

New USPTO Guidance to Improve Predictability and Consistency in Subject Matter Eligibility Determinations

by Erik Nyre

On Friday, January 4, 2019, the USPTO announced revised guidance for determining subject matter eligibility under 35 U.S.C. § 101, as well as new guidance for the application of Section 112 to computer-implemented inventions, both of which took effect on January 7, 2019.

Subject Matter Eligibility Guidance

The “2019 Revised Patent Subject Matter Eligibility Guidance” makes two primary changes to how patent examiners apply the first step of the two-part *Alice/Mayo* test. In the first step of the test, a determination is made as to whether a claim is “directed to” a judicial exception. However, to improve certainty in an increasingly uncertain legal landscape, the Revised Guidance presents a two-prong inquiry for making this determination. In the first prong, the examiner evaluates whether the claim recites a judicial exception and if so, proceeds to the second prong. In the second prong, the examiner determines whether the identified judicial exception is integrated into a practical application of that exception. A claim that integrates a judicial exception into a practical application is one that applies, relies on, or uses the judicial exception in a manner that imposes a meaningful limit on the scope of the claim such that the claim is more than a drafting effort to monopolize the judicial exception, which practitioners will recognize as akin to the preemption inquiry. If a claim both recites a judicial exception and fails to integrate that exception into a practical application, then the claim is “directed to” a judicial exception and further analysis under the second step of the *Alice/Mayo* test is required. However, if the claim integrates the judicial exception into a practical application, the claim is not “directed to” a judicial exception, even though a judicial exception is recited in the claim, and the claim is subject-matter eligible under § 101. In this manner, the Revised Guidance aims to avoid the automatic assumption or conclusion sometimes made by examiners that simply because an abstract idea is found in a claim the claim is necessarily directed to the abstract idea under step one of the *Alice/Mayo* test.

Related People

- Erik Nyre

Related Capabilities

- Intellectual Property Litigation
- Patent Prosecution & Strategy

The newly added second prong at step one of the two-part *Alice/Mayo* analysis represents a change from prior guidance. Under this second prong, the examiner must determine, at the onset, whether the claim as a whole integrates the judicial exception recited in the claim into a practical application by identifying whether the claim applies, relies on, or uses the 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.” The Revised Guidance provides several exemplary considerations that may indicate sufficient integration, some of which resemble considerations assessed previously under the “significantly more” test at step two of the two-part *Alice/Mayo* analysis. An inquiry into whether a claim includes additional elements beyond the judicial exception to demonstrate integration of the exception into a practical application is now performed early in the analysis to improve the efficiency, predictability, and consistency of the threshold eligibility analysis. The Revised Guidance further clarifies that, unlike the “significantly more” test, in this second prong of step one, all additional elements beyond the “judicial exception” must be considered, whether or not they are conventional, when evaluating whether a judicial exception has been integrated into a practical application. The non-exhaustive list of considerations includes whether a claimed element improves computer functionality, effects a particular medical treatment, utilizes a particular machine or manufacture integral to the claim, transforms or reduces an article to something different, and goes beyond merely linking the exception to a technological environment.

Functional Claiming in Computer-implemented Inventions

The USPTO also announced a new guidance for the application of Section 112 to computer-implemented inventions. The “Examining Computer-Implemented Functional Claim Limitations for Compliance with 35 U.S.C. § 112” guidance (referred to herein after as the New Guidance) provides clarification on the application of means-plus-function principles under § 112(f), definiteness under § 112(b), and written description and enablement under § 112(a), specifically as they relate to computer-implemented inventions.

Under the New Guidance, determining whether a claim recitation invokes § 112(f) requires application of a three-prong test, which instructs examiners to determine whether: (1) the recitation includes the term “means” or a generic placeholder, (2) the term is modified by functional language, and (3) the term is not modified by sufficient structure, material, or acts for performing the claimed function. The absence of the term “means” triggers the presumption that § 112(f) does not apply; however the presumption can be overcome if the claim does not include “sufficiently definite structure,” or if the claim recites “function without reciting sufficient structure for performing that function.” See *Williamson v. Citrix Online, LLC*, 792 F.3d 1339, 1348 (Fed. Cir. 2015) (*en banc*). While providing examples of generic placeholders, such as “mechanism for,” “module for,” “device for,” “unit for,” “component for,” and “element for,” the New Guidance reminds that there is no fixed list of generic placeholders nor a fixed list of words that avoid interpretation under § 112(f), noting that the inquiry is based on the specific facts of the case. The New Guidance also reminds that even claim limitations expressly

including the term “means” can avoid § 112(f) interpretation if the limitation includes a structural modifier that denotes a specific type of structure in view of the specification, dictionary definitions, and prior art evidencing that the modifier describes an art-recognized structure, or the limitation further includes the structure necessary to perform the recited function.

The New Guidance also discusses definiteness under § 112(b) and the written description and enablement requirements under § 112(a), as related to computer-implemented inventions. Applicants are reminded that once a determination that § 112(f) applies to a computer-implemented invention, failure to disclose an algorithm sufficient to perform the claimed computer function will render the claim indefinite. Citing to *EON Corp. IP*¹ and *Blackboard*², the New Guidance also reminds that indefiniteness cannot be avoided by argument that a person skilled in the art would be capable of devising the algorithm lacking from the specification, although the sufficiency of a disclosed algorithm is still determined in view of the knowledge of one skilled in the art. As such, where § 112(f) interpretation applies to the claim, the inquiries for definiteness and written description are closely linked in that if the specification contains sufficient description of an algorithm to demonstrate possession of the invention and thus satisfy the written description requirement of § 112(a), then the claim is likely to avoid indefiniteness under § 112(b).

While it is yet to be seen if these revisions to the examination procedure will improve predictability and consistency, the Revised Guidance on Subject Matter Eligibility and the New Guidance for applying § 112 demonstrate an effort by the USPTO to continue to improve the examination process in line with the USPTO’s own mandate towards improved clarity and quality of a patent’s record and despite the rapidly-evolving subject matter eligibility legal framework. The revised procedure for conducting the threshold inquiry of subject matter eligibility is a welcomed change that will hopefully stem the flood of incongruous § 101 rejections. On the other hand, as interpretation under § 112(f) is more easily invoked post *Williamson*, Applicants should take care to disclose at least those algorithm(s), germane to that which Applicant perceives to be the advancement over the art, to avoid a determination of an invalid functional claim.

¹ See *EON Corp. IP Holdings LLC v. AT&T Mobility LLC*, 785 F.3d 616, 623 (Fed. Cir. 2015).

² See *Blackboard, Inc. v. Desire2Learn, Inc.*, 574 F.3d 1371, 1385 (Fed. Cir. 2009).