

From: Robin Muthig [mailto:rmuthig@ipo.org]
Sent: Monday, September 28, 2009 5:03 PM
To: AB98 Comments
Cc: dana@ipo.org
Subject: IPO Comments on Interim Examination Instructions

Dear Ms. Dennison,

Please see the attached comments from Intellectual Property Owners Association regarding interim examination instructions for evaluating subject matter eligibility under §35 U.S.C. 101.

Should you have any questions, please contact Dana Colarulli at 202-507-4500 or dana@ipo.org.

Regards,

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September 28, 2009

The Honorable David J. Kappos
 Under Secretary of Commerce for Intellectual Property and
 Director of the U.S. Patent and Trademark Office
 Mail Stop Comments—Patents, Commissioner for Patents
 P.O. Box 1450
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ATTN: Caroline D. Dennison
 Submitted by email to: AB98.Comments@uspto.gov

Re: Comments on “Interim Examination Instructions for Evaluating Subject Matter Eligibility Under 35 U.S.C. § 101”

I am writing to provide Intellectual Property Owners Association comments on the interim examination instructions dated August 24, 2009 related to subject matter eligibility in advance of a Supreme Court decision in *Bilski v. Kappos*.

IPO is a trade association representing companies and individuals in all industries and fields of technology who own or are interested in intellectual property rights. IPO's membership includes more than 200 companies and over 11,000 individuals who are involved in the association either through their companies or as inventor, author, executive, law firm or attorney members.

In its brief to the Supreme Court in *Bilski v. Kappos*, IPO stated that while the machine-or-transformation test is one useful approach for determining whether a claimed process falls within §101, it should not be the exclusive approach. Notwithstanding this position, we believe these interim guidelines will be useful to examiners and practitioners for currently pending matters that cannot wait for the court decision. The attached appendix provides a number of comments.

We thank you for the opportunity to provide these comments.

Sincerely,

Steven W. Miller
 President

Appendix

IPO appreciates the following points that are included in the instructions:

- Reinforcement that a “claimed practical application is evidence that the subject matter is not abstract...and does not encompass substantially all uses (pre-emption) of a law of nature or a natural phenomenon.” (p. 3)
- Reinforcement that an article, for the purpose of the transformation prong of the machine-or-transformation test, “can...be electronic data that represents a physical object or substance.” (p. 5)
- Clarification that electronic data qualifying as an article in the transformation prong “can be...identified by indicating what the data represents, the particular type or nature of the data, and/or how or from where the data was obtained.” (p. 5)
- Clarification that “[a] new or different function or use can be evidence that an article has been transformed”, and furthermore, “transformation of electronic data has been found when the nature of the data has been changed such that it has a different function or is suitable for a different use.” (p. 5-6)
- Reinforcement that a general purpose computer can become a “particular machine” satisfying the machine prong of the machine-or-transformation test “when programmed to perform the process steps because “a general purpose computer, in effect, becomes a special purpose computer once it is programmed to perform particular functions pursuant to instructions from program software.” (p. 6)
- Specific examples, where provided.

Comments and recommended improvements:

- Although the expected temporary nature of these instructions is reflected in the first paragraph on p. 1, we suggest a more explicit statement that these instructions will be reviewed and either reissued or revised after the Supreme Court *Bilski v. Kappos* decision.
- In addition, although not part of the instructions themselves, it would be helpful for the Office to make a statement regarding what processes or training the USPTO plans to implement to ensure consistent application of these instructions.
- In the exemplary list of non-statutory subject matter categories on p. 2, we request identifying the case law basis for each of these. At least some of these phrases may be open to a variety of interpretations, and recitation of the relevant case law will allow both examiners and practitioners to have a common understanding of the bounds of these categories.
- The list of judicially recognized exceptions on p. 2 appears substantially more extensive than the generally accepted “laws of nature, natural phenomena, and abstract ideas.”

Again, providing a case law basis for terms beyond these three would help to develop a common understanding.

- While the instructions provide some useful examples, there are insufficient examples from the domain of computer-implemented products and processes. IPO recommends the including the examples in the sections cited below. Other examples elsewhere in the document would also be helpful:
 - In section IIA (p. 3), provide examples of claims that cover “substantially all practical applications of the judicially excepted subject matter”, as opposed to “only a particular practical application of the judicially excepted subject matter.”
 - In section IIA (p. 4), provide an example of an acceptable computer system comprising structural components configured to perform certain functions.
 - In section IIB (p. 4-6), provide examples of acceptable (or, conversely, inadequate) verbiage for demonstrating the requisite tie to a particular machine, as there is currently considerable inconsistency in examiner implementation of this requirement.
 - In section IIB (p. 5), provide examples of machine ties or transformations that provide (or, conversely, fail to provide) a meaningful limit.
- We agree with the broad statement on p. 3 that “[a] claim as a whole must be evaluated for eligibility” but we are unsure whether it is consistent with the statement on p. 5 that “the use of a particular machine or the transformation of the particular article must involve more than insignificant “extra-solution” activity.” The latter is defined on p. 6 as “not central to the purpose of the method invented by the applicant.” However, if a claim’s elements have been carefully crafted and are present to provide a comprehensive processing context, a method may be incomplete, even non-functional, without purported “insignificant “extra-solution” activity.” We request further explanation and examples on this topic.
- The instructions state that “[a] process claim, to be statutory under § 101, *must* pass the machine-or-transformation test (M-or-T test)” (p. 4, emphasis ours). We wish to reiterate our position, elucidated in our *Bilski v. Kappos* amicus brief¹, that, while the M-or-T test indeed is one useful approach for determining whether a claimed process falls within §101, it should not be the exclusive approach. In its brief to the Supreme Court on the *Bilski v. Kappos* case, IPO stated that the USPTO and courts should have the freedom to consider other tests that can accommodate innovations that do not fit within the confines of the M-or-T test.
- The instructions state that “[a]n article can be electronic data *that represents a physical object or substance. For the [transformation] test, the data must be more than an abstract value*” (p. 5, emphasis ours). We wish to reiterate our position, articulated in our *Bilski v. Kappos* amicus brief, that the Federal Circuit failed to cite any Supreme Court

¹ IPO’s brief can be found on the IPO website at: www.ipo.org/amicus

authority in excluding certain transformations from patentable subject matter based on the subject matter of information being conveyed. We suggested that any process that can alter the attributes of matter or energy from their pre-existing state in order to perform a useful function should qualify as patentable subject matter.

- While we appreciate the clear statement that a general purpose computer may satisfy the “particular machine” requirement, we suggest that the instructions should also emphasize that there is no requirement that the “particular machine” be novel or specifically designed for use in the claimed process, a point presented in greater detail in IPO’s *Bilski v. Kappos* amicus brief.