



March 8, 2019

The Honorable Andrei Iancu
Under Secretary of Commerce for Intellectual Property and Director of the United States
Patent and Trademark Office
United States 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”

Docket No. PTO-P-2018-0053

Dear Under Secretary Iancu:

BSA | The Software Alliance welcomes the opportunity to provide comments on the United States Patent and Trademark Office (USPTO) Examination Guidance and Request for Comments, 84 Fed. Reg. 50 (Jan. 7, 2019). BSA appreciates the USPTO’s continued attention to improving examination processes and to providing clear guidance to examiners regarding applicable legal standards.

BSA¹ is an association of the world’s leading software and hardware technology companies. On behalf of its members, BSA promotes policies that foster innovation, growth, and a competitive marketplace for commercial software, artificial intelligence, and related technologies. BSA members are among the nation’s leading technology companies, producing much of the hardware and software that power computer and telecommunication networks. Due to the complexity and commercial success of their products, these companies are frequently the subject of patent infringement claims.

At the same time, by virtue of their inventions, BSA members rely heavily on intellectual property for the viability of their business operations. Collectively, BSA members hold hundreds of thousands of patents and invest billions of dollars in research and development (R&D) every year. The software industry accounts for \$63 billion in annual US R&D investments and 20 percent of total US private sector R&D expenditures.

As innovators and patent holders, BSA members have a particularly acute interest in clear USPTO guidance and properly calibrated mechanisms for ensuring patent quality. The key to promoting innovation is a predictable and well-functioning patent system that

¹ BSA’s members include: Adobe, Akamai, Apple, Autodesk, Bentley Systems, Box, Cadence, CNC/Mastercam, DataStax, DocuSign, IBM, Informatica, MathWorks, Microsoft, Okta, Oracle, PTC, Salesforce, Siemens PLM Software, Slack, Splunk, Symantec, Trend Micro, Trimble Solutions Corporation, Twilio, and Workday.

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rewards innovators without fostering an environment in which a small number of actors can abuse the system to the detriment of responsible market participants and the economy at large.

BSA members have a variety of perspectives on how best to improve the patent system. At the same time, BSA members uniformly support the USPTO's ongoing efforts to improve patent quality, provide clear guidance to examiners, and increase the consistency and predictability of USPTO decision-making. Because the current state of patent subject matter eligibility is complex, BSA welcomes USPTO's commitment to providing more clear guidance on this subject within the boundaries of existing law. BSA raises the following questions for USPTO's consideration in connection with the 2019 Revised Patent Subject Matter Eligibility Guidance (the Revised Guidance).

I. Abstract Ideas

The Revised Guidance identifies three groupings of abstract ideas – mathematical concepts, certain methods of organizing human activity, and mental processes, as excerpted below.

- (a) Mathematical concepts—mathematical relationships, mathematical formulas or equations, mathematical calculations;
- (b) Certain methods of organizing human activity—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); and
- (c) Mental processes—concepts performed in the human mind (including an observation, evaluation, judgment, opinion).²

BSA considers that the examples provided in the Revised Guidance are instructive and helpful. We make two comments and provide one recommendation below.

First, the three categories described could be more particularly and precisely defined in the Revised Guidance. Additional definitional clarification could help avoid circumstances in which examiners might apply these categories in an overly broad or overly narrow manner.

Second, it may be possible further clarify the relationship between the Revised Guidance and certain examples cited in the ninth edition of the Manual of Patent Examination Procedure (MPEP) (published Jan. 2018). The Revised Guidance explains that the guidance supersedes all versions of the USPTO's "Eligibility Quick Reference Sheet Identifying Abstract Ideas," and certain eligibility-related guidance issued prior to the Ninth Edition, R-08.2017 of the MPEP, as well as portions of the Ninth Edition that: (a) equate claims "reciting" a judicial exception with claims "directed to" a judicial exception, and (b) "conflict[] with" the Revised Guidance.

BSA observes that the Revised Guidance does not explicitly discuss certain examples that have been discussed in the ninth edition of the MPEP. In the ninth edition of the

² 84 Fed. Reg. 52 (Jan. 7, 2019).

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MPEP, certain examples are identified as falling within one or more of the categories noted above (“mathematical concepts,” “methods of organizing human activity,” and “mental processes”), yet not all of these examples are discussed in the Revised Guidance.

It is not clear whether these case examples from the ninth edition of the MPEP were omitted from the Revised Guidance because the USPTO still considers them to be usable examples of “certain methods of organizing human activity,” “mathematical concepts,” or “mental processes” (and therefore not necessary to list out in detail), or alternatively, because the USPTO believes that those examples “conflict with” the Revised Guidance.

BSA believes that it might be helpful to clarify this issue when USPTO publishes the chart identifying those portions of the MPEP that are affected by this guidance help clarify this issue.³

II. Revised Step 2A and Step2B

BSA appreciates the USPTO’s efforts to clarify the application of steps 2A and 2B of the subject matter eligibility test. BSA makes two comments on this portion of the Revised Guidance.

BSA believes that the USPTO should clarify the relationship between the Revised Step 2A criterion for assessing whether a recited judicial exception is “integrated into” a practical application, and the Step 2B criterion for assessing whether the additional elements individually and in combination provide an inventive concept (i.e., whether they amount to significantly more than the recited exception itself) (and therefore also patent eligible). In other words, additional clarification would be helpful regarding the distinction between the Revised Step 2A test for determining whether claim elements reciting a judicial exception are “integrated into a practical application” and the Step 2B test for determining whether additional claim elements “amount to significantly more than the recited exception itself.” Given these suggestions, BSA recommends that USPTO carefully review how examiners apply the revised Step 2A analytical framework in practice, and as necessary, provide additional education and further review of the implementation of the Revised Guidance.

Conclusion

BSA supports USPTO’s continued efforts to clarify for examiners the application of subject matter eligibility standards and is grateful for the opportunity to comment on the Revised Guidance. BSA believes that, as examiners are learning to apply the Revised Guidance, supplementary guidance or clarification may be helpful in future revisions of the MPEP or through other means. We look forward to working with the USPTO as it continues to work to refine and clarify examiner guidance in this respect.

³ For example, the Revised Guidance leave unclear how examiners should treat claims for tracking or organizing information, and how they should treat claims involving logic, statistics, group theory, and set theory, among other areas.