

October 25, 2015

Via Electronic Mail
2014_interim_guidance@uspto.gov

Attention: Raul Tamayo, Senior Legal Advisor; and
Michael Cygan, Senior Legal Advisor,
Office of Patent Legal Administration

Re: IBM Corporation Comments on “July 2015 Update on Subject Matter Eligibility,” 80 Fed. Reg. 146 (July 30, 2015)

IBM thanks the United States Patent and Trademark Office (Office) for the opportunity to comment on the July 2015 Update on Subject Matter Eligibility (July 2015 Update). As stated in our comments to the 2014 Interim Patent Eligibility Guidance on Subject Matter Eligibility (2014 IEG), patent-eligibility under 35 USC § 101 and in particular the judicially-created “abstract idea” exception are issues of paramount importance to IBM as an innovator and patentee in the field of information technology.

The July 2015 Update is intended to assist examiners in applying the 2014 IEG during the patent examination process. The July 2015 Update includes the Office’s response to public comments regarding the 2014 IEG and is organized into 6 (six) themes and three appendices.

We respectfully submit our comments in the order presented in the July 2015 Update.

I. Additional Examples

The July 2015 Update provides additional examples to assist examiners and the public in applying the principles of the 2014 IEG. Included are examples of eligible claims in various technologies and sample analyses applying the Supreme Court and Federal Circuit’s tests for determining whether a claim directed to a judicially recognized exception is nevertheless eligible because it includes additional elements amounting to significantly more than the judicial exception itself.

We commend the Office on its efforts to provide guidance to its examiners in implementing the 2014 IEG and encourage the Office to provide additional examples of eligible claims that satisfy the streamlined analysis (e.g., system software inventions in operating system, middleware, application programming interface, etc.). These additional examples will help examiners efficiently identify

patent eligible claims, promote consistent claim analysis, and bring a uniform approach to application of the 2014 IEG.

Step 2B – Significantly More

In the July 2015 Update, the Office explicitly instructs examiners to consider all additional elements both individually and in combination to determine whether the claim **as a whole** amounts to significantly more than a judicial exception.

Equally important to any rejection under Step 2B is a well-reasoned explanation supported by findings of fact, which clearly articulates why the additional elements do not amount to significantly more. Our experience has shown inconsistency in 101 rejections with too few containing a well-reasoned explanation supported by facts.

We kindly direct the Office to its own training materials contained in the Abstract Idea Workshop, specifically, the abstract idea examples and sample worksheet. Although the sample worksheet is optional, the Office should encourage examiners to use the worksheet in determining whether a claim is directed to an abstract idea. Utilization of the worksheet will promote a disciplined approach in applying the significantly more inquiry.

We recommend that upon Applicant's request, the examiner provide the worksheet to Applicant. Providing the worksheet is not burdensome to the examiner because the analysis outlined in the worksheet should have been performed prior to the 101 rejection.

Alternatively, the Office of Patent Quality Assurance (OPQA) may consider using the worksheets as part of the overall assessment and measurement of patent examination quality.

II. Further Explanation of the Markedly Different Characteristics Analysis

IBM has no comments at this time regarding this matter.

III. Further Information on Identifying Abstract Ideas in Step 2A

We caution the Office in its application of Step 2A. As the Office stated, "the courts have declined to define abstract ideas, other than by example." The body of case law precedent is unstable and inconsistent, and does not lend itself to generalization. We urge caution when comparing Applicant's invention to judicially created concepts of abstract ideas, which therefore may lead to a finding of ineligibility of claims that are properly eligible under the Supreme Court test. As the Court warned, "we tread carefully in construing this exclusionary principle lest it swallow all of patent law."¹ The objective of Step 2A is to identify,

¹ *Alice Corp. Pty.Ltd. v. CLS Bank Int'l*, 134 S. Ct. 2347, at 2354-55 (2014).

and thus avoid, a risk of preemption;² it is “a sort of ‘quick look’ test”.³ But, before the examiner can determine whether there is a risk of preemption, the meaning of the claim must be determined.

It is imperative the examiner clearly understands Applicant’s invention before proceeding to Step 2A.

Similar to obviousness analysis, before performing Step 2A, certain underlying facts must be determined. First, the examiner must determine what the Applicant invented (see MPEP 2103(I); see also, Abstract Idea Workshop). This requires the examiner to establish the broadest reasonable interpretation (BRI) of the claim in light of the specification and in view of one skilled in the art.⁴ Claim interpretation is not done in a vacuum; instead, Applicant’s specification and drawings and the level of ordinary skill in the art are necessary components for interpreting the claim and what the Applicant invented. Before invoking step 2A, the claims must be interpreted in light of Applicant’s specification.

Only after careful consideration of what the Applicant invented should the examiner move to Step 2A. Inherent within Step 2A are factual determinations, such as determining whether something is a fundamental economic principle. These factual determinations must be clearly explained in the rejection.

