

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
AUSTIN DIVISION

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CLERK US DISTRICT COURT  
WESTERN DISTRICT OF TEXAS

BY \_\_\_\_\_   
DEPUTY

MEETRIX IP, LLC,

PLAINTIFF,

V.

CITRIX SYSTEMS, INC.; GETGO, INC.;  
LOGMEIN, INC.,

DEFENDANT.

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CAUSE NO. 1-16-CV-1033-LY

**ORDER ON MOTION TO DISMISS**

Before the court in the above-styled and numbered cause are Defendants' Motion to Dismiss the Amended Complaints Because the Asserted Patents are Patent-Ineligible under on 35 U.S.C. §101 filed December 22, 2016 (Doc. #26); Plaintiff Meetrix's Response to Motion of Defendants to Dismiss Plaintiff's Amended Complaint under 35 U.S.C. §101 filed January 13, 2017 (Doc. #28); Defendants' Reply in Support of their Motion to Dismiss the Amended Complaints Because the Asserted Patents are Patent-Ineligible under 35 U.S.C. §101 filed January 20, 2017 (Doc. #29); and Defendant GetGo's Notice of Jointing Defendants Motion to Dismiss the Amended Complaints Because the Asserted Patents are Patent-Ineligible under 35 U.S.C. §101 filed February 16, 2017 (Doc. #39). After considering the motion, response, reply, the patents-in-suit, the entire case file, and the applicable law, the court will deny Defendants' motion to dismiss for the reasons to follow.

**I. BACKGROUND**

Plaintiff Meetrix IP, LLP's amended complaints allege infringement by Defendants of the three asserted patents—U.S. Patent Nos. 9,094,525 (“525 patent”), 9,253,332 (“332 patent”), and 8,339,997 (“997 patent”) (collectively, the “patents-in-suit”). The subject matter of the patents-in-suit can be described as audio and video telecommunications for collaboration over hybrid networks.

The patents-in-suit are members of the same patent family and generally relate to audio conferencing over standard telephone networks (called “public switch telephone networks,” or “PSTN”) along with audio-video conferencing over Internet networks (called “Internet protocol,” or “IP,” networks).

As described by Meatrix, the claimed inventions provide an efficient, novel system for the collaboration of audio and video telecommunications over a hybrid secured network. Although the patents-in-suit are related and share the same priority date, each of the patents concern different teachings. The ’997 patent teaches a system for telephonic (e.g. PSTN) participation in an audio-video conference over a hybrid network with the use of multicast protocols, multicast appliances, and Virtual Private Networks (“VPNs”). The ’525 patent teaches a system for telephonic participation in an audio-video conference over a hybrid network using a Voice Over Internet Protocol (“VoIP”) decoder to decode IP packets, at least one audio decompressor, and transmitted across a VPN tunnel. The ’332 patent teaches a method for collaboration of audio and video telecommunications over a hybrid secure network by decoding IP packets and encoding the data.

## II. DISCUSSION

Defendants jointly seek to dismiss Meatrix’s complaints in their entirety pursuant to Federal Rule of Civil Procedure 12(b)(6) on the ground that the ’525, ’332, and ’997 patents are invalid under Section 101 of Title 35 of the United States Code for failing to claim patentable subject matter. *See* FED. R. CIV. P. 12(b)(6); *see also* 35 U.S.C. § 101 (2014) (defining patentable subject matter). “Whether a claim is drawn to patent-eligible subject matter under [Section] 101 is a threshold inquiry[.]” *In re Bilski*, 545 F.3d 943, 950 (Fed. Cir. 2008) (“*Bilski I*”), *affirmed sub nom. Bilski v. Kappos*, 561 U.S. 593 (2010) (“*Bilski II*”). If a claim is not drawn to patent-eligible subject matter, it “must be rejected even if it meets all the other legal requirements of patentability.” *Id.* The

determination of whether a claim is drawn to patent-eligible subject matter is a pure question of law. See *Fort Properties, Inc. v. Am. Master Lease LLC*, 671 F.3d 1317, 1320 (Fed. Cir. 2012); see also *Bilski I*, 545 F.3d at 951 (explaining that patent validity under Section 101 is “issue of law”).

Patents are presumed valid, and “[t]he burden of establishing invalidity of a patent or any claim thereof shall rest on the party asserting such invalidity.” 35 U.S.C. § 282(a) (2014). In the context of other invalidity challenges, a party asserting invalidity must prove its defense by clear and convincing evidence to overcome presumptive validity. See, e.g., *Microsoft Corp. v. i4i Ltd. P’Ship.*, 564 U.S. 91, 96 (2011). The Federal Circuit has described that Section 101 “is independent of—and on equal footing with—any other statutory provision.” *BASCOM Global Internet Servs., Inv. v. AT&T Mobility LLC*, 827 F.3d 1341, 1347 (Fed. Cir. 2016). Such a description suggests that the challenger should bear the burden of proving patent-ineligible subject matter under Section 101 by clear and convincing evidence. See *CLS Bank Int’l v. Alice Corp. Pty. Ltd.*, 717 F.3d 1269, 1284 (Fed. Cir. 2013), *aff’d* 134 S. Ct. 2347 (2014).

