIRCUIT, <http://www.cafc.uscourts.gov/the-court/court-jurisdiction.html> (last visited Nov. 5, 2013).

39. *Id.* As a result, all cases formerly heard by the United States Court of Customs and Patent Appeals are now heard by the Federal Circuit.

40. *Id.* This distinction is what makes decisions of the Federal Circuit different from decisions of other circuits.

the Federal Circuit.<sup>41</sup> Otherwise, the decisions of the Federal Circuit are binding throughout the United States if they are within the bounds of the court's subject-matter jurisdiction.<sup>42</sup>

*B) Title 35 of the United States Code: The Patent Act*

Similar to the importance of understanding the Federal Circuit, knowledge of Title 35 of the United States Code, otherwise known as the "Patent Act," is vital to understanding patent law.<sup>43</sup> In the United States, all aspects of patent law are governed by the Patent Act.<sup>44</sup> Under the Patent Act, there are four basic requirements that an invention must meet in order to be patent-eligible.<sup>45</sup> The first requirement of patentability, found in §101, is that the invention must concern patentable subject matter.<sup>46</sup> Under § 102, the application for a patent on the invention must be unanticipated and the invention must be timely.<sup>47</sup> Under § 103, the invention also must not be obvious.<sup>48</sup> Lastly, under § 112, there must be a sufficient amount of documentation for the invention.<sup>49</sup>

Section 101 of the Patent Act introduces the basic categories of patent eligible subject matter, otherwise known as the "subject matter eligibility requirement."<sup>50</sup> The text of § 101 states: "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title."<sup>51</sup> In general, § 101 is very broad and most inventions will fall under its purview.<sup>52</sup> However, the Supreme Court has restricted the reach of §

41. *Id.*

42. *Id.*

43. See Mary Bellis, *Patent Law: Understanding what patent law is and how it effects an inventor*, [http://inventors.about.com/od/patentattorneys/a/patent\\_law.htm](http://inventors.about.com/od/patentattorneys/a/patent_law.htm) (last visited Nov. 5, 2013) (noting that current patent law is outlined by the U.S. Patent Act, Title 35 U.S.C.).

44. Jeffrey I. Auerbach, *Patent Law Principles & Strategies*, (Oct. 2006), <http://euro.ecom.cmu.edu/program/law/08-732/Patents/PatentLawPrinciples.pdf> ("Title 35 of the United States Code contains the statutory provisions affecting the grant of a United States patent.")

45. 35 U.S.C. §§ 101, 102, 103, 112 (2006). An invention must meet the requirements of §§ 101, 102, 103, and 112. *Id.*

46. 35 U.S.C. § 101 (2006).

47. 35 U.S.C. § 102 (2006).

48. 35 U.S.C. § 103 (2006).

49. 35 U.S.C. § 112 (2006).

50. Daniel McKenzie, *Patent Law 101: What's Wrong and Ways to Make it Right*, TECHCRUNCH (Apr. 8, 2012), <http://techcrunch.com/2012/04/08/patent-law-101-whats-wrong-and-ways-to-make-it-right/> (describing the categories eligible to be patented).

51. 35 U.S.C. § 101 (2006).

52. See Charles R. Bruzga, *A Review of the Benson-Flook-Diehr Trilogy: Can the "Subject Matter" Validity of Patent Claims Reciting Mathematical Formulae Be Determined Under 35 U.S.C. Section 112?*, 69 J. PAT. & TRADEMARK OFF. SOC'Y 197-98 (1987).

101 through the creation of three judicial exceptions of what is deemed to not constitute eligible subject matter.<sup>53</sup> These three judicial exceptions include all “laws of nature, physical phenomena, and abstract ideas.”<sup>54</sup> Three cases, known as the “Big Three,” have provided guidelines and standards regarding the laws of nature and physical phenomena.<sup>55</sup> However, the meaning of abstract ideas is far more ambiguous,<sup>56</sup> and courts have had a very difficult time explaining what that term means or what it may encompass.<sup>57</sup>

The next section of the Patent Act, § 102, is based on the concept of novelty.<sup>58</sup> The section describes circumstances when a patent cannot be granted to an inventor because the invention is already known publically, or it is no longer “novel.”<sup>59</sup> The § 102 subsections describe different types of prior art that can be used as evidence to establish that an invention is already public.<sup>60</sup> If an invention qualifies as prior art, a patent on the subsequent invention is invalid.<sup>61</sup>

Finally, § 103<sup>62</sup> of the Patent Act is based on the concept of obviousness.<sup>63</sup> This section provides that the invention must not have been obvious “to a person having ordinary skill in the art.”<sup>64</sup> In determining obviousness, neither the motivation nor the purpose of the patentee is controlling.<sup>65</sup> Rather, if the claim extends to what is obvious, it is invalid and un-patentable under § 103.<sup>66</sup> A way to prove obviousness is to inquire whether, if at the time of invention, there was a known problem “for

53. See *Diamond v. Chakrabarty*, 447 U.S. 303, 303 (1980).

54. *Id.* at 309.

55. See *Diamond v. Diehr*, 450 U.S. 173, 185 (1980); *Parker v. Flook*, 437 U.S. 584, 598 (1978); *Gottschalk v. Benson*, 409 U.S. 64, 67 (1972).

56. See *Bilski v. Kappos*, 130 S. Ct. 3218, 3236 (2010).

57. See *Ultramerical, LLC v. Hulu, LLC*, 722 F.3d 1335, 1341 (Fed. Cir. 2013) (noting that defining “abstractness” has presented difficult problems, in the realm of § 101).

58. 35 U.S.C. § 102 (2006).

