

## Rothwell Figg Client Fandango Wins Dismissal of Patent Infringement Case and Invalidates Patents Based on Section 101

Judge Louise W. Flanagan of the Eastern District of North Carolina granted Rothwell Figg client Fandango's motion to dismiss all infringement claims brought by plaintiff Robert Mankes, resulting in a complete victory for Fandango. The District Court agreed with Fandango's analysis to find that under the *Alice* standard for patent eligibility under 35 U.S.C. § 101, all of the claims asserted by Mankes were not patent-eligible.

This case began when Mankes filed its original complaint asserting that Fandango infringed U.S. Patent No. 6,477,503. The '503 patent describes a method for reserving tickets or other inventory at a single, local site by using a local server to control and reserve inventory. Fandango successfully moved for judgment on the pleadings based on Mankes' failure to adequately plead infringement or inducement of infringement in light of the Supreme Court's decision in *Limelight Networks v. Akamai Technologies*. Mankes appealed to the Federal Circuit and, during the course of that appeal, the Federal Circuit issued an en banc decision in the Akamai case on remand from the Supreme Court. In light of the change in the law reflected in the en banc Akamai decision, the Federal Circuit vacated the grant of judgement on the pleadings to Fandango.

After the remand, Judge Flanagan directed Mankes to file an amended complaint. In his amended complaint, Mankes asserted claims against both Fandango and Regal Entertainment Group. In response to the amended complaint, Fandango moved to dismiss on the grounds that the asserted claims of the '503 patent were not patent-eligible under Section 101. In particular, Fandango asserted that the claims covering a method for managing inventory using general purpose servers and computers were directed to an abstract idea of managing and tracking inventory and that there was no inventive concept sufficient to transform that abstract idea into patent-eligible subject matter. The District Court agreed with Fandango that the '503 patent claims are directed to abstract subject matter, finding that "[l]ike the concept of intermediated settlement in *Alice* and risk hedging in *Bliski*, the concept of allocating, tracking and controlling inventory is a fundamental

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business and economic practice ‘long prevalent in our system of commerce.’” The District Court then found that Mankes had failed to allege that its claims represented an improvement in the functioning of a computer or to identify any inventive concept that would create patent eligibility. As a result of this ruling, Fandango (and Regal which joined Fandango’s motion), was able to obtain a complete victory in this case before having to undertake any discovery.

Fandango was represented in this case by Rothwell Figg attorneys Steven Lieberman, Sharon Davis, and Michael Jones.

Read more in *IP Law360*'s article, "Fandango Beats IP Suit with Alice After Fed. Circ. Revival," which can be found [here](#).