

From: Albert S. Penilla [e-mail redacted]
Sent: Wednesday, October 28, 2015 5:54 PM
To: 2014_interim_guidance
Subject: Comments: 2014 Interim Section 101 Patent Eligibility Guidance (IEG).

Dear USPTO,

Please consider my personal comments regarding the 2014 Interim Section 101 Patent Eligibility Guidance (IEG).

1. Examiners fail to cite factual support or claim support for concluding that a claim recites an *abstract idea*.

When the PTO rolled out the IEG, Examiners were asked to decide on patentability by example. These examples are supposed to illustrate how to consider 101 rejections under the two-part Mayo test. In so doing, Examiners have been overreaching when identifying abstract ideas, regardless of the scope of the claims and regardless of the ordered claim combination as whole. Even when Examiners overreach and identify a alleged abstract idea, the reasons are often not backed by any facts. Often, Examiners simply list many of the non-abstract claim features to support their conclusion. In some cases, the claim is so detailed and long, that the Examiner's listing of all the claim features make their conclusion nonsensical. In other cases, Examiners simply argue why a made-up abstract idea is a judicial exception and then mechanically list cases from the IEG. More guidance is needed to structure the way Examiners initially identify an abstract idea, if indeed one is claimed.

2. Examiner analysis of "significantly more," is 100% subjective

We have processed large numbers of applications with 101 rejections since the Supreme Court's decision in *Alice*, and the overall takeaway is that nobody knows what "significantly more" is. Examiners often say, "I know it when I see it." This subjective standard fails to provide Applicants with guidance as to what content needs to be added to claims or what level of description is needed. The Supreme Court in *Alice* addressed the "significantly more" standard in terms of preemption. The Supreme Court recognized that preemption is a matter of degree and held that a claim is ineligible where there is a disproportionate risk that the judicial exception is fully preempted. In *Alice*, the Court stated:

"The former [claims on fundamental building blocks] "would risk disproportionately tying up the use of the underlying" ideas, and are *therefore* ineligible for patent protection. The latter [claims with limitations that provide practical applications] pose no comparable risk of pre-emption, and *therefore* remain eligible for the monopoly granted under our patent laws." 134 S.Ct. at 2354 (emphasis added)."

PTO Examiners simply do not understand how to properly apply this standard. The standard, whoever, should not be subjective and unbounded. The Supreme Court identified the bounds in its preemption analysis, which should be followed by Examiners.

3. Examiners use of case law holdings fail to consider facts

In citation to the IEG, Examiners are encouraged to refer to past holdings. However, many Examiners are simply reciting cases and holding without any regard to the facts. Use of holdings as rules is not legally correct. Unlike statutes, case law requires analysis of specific facts and then an analysis of the facts of the present case (i.e., what is being claimed). If the fact and circumstances line up, then the holding may be arguably used. Instead, the IEG have encouraged Examiners to conclude, without facts, that certain holdings are naked rules. For instance, some Examiners reject claims simply because a "rule" is being used. In other cases, if any calculation or data manipulation is recited in the claims, Examiners state that the claim is simply "math." In still other cases, if some "comparison" is recited in the claims, Examiners swiftly cite to SmartGene, asserting that any comparison is an abstract process performed by a computer. Examiner use of case law by way of comparison is asking Examiners to compare holdings, without regard to any fact analysis. Indeed, when Applicants argue facts in Office action responses, Examiners fall back on their safety net and simply assert that in their opinion, the claim fails to recite "significantly more." In order to provide constructive direction to Examiners and certainty to the inventing public, the PTO should provide new guidance that teaches proper case law analysis. If new guidance still asks Examiners to look to case law by example, Examiners should be trained to incorporate factual analysis of cited case law in determining how it applies to the pending claims.

Thank you for your consideration.

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