59. *Id.*

60. *Id.* This includes inventions that have already been described in existing patent applications and inventions that have been on sale for over a year prior to the filing of the patent application. *Id.*

61. *Id.*

62. 35 U.S.C. § 103 (2006).

63. *Id.* at (a). “A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.”

64. *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007) (noting that § 103 of the Patent Act forbids issuance of a patent when “the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art”).

65. *Id.* at 397.

66. *Id.* at 407.

which there was an obvious solution encompassed by the patent's claims.<sup>67</sup> In such a situation, patenting is inappropriate due to the element of obviousness.

C) *Supreme Court Precedent States That § 101 Is a Prerequisite That Must Be Addressed Before §§ 102 and 103 Can Be Analyzed In Patent Infringement Cases*

In construing the Patent Act, the Supreme Court has decided many cases which have stated, both explicitly and implicitly, that the subject matter eligibility requirements contained in § 101 must be addressed before a court can analyze the other sections of the Patent Act.<sup>68</sup> For the past 35 years, the Supreme Court has consistently affirmed and reaffirmed the importance of addressing § 101 at the onset of a patent invalidity challenge, before any consideration of §§ 102 and 103 should take place.<sup>69</sup> Though courts have held that § 101 must come first, its ambiguity and lack of concreteness has made other sections of the Patent Act, such as §§ 102 and 103, more appealing to judges in patent litigation.<sup>70</sup>

In 1978, the Court decided *Parker v. Flook*, its first major opinion that introduced the idea that § 101 must be addressed before any other section of the Patent Act, in patent invalidity challenges.<sup>71</sup> In *Flook*, a patent application would have hypothetically met the §§ 102 and 103 requirements of novelty and non-obviousness.<sup>72</sup> However, the Supreme Court rejected the application and did not analyze the §§ 102 and 103 requirements because the patent application did not meet the requirements of § 101—specifically, because the claimed process, considered as a whole, contained no patentable invention.<sup>73</sup> The Court prominently emphasized that “the obligation to determine [whether an invention] falls within the ambit of section 101 ‘must precede the determination of whether that [invention] is, in fact, new or obvious.’”<sup>74</sup> This language in *Flook* marshaled in the

67. *Id.* at 419–20.

68. See e.g., *Bilski v. Kappos*, 130 S. Ct. 3218 (2010); *Diamond v. Diehr*, 450 U.S. 175 (1981); *Parker v. Flook*, 437 U.S. 584 (1978); *State St. Bank & Trust Co. v. Signature Fin. Group, Inc.*, 149 F.3d 1368 (Fed. Cir. 1998) *abrogated by In re Bilski*, 545 F.3d 943 (Fed. Cir. 2008).

69. *Flook*, 437 U.S. at 584. Decided in 1978, *Flook* was the first case to address the importance of addressing § 101 prior to any other statutory provision in the patent act. *Id.*

70. See Peter S. Menell, *Forty Years of Wondering in the Wilderness and No Closer to the Promised Land: Bilski's Superficial Textualism and the Missed Opportunity to Return Patent Law to its Technology Mooring*, 63 STAN. L. REV. 1289, 1289 (2011) (noting the “lack of a forthright, principled framework for delineating the boundaries of patentable subject matter”).

71. *Parker v. Flook*, 437 U.S. 584 (1978). Two years earlier in *Dann v. Johnston*, the Supreme Court held that the patents-in-suit were unpatentable as obvious, under § 103. 425 U.S. 219, 220 (1976). However, the Court did not explicitly state that § 101 must come first. *Id.*

72. *Flook*, 437 U.S. at 600.

73. *Id.* at 595 n. 18. (noting that “a claim for an improved method of calculation, even when tied to a specific end use, is unpatentable subject matter under § 101”).

74. *Id.* at 593.



beginning of judicial interpretation of the Patent Act requiring § 101 interpretation as a preliminary test.

Two years after *Flook*, the Supreme Court elaborated on the wide scope of § 101 and discussed the importance of its consideration.<sup>75</sup> In *Diamond v. Chakrabarty*, the Supreme Court inquired into Congress's intent and noted that, in drafting § 101, Congress intended for it to include "anything under the sun that is made by man."<sup>76</sup> The Supreme Court accordingly adopted the idea of broad patentability.<sup>77</sup> Then, in 1981, the Supreme Court reaffirmed *Flook* in its decision in *Diamond v. Diehr*, where it expressly stated that the question of whether a particular invention meets the §§ 102 or 103 requirements does not affect the determination of whether it meets § 101's subject matter eligibility requirement.<sup>78</sup> In noting that a § 101 analysis is "wholly apart" from a § 102 or § 103 analysis, the Supreme Court provided important precedent that it and the Federal Circuit would use for the next three decades.<sup>79</sup>

The Court's view on the vital role that § 101 plays and its interpretation that § 101 must *always* be analyzed first in patent cases was reaffirmed in 2010.<sup>80</sup> In *Bilski v. Kappos*, the Court called the § 101 subject matter eligibility inquiry a "threshold test," and specified that a claimed invention must not only satisfy § 101, but must also satisfy the conditions and requirements of §§ 102, 103, and 112 in order to receive the protection of the Patent Act.<sup>81</sup> The importance of *Bilski* and whether it provided significant contributions to patent law have been debated by legal scholars. Some scholars argue that *Bilski* was the most important Supreme Court decision that contributes to § 101 jurisprudence and that it had "the makings of a landmark decision."<sup>82</sup> However, other scholars disagree that *Bilski* was a major piece of § 101 jurisprudence, noting that *Bilski* did not provide any insight into what § 101 requires, and it specifically left out a test for assessing whether

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75. *Diamond v. Chakrabarty*, 447 U.S. 303 (1980).

