

Interesting Recent § 101 Cases – Structural Components Are Not Enough

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Your Package Could Not Be Delivered - District of Delaware Strikes Electronic Storage Room Claims as Patent Ineligible

Judge Choe-Groves of the United States Court of International Trade granted Defendant's Motion to Dismiss and ruled Plaintiff's asserted electronic storage room patent invalid under § 101 of the Patent Act.

Luxer, a Delaware corporation and plaintiff in this patent infringement case, makes products related to controlling access to a package storage room. For example, the patent at issue describes systems and methods for controlling electronic locks of a storage room based on access rules and user credentials. The motivation behind these products is to offer a solution that allows a delivery carrier to drop off a package and a recipient to collect their package at any time and in a secure manner – no signature required. The Defendant, Package Concierge, Inc., offers very similar products.

Package Concierge argued that Luxer's patent claims were ineligible under § 101 of the Patent Act in its Motion to Dismiss. Using the Supreme Court-provided "Alice" test, Judge Choe-Groves first determined whether Luxer's patent claims were directed to an abstract idea, and then proceeded to determine whether the claims had an "inventive concept." Specifically, Package Concierge argued that the claims were drawn to the "abstract idea of authorizing access to a secure location upon verification of a user's credentials" and did not have an "inventive concept" because the claims could be compared to a "series of actions...taken by a receptionist that verifies a person's credentials before allowing them access to a secure mailroom or retrieves a package on their behalf."

Luxer argued that the claims were not directed to an abstract idea because they were directed to a specific improvement that resolved "the problem of a delivery person being unable to deliver a package 'because the door to the locker of the recipient will not open, because the locker is in use, the package is oversized and there is no other locker available.'" The Court disagreed because the claims do "not describe a function beyond what would be performed by a human concierge." The Court also concluded that the claims did not have an "inventive concept" because the claims do "nothing more than place the abstract idea of controlling access based on the verification of credentials into a technological environment."

Southern District of Florida Strikes Claims Related to Schedule Coordination Between Job Seekers and Employers as Patent Ineligible

Judge Rodney Smith of the Southern District of Florida granted Plaintiff's Motion for Judgment on the Pleadings and ruled Defendant's asserted patents related to schedule coordination between job seekers and employers as invalid under § 101 of the Patent Act.

Epic Systems is a Wisconsin-based software company that primarily offers healthcare-related software to hospitals. For example, MyChart is a patient portal software offered by Epic that allows patients to review their health records and schedule appointments, among other features. Epic filed a declaratory judgement action against four patents owned by GreatGigz Solutions, LLC. GreatGigz is a known non-practicing entity based out of West Palm Beach, Florida. Epic argued that GreatGigz's patent claims were ineligible under Section 101 of the Patent Act in its Motion for Judgment on the Pleadings.

The patents all related to "an apparatus that connects job seekers with employers, either for hiring or to coordinate schedules for project assignments." GreatGigz's patent claims recited structural components – "a memory device, a receiver, a processing device, and a transmitter." Epic argued that the claims were directed to the abstract idea of "storing, receiving, processing, and transmitting information to schedule jobs." GreatGigz countered that its claims survive the "Alice" test because the recited processing device is a "specialized processing device" that allows for "direct or indirect bi-directional communication between an individual computer and an employer computer."

The Court agreed with Epic, explaining that the patent claims at issue "are directed to merely automating matching employees to employers searching for one another, which is a method of organizing human behavior and, therefore, an abstract idea under § 101." The Court further concluded that the claims did not have an "inventive concept" because the "generic components [] do not supply an inventive concept but merely 'provide a generic environment in which to carry out the abstract idea." The Court emphasized that GreatGigz did "not explain what is 'specialized' about bi-directional communication between computers or that any kind of special processor is necessary to accomplish this communication."

Takeaways

Patent practitioners often point to tangible things in a claim as proof of patent eligibility. Indeed, in these cases, Luxer and GreatGigz attempted to do the same. Luxer's representative claim was a system claim that included physical elements such as a door of a storage room, an electronic lock, a lock interface, and a circuit. GreatGigz's claims were apparatus claims that included structural components such as a memory device, a receiver, a processing device, and a transmitter. As these cases (and many others) illustrate, including physical or structural elements in a claim is not enough to overcome the subject matter eligibility test.

This may change, as we previously discussed, if the recently reintroduced Patent Eligibility Restoration Act (PERA) of 2025 is passed into law. Among the proposed changes, the PERA Act clarifies that "any process that cannot be practically performed without the use of a machine (including a computer) or manufacture shall be eligible for patent coverage." This could potentially help Luxer and GreatGigz-like claims survive the subject matter eligibility test. However, until the "Alice" test gets clarified by Congress or the Supreme Court, Luxer and GreatGigz-like patent owners should make sure their patent claims cannot be easily compared to the activities of a human. Otherwise, they run the risk of having their patent infringement case shift from "out for delivery" to "returned to sender."

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