

ENFISH, LLC v. MICROSOFT CORP., Appeal No. 2015-1244 (Fed. Cir. May 12, 2016).
Before Moore, Tanto, and Hughes. Appealed from C.D. Cal. (Judge Pfaelzer).

Background:

Enfish received two patents directed to an innovative logical model for a computer database. The model creates a single table in which all data entities are located, with column definitions provided by rows in the table. Enfish referred to this as a "self-referential" property. In contrast, conventional models use multiple tables. The self-referential database allows for faster searching of data, more effective storage of data other than structured text, and more flexibility in configuring the database.

Enfish sued Microsoft for infringement of the two patents, alleging that Microsoft's ADO.NET product creates and manipulates self-referential tables. Microsoft countered, alleging that the claims are not patentable subject matter under §101 and anticipated under §102. The district court granted summary judgment in holding all claims ineligible under §101, some claims invalid as anticipated under §102 and one claim not infringed. Enfish appealed.

Issue/Holding:

Did the district court err in granting summary judgment for ineligible subject matter?
Yes, reversed.

Discussion:

The Federal Circuit referred to *Alice* to determine whether the Enfish claims constituted patent eligible subject matter. Regarding the first step in the *Alice* inquiry, the Federal Circuit considered whether the claims are directed to an improvement to computer functionality or directed to an abstract idea. The Federal Circuit stated that software can make non-abstract improvements to computer technology just as hardware can, and therefore, saw no reason to conclude that all claims directed to improvements in computer-related technology, including those directed to software, are abstract and necessarily analyzed at the second step of *Alice*.

The Federal Circuit stated that the focus of the claims is whether there is a specific asserted improvement to computer capabilities (the self-referential table) or instead, on a process in which computers are invoked merely as a tool.

The Federal Circuit stated that the means for configuring memory according to a logical table in the claims was not directed to just any form of storing tabular data, but instead, specifically to a self-referential table for a computer database, which functions differently than and provides improvements over conventional database structures.

The Federal Circuit also stated that the mere fact that the invention can run on a general purpose computer doesn't doom the claims, because the claims are directed to an improvement in the functioning of a computer. In contrast, the Federal Circuit stated that the claims at issue in *Alice* and *Versata* can be understood as simply adding conventional computer components to well-known business practices.

Accordingly, the Federal Circuit held that because the claims are not directed to an abstract idea under step one of the *Alice* analysis, the claims are patent-eligible, and there is no need to proceed to step two.