76. *Id.* at 309; see also Ricardo Bonilla, *A Patented Lie: Analyzing the Worthiness of Business Method Patents After Bilski v. Kappos*, 43 TEX. TECH L. REV. 1285, 1298 (2011).

77. See Gerard N. Magliocca, *Patenting the Curve Ball: Business Methods and Industry Norms*, 2009 B.Y.U. L. REV. 875, 880 (2009) (noting that the legislative history of the Patent Act is often quoted by proponents of broad patentability).

78. *Diamond v. Diehr*, 450 U.S. 175, 176 (1981) (indicating that "[t]he questions of whether a particular invention meets the 'novelty' requirements of 35 U.S.C. § 102 or the 'nonobviousness' requirements of § 103 do not affect the determination of whether the invention falls into a category of subject matter that is eligible for patent protection under § 101").

79. *Id.* at 190 ("[T]he question therefore of whether a particular invention is novel is 'wholly apart' from whether the invention falls into a category of statutory subject matter").

80. *Bilski v. Kappos*, 130 S. Ct. 3218 (2010).

81. *Id.* at 3225.

82. See Ebbv Abraham, *Bilski v. Kappos: Sideline Analysis from the First Inning of Play*, 26 BERKELEY TECH. L.J. 15, 15 (2011).

something is an abstract idea.<sup>83</sup> Though *Bilski* did not provide courts with precise guidance on how to conduct a § 101 analysis, it certainly reaffirmed the Supreme Court's position that § 101 is a "threshold test," necessary in the beginning of a patent analysis.<sup>84</sup> Although several Supreme Court cases analyzing § 101 have been decided since *Bilski*, none of these cases have directly conflicted with *Bilski's* express indication that § 101 must be addressed first. Therefore, prior to 2012, *Bilski* remained unchallenged precedent.<sup>85</sup>

*D) Federal Circuit Precedent Has Followed the Supreme Court in Holding That § 101 is a Prerequisite That Must Be Addressed First In Patent Infringement Cases*

Similar to the Supreme Court, the Federal Circuit and its predecessors have held that the § 101 inquiry must come before an invention is screened through the §§ 102 or 103 requirements. Several decades of opinions, including some prior to the creation of the Federal Circuit, have noted the importance of addressing the § 101 subject matter eligibility requirements before proceeding to the other sections of the Patent Act.

In 1979, the United States Court of Customs and Patent Appeals provided insight regarding how inventions "on the difficult path to patentability" must be analyzed.<sup>86</sup> Using the analogy of opening doors, the court stated that the first door that must be opened by an inventor on the path to patentability is § 101.<sup>87</sup> Only if the invention falls into any of the named categories described in § 101,<sup>88</sup> the court noted, may it pass through the second door of § 102, which has a "novelty and loss of right to patent" sign on it.<sup>89</sup> Ten years later, the Federal Circuit revisited *Bergy's* "first door" concept in *St. Bank & Trust Co. v. Signature Fin. Group, Inc.*, where it noted that the "first door which must be opened on the difficult path to patentability is § 101."<sup>90</sup> The *St. Bank & Trust Co.* court also stated that any invention which passes the § 101 subject matter eligibility requirements may be patented, provided that it meets the other patentability requirements found in §§

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83. See *Jad Mills, Patentable Subject Matter in Bilski v. Kappos*, 130 S. Ct. 3218 (2010), 34 HARV. J.L. & PUB. POL'Y 377, 390 (2011).

84. See *Bilski*, 130 S. Ct. at 3225.

85. See *Mayo Collaborative Servs. v. Prometheus Laboratories, Inc.* 132 S. Ct. 1289, 1304 (2012) (declining to substitute §§ 102, 103, and 112 inquiries for the better established inquiry under § 101).

86. See *In re Bergy*, 596 F.2d 952, 960 (C.C.P.A. 1979) *vacated in part*, *Diamond v. Chakrabarty*, 444 U.S. 1028 (1980).

87. *Id.* The court stated that simply having an invention will not automatically open this first door. *Id.*

88. *Id.* The court noted that § 112 must be analyzed in providing a definition in the patent claims for an invention. *Id.*

89. *Id.* Notably, the language in the opinion did not mention § 103. *Id.*

90. See *State St. Bank & Trust Co. v. Signature Fin. Group, Inc.*, 149 F.3d 1368, 1372 n. 2 (Fed. Cir. 1998) (quoting *Bergy*, 596 F.2d 952 at 960), *abrogated by In re Bilski*, 545 F.3d 943 (Fed. Cir. 2008).

102, 103, and 112.<sup>91</sup> Again, this decision shows a preference by the courts to require § 101 analysis before anything else.

The Federal Circuit was quiet on the issue of § 101 as a preliminary question until it decided *Comiskey*, over a decade later in 2009.<sup>92</sup> In *In re Comiskey*, the Federal Circuit stated that whether an invention meets the § 101 subject matter eligibility requirements is an “antecedent question” that must be addressed before the § 103 issue of non-obviousness can be addressed.<sup>93</sup> Until that time, this was the Federal Circuit’s most explicit articulation that § 101 must be analyzed first. *Comiskey* spurred a rejuvenation of § 101 litigation in the Federal Circuit where, over the next three years, the “antecedent question” concept from *Comiskey* was revisited and affirmed by several decisions.

