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VIA E-MAIL ONLY

Margaret A. Focarino
Commissioner for Patents
U.S. Patent and Trademark Office
600 Dulaney Street
Alexandria, VA 22314
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July 31, 2014

Re: Request for Comments on Examination Instruction and Guidance
Pertaining to Patent-Eligible Subject Matter

Dear Commissioner Focarino:

This letter responds to the request for comments published at 79 Fed. Reg. 36786 (June 30, 2014) on the “Preliminary Examination Instructions in view of the Supreme Court Decision in *Alice Corporation Pty. Ltd. v. CLS Bank International, et al.*” that were issued by Andrew H. Hirshfeld, Deputy Commissioner for Patent Examination Policy on June 25, 2014 (hereafter “Preliminary Instructions”).

The Preliminary Instructions recite the three limitation examples suggested by the Supreme Court in *Alice Corp.* that could qualify as patentable subject matter despite the presence of an abstract idea in a claim. Each example offers the potential for patentability by furnishing “significantly more” than the abstract idea itself. The comments in this letter focus on the first of these three limitation examples, namely: “Improvements to another technology or technical field” (hereafter “Example No. 1”).

As currently articulated, Example No. 1 raises two issues that deserve further clarification in any future guidance or final examination instructions issued by the USPTO with respect to the “abstract ideas” judicial exception to 35 U.S.C. § 101. The first issue is what exactly was the Supreme Court referring to by “another” technology or technical field? The second issue is whether the USPTO would regard electronic commerce as a “technical field” for purposes of this limitation, given that most business method claims fall within the field of electronic commerce?

With respect to the first issue, it is easy to misinterpret the meaning of “improvements to another technology or technical field” as meaning “improvements to a technology or technical field *other than the technology or technical field to which the abstract idea is directed.*” If misconstrued in this way, Example 1 could be read as requiring the claims in *Alice* to demonstrate an “improvement” in a technology or technical field other than the field of “intermediated settlement” in order to be patentable. In fact, the word “another” in Example No. 1 simply refers to technology or technical field *other than computer technology or the field of computer science.* This is apparent both (i) from the order in which the Supreme Court in *Alice Corp.* cited the three limitation examples, and (ii) from the specific case on which Example No. 1 was based, *Diamond v. Diehr*, 450 U.S. 175 (1981).

In *Alice Corp.* (slip op. at 15), Example No. 1 was actually the *second* limitation example suggested by the Supreme Court. The first example was whether the method claims “purport to improve the functioning of the computer itself” or whether they furnish a “specific or limiting recitation ... of improved computer technology.” This first example in *Alice Corp.* in turn is cited in the Preliminary Instructions as the second limitations example. In other words, the Preliminary Instructions reverse the order of the first two limitations examples cited in *Alice Corp.*, and by doing so obscure what Example No. 1 was actually referencing by “another technology or technical field.” When read in the correct order, with “improved computer technology” as the proper antecedent, the phrase “another technology or technical field” simply means “other than computer technology or the technical field of computer science.”

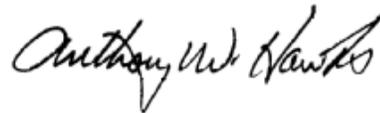
This construction of “another technology or technical field” is fully supported by the *Diehr* case on which Example No. 1 is based. The primary issue in *Diehr* was whether a process for molding raw, uncured synthetic rubber into cured precision products could be patentable despite the inclusion of a programmed computer among the steps in the claimed process. The *Diehr* Court ruled that computer use in an otherwise patentable process does not thereby render the process non-patentable subject matter. Thus, when the Supreme Court in *Alice Corp.* was citing *Diehr* as the basis for the potential patentability of “an improvement in any other technology or technical field,” it was simply noting that computer use could effect a patentable improvement in “another” non-computer-related technology such as curing rubber.

Properly construed then, Example No. 1 would have permitted the patentability of the claims in *Alice Corp.* if the claimed invention had actually demonstrated an “improvement” in the field of “intermediated settlement.” Of course, even under this standard, the plaintiffs in *Alice Corp.* would still have lost since the Supreme Court viewed their claimed invention “like risk hedging in *Bilski* ... [as] ‘a fundamental economic practice long prevalent in our system of commerce.’” *Alice Corp.*, slip op. at 9. Nonetheless, to avoid confusion over this point, Example No. 1 should be clarified and restated as “Improvements to a technology or technical field other than computer technology or the technical field of computer science.”

This still leaves the issue of what non-computer fields of learning should be treated as a “technology or technical field” for purposes of the “abstract ideas” exception. In most cases, this should not be a difficult question to resolve, but given the past controversies associated with business method patents, and the fact that many, if not most, business method patents are directed to the field of electronic commerce, further clarification is needed on this point. Otherwise, the mere reference to “technology or technical field” in Example No. 1 will leave practitioners who prosecute patent applications without the guidance needed to serve clients with claimed business method inventions.

Electronic commerce today is in fact treated and taught as a specialized major at the college and university level, with at least one school, DeVry University, offering a Master’s Degree of Business Administration in Electronic Commerce Management. See, e.g., http://education-portal.com/articles/Career_Information_for_a_Degree_in_eCommerce.html and http://education-portal.com/program/DeVry_University_Masters_-_Business_Administration_Electronic_Commerce_Management.html#tab2-page1. The USPTO should therefore resolve any doubt that electronic commerce is a genuine technical field, and formally recognize electronic commerce generally as a “technology or technical field” for purposes of patent eligibility under 35 U.S.C. § 101.

Very truly yours,

A handwritten signature in black ink, appearing to read "Anthony W. Hawks". The signature is written in a cursive, flowing style.

Anthony W. Hawks