

UNITED STATES
PATENT AND TRADEMARK OFFICE



Update on Section 101 Guidelines

Presenters: Deputy Commissioner for Patent Examination
Policy Robert W. Bahr and Lead Judge Mike Kim

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Question/Comment Submission

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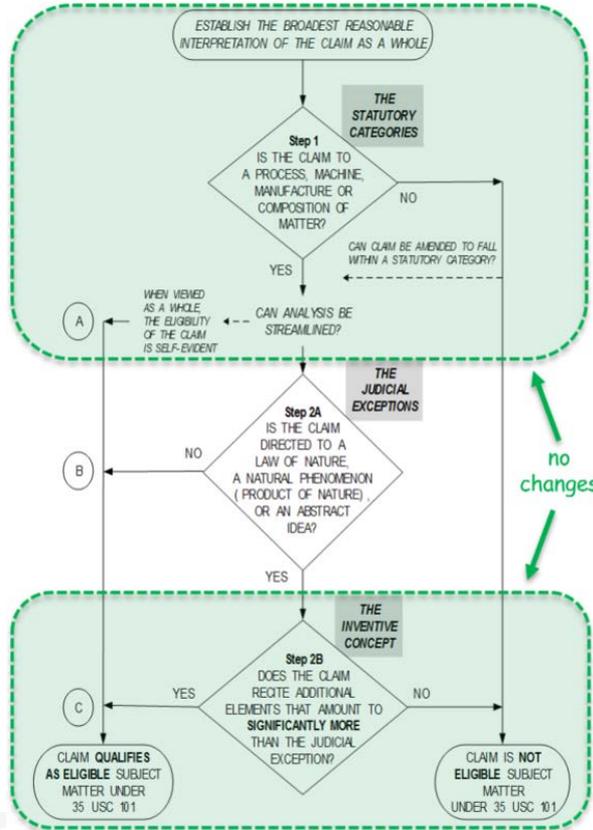
Section 101 Initiative: Revised Guidance

- The 2019 Revised Patent Subject Matter Eligibility Guidance published in January 2019.
- The guidance was revised for several reasons:
 - Increase clarity, predictability and consistency in how Section 101 is applied during examination.
 - Enable examiners to more readily determine if a claim does (or does not) recite an abstract idea.

Overview of 2019 Patent Eligibility Guidance (PEG)

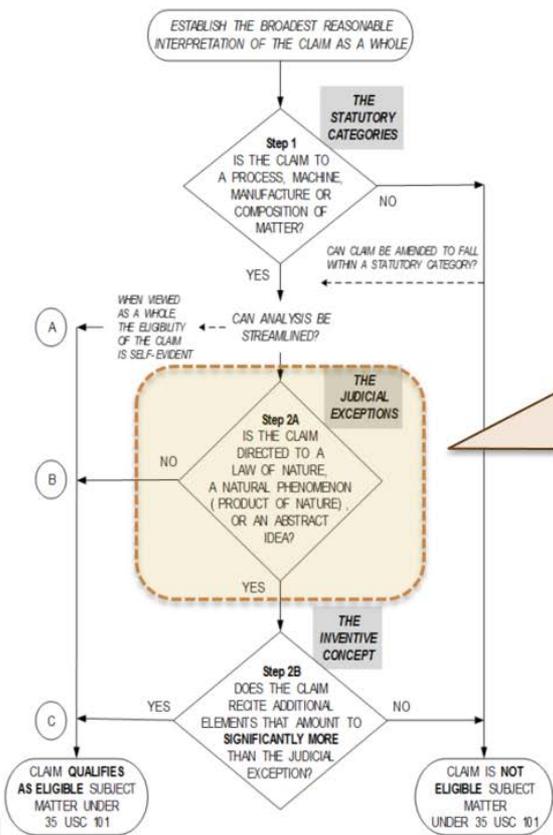
- Makes two changes in Step 2A:
 - Sets forth new procedure for Step 2A (called “**revised Step 2A**”) under which a claim is not “directed to” a judicial exception unless the claim satisfies a two-prong inquiry; and
 - For abstract ideas, **replaces the “Eligibility Quick Reference Sheet Identifying Abstract Ideas” with an identification of particular groupings of abstract ideas**

What Remains The Same



- No changes to:
 - Step 1 (statutory categories)
 - Streamlined analysis
 - Step 2B