One such affirmation occurred in *Research Corp. Technologies, Inc. v. Microsoft Corp.*, where the Federal Circuit affirmed the *Bilski* standard that the § 101 inquiry is a “threshold test.”<sup>94</sup> In discussing the Patent Act, the court referred to § 101 as a “coarse eligibility filter.”<sup>95</sup> The following year, in *Ultramercial, LLC v. Hulu, LLC*, the court reaffirmed the “coarse eligibility filter” concept and also clarified the scope of § 101 by indicating that it should not be used to invalidate patents “[based on] concerns about vagueness, indefinite disclosure, [and] lack of enablement.”<sup>96</sup> Rather, the court indicated that other patent requirements should be used to weed out undeserving inventions, after they have passed the coarse eligibility filter.<sup>97</sup>

In 2012, the Federal Circuit decided *Dealertrack, Inc. v. Huber*<sup>98</sup>—the most recent relevant decision before *MySpace*. In *Dealertrack*, the court followed precedent and granted summary judgment because the patents-in-suit were ineligible subject

91. See *Id.* at 1372 (noting that “[t]he plain and unambiguous meaning of § 101 is that any invention falling within one of the four stated categories of statutory subject matter may be patented, provided it meets the other requirements for patentability set forth in Title 35, i.e., those found in §§ 102, 103, and 112”).

92. *In re Comiskey*, 554 F.3d 967 (Fed. Cir. 2009).

93. *Comiskey*, 554 F.3d at 975. The court rejected the applicant’s argument that his application was “patentable under § 101, and that the subject matter of his application did not fall within an exception to patentability, such as an abstract idea, natural phenomena, or law of nature.” *Id.* at 972-73.

94. *Research Corp. Technologies, Inc. v. Microsoft Corp.*, 627 F.3d 859, 868 (Fed. Cir. 2010).

95. *Id.* at 869. It also bears noting that the court affirmed the importance of §§ 102 and 103 by stating that § 101 eligibility should not become a substitute for the other requirements of the Patent Act. *Id.* at 868 (noting that the Supreme Court has advised that §101 eligibility should not become a substitute for a patentability analysis related to prior art, adequate disclosure, or the other conditions and requirements of Title 35); see also *Classen Immunotherapies, Inc. v. Biogen IDEC*, 659 F.3d 1057, 1066 (Fed. Cir. 2011), *cert. denied*, No. 11-1078, 2013 WL 141405 (U.S. Jan. 14, 2013) (emphasizing the differences between the threshold inquiry of patent-eligibility, and the substantive conditions of patentability”).

96. See *Ultramercial, LLC v. Hulu, LLC*, 722 F.3d 1335, 1354 (Fed. Cir. 2013). The court also explained that although expansive, the § 101 requirements are not substitutes for the substantive patentability requirements set out in §§ 102, 103, and 112. *Id.* at 1341.

97. *Id.* at 1354.

98. 674 F.3d 1315 (Fed. Cir. 2012).

matter under the preliminary § 101 inquiry.<sup>99</sup> Although the court did not create new § 101 precedent, this case is the most recent example of the Federal Circuit following its earlier precedent—that a patent whose validity is challenged must first be evaluated under § 101 before a §§ 102 or 103 analysis may be undertaken under the Patent Act. Notably, the dissent in *Dealertrack* argued that courts should exercise their judicial authority by insisting that litigants initially address patent invalidity issues through §§ 102, 103, and 112, instead of “foray[ing] into the jurisprudential morass of § 101 unless absolutely necessary.”<sup>100</sup> The dissenting opinion explained that it would have reversed the decision and remanded for a determination of validity under § 103 of the Patent Act.<sup>101</sup>

### III. THE COURT’S REASONING

In *MySpace, Inc. v. GraphOn Corp.*, the United States Court of Appeals for the Federal Circuit affirmed an order granting summary judgment of patent invalidity by the United States District Court for the Northern District of California.<sup>102</sup> Writing for the court, Judge Plager affirmed the grant of summary judgment of invalidity of the patents-in-suit, noting that the district court correctly decided the case under §§ 102 and 103 of the Patent Act, as opposed to under § 101 as urged by the dissent.<sup>103</sup> The court then held that “database” included both hierarchal and relational systems and the grant of summary judgment for MySpace was proper.<sup>104</sup>

The court first discussed the importance of correctly defining “database.”<sup>105</sup> To do so, the court analyzed the ordinary and customary meaning of the claim language in the written description of the invention found in the patent.<sup>106</sup> Specifically, the court explained that an analysis of the language in the “Summary of the Invention,”<sup>107</sup> “Background of the invention,”<sup>108</sup> and “Detailed Description of

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99. *Id.* at 1334-35. Once the court found the patents-in-suit ineligible under § 101, it did not conduct a §§ 102 or 103 analysis. *Id.* at 1335.

100. *Id.* at 1335 (Plager, J., dissenting). This was the same approach used by the court in *MySpace, Inc. v. GraphOn Corp.*, 672 F.3d 1250 (Fed. Cir. 2012).

101. *Dealertrack*, 674 F.3d at 1335.

102. 672 F.3d at 1250.

103. *Id.* at 1262.

104. *Id.* at 1257.

105. *Id.* at 1255. The Court noted that if “database” was defined to cover both hierarchical and relational systems, then the MBB would invalidate all the patents-in-suit as either anticipated under § 102 or obvious under § 103. *Id.* However, if “database” was defined to cover only relational systems, summary judgment would be inappropriate because there would be a genuine issue of disputed fact regarding the question of invalidity. *Id.*

106. *Id.*

107. *Id.* at 1256.

