35 USC 101 Update

Business Methods Partnership Meeting, Spring 2008

by

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Current Events in 101

- Two cases to be decided at the CAFC with 101 issues:
  - *In re Ferguson* (2007-1232, oral arguments heard December 5, 2007)

- *In re Nuijten*
  - Petition for writ of *certiorari* filed by applicant to the Supreme Court.
Where are we now?

- **USPTO’s Interim Guidelines on Subject Matter Eligibility are still in effect**.
  - The Guidelines were published in the O.G. 11/22/2005, incorporated into the MPEP in sections 2106-2106.02 as of the 8th edition, Rev. 5, August 2006.
  - *However a clarification memo has been forwarded to the TC directors concerning “process” claims.*
Where are we now?

Overview of the clarification memo:

- Promotes examination consistent with the Office’s position as presented in *In re Bilski*.
- Limited scope - to assist examiners in determining whether a method claim qualifies as a patent eligible process in conjunction with the Guidelines when evaluating whether a claimed invention falls within a statutory category of invention.
  - See MPEP 2106.IV.B
Where are we now?

Overview of the clarification memo:

- Based on Supreme Court precedent and recent Federal Circuit decisions, the Office’s guidance to examiners is that a patent eligible process must:
  - Be tied to another statutory class (i.e. apparatus, article of manufacture, composition of matter), OR
  - Transform underlying subject matter such as articles or materials to a different state or thing.
- If neither requirement is met the method is not a patent eligible process under 101.
Where are we now?

Overview of the clarification memo:

- Tips to qualify as a statutory process:
  - Positively recite the other statutory class to which the process is tied.
  - Positively recite the subject matter that is being transformed.
  - Claim interpretation rules apply.

- “Purely mental steps” would not qualify as a statutory process.
Where are we now?

Overview of the clarification memo:

- If the claimed method is determined to be a statutory subject matter eligible process, the 101 inquiry proceeds according to the Interim Guidelines.
- In other words:
  
  Determination of whether the claimed invention falls within a statutory category

  - is a separate inquiry from -

  Determination of whether the claimed invention falls within a judicial exception.
Overview of the Interim Guidelines

Under the Guidelines, four main tests are applied to every claim:

1. Does the claimed invention fall within one of the four statutory categories of patentable subject matter?
   - Process*
   - Machine
   - Article of Manufacture
   - Composition of Matter
2. Does the claimed invention fall within a judicial exception?

- Laws of nature
- Natural phenomena
- Abstract ideas
3. Does the claimed invention provide a practical application?

- Practical application can be identified by:
  - The claimed invention “transforms” an article or physical object to a different state or thing; or
  - The claimed invention otherwise produces a useful, concrete and tangible result.
4. Does the claimed invention preempt a judicial exception?

- If an invention is claimed so broadly so as to cover every substantial practical application of a judicial exception, then it would be considered “preemption” i.e. this would be effectively patenting the judicial exception.

- Claim(s) that preempt a judicial exception are not eligible for patent protection under 35 USC 101.
“Descriptive Material”

What’s the proper format for “descriptive material” (e.g. “software”) claims?

- MPEP 2106, 2106.01
- No list of magic words
- Two essential format components
  1) Proper computer readable medium
  2) Functional descriptive material
“Descriptive Material”

- **Proper computer readable medium**
  - No signals, or synonymous terms such as carrier waves, transmission media and the like.

- **Functional descriptive material**
  - Computer program
  - Data structure that meets the IEEE definition
Example: “Beauregard” claims

- *In re Beauregard*, 35 USPQ2d 1383
- US patent # 5,710,578
- Key elements of claim format found in claim 1:
  - “...computer usable medium having computer readable code means embodied therein...”
  - “...computer readable program code means for causing the computer to...”
“Descriptive Material”

Example: “Beauregard” claims

- Key elements of claim format found in claim 10:
  - “…program storage device readable by a machine…”
  - “…embodying a program of instructions executable by the machine to perform…”
Thank You