

USPTO Roundtable 2

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USPTO Roundtable – Agenda

USPTO should ensure patent eligible subject matter analysis focuses on **innovative technology itself** without obviousness considerations

- Getting to Alice
- Response to Alice
- How to Move Forward

USPTO Roundtable – Getting to Alice

- Patentable subject matter
 - 35 USC §101. Inventions patentable. 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. (July 19, 1952, ch. 950, 66 Stat. 797.)

USPTO Roundtable – Getting to Alice

- Alice Corp. V. CLS Bank Int'l, 573 U.S. ___, 134 S. Ct. 2347 (2014)

(1) Determine whether claims at issue are directed towards one of judicial exceptions (e.g., are the claims directed to “abstract idea”).

(2) If so, determine if any additional claim elements transform the nature of the claim into a patent-eligible application

Does claim include an element or combination of elements that is “sufficient to ensure that the patent in practice amounts to **significantly more** than a patent on the ineligible concept itself.”

-2 prong test introduced a shade of obviousness into the §101 analysis

USPTO Roundtable – Getting to Alice

- “Significantly more” has been interpreted to **relate to the prior art**
 - improvement to another technology
 - adding a limitation that is not routine in the industry
 - arranging elements in an unconventional way with respect to the prior art

USPTO Roundtable – Getting to Alice

- “Significantly more” has been interpreted to **relate to the technology** itself
 - improvement to computer functionality
 - Additional unconventional steps that confine claim to a particular useful application

USPTO Roundtable – Response to Alice

- USPTO examples of abstract ideas (are not subject matter eligible)

Human Activities done by computer

Playing a game played by hand (bingo)

Meal planning for a diet plan

Mathematical formula

Mathematically organizing information

Formula for standing wave phenomena

Mathematical procedure for conversions

Well known economic and financial practices

Electronic escrow service

Hedging

Providing advertisements before desired content

Clearing house

USPTO Roundtable – Response to Alice

- USPTO examples of abstract ideas with elements that amount to **significantly more** (are subject matter eligible)
 - Improvements to another technology or technical field
 - Improvements to functioning of a computer itself
 - Inextricably tied to computer technology
 - Adding a specific limitation other than what is well-understood and routine
 - Adding unconventional steps that confine the claim to a particular useful application

USPTO Roundtable – Response to Alice

- Courts continue to tie subject matter analysis to obviousness
 - *Bascom Global Internet Services, Inc. v. AT&T Mobility, LLC*
 - Federal Circuit stated the district court’s analysis [] does look “similar to an obviousness inquiry” in some ways, but **without any of the limitations or protections** limiting how and under what circumstances a proper combination can lead to a conclusion of obviousness.
 - “when obviousness is conflated with patent eligibility **the test becomes even more subjective and is wholly without boundaries.**”
 - Fed Circuit rejected an analysis that “looks similar to an obviousness analysis,” but found that an inventive concept can still be found in non-conventional and non-generic arrangement of known, conventional pieces.” (similar to Supreme Court’s reasoning in *KSR v. Teleflex*, a decision under the obviousness standard.)

USPTO Roundtable – Moving Forward

- 35 USC §101 defines patentable subject matter as something new and useful and does not mention obviousness or prior art.
- Courts have created and confirmed a test that brings obviousness into the analysis of patentable subject matter (without any boundaries or protection)
- Next patent law reform should clarify that §101 is an analysis based on a technical innovation - not on prior art .
- In the interim, USPTO should emphasize and train examiners accordingly that a subject matter analysis should not involve an obviousness consideration

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