108. *Id.*

the Preferred Embodiments”<sup>109</sup> sections, indicated that “database” should not be limited to just relational systems, but should be broadly defined to also encompass other types of databases.<sup>110</sup> The court thus agreed that the district court’s claim construction of “database” was correct, as it was both reasonable and supported by context.<sup>111</sup>

Next, the court rejected GraphOn’s argument that the district court erred in its conclusion that all the claims were either invalid as anticipated under § 102 or obvious under § 103.<sup>112</sup> The court pointed out that a complete analysis of the claim language should generally be undertaken.<sup>113</sup> However, the court explained that in this case, the analysis was not a prerequisite of granting summary judgment because all the claims share a common term that lies at the heart of the invention—the term “database.”<sup>114</sup> Therefore, the district court’s construction of “database” sufficiently supported its conclusion that there was no triable issue of fact regarding whether the MBB was a database as used in the patents-in-suit, despite not having engaged in a § 101 analysis.<sup>115</sup> Accordingly, the court affirmed the district court’s conclusion that the patents-in-suit were inappropriate as they were anticipated or obvious.<sup>116</sup>

The majority of the court strongly disagreed with the dissent’s reasoning that § 101 should have been addressed before §§ 102 and 103.<sup>117</sup> Although the court acknowledged that some judicial dicta supported the dissent’s position,<sup>118</sup> it highlighted the ambiguity of §101<sup>119</sup> as it argued for judicial restraint as a means of avoiding “the murky morass that is § 101 jurisprudence.”<sup>120</sup> The court noted that the problem with addressing § 101 initially in patent cases is that precedent is extremely unclear as to what is or is not patentable subject matter, particularly in regards to abstractness.<sup>121</sup> This lack of standards, the court explained, has led to a lot of uncertainty regarding what is or is not patentable subject matter.<sup>122</sup>

109. *Id.* at 1256–57.

110. *Id.*

111. *Id.* at 1257.

112. *Id.*

113. *Id.*

114. *Id.* at 1257–58.

115. *See id.*

116. *Id.* at 1258.

117. *Id.* at 1258–62.

118. *Id.* at 1258.

119. *Id.* at 1259. The Court noted that judges continue to vigorously disagree over what is or what is not patentable subject matter under § 101. *Id.*

120. *Id.* at 1260.

121. *Id.* at 1259. The Court has established that laws of nature, physical phenomena, and abstract ideas are not patentable subject matter. *Id.* at 1258. Over the years, some standards that provide workable guidelines have emerged for laws of nature and physical phenomena. *Id.* at 1259. However, courts have had trouble interpreting what abstract ideas encompasses. *Id.* Part of the reason for this confusion is that “abstract ideas” lacks a concrete definition because courts have declined to define “abstract” beyond the recognition that this is a

Rather than taking this messy path to the same result, as urged by the dissent, the court argued that § 101 can be avoided by litigants addressing patent invalidity issues through §§ 102, 103, and 112.<sup>123</sup> The court noted that this is more practical because, unlike § 101 jurisprudence, these criteria are “well developed and generally well understood,”<sup>124</sup> and it is a waste of time to “[reach] for interpretations of broad provisions, such as § 101, when more specific statutes, such as §§ 102, 103, and 112, can decide the case.”<sup>125</sup> Lastly, the court noted that this approach would preclude § 101 from becoming a toss-in for every patent infringement suit.<sup>126</sup> Therefore, the court defended its avoidance of § 101 in favor of §§ 102 and 103, and “decline[d] the dissent’s invitation to put the parties . . . in the swamp that is § 101 jurisprudence.”<sup>127</sup>

In dissent, Judge Mayer fervently argued that the court mistakenly failed to address the subject matter eligibility requirements contained in § 101 before addressing the §§ 102 and 103 issues of anticipation and obviousness.<sup>128</sup> The dissent pointed to both Federal Circuit and Supreme Court precedent establishing the proposition that the § 101 subject matter eligibility requirement is an “antecedent question” that must be addressed first.<sup>129</sup> The dissent explained that the court should have used a “robust application of section 101”<sup>130</sup> to conclude that the patents-in-suit did not meet § 101’s subject matter eligibility requirements as required by precedent. While the dissent agreed that the patents-in-suit were invalid, it arrived at this conclusion through a different jurisprudential path.<sup>131</sup>

Although Judge Mayer argued that § 101 should have been addressed first, he rejected the contention that § 101 should function as a “coarse eligibility filter” while other patent validity requirements such as §§ 102, 103, or 112 should be used to weed out patents of dubious quality.<sup>132</sup> In calling that approach a “misplaced reliance on sections 102, 103, or 112,” the dissent affirmed § 101’s importance by

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disqualifying characteristic. As the internet and computer culture has grown, the confusion as to what is an “abstract idea” has exponentially increased. *Id.*

122. *Id.* at 1259. The Court compares judges interpreting § 101 with an oenologist trying to describe a new wine, where picking adjectives to describe the wine depends less “on the assumed content of the words than on the taste of the tongue pronouncing them.” *Id.*

123. *Id.* at 1260.

124. *Id.*

125. *Id.* at 1261. The court noted that if this were done in every patent case, it would be unnecessary to address § 101 because the validity of patents could simply be concluded under §§ 102, 103, and 112. *Id.* at 1260.

126. *Id.* at 1261.

127. *Id.* at 1262.

128. *Id.* at 1264 (Mayer, J., dissenting). Specifically, the issue of whether GraphOn’s patents were an unpatentable “abstract idea.” *Id.*

129. *Id.*

130. *Id.* at 1269.

131. *Id.* at 1265.

