

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
ILLINOIS, EASTERN DIVISION

HFT Solutions, LLC v. Citadel Securities LLC

HFT Solutions · No. 1:24-cv-13213 · Decided December 1, 2025

SUMMARY

The United States District Court for the Northern District of Illinois denied Citadel Securities LLC's Rule 12(b)(6) motion to dismiss patent-infringement claims brought by HFT Solutions, LLC. The court held that, at the pleading stage, HFT's asserted claims concerning FPGA systems and phase-locked-loop clock synchronization were not shown to be directed to an abstract idea and, alternatively, plausibly recited an inventive concept under 35 U.S.C. § 101.

CASE DETAILS

COURT	United States District Court for the Northern District of Illinois, Eastern Division
WRITING FOR THE COURT	Sharon Johnson Coleman
JURISDICTION	United States District Court for the Northern District of Illinois, Eastern Division
DECIDED	December 1, 2025
DOCKET	1:24-cv-13213
DISPOSITION	dismissed
PROCEDURAL POSTURE	Defendant moved under Federal Rule of Civil Procedure 12(b)(6) to dismiss a patent-infringement complaint on the ground that the asserted patent claims were ineligible under 35 U.S.C. § 101.
STANDARD OF REVIEW	On a Rule 12(b)(6) motion, the court accepts well-pleaded factual allegations as true and draws reasonable inferences in the plaintiff's favor; dismissal is proper only when the complaint fails to state a facially plausible claim. Patent eligibility may be resolved at the pleading stage only when no factual allegations, taken as true, prevent resolution as a matter of law.
PRECEDENTIAL VALUE	Unknown; memorandum opinion from a federal district court

TOPICS

- patent eligibility
- patent law
- motions to dismiss
- civil procedure
- intellectual property

PRACTICE AREAS

patent law

patent eligibility

civil procedure

QUESTIONS PRESENTED

1. Whether claim 1 of each asserted patent could properly be treated as representative of the remaining claims for purposes of the § 101 eligibility analysis.
2. Whether the asserted patent claims were directed to an abstract idea under the first step of the Alice framework.
3. Whether, alternatively, the asserted claims recited an inventive concept under the second step of the Alice framework and could be found patent-ineligible on a Rule 12(b)(6) motion.

HOLDINGS

1. Claim 1 of each asserted patent may be treated as representative of the respective patent's remaining claims for the eligibility analysis because the remaining claims depend on or relate back to claim 1, and HFT did not identify a claim limitation with distinctive significance that would materially affect the eligibility inquiry.
2. The asserted claims are not directed to the abstract idea of synchronizing data processing with a clock; instead, they are directed to a specific technological improvement to FPGA architecture and methods for reducing latency through a specified arrangement of components.
3. Even if the asserted claims were directed to an abstract idea, the complaint and patent allegations plausibly established an inventive concept in the nonconventional arrangement of components, and factual disputes concerning whether the claimed combination was well-understood, routine, and conventional precluded dismissal under Rule 12(b)(6).

KEY QUOTATIONS

“Like the logical model in Enfish, the classification method in Packet Intel., and the communication systems in Uniloc, the claims here are directed to a specific technological improvement.” (Discussion, § II)

“The fact that individual components named in HFT’s claims are “known” does not render those claims patent-ineligible.” (Discussion, § III)

“For the foregoing reasons, the Court denies Citadel’s motion to dismiss HFT’s Complaint [30].”
(Conclusion)

FACTUAL BACKGROUND

HFT owns three patents concerning field-programmable-gate-array systems used for rapid data processing. The patents address latency caused by clock-domain-crossing circuitry and claim systems and methods using a phase-locked loop and specified FPGA components to synchronize clock signals and reduce processing delay. HFT alleged that Citadel uses FPGA systems with phase-locked loops in its high-frequency trading operations and configured those systems in a manner that infringes HFT's patents.

PROCEDURAL HISTORY

HFT Solutions filed suit alleging that Citadel Securities infringed three patents concerning FPGA systems and phase-locked-loop technology. Citadel moved to dismiss the complaint under Rule 12(b)(6). The court denied the motion, concluding at the pleading stage that the asserted claims were patent-eligible and, alternatively, that factual allegations precluded resolving the inventive-concept inquiry as a matter of law.

DISPOSITION

dismissed

CASES CITED

- Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009)
- Bell Atlantic Corp. v. Twombly, 550 U.S. 544, 570 (2007)
- Erickson v. Pardus, 551 U.S. 89, 94 (2007) (per curiam)
- In re Kollar, 286 F.3d 1326, 1332 (Fed. Cir. 2002)
- Mobile Acuity Ltd. v. Blippar Ltd., 110 F.4th 1280, 1290-91 (Fed. Cir. 2024)
- Bilski v. Kappos, 561 U.S. 593, 602 (2010)
- Buffalo Patents, LLC v. Motorola Mobility LLC, No. 22-cv-00621, 2023 WL 4594945, at *5 (N.D. Ill. July 18, 2023)
- Aatrix Software, Inc. v. Green Shades Software, Inc., 882 F.3d 1121, 1125 (Fed. Cir. 2018)
- Accenture Global Services, GmbH v. Guidewire Software, Inc., 728 F.3d 1336, 1346 (Fed. Cir. 2013)
- Alice Corp. Pty. Ltd. v. CLS Bank International, 573 U.S. 208, 217, 220-23, 225 (2014)
- Diamond v. Chakrabarty, 447 U.S. 303, 309 (1980)
- Enfish, LLC v. Microsoft Corp., 822 F.3d 1327, 1330, 1334, 1336-38 (Fed. Cir. 2016)
- Packet Intelligence LLC v. NetScout Systems, Inc., 965 F.3d 1299, 1303, 1307-10 (Fed. Cir. 2020)
- Uniloc USA, Inc. v. LG Electronics USA, Inc., 957 F.3d 1303, 1305, 1308 (Fed. Cir. 2020)
- SRI International, Inc. v. Cisco Systems, Inc., 930 F.3d 1295, 1303-04 (Fed. Cir. 2019)
- SAP America, Inc. v. InvestPic, LLC, 898 F.3d 1161, 1163 (Fed. Cir. 2018)
- Diamond v. Diehr, 450 U.S. 175, 177, 192 (1981)
- BASCOM Global Internet Services, Inc. v. AT&T Mobility LLC, 827 F.3d 1341, 1350 (Fed. Cir. 2016)
- Mayo Collaborative Services v. Prometheus Laboratories, Inc., 566 U.S. 66, 71, 73 (2012)
- Buffalo Patents, LLC v. Motorola Mobility LLC, 2023 WL 5858921, at *4