

THE NEW INTERIM USPTO 35 U.S.C. §101 PATENTABLE “SUBJECT MATTER” GUIDELINES

EFFECTIVE AUGUST 24, 2009

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Effective August 24, 2009, the U.S. Patent and Trademark Office (USPTO) promulgated new examination instructions for evaluating patentable subject matter eligibility under 35 U.S.C. § 101. These new instructions supersede previous guidance on subject matter eligibility, which includes MPEP §§ 2106(IV), 2106.01, and 2106.02 where there are conflicts. However, these new instructions are pending a final decision in *Bilski v. Kappos* currently being decided by the Supreme Court. These instructions do not have the force of law, and the failure of the USPTO to follow these instructions is not appealable.

To determine subject matter eligibility under the new guidelines, a claimed invention must satisfy two criteria. First, the claim must be directed to one of the four statutory categories: process, machine, manufacture, or composition of matter. Second, the claim must not be wholly directed to subject matter that encompasses a judicially recognized exception. These judicially recognized exceptions include abstract ideas, mental processes, or substantial preemption of all practical uses of a law of nature or a natural phenomenon. While a claim cannot be wholly directed to a judicial exception, a claim that is limited to a particular practical application of a judicial exception is eligible. A particular practical application relates to the way a judicial exception is applied to a product or a process.

For products (machines, manufactures, and compositions of matter) claims, subject matter eligibility for judicially excepted subject matter has been practically applied in the product. Often, particular practical applications are self-evident in the claim limitations because an abstract idea or a law of nature or natural phenomenon is either being applied or is limited to that tangible embodiment or to that particular application of a concept. Further, a claim must also not impermissibly preempt substantially all practical applications of the judicially excepted subject matter. If the judicially excepted subject matter is claimed as descriptive material, the material must further have a functional relationship to the underlying structure. Non-functional descriptive material that creates no distinction over a prior art is not eligible subject matter.

Process claims must pass the machine-or-transformation test to be considered limited to a particular practical application. In order to pass this test, the claim must (1) be tied to a particular machine or apparatus; or (2) particularly transform a particular article to a different state or thing. Further, the use of the particular machine or the transformation of the particular article must meaningfully limit the claim's scope. Also, the claim must also involve more than insignificant extra-solution activity. The purpose of the last two requirements is to ensure that the machine or transformation have actual functional use in the claim so that the machine or transformation are not claimed only in an attempt to patent ineligible subject matter.

To summarize, the patent examiner will analyze a claim for subject matter eligibility using the new interim examining procedure in the following four steps. First, determine the meaning of the claim using the “broadest reasonable interpretation” standard under MPEP § 2111. Second, determine if the claim falls within one of the four statutory categories for patentable subject matter. Third, determine if the claim as a whole is made ineligible by a judicial recognized exception, or if the claim is an eligible particular practical application of a judicial exception for a product or process claim as explained above. Finally, when subject matter

eligibility analysis is concluded, full examination continues on the merits of the claims under 35 U.S.C. § 102, § 103, and § 112.

Practice Tip: The current state of the law with respect to subject matter eligibility is in flux. The new examination instructions are interim pending a decision from the Supreme Court. Potential changes in the law could have a substantial effect on future examination instructions, especially for inventions directed to subject matter that encompasses a judicially recognized exception. For further information, please contact us.