132. *Id.* at 1268.

emphasizing that all claims must meet those requirements in order to address “[c]oncerns about attempts to call any form of human activity a ‘process.’”<sup>133</sup> Lastly, the dissent explained that § 101 was designed to strike a balance between “protecting inventors and not granting monopolies over procedures that others would discover by independent, creative application of general principles.”<sup>134</sup> Therefore, the dissent reasoned that addressing § 101 at the onset is required to ensure that the patent laws perform their designed function.<sup>135</sup>

#### IV. ANALYSIS

In *MySpace, Inc. v. GraphOn Corp.*, the United States Federal Circuit affirmed an order granting summary judgment of patent invalidity of four patents-in-suit.<sup>136</sup> The *MySpace* court incorrectly ignored decades of contrary precedent from the Supreme Court and Federal Circuit<sup>137</sup> when it consciously decided to forego the § 101 subject matter eligibility analysis before addressing §§ 102, 103, and 112.<sup>138</sup> Conversely, the dissent correctly argued that the court should have addressed the § 101 issue at the beginning of the invalidity analysis.<sup>139</sup> Because Federal Circuit decisions are binding,<sup>140</sup> the *MySpace* decision is going to further complicate the already immensely unclear and “murky morass” that is § 101 jurisprudence.<sup>141</sup> As a result of contradicting precedent and a lack of clear standards, judges faced with the confusing task of determining patent validity will likely use their own discretion, which may result in many conflicting opinions. Therefore, the surprisingly unresolved issue of whether § 101 is an “antecedent question” may not have a definitive answer until the Supreme Court once again explicitly says so.

##### *A) The Dissent Correctly Argued that the Court Mistakenly Ignored Precedent when it Intentionally Bypassed the Preliminary § 101 Analysis and Went Straight to §§ 102 and 103*

The *MySpace* dissent correctly argued that the court ignored precedent when it purposefully side-stepped the § 101 subject matter eligibility issue and went straight

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133. *Id.*

134. *Id.* at 1269 (citing *Bilski*, 130 S. Ct. at 3228).

135. *Id.* at 1269–70 (citing *Diamond v. Diehr*, 450 U.S. 175, 192 (1981)).

136. *Id.* at 1264 (majority opinion).

137. See e.g., *Bilski v. Kappos*, 130 S. Ct. 3218 (2010); *Diamond v. Diehr*, 450 U.S. 175 (1981); *Parker v. Flook*, 437 U.S. 584 (1978); *State St. Bank & Trust Co. v. Signature Fin. Group, Inc.*, 149 F.3d 1368 (Fed. Cir. 1998) *abrogated by In re Bilski*, 545 F.3d 943 (Fed. Cir. 2008).

138. *Id.* at 1260.

139. *MySpace*, 672 F.3d at 1264 (Mayer, J., dissenting).

140. See discussion *supra* Part II.A.

141. *MySpace*, 672 F.3d at 1260 (majority opinion).

to a §§ 102 and 103 analysis.<sup>142</sup> Although the court avoided § 101 because of its lack of clarity, this decision undermines over three decades of binding precedent and does not bring any clarity to the issue of patent validity.<sup>143</sup> The Supreme Court<sup>144</sup> and Federal Circuit<sup>145</sup> have repeatedly affirmed and reaffirmed the notion that an invention cannot be patented if it does not initially meet the § 101 requirements in addition to the other Patent Act requirements; therefore, the *MySpace* court's exercise of "judicial restraint"<sup>146</sup> was misplaced.

Although there is no shortage of opinions stating that § 101 must be analyzed before §§ 102 and 103, the language in *Bilski* and *Comiskey* provides necessary clarity to the issue.<sup>147</sup> In calling the § 101 subject matter eligibility inquiry a "threshold test," *Bilski* very explicitly stated that § 101 should be addressed at the onset of litigation regarding patent invalidity.<sup>148</sup> Similarly, *Comiskey* clearly indicated that whether an invention meets the § 101 subject eligibility requirements is an "antecedent question" that must always be addressed before any other section of the Patent Act can be analyzed.<sup>149</sup> In acknowledging, yet ignoring the precedent set in *Bilski* and *Comiskey*, as well as many other preceding cases, the *MySpace* court incorrectly exercised judicial restraint to bypass the § 101 analysis. As much of a "murky morass" as § 101 jurisprudence is,<sup>150</sup> the *MySpace* court's recommendation to ignore the § 101 analysis disregarded precedent.

In ignoring the preliminary § 101 analysis, the *MySpace* court adopted the approach set forth in the *Dealertrack* dissent earlier in 2012,<sup>151</sup> where the dissent argued that courts should exercise their judicial authority by avoiding § 101 unless absolutely necessary.<sup>152</sup> Interestingly, the author of the dissent in *Dealertrack* was the same author of the *MySpace* opinion—Judge Plager.<sup>153</sup> Judge Plager's position is more apparent in *MySpace* as he was the author of the majority opinion, as opposed

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142. *MySpace*, 672 F.3d at 1264, 1268 (Mayer, J., dissenting).

143. See discussion *supra* Part II.C–D.

144. See discussion *supra* Part II.C.

145. See discussion *supra* Part II.D.

146. *MySpace*, 672 F.3d at 1258 (majority opinion) (urging "judicial restraint in the face of what has become a plethora of opinions adding to [ ] § 101 jurisprudence").

147. See *Bilski*, 130 S. Ct. 3218, 3225 (2010) (holding that the § 101 issue is a threshold inquiry); *In re Comiskey*, 554 F.3d 967, 975 (Fed. Cir. 2009) (holding that whether an invention meets the § 101 requirements is an "antecedent question").

148. *Bilski*, 130 S. Ct. at 3225.

149. *Comiskey*, 554 F.3d at 975.

150. *MySpace*, 672 F.3d at 1260.

151. *Dealertrack, Inc. v. Huber*, 674 F.3d 1315, 1335 (Fed. Cir. 2012) (Plager, J., dissenting).