Section 101 of the Patent Act defines patentable subject matter: “Whoever 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.” 35 U.S.C. § 101. However, Section 101 also “contains an important implicit exception: Laws of nature, natural phenomena, and abstract ideas are not patentable.” *Alice*, 134 S. Ct. at 2354 (internal quotations and citation omitted). “[T]he concern that drives this exclusionary principle [is] one of pre-emption.” *Id.* (citing *Bilski II*, 561 U.S. at 611).

The U.S. Supreme Court has stressed the need to “tread carefully in construing this exclusionary principle lest it swallow all of patent law. At some level, all inventions embody, use,

reflect, rest upon, or apply laws of nature, natural phenomena, or abstract ideas. Thus, an invention is not rendered ineligible for patent simply because it involves an abstract concept.” *Alice Corp. Pty. Ltd. v. CLS Bank, Int’l*, 134 S. Ct. 2347, 2354 (2014) (internal citations omitted).

In order to guide courts in this inquiry, the Supreme Court established a “framework for distinguishing patents that claim . . . abstract ideas from those that claim patent-eligible applications of those concepts. First, we determine whether the claims at issue are directed to one of those patent-ineligible concepts. If so, we then ask, ‘what else is there in the claims before us?’ . . . to determine whether the additional elements ‘transform the nature of the claim’ into a patent-eligible application.” *Id.* at 2355 (internal citations omitted). Step two of the analysis is a “search for an ‘inventive concept’—i.e., an element or combination of elements that is sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the ineligible concept itself.” *Id.* (internal quotations and citations omitted).

#### **A. Application of the Two-Step *Alice* Framework to the Patents-in-Suit**

The first step of the *Alice* inquiry is “a meaningful one,” such that “a substantial class of claims are not directed to a patent-ineligible concept.” *Enfish LLC v. Microsoft Corp.*, 827 F.3d 1327, 1335 (Fed. Cir. 2016). This step requires “determin[ing] whether the claim at issue is ‘directed to’ a judicial exception, such as an abstract idea.” *McRO, Inc. v. Bandai Namco Games Am. Inc.*, 837 F.3d 1299, 1312 (Fed. Cir. Sep. 13, 2016) (quoting *Alice*, 134 S. Ct. at 2355). “[T]he claims as a whole are considered in their entirety to ascertain whether their character as a whole is directed to excluded subject matter.” *Id.* (quoting *Internet Patents Corp. v. Active Networks, Inc.*, 790 F.3d at 1343, 1346 (Fed. Cir. 2015)). The *Alice* inquiry ends if the claims, as a whole, are not “directed to” an abstract idea. *McRO*, 837 F.3d at 1312. Under the second step of the *Alice* inquiry,

even if a patent attempts to claim an otherwise abstract idea, the claim can be transformed into something patentable if it incorporates an inventive concept, defined by the Supreme Court as “an element or combination of elements that is sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the ineligible concept itself.” *Alice*, 134 S. Ct. at 2355.

Defendants argue that Meetrix’s claims are directed to abstract ideas rooted in long-standing and commonplace activities: mixing audio data from different types of sources (’525 and ’332 patents) and authenticating one’s identity before joining a meeting (’997 patent). In response, Meetrix argues that the inventions contain important limitations that are not captured by the superficial ideas proffered by Defendants. Meetrix asserts that each of the claimed inventions are directed to a tangible new and useful process or machine that addresses a specific technical problem in the field of network communications at the time of invention, creating a new combination of network and communication components reflecting a novel architecture.

The Federal Circuit has found eligibility when somewhat facially-similar claims are directed to an improvement in computer functionality under step one, *see Enfish LLC*, 822 F.3d at 1335, or recite a inventive concept under step two, even with conventional or generic components, when combined in an unconventional manner. *See DDR Holdings*, 773 F.3d 1245, 1256-59 (Fed. Cir. 2014); *see also BASCOM*, 827 F.3d at 1349-52; *Amdocs (Israel) Ltd. v. Openet Telecom, Inc.*, 841 F.3d 1288, 1300 (Fed. Cir. 2016).

The court finds that Meetrix’s claims are more similar to the eligible claims in *BASCOM* and *DDR Holdings* than those in *Enfish LLC*. Meetrix’s claims involve an unconventional technological solution (mixing media over hybrid networks) to a technological problem (transporting audio and video data together over low bit-rate networks). The solution includes the use of generic

components, including PSTN, VoIP, IP, and VPN. However, the claims' limitations necessarily work together to operate in an unconventional manner to provide an inventive system and process to improve the collaboration of audio and video telecommunications. *See Amdocs (Israel) Ltd.*, 841 F.3d at 1300-01. Therefore, the court concludes that Meetrix's claims direct a "combination of elements that is sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the ineligible concept itself." *Alice*, 134 S. Ct. at 2355.

**IT IS THEREFORE ORDERED** that Defendants' Motion to Dismiss the Amended Complaints Because the Asserted Patents are Patent-Ineligible under on 35 U.S.C. §101 filed December 22, 2016 (Doc. #26) is **DENIED**.

SIGNED this L. Th day of July, 2017.

  
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LEE YEAKEL  
UNITED STATES DISTRICT JUDGE