

April 6, 2012

Via Electronic Mail  
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Attention: Lead Judge Michael Tierney  
Covered Business Method Patent Review Proposed Definition for  
Technological Invention

IBM Corporation comments in response to “*Transitional Program for Covered Business Method Patents-Definition of Technological Invention*,” 77 Fed. Reg. 7095 (February 10, 2012).

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IBM thanks the United States Patent and Trademark Office (“Office”) for the opportunity to provide input and comments regarding the definition of a technological invention as described in Transitional Program for Covered Business Method Patents-Definition of Technological Invention.

Our comments below are directed to the definition of technological invention found in Rule §42.301(b). More specifically, our comments concern the inclusion of a novelty or unobvious analysis in what should remain a subject matter test.<sup>1</sup>

IBM respectfully submits that the proposed definition for technological invention inappropriately conflates novelty and subject matter. Rule §42.301(b) states: “In determining whether a patent is for a technological invention solely for purposes of the Transitional Program for Covered Business Methods (section 42.301(a)), the following will be considered on a case-by-case basis: whether the claimed subject matter as a whole recites a technological feature that is novel and unobvious over the prior art; and solves a technical problem using a technical solution.” The determination of whether a patent is a technological invention should involve an evaluation of the nature of the invention as a whole, not a complex process requiring parsing a claim for a “technological feature” and determining whether that feature is new or non-obvious. Given that the purpose of the Transitional Program is to evaluate patentability of a claim, the determination of which inventions are properly subject to review should not require patentability determinations

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<sup>1</sup> Our proposal that the definition of technological invention should remain a subject matter test does not mean that a 35 USC §101 analysis is required. If, “technological invention” is defined as that which is patent eligible subject matter under 35 USC §101, then any invention not falling within the technological invention exception would necessarily be 35 USC §101 ineligible, and thus render the proceeding moot.

up front – especially when the determination appears inconsistent with existing law.<sup>2</sup> The novel and unobvious analysis in proposed rule §42.301(b) should thus be eliminated from the definition of technological invention.

We agree with the Office that an evaluation of whether the claim as a whole solves a technical problem with a technical solution is a focused way to determine whether an invention falls in the exception. In this regard, we suggest the Office refrain from evaluating subject matter eligibility under 35 USC §101 in determining if an invention is technical, in part because that would obviate the need for review – any invention that falls outside the exception would be presumptively unpatentable under section 35 USC §101 (*see n. 1*). Likewise, a clearly technological invention, such as an anti-lock braking system or airplane engine, may or may not be novel or unobvious. The financial inventions eligible for the Transitional Program are subject to the same analysis – whether they are technical or not has little or no bearing on whether or not they satisfy 35 USC §102 and 35 USC §103. Furthermore, if the Office determines whether all or part of the invention satisfies 35 USC §102 or 35 USC §103 merely to determine eligibility for the program, that will be a presumptive determination of patentability (or unpatentability) under those statutory provisions before the review has even begun. We believe a workable definition of technological invention would thus be: “In determining whether a patent is for a technological invention solely for purposes of the Transitional Program for Covered Business Methods (section 42.301(a)), the following will be considered on a case-by-case basis: whether the claimed subject matter as a whole recites a technological feature and solves a technical problem using a technical solution.”

IBM thanks the Office for providing the public an opportunity to submit comments regarding the definition of a technological invention. We look forward to working with the Office on forthcoming regulations and guidance.

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<sup>2</sup> *See, e.g., Diamond v. Diehr*, 450 U.S. 175, 188 (1981) (“In determining the eligibility of respondents' claimed process for patent protection under 101, their claims must be considered as a whole. It is inappropriate to dissect the claims into old and new elements and then to ignore the presence of the old elements in the analysis. This is particularly true in a process claim because a new combination of steps in a process may be patentable even though all the constituents of the combination were well known and in common use before the combination was made”).

Respectfully Submitted,

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