152. *Id.*

153. *Id.*; see also *MySpace*, 672 F.3d at 1253 (exhibiting Judge Plager's ideological switch from the dissent in *Dealertrack* to the majority in *MySpace*).



to the dissent in *Dealertrack*.<sup>154</sup> Procedurally, the *MySpace* court was able to avoid analyzing § 101 because it was not the issue being appealed.<sup>155</sup> However, under the precedent set by the *Dealertrack* court, it seems necessary for the court to consider § 101 first.<sup>156</sup>

*B) The Contrary Precedent Set By MySpace Further Complicates An Already Unclear and Convoluted Area of Law*

In determining that §§ 102 and 103 should be analyzed before § 101 as a means of better facilitating patent invalidity analyses,<sup>157</sup> the *MySpace* court further complicated an already messy area of the law.<sup>158</sup> As discussed above, although most inventions would normally fall under § 101's purview, the judicial exceptions of laws of nature, physical phenomena, and abstract ideas restrict the reach of § 101. Although there is case law clarifying and providing guidelines for analyzing laws of nature and physical phenomena, the meaning of abstract ideas and what it may encompass remains ambiguous. Indeed, abstractness presents a different set of interpretive problems than laws or nature and physical phenomena, as almost anything can be construed to be an abstract idea.<sup>159</sup>

In response, courts have cautioned that while the core of a claim can often be characterized as an abstract idea, courts should not "go hunting for abstractions by ignoring the concrete, palpable, tangible, and otherwise not abstract invention the

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154. *Dealertrack*, 674 F.3d at 1335 (Plager, J., dissenting). In the *Dealertrack* dissent, Judge Plager argued that §101 should have been bypassed in favor of §§ 102 and 103. *Id.* In his majority opinion in *MySpace*, he affirmed this idea by emphasizing the importance of avoiding § 101 in favor of other sections of the Patent Act. *MySpace*, 672 F.3d at 1253.

155. *MySpace*, 672 F.3d at 1250; see also See Brian Wallenfelt, *Avoiding the "Judicial Morass" of Section 101 in MySpace, Inc. v. GraphOn Corp.*, PATENTS4SOFTWARE, <http://www.patents4software.com/2012/03/avoiding-the-judicial-morass-of-section-101-in-myspace-inc-v-graphon-corp/> (last visited Nov. 11, 2013).

156. *But see CLS Bank Int'l v. Alice Corp. Pty. Ltd.* 685 F.3d 1341, 1348 (Fed. Cir. 2012). Decided after *MySpace*, the court in *CLS Bank* emphasized the different function of § 101 from the other sections of the Patent Act, notably §§ 102, 103, and 112. The Federal Circuit ultimately held that § 101 issues do not always need to be addressed first, particularly when other sections could resolve a dispute more expeditiously or with more clarity and predictability. *Id.* The court also noted that §§ 101, 102, 103, and 112 all serve a different purpose and play distinctly different roles. *Id.* The Federal Circuit's holding in *CLS Bank* is problematic as it affirms the *MySpace* court's conscious decision to bypass the § 101 analysis. As discussed below, this new conflicting precedent will result in even more future conflicting precedent, as judges will have the option of supporting a decision to use § 101 or a decision to bypass it with precedent.

157. *MySpace*, 672 F.3d at 1260.

158. See Matthew DeLulio, *Courts Left with Little Guidance Following the Supreme Court's Decision in Bilski v. Kappos*, 13 TUL. J. TECH. & INTELL. PROP. 285, 292-93 (2010) (discussing the uncertainty faced by courts regarding the proper test to apply in determining the patentability of various subject matters).

159. See *supra* note 57.

patentee actually claims.”<sup>160</sup> Additionally, the Federal Circuit has struggled in attempting to develop a rigid standard for what is an unpatentable abstract idea under § 101. Despite the difficulties of conducting a § 101 analysis, such an analysis must take place, as § 101’s inclusion in the Patent Act<sup>161</sup> indicates that Congress intended for its inclusion in any subsequent analysis of patent invalidity. Had Congress intended otherwise, it seems logical to assume that they would not have included § 101 in the Patent Act.

Prior to *MySpace*, case law did not offer any apparent standards or guidelines regarding what “abstract ideas” were or how to screen them.<sup>162</sup> Despite this, courts generally seemed to understand that precedent required the messy § 101 analysis to always be addressed first.<sup>163</sup> In light of *MySpace*, courts will now not only be unclear about how to conduct the § 101 analysis, but there will also be contradicting decisions regarding whether such an analysis is even necessary. Lacking guidelines, judges will be afforded a plethora of discretion in determining whether or not to address § 101. This discretion will result in a case-by-case analysis for patentable subject matter eligibility requirements, as an individual best judgment standard will be all judges have to rely on when issuing patents to prospective claimants.<sup>164</sup>

Judges employing an individual best judgment standard are problematic, as it will result in a wide array of decisions and reasoning, which will in turn create administrative obstacles in the future because, quite simply, different judges have different tastes.<sup>165</sup> This will have a drastic effect on the entire patent system, as different judges will employ different standards in determining whether patents are invalid—namely, many judges may decline to analyze § 101 even when a patent cannot be invalidated under §§ 102 or 103. For example, where one judge may find a patent invalid after noting that it does not meet the requirements of § 101, another judge may skip the § 101 analysis and find that same patent valid. This

160. *The Federal Circuit addresses the abstract idea exception to 35 U.S.C. § 101*, LEXOLOGY, <http://www.lexology.com/library/detail.aspx?g=1f97db5c-906c-4cfb-9df4-875172f881c0> (Aug 27, 2012) (citing *CLS Bank*, 685 F.3d at 1351).

161. 35 U.S.C. § 101 (2006).

162. See Menell, *supra* note 74, at 1313-14 (emphasizing the “lack of a forthright, principled framework for delineating the boundaries of patentable subject matter”); see also DeJulio, *supra* note 162, at 293 (noting that the Supreme Court has blurred section § 101’s application and scope as a result of refusing to establish any particular rules for patent eligibility).

