

# PATENT DOCS

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## USPTO Updates Patent Eligibility Guidance in View of *Berkheimer*

The second part of the patent-eligibility test of *Alice Corp. v. CLS Bank Int'l* involves an inquiry into whether certain elements of a claim directed to an unpatentable judicial exception are "well-understood, routine, and conventional." If this is the case, the claim fails to meet the requirements of 35 U.S.C. § 101. If not, the claim clears the § 101 hurdle. Since *Alice*, this determination has been largely treated as a matter of law.

But recently, in *Berkheimer vs. HP Inc.*, the Federal Circuit stated:

*The question of whether a claim element or combination of elements is well-understood, routine and conventional to a skilled artisan in the relevant field is a question of fact. Any fact . . . that is pertinent to the invalidity conclusion must be proven by clear and convincing evidence. Like indefiniteness, enablement, or obviousness, whether a claim recites patent eligible subject matter is a question of law which may contain underlying facts.*

*(Emphasis added.)*

The Court noted that some § 101 disputes may be resolved as a matter of law when there is no material issue of fact regarding whether one or more claim elements, or combination thereof, are well-understood, routine, or conventional to a person of ordinary skill in the art. Based on this reasoning, HP's summary judgment motion for ineligibility was reversed and remanded to the District Court for further proceedings. The Court reiterated this position a few days later in *Aatrix Software Inc. v. Green Shades Software, Inc.* and three times since then in non-precedential decisions.

On April 19, the U.S. Patent and Trademark Office (USPTO) published a memorandum providing updated § 101 examination guidance that takes the *Berkheimer* rule into account. This memo was widely anticipated given that *Berkheimer* is viewed as one of the more significant § 101 decisions in recent history,

and also because at least some Patent Trial and Appeal Board (PTAB) panels have stated that the case's holding does not apply to their review of patent-eligibility rejections from examiners (*see, e.g., Decision on Request for Rehearing in Ex parte Daniel R. Swanson Sr.*).

In the memo, the Office begins by reviewing the *Berkheimer* case and acknowledging its importance. The Office writes: "[w]hile the *Berkheimer* decision does not change the basic subject matter eligibility framework as set forth in MPEP § 2106, it does provide clarification as to the inquiry into whether an additional element (or combination of additional elements) represents well-understood, routine, conventional activity."

The Office goes on to specify how the case impacts examination procedure. Notably, when applying the second part of the *Alice* test, an examiner should not find that an additional element is well-understood, routine or conventional unless the examiner can expressly support (in writing) one of the following four rationales.

1. *"A citation to an express statement in the specification or to a statement made by an applicant during prosecution that demonstrates the well-understood, routine, conventional nature of the additional element(s)." But, an element is not well-understood, routine, or conventional if "the specification is silent with respect to describing such element."*
2. *"A citation to one or more [court decisions] noting the well-understood, routine, conventional nature of the additional element(s)."*
3. *"A citation to a publication that demonstrates the well-understood, routine, conventional nature of the additional element(s)." This does not include all publications that could qualify as prior art under § 102, however. Particularly, "the description of the additional elements in the publication would need to demonstrate that the additional elements are widely prevalent or in common use in the relevant field, comparable to the types of activity or elements that are so well-known that they do not need to be described in detail in a patent application to satisfy 35 U.S.C. § 112(a)."*

4. "A statement that the examiner is taking official notice of the well-understood, routine, conventional nature of the additional element(s)." An examiner should only take this option "when the examiner is certain, based upon his or her personal knowledge, that . . . the additional elements are widely prevalent or in common use in the relevant field, comparable to the types of activity or elements that are so well-known that they do not need to be described in detail in a patent application to satisfy 35 U.S.C. § 112(a)." Of course, the applicant can challenge the official notice following the procedures of MPEP § 2144.03, which should result in the examiner having to rely on one of the first three rationales.

This guidance certainly is welcome. Conclusory reasoning is not uncommon in § 101 rejections and examiners who follow this guidance will be less likely to rely upon such a technique. But there are reasons why we might not expect this guidance to result in a substantive change in examination.

The second rationale requires a citation to case law indicating that a claimed element is similar to something found to be well-understood, routine, or conventional by the Supreme Court or Federal Circuit. There are many such decisions, numerous ones of which involve conclusory reasoning themselves regarding additional elements. Also, there is little discussion in the memo as to how examiner as supposed to consider whether a combination of additional elements constitutes significantly more. Thus, use of this rationale might not, in truth, avoid the problem that the USPTO is trying to solve.

Additionally, the USPTO's new emphasis on the second part of *Alice* may incentivize examiners to lump more elements under the first part, leaving a small number of simple additional elements that can be quickly dismissed as well-understood, routine, or conventional under the second part (*i.e.*, using the second rationale above). For instance, consider this claim from the USPTO's **Example 34**:

1. A content filtering system for filtering content retrieved from an Internet computer network by individual controlled access network accounts, said

*filtering system comprising:*

*a local client computer generating network access requests for said individual controlled access network accounts; at least one filtering scheme; a plurality of sets of logical filtering elements; and a remote ISP server coupled to said client computer and said Internet computer network, said ISP server associating each said network account to at least one filtering scheme and at least one set of filtering elements, said ISP server further receiving said network access requests from said client computer and executing said associated filtering scheme utilizing said associated set of logical filtering elements.*

The USPTO stated that this claim is eligible. Nonetheless, an examiner may still review the claim elements piecemeal. For example, the examiner might contend that the claim is directed to the abstract idea of content filtering, and that the additional elements of a local client computer, remote ISP server, and computer network are well-understood, routine, and conventional. By grouping as many elements as possible under the looser rubric of part one, it is easier to justify, even under the new guidance, that a claim is ineligible.

In short, the memo gives applicants a few more tools for rebutting examiners, but the scourge of § 101 rejections with little or no supportive reasoning is far from over.