



American Intellectual Property Law Association

March 8, 2019

The Honorable Andre Iancu
Under Secretary of Commerce for Intellectual Property and
Director of U.S. Patent and Trademark Office
U.S. Patent and Trademark Office
600 Dulany Street
Alexandria, VA 22314

Via email: Eligibility2019@uspto.gov

Re: Comments on 2019 Revised Patent Subject Matter Eligibility Guidance

Dear Under Secretary Iancu:

The American Intellectual Property Law Association (AIPLA) is pleased to have this opportunity to present its views on the Revised Patent Subject Matter Eligibility Guidance published in the Federal Register Notice dated January 7, 2019, 84 Fed. Reg. 50 (hereinafter “the Guidance”). The Guidance requested comments by March 8, 2019.

The AIPLA is a national bar association of approximately 13,500 members engaged in private or corporate practice, in government service, and in the academic community. AIPLA members represent a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, trade secret, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property. Our mission includes helping establish and maintain fair and effective laws and policies that stimulate and reward invention while balancing the public’s interest in healthy competition, reasonable costs, and basic fairness.

AIPLA provides the following comments and suggestions, regarding the Guidance.

AIPLA applauds the Office for providing a valuable guide for determining patent eligibility and is grateful to the Office for providing what AIPLA believes is a better framework for analyzing subject matter eligibility than was provided by the multiple previous guidance documents. We also appreciate that the Office is providing public access to the examiner training materials as these provide a common framework for understanding how to apply the Guidance. AIPLA is also pleased that the Guidance applies to the PTAB as well as to the examination groups and believes that this will result in a more uniform handling of issues concerning patent-eligible subject matter. AIPLA notes that the Guidance provides a framework for analyzing patent eligibility based on a distillation of the current Supreme Court and Federal Circuit case law covering many different disciplines and, thus, the framework is necessarily imprecise.

AIPLA suggests that further guidance be included with respect to claims directed to diagnostic methods, as the current Guidance does not explicitly address such claims. If the USPTO did not intend to provide guidance for diagnostic method claims, we believe it will be helpful to affirmatively indicate that this January 7, 2019 Guidance does not apply to diagnostic methods.

AIPLA realizes that the precision of the framework provided by the Guidance is necessarily limited by the language of the Supreme Court and Federal Circuit decisions on which it is based. Much of this language appears in the part of the Guidance concerning how a practitioner determines whether a claim recites a judicial exception. We believe that examples showing interpretations of these terms will improve the clarity of this framework. We also request that any such examples be made available to the public to provide applicants with the same framework used by examiners to determine patent eligibility. In particular, we find the following phrases unclear:

“Mathematical concept” – Both practitioners and examiners will benefit from further guidance on how to identify a mathematical concept in a claim. While we understand that mathematics permeates many technical fields and, thus, it is impossible to precisely differentiate between language that recites a mathematical concept and language that does not, we believe that examples showing both will be helpful. Also, any guidance on whether the mere inclusion of a mathematical formula in a claim necessarily invokes this exception would be beneficial.

“Certain methods of organizing human activity” – We are concerned that this category may be treated as a broad catchall by examiners due to the number of open-ended subcategories. While the methods of organizing human activity are presumably limited to those listed below, each of the subcategories is open-ended. The subcategories are:

fundamental economic principles or practices (including hedging, insurance, mitigating risk); commercial or legal interactions (including agreements in the form of contracts; legal obligations; advertising, marketing or sales activities or behaviors; business relations); managing personal behavior or relationships or interactions between people (including social activities, teaching, and following rules or instructions).

Specifically, we are concerned that examiners may add other items to the subcategories, evading the more stringent analysis required under section III.C of the Guidance for classifying a claim limitation that does not fall within one of the enumerated groupings. Again, examples illustrating concepts that fall within and those that do not fall within each of these subcategories would be helpful, including, in particular, an example illustrating a non-fundamental economic practice.