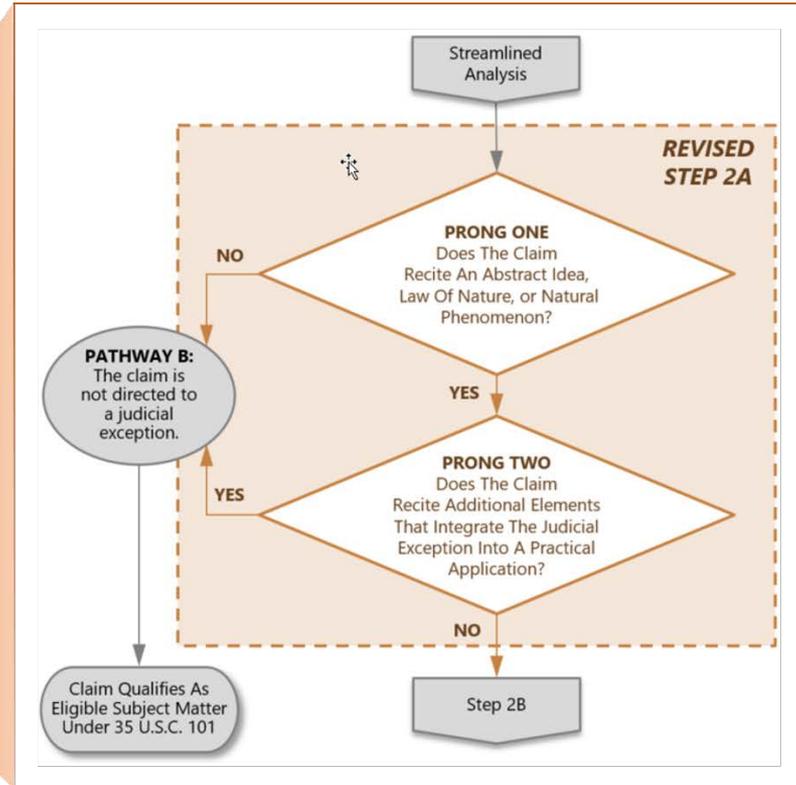
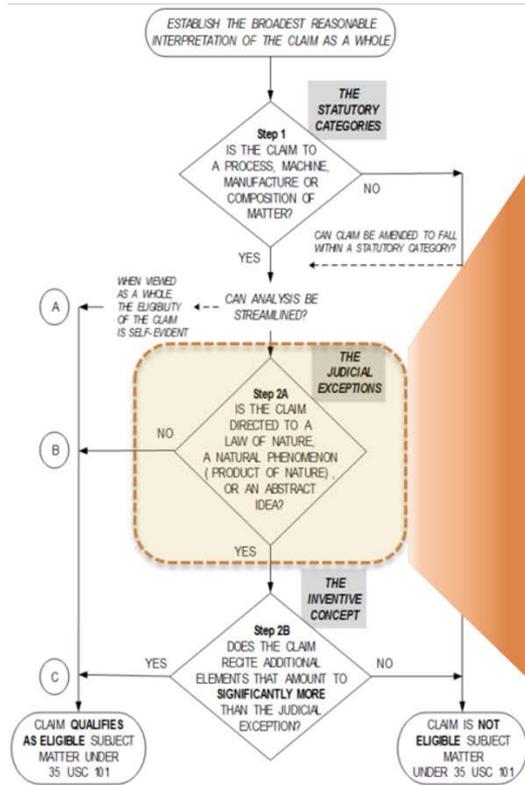
What Has Changed: Revised Step 2A



- 2019 PEG revises Step 2A:
 - Creates new two-prong inquiry for determining whether a claim is “directed to” an exception.
 - Groups abstract ideas.

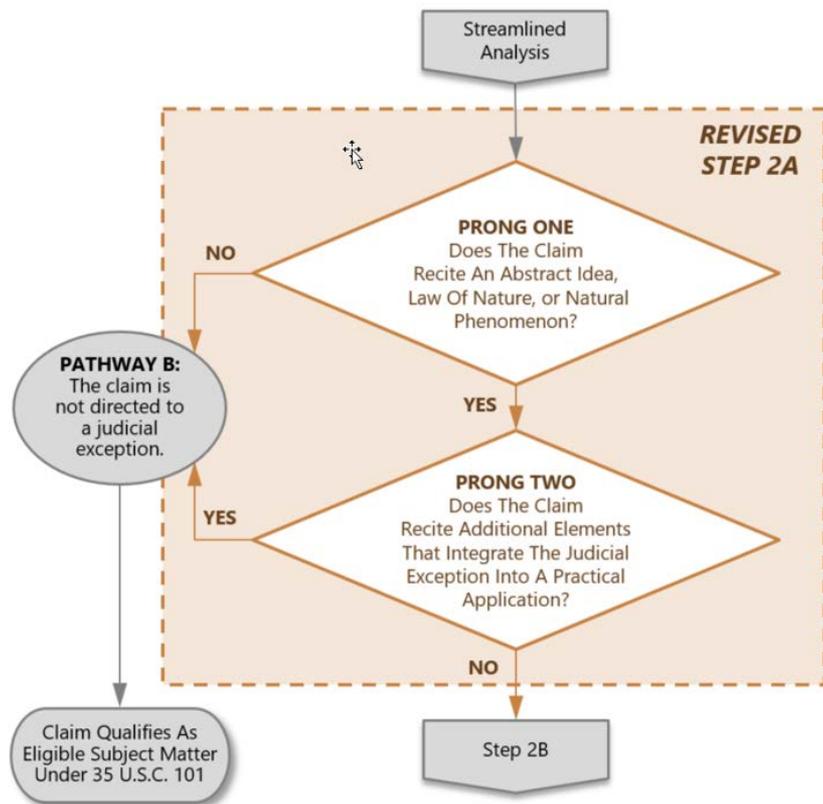
MPEP Flowchart Including Revised Step 2A