163. See discussion *supra* Part II.C–D.

164. See Mills, *supra* note 88, at 391 (stressing that a “discretionary patentable subject matter standard implies that the analysis should be conducted on a “case-by-case basis” and thus leaves the determination “within the reviewing body’s sole discretion”); cf., J.H. Reichman, *Legal Hybrids Between the Patent and Copyright Paradigms*, 94 COLUM. L. REV. 2432, 2519 (1994) (asserting that an empirically based approach is needed to stabilize our unstable intellectual property system).

165. *MySpace, Inc. v. GraphOn Corp.*, 672 F.3d 1250, 1259 (Fed. Cir. 2012) (comparing judges applications of § 101 with oenologists trying to describe a new wine, where an adjective to describe the wine “depends less on the assumed content of the words than on the taste of the tongue pronouncing them”).

would strongly undermine the patent system as the composition of the judges analyzing the claim would play as significant a role as the claim's merits in determining patent eligibility. Therefore, the *MySpace* decision negatively contributes to the already unclear universe of § 101 jurisprudence.<sup>166</sup>

*C) The Supreme Court Will Eventually Need to Readdress the Issue of Whether § 101 is a Preliminary Question in Order to Clarify the Confusion*

In 2010, *Bilski* definitively established that the § 101 issue is a “threshold test” that must be addressed before §§ 102 and 103 issues.<sup>167</sup> Although how to apply the § 101 analysis is unclear, the necessity of analyzing § 101 first is clear. However, just two years after *Bilski*'s guidance, the *MySpace* opinion contributed confusion to the unclear realm of § 101.<sup>168</sup> In light of *MySpace*, courts faced with determining whether a patent is invalid will not only lack clear guidelines regarding how to conduct the § 101 inquiry,<sup>169</sup> but will also be conflicted regarding whether the § 101 subject matter eligibility requirements should be addressed at the onset of the analysis. In *MySpace*, the court was able to easily avoid the question of whether to use § 101 at all in the case because it was not the issue under appeal.<sup>170</sup> However, there will certainly be future cases where the § 101 issue cannot be avoided as easily.<sup>171</sup> This will undeniably result in more mixed and conflicting opinions as the determination of whether a patent is invalid may very well fall on whether the sitting judge decides to employ the § 101 analysis first.

To rectify the confusion created by *MySpace*, the Supreme Court will need to once again declare whether § 101 issues must be addressed before other sections of the Patent Act can be analyzed. If the Supreme Court understates *MySpace* and reaffirms decades of § 101 jurisprudence, § 101 will unquestioningly need to be addressed at the beginning of patent litigation. Additionally, the Supreme Court should provide long-overdue guidance regarding the meaning of “abstract ideas,” what it encompasses, and how courts should conduct an abstract ideas § 101 analysis. This is important as it would bring much-needed clarity to this area of law. However, if the Supreme Court agrees with *MySpace* and determines that

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166. *Id.* at 1260.

167. *See Bilski v. Kappos*, 130 S. Ct. 3218, 3225 (2010).

168. *See DeLulio, supra* note 162, at 292–93 (discussing the uncertainty faced by courts regarding the proper test to apply in determining the patentability of various subject matters).

169. *See* discussion *supra* Part IV.B.

170. *See* Brian Wallenfelt, *Avoiding the “Judicial Morass” of Section 101 in MySpace, Inc. v. GraphOn Corp.*, PATENTS4SOFTWARE, <http://www.patents4software.com/2012/03/avoiding-the-”judicial-morass”-of-section-101-in-myspace-inc-v-graphon-corp/> (last visited Nov. 11, 2013).

171. *Id.* (noting that under *Dealertrack*, the court would consider the section 101 issue if a party is seeking summary judgment under section 101 to avoid the time and expense of trial, however, it is unclear if the *MySpace* decision will change this).

courts would be better off avoiding messy § 101 jurisprudence in favor of clearer sections of the Patent Act,<sup>172</sup> then § 101's importance and use will be greatly diminished. Regardless of which approach the Supreme Court takes, the decision of the *MySpace* court illustrates the importance of an end-all-be-all Supreme Court decision regarding whether or not § 101 must be addressed at the beginning of a patent invalidity analysis.<sup>173</sup>

## V. CONCLUSION

In *MySpace v. GraphOn*, the United States Federal Circuit held that judges could exercise their judicial authority to bypass the § 101 subject matter eligibility requirement issue in favor of other sections of the Patent Act, such as §§ 102 and 103.<sup>174</sup> The court incorrectly ignored a plethora of Supreme Court and Federal Circuit precedent which states that § 101 is a “threshold test” and an “antecedent question.”<sup>175</sup> This seemingly contradictory precedent set by *MySpace* will further complicate the already “murky morass” that is § 101 jurisprudence.<sup>176</sup> Accordingly, the Supreme Court will eventually need to, once again, rule on whether § 101 is a preliminary question or if judges can avoid the confusion associated with its application by ignoring § 101 altogether.<sup>177</sup> In conclusion, it really is as simple as counting—101 comes before 102 and 103.

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172. *MySpace*, 672 F.3d at 1260.

173. *Leading Cases*, 126 HARV. L. REV. 347, 357 (2012) (noting that, as a result of a lack of guidance for the Federal Circuit, the stage has been set for an appeal of another § 101 case).

174. *MySpace, Inc. v. GraphOn Corp.*, 672 F.3d 1250, 1253 (Fed. Cir. 2012).

175. See discussion *supra* Part IV.A.

176. See discussion *supra* Part IV.B.

177. See discussion *supra* Part IV.C.

