MEETING RECAPITULATION

THE PAULINE NEWMAN IP AMERICAN INN OF COURT

TUESDAY, FEBRUARY 16, 2016

The second Inn meeting of the 2016 calendar year was held in the auditorium under the atrium in the central Madison Building of the headquarters of the U.S. Patent & Trademark Office in Alexandria, Virginia. A reception with food and drink began at 6:00 p.m.

The full title of the program was "Global Perspective of Patent Eligible Subject Matter (US, Europe, and Asia) & Obligations under TRIPs". It began at 7:05 p.m.

Our speaker was Thomas Irving, a partner at Finnegan with four decades of IP experience. He was the manager of Finnegan's first European office in Brussels. He has taught at law schools in the DC area, and has taught patent law in China at graduate schools and the State Intellectual Property Office. He was introduced by Administrative Patent Judge Hung H. Bui.

He said that he was not happy that patent eligibility was being used to reject patent applications, rather than other grounds. He rarely encountered patent eligibility issues in his specialty, pharmaceutical patents. An exception was patent applications relating to traditional Chinese medicines.

Alice v. CLS Bank dealt with claims directed to the use of computers for the intermediate settlement of banking transactions. It set out a two-step analysis: 1. Whether the claims

are directed to a patent ineligible concept. 2. If so, is there an inventive concept that transforms them into a patent-eligible application. "For me, money talks, but it always says 'goodbye'." Trends in patent law follow a sine curve; they come and go and come back again.

Section 101 is making patent law uncertain, as no one knows just what is patent eligible. Mr. Irving quoted from a dissent by Judge Newman, "an all-purpose bright-line rule for the threshold portal of section 101 is as unavailable as it is unnecessary." He hopes that "the pendulum will swing, and we will get out of this 101 business."

Flowcharts that attempt to decipher section 101 jurisprudence are virtually undecipherable. A two-page brief that is to the point will often beat a twenty-page brief. "Does anyone know what 'markedly different characteristics' are?" There are exceptions to exceptions. You are left out in the bushes, not knowing what to do. "Inventive concept" is an elusive concept.

Under the Mayo test, there must be "significantly more" in a claim than the judicially-created exceptions to patentability. The criteria for "significantly more" are confusing and contradictory. Stay away from the PTO's examples of abstract ideas.

Judge Newman in her dissent in *Ariosa v. Sequenom* said, "The subject matter is not ineligible under Section 101, but warrants standard legal analysis for compliance with the requirements of patentability, that is, novelty, unobviousness, specificity of written description, enablement, etc., and whether the claims are appropriately limited."

There are about 11 *Alice* motion decisions per month, with an average success rate of 70% in the district courts and 96% in the Federal Circuit. The most active courts for §101 decisions are in Delaware and Texas.

In claiming, try not to say, "use standard methods", because it makes it easy for the court to say that it is just conventional, not inventive.

§101 jurisprudence is making American patent law more similar to European patent law.

Under the European Patent Office ("EPO") Guidelines, "if a substance found in nature can be shown to have a technical effect, it may be patentable." Technical effect should be disclosed in the specification but does not need to be in the claim. Products "discovered" in nature may be patentable in Europe, if a practical use for them is described, and they are claimed as isolated or artificially produced products. Boards of Appeal have repeatedly declined to provide a legal definition for the term "technical". It appears to be a case of "I know it when I see it."

Chinese patent law lists categories of unpatentable products, but processes for producing the products may be patentable.

TRIPs may be relevant to subject matter eligibility, but it is not clear in what forum you could bring a case.

"Patent law is the ultimate chess match."

The program ended at 8:13 p.m.

Respectfully submitted,

Stephen Christopher Swift
Secretary