MPEP Flowchart



Revised Step 2A Flowchart

What Has Changed: Revised Step 2A



- This flowchart depicts revised Step 2A.
- Under this new two-prong inquiry, a claim is now eligible at revised Step 2A unless it:
 - Recites a judicial exception and
 - The exception is not integrated into a practical application of the exception.

Revised Step 2A Is A Two-Prong Inquiry

- Prong One: evaluate whether the claim recites a judicial exception (an abstract idea enumerated in the 2019 PEG, a law of nature, or a natural phenomenon).
 - If no exception is recited, the claim is **eligible**. This concludes the eligibility analysis.
 - If claim recites an exception, go to Prong Two.
- Prong Two: evaluate whether the claim recites additional elements that integrate the exception into a practical application of the exception.
 - If the recited exception is integrated into a practical application, then the claim is **eligible**. This concludes the eligibility analysis.
 - If the exception is not integrated into a practical application, then the claim is “directed to” the exception. Go to Step 2B for further analysis.

Prong One: Overview

- Prong One vs. Prior Guidance
 - For **laws of nature and natural phenomena**, Prong One does not represent a change from prior guidance
 - Continue to use the “recite” standard set forth in MPEP 2106.04(b) and (c), including the markedly different characteristics analysis, to determine if a claim recites a law of nature or natural phenomenon
 - If the claim recites a law of nature or natural phenomenon (including a product of nature), the analysis proceeds to Prong Two
 - For **abstract ideas**, Prong One represents a change from prior guidance
 - Now use groupings of abstract ideas
 - **No longer use the “Eligibility Quick Reference Sheet Identifying Abstract Ideas” when determining whether a claim recites an abstract idea**

Prong One: Abstract Ideas

- Prong One procedure for determining whether a claim “recites” an abstract idea is:
 - identify the specific limitation(s) in the claim under examination that the examiner believes recites an abstract idea; and
 - determine whether the identified limitation(s) falls within at least one of the groupings of abstract ideas enumerated in the 2019 PEG.
- If the identified limitation(s) falls within any of the groupings of abstract ideas enumerated in the 2019 PEG, the analysis should proceed to Prong Two.
- Claim limitations that do not fall within the enumerated groupings should not be treated as abstract ideas except in rare circumstances.

Groupings of Abstract Ideas

Mathematical Concepts

- mathematical relationships
- mathematical formulas or equations
- mathematical calculations

Mental Processes

- concepts performed in the human mind (including an observation, evaluation, judgment, opinion)

NOTE: The recitation of generic computer components in a claim does not necessarily preclude that claim from reciting an abstract idea.

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)

Revised Step 2A: Prong Two

- New procedure not found in prior guidance:
 - Identifying whether there are any additional elements recited in the claim beyond the judicial exception(s), and
 - Evaluating those additional elements to determine whether they integrate the exception into a practical application of the exception.
- “Integration into a practical application”
 - Requires an additional element(s) or a combination of additional elements in the claim to 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 exception.
 - Uses the considerations laid out by the Supreme Court and the Federal Circuit to evaluate whether the judicial exception is integrated into a practical application.

Prong Two Considerations: Introduction

- Most of these considerations should be familiar to you.
 - Most of the considerations are discussed in MPEP 2106.05 and sub-sections 2106.05(a) through 2106.05(h) with respect to Step 2B.
 - Unless otherwise specified in the 2019 PEG, you should evaluate these considerations in Step 2A Prong Two the same way you have been evaluating them in Step 2B.
- The 2019 PEG modifies the considerations in two ways:
 - The improvements consideration is evaluated **differently** in Step 2A Prong Two than in the streamlined analysis or Step 2B.
 - Adds a **new** consideration based on case law including *Vanda*, for evaluation of particular treatment or prophylaxis limitations.

