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Ex-USPTO Directors, Judges Back Patent Eligibility Overhaul

By **Mike LaSusa**

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Law360 (July 30, 2019, 11:07 PM EDT) -- Two former directors of the U.S. Patent and Trademark Office joined a pair of retired Federal Circuit chief judges and other prominent figures in signing on to a letter Tuesday urging Congress to pass a law expanding patent eligibility.

Former USPTO Directors David Kappos and Todd Dickinson and former Federal Circuit Chief Judges Paul Michel and Randall Rader, along with numerous law professors and others, called on Congress to pass legislation **floated earlier this year** that would reshape the way patent eligibility is determined.

“Congressional reform of patent eligibility doctrine ... is vitally important to sustain U.S. global leadership in innovation, resulting in increased jobs, economic growth, and a flourishing society,” they said. “Unfortunately, U.S. innovators, especially in the high-tech and biopharmaceutical sectors, are suffering under extreme uncertainty about how patent examiners or judges will apply the Alice-Mayo framework that was recently created by the Supreme Court.”

The two dozen signatories also slammed a letter sent to Congress by the ACLU and a slew of medical groups last month opposing the bill.

“As Congress considers legislation to bring balance back to the patent system in promoting the high-tech and biopharmaceutical inventions that drive the U.S. innovation economy, it is imperative that its deliberations are based on accurate statements of the law and of the real-world performance of the U.S. patent system,” Tuesday’s letter said.

The ACLU’s letter said the bill "would authorize patenting products and laws of nature, abstract ideas and other general fields of knowledge," but the former USPTO directors and ex-federal judges called that a "profoundly mistaken and inaccurate statement."

"The proposed amendments preclude ‘implicit or judicially created exceptions to subject matter eligibility,’ and do not eliminate constitutional and statutory bars to patenting laws of nature, abstract ideas, and general fields of knowledge," they said.

The ex-patent officials and the judges also criticized the ACLU's claim that the legislation could "prevent the discovery of novel treatments for diseases" and could cause "harms to innovation and useful research."

"First, the letter cites no evidence supporting these allegations. It cannot, because it is an unproven claim," Tuesday's letter said, adding that the opponents of the legislation overlook "the vitally important commercial function that patents serve in the healthcare market."

The draft language of the bill **unveiled in May** would expressly abrogate high court decisions such as Alice and Myriad, which found that abstract ideas, laws of nature and natural phenomena are not patent-eligible. Sen. Thom Tillis, R-N.C., and Sen. Chris Coons, D-Del., the bill's architects, say the lack of clarity about what falls into those categories has created too much legal uncertainty and discourages investment in new technology.

Lawmakers leading the push to expand patent eligibility **said last month** that they will alter their proposal following three days of hearings in order to emphasize that "true abstractions" and natural laws can't be patented.

At the final hearing on the draft bill that, Tillis said that concerns raised at the proceedings, which **began June 4** and **continued the following day**, had persuaded him that the final bill will need to include more limits on patent eligibility.

For instance, he said, the final bill will stress that only useful inventions are patent-eligible, in an effort to make it "very clear that true abstractions, natural laws and naturally-occurring phenomena do not pass the test."

Tillis said he also wants the bill to include "a beefed-up experimental use and research exemption, so that basic research isn't unduly inhibited by any fix."

In addition, he said the legislation will include a provision limiting the use of functional language in patents describing what the invention does rather than what it is, "so that vague business methods and generic computer claims can't pass muster and be weaponized against small businesses, startups and entrepreneurs."

The bill is still being drafted and is expected in the coming weeks.

-- Additional reporting by Ryan Davis. Editing by Emily Kokoll.