



FÉDÉRATION INTERNATIONALE DES CONSEILS EN PROPRIÉTÉ INDUSTRIELLE  
COMMISSION D'ÉTUDE ET DE TRAVAIL (CET)

SUBJECT: FICPI Awaits The Supreme Court's Positions on The Extent of The Definition of Invention In The United States (*In re Bilski*)

PURPOSE: Article

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Over the past two years FICPI has presented *amicus curiae* briefs on the case of *In re Bilski* before both The United States Court of Appeals for The Federal Circuit (EXCO/IT08/CET/1702) and The Supreme Court of the United States (EXCO/AR10/CET/1701). The issue which has perplexed the Courts for some time now is how to address patent claims to innovative subject matter that is derived primarily from the mind (with the obvious need of software to Implement the innovation), in many cases described in the short form as business method patents. In *Bilski*, where the claims were to a method of trading commodities, the Federal Circuit enunciated the "machine and transformation" test or rule, which requires claimed subject matter to include a "machine," somewhat undefined, or a transformation of an article of commerce, also broadly but not yet clearly defined, otherwise the claim does not set forth subject matter under the definition of invention under 35 USC Sec 101. Generally speaking such a rule is the death knell to business method patents and causes even greater concern for such people as software developers and other methods, such as in medical processes, where innovation occurs from understanding certain medical procedures(or methods). The Federal Circuit test has been roundly criticized.

accept the prior Supreme court rulings that anything made by man under the sun that was new, novel and nonobvious meets Sec 101 criteria. The Supreme Court held a hearing on November 9 and at least six justices were apparently dissatisfied with the recognition of business methods as protectable subject matter. It also seemed as if they were very troubled by software protection by the patent system. As one justice said, if he could do something manually why should the patent laws apply to the same subject matter if done by computer.

A decision is expected soon. It is likely *Bilski* will be affirmed as unpatentable and unlikely the Court will operate in broad strokes as to software. However, as the Court did in *KSR v Teleflex*, with broad strokes as to obviousness, there could be some damage as to software rights as collateral damage in the language of the CIA. The definition of technology or technical character seems too hard a concept for the Court to definitively understand and define for Sec 101 purposes.

Last year FICPI presented two possible solutions to the Federal Circuit and Supreme Court in *amicus curiae* briefs: (1) that to meet Sec 101 the claim should have identified technology or a technical character; and (2) to look at the issue of such innovation not as a question of 35 USC Sec 101 but Sec 103,