Prong Two Considerations: Details

Limitations that are indicative of integration into a practical application:

- Improvements to the functioning of a computer, or to any other technology or technical field - see MPEP 2106.05(a)
- Applying or using a judicial exception to effect a particular treatment or prophylaxis for a disease or medical condition – see *Vanda* Memo
- Applying the judicial exception with, or by use of, a particular machine - see MPEP 2106.05(b)
- Effecting a transformation or reduction of a particular article to a different state or thing - see MPEP 2106.05(c)
- Applying or using the judicial exception in some other meaningful way beyond generally linking the use of the judicial exception to a particular technological environment, such that the claim as a whole is more than a drafting effort designed to monopolize the exception - see MPEP 2106.05(e) and *Vanda* Memo

Limitations that are **not** indicative of integration into a practical application:

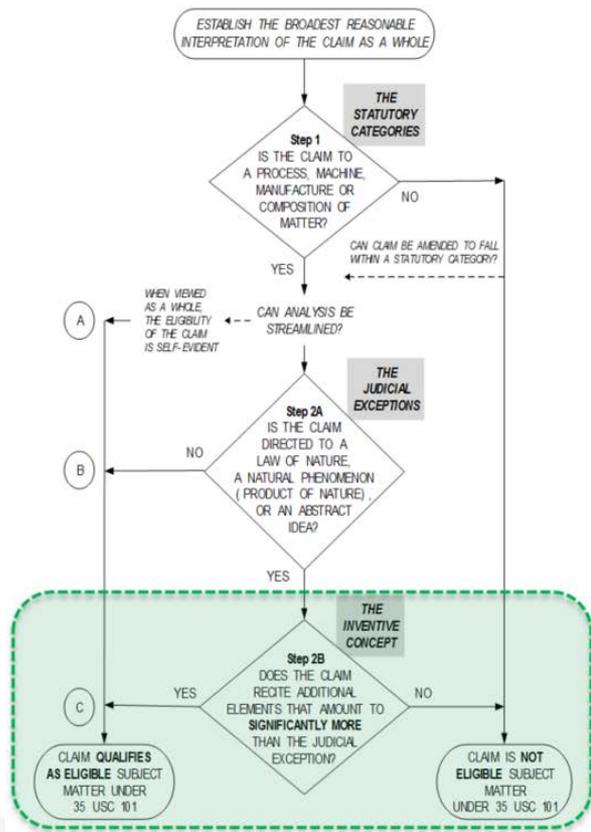
- Adding the words “apply it” (or an equivalent) with the judicial exception, or mere instructions to implement an abstract idea on a computer, or merely uses a computer as a tool to perform an abstract idea - see MPEP 2106.05(f)
- Adding insignificant extra-solution activity to the judicial exception - see MPEP 2106.05(g)
- Generally linking the use of the judicial exception to a particular technological environment or field of use – see MPEP 2106.05(h)

Whether claim elements represent only well-understood, routine, conventional activity is considered at Step 2B and is not a consideration at Step 2A.

Prong Two Does not Include a “WURC” Consideration

- There is no evaluation of whether the additional elements are well-understood, routine, conventional (“WURC”) activity in Prong Two.
- Examiners should give weight to **all** of the claimed additional elements in Prong Two, even if those elements represent well-understood, routine, conventional (WURC) activity.
 - Because Step 2A **excludes** consideration of WURC, a claim that includes WURC elements may still integrate an exception into a practical application.
 - Do not evaluate WURC unless the analysis proceeds to Step 2B.

What Remains The Same: Step 2B



- Still analyze inventive concept (aka “significantly more”) in 2B
- Even if claim ends up in Step 2B, it may still be eligible
 - E.g., claim recites an element or combination of elements that is unconventional

Still Analyze For Inventive Concept In Step 2B

- In Step 2B, evaluate whether the claim recites additional elements that amount to an inventive concept (aka “significantly more”) than the recited judicial exception.
 - If the claim as a whole amounts to significantly more than the exception itself (there is an inventive concept in the claim), the claim is **eligible**.
 - If the claim as a whole does not amount to significantly more (there is no inventive concept in the claim), the claim is **ineligible**.
- Same procedure as in prior guidance:
 - Identifying whether there are any additional elements recited in the claim beyond the judicial exception(s), and
 - Evaluating those additional elements individually and in combination to determine whether they amount to significantly more.

Resources

- Office guidance on subject matter eligibility
 - MPEP 2106 *et seq.* [except MPEP 2106.04(II), which has been superseded]
 - *Berkheimer* Memo issued on April 20, 2018
 - 2019 PEG
- Other materials
 - New Form Paragraphs
 - Chart of affected MPEP sections
 - Sample rejection under the 2019 PEG
 - Examples 37-42 demonstrating how to apply the 2019 PEG
 - Frequently-Asked-Questions (FAQ) document

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Thank You