Jumping too quickly in comparing Applicant’s invention to one of the judicially-created abstract idea categories – or worse, one of the specific examples from the numerous inconsistent cases – without careful consideration of what the Applicant invented, is likely to mischaracterize eligible subject matter, promote ongoing inconsistency in subject matter eligibility analysis at the Office and beyond, unnecessarily delay prosecution, and increase prosecution costs.

To bring a balanced approach and promote consistency, we recommend the examiner set forth an understanding of any key claim terms and clearly articulate the grounds of rejection and all supporting factual evidence with respect to eligibility in Step 2A.

IV. Requirement of a Prima Facie Case

² *Alice*, 134 S. Ct. at 2354-55 (2014) (“We have described the concern that drives this exclusionary principle as one of pre-emption”); see, e.g., *Bilski v. Kappos*, 561 U.S. 593, at 611-612, 130 S. Ct. 3218, 177 L. Ed. 2d 792 (upholding the patent “would pre-empt use of this approach in all fields, and would effectively grant a monopoly over an abstract idea”).

³ *Cal. Inst. Of Tech. v. Hughes Communs., Inc.*, 2014 U.S. Dist. LEXIS 156763, at 44 (C.D. Cal. Nov. 3, 2014) (“Step one is a sort of ‘quick look’ test, the object of which is to identify a risk of preemption and ineligibility”).

⁴ (See MPEP 2106, “A claim that covers both statutory and non-statutory embodiments (under the broadest reasonable interpretation of the claim when read in light of the specification and in view of one skilled in the art) embraces subject matter that is not eligible for patent protection and therefore is directed to non-statutory subject matter”).

We appreciate the Office's clarification of the requirements for a *prima facie* case. Particularly, "[F]or subject matter eligibility, the examiner's burden is met by clearly articulating the reason(s) why the claimed invention is not eligible, for example by providing a reasoned rationale that identifies the judicial exception recited in the claim and why it is considered an exception, and that identifies the additional elements in the claim (if any) and explains why they do not amount to significantly more than the exception." This is of primary importance because an Applicant cannot effectively respond to unsupported, conclusory rejections.

Yet, we continue to receive eligibility rejections void of any clearly articulated reasoning explaining specifically why the claim or claims are unpatentable. Instead, we receive overbroad statements or form paragraphs devoid of any findings of fact or specific analysis of the subject application and claims.

Even if an examiner pointed to a specific example from the guidance of an abstract idea, it is only part of the eligibility analysis. The examiner must explain and show how that particular abstract idea example applies to the facts at hand. Simply relying on overly broad statements, for example, that "receiving, processing, and storing data" is well-understood without a factual determination of why the Applicant's claim, **as a whole**, does not amount to significantly more falls extremely short of the vigorous requirements of patent examination imposed by the law.⁵

We believe that the Office's guidance to examiners that it is acceptable to take "official notice" of certain facts pertinent to the 101 analysis invites problematic rejections and inefficient prosecution of patent applications. But even assuming this practice is acceptable, we emphasize that it is wholly appropriate for Applicants to contest such conclusory or overly broad statements and ask for the presentation of evidence. When asked, the examiner must show evidence to support the finding. This is consistent with the "official notice" procedure in 2144.03(C). The USPTO should make this clear in 2014 IEG.

Performing a thorough analysis and writing a clear rejection supported by facts will ensure a uniform approach to examination for eligibility. Moreover, a well-reasoned rejection supported by evidence provides the necessary notice to the Applicant and avoids unnecessary delays in prosecution and thus, reduces overall pendency and avoids wasting examination resources.

V. Application of the 2014 IEG in the Patent Examining Corps.

The Office has and continues to provide the necessary training and guidance materials to assist examiners in conducting the eligibility analysis. The worksheets are critical to evaluating eligibility in a consistent manner across the

⁵ See Administration Procedure Act, 5 U.S.C. 500 *et seq*; *In re Gartside*, 203 F.3d 1305, 1315 (Fed. Cir. 2000); *In re Dembiczak*, 175 F.3d 994, 999-1000 (Fed. Cir. 1999) ("Broad conclusory statements regarding the teaching of multiple references, standing alone, are not 'evidence'").

corps. Accordingly, the Office may want to conduct its own survey to see if the worksheets are being utilized.

VI. The Role of Preemption, and the Streamline Analysis

Role of Preemption

We appreciate the Office's focus on the role preemption plays in the eligibility analysis. The characterization of the claims is essential to identifying the risk of preemption. But, to characterize the claims, the examiner must first understand the Applicant's invention, which necessitates interpreting the claims in light of the specification. Therefore, the examiner should clearly articulate the reasons why the claims may pose a preemption risk and where appropriate, identify potential claim elements to mitigate this risk.

Streamlined Analysis

We encourage the Office to provide more examples of streamlined analysis in computer software. The additional software examples will encourage a balanced and fair application of the eligibility analysis.

Conclusion

IBM appreciates the opportunity to comment on the July 2015 Update. We thank the Office for its continuing efforts to improve eligibility guidance for examiners and the public. The Office's continuing collaboration with the public and attention to feedback is critical to developing workable subject matter eligibility guidelines.

Respectfully submitted,

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