“additional element” – We object to using this phrase as a criterion for determining whether a claim is “directed to” a judicial exception. The use of the word “additional” implies that the “additional elements” are extrinsic to the elements found to recite the judicial exception and, thus, the elements reciting the exception are not to be considered when determining whether the claim integrates the judicial exception into a

practical application. While the Guidance does state that the claim must be interpreted as a whole, it also provides examples that describe evaluating *an* additional element to determine whether the judicial exception is integrated into a practical application by “additional” elements in the claim. Although the Guidance cites *Mayo*’s statement that *Diehr* found “the overall process patent eligible because of the way the additional steps of the process integrated the equation into the process as a whole,” 132 S. Ct. 1289, 1298 (2012), in fact, *Diehr* makes no reference to “additional steps.” Rather *Diehr* simply states that “a physical and chemical process for molding precision synthetic rubber products falls within the § 101 categories of possibly patentable subject matter,” 450 US 175, 184 (1981), and that this conclusion “is not altered by the fact that in several steps of the process a mathematical equation and a programmed digital computer are used.” *Id.* at 185. We are concerned that examiners may miss the admonishment to determine subject matter eligibility of the claim as a whole, and thereby deprive applicants of their right to have patent eligibility determined from the combination of claim elements.

“extra-solution activity” – This phrase is similar to “certain methods of organizing human activity” in that it may be used to avoid the section III.C analysis set forth in the Guidance. For example, the recently published Example 40 in the examiner training materials includes three steps: 1) collecting traffic data, 2) comparing the collected traffic data to a threshold, and 3) collecting Netflow protocol data. Without appropriate guidance, examiners may identify the second step as directed to a statutory exclusion and classify the first and third steps as “extra-solution activity.” Indeed, the example states that the first and third steps may be interpreted as extra-solution activity. Nonetheless, the example finds the claim *as a whole* to be patent eligible because “[t]he collected data can then be used to analyze the cause of the abnormal condition. This provides a specific improvement over prior systems, resulting in improved network monitoring.” Both practitioners and examiners will benefit from examples specifically showing and analyzing claims that do and do not include mere extra-solution activity.

“meaningful limit” and “drafting effort designed to monopolize the judicial exception” – We group these phrases together because they are used in the sentence, “[a] claim that integrates a judicial exception into a practical application will apply, rely on, or use the judicial exception in a manner that imposes a *meaningful limit* on the judicial exception, such that the claim is more than a *drafting effort designed to monopolize the judicial exception.*” (emphasis added). These terms add a subjective element to a test that is intended to be objective. Again, examples of what constitutes a “meaningful limit” and an example of such a “drafting effort” would be helpful.

With respect to the enumerated categories, we note that “collection, storage, and recognition of data” from *Smart Systems Innovations v. Chicago Transit Authority*, 873 F.3d 1364 (Fed. Cir. 2017), is notably missing. Is this one of the “certain methods of organizing human activity?”

We agree that a mental process that “cannot be practically performed in the mind” should not be considered an abstract idea. These processes often result in improved efficiency and thus, represent a practical application.

We agree with the section III.C analysis for evaluating non-enumerated abstract ideas. To further increase transparency, however, we suggest that the Office publicize any new class of abstract idea that is identified as a result of this procedure.

Finally, although Guidance states that step 2B of the Mayo/Alice test is unchanged, we disagree with the use of the phrase “well understood, routine, conventional.” We believe that this phrase should be “well understood, routine, *and* conventional” as it is used in *Berkheimer v. HP*, 881 F.3d 1360, 1368 (Fed. Cir 2018) (emphasis added)

CONCLUSION

AIPLA appreciates USPTO’s effort to provide applicants and examiners a clearer framework for determining patent eligibility. We agree that this framework provides both applicants and examiners tools to improve certainty in patent examination. Although we have identified a few issues with the Guidance, we believe that most of these issues can be overcome by providing and publicizing examples illustrating its application. Thank you for allowing AIPLA the opportunity to provide comments on the Guidance.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sheldon H. Klein", with a stylized flourish at the end.

Sheldon H. Klein
President
American Intellectual Property Law Association