



# Bilski Part II

## Same-Day Analysis of the En Banc Federal Circuit Hearing

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## Speakers / 講師



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- Former Associate Solicitor, U.S. Patent and Trademark Office (USPTO)
- Represented the USPTO in the U.S. courts



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- Associate, Electronics Practice
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 **Speakers / 講師** TACPI Web 特別講座

**Haruaki Murao**



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- Admitted to Practice in the U.S. (NY)
- Focuses on IP matters, including negotiations and litigation
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 **Some Big Picture Points From the Hearing** TACPI Web 特別講座

- Court grappling to find the right test for patent eligibility
- Asked many questions about the statute and previous Supreme Court cases
- Questioned parameters of creating a new judicial exception of unpatentable subject matter
- Recognition of need to foster innovation in the Information Age, and other policy issues

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## Main Topic Areas

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- Areas seemingly undisputed for “process”
  - Exceptions to patentable subject matter from the Supreme Court (abstract idea, law of nature, and natural phenomenon)
  - Physical transformations (e.g., chemical reactions)
  
- What is the meaning of the proposed tests?
  - What is a transformation?
  - What is tied to machine?
  - What does useful, concrete and tangible mean?



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## Transformation Test

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- *Diehr* – “Transformation and reduction of an article ‘to a different state or thing’ is the clue to the patentability of a process claim that does not include particular machines.”
  - Some judges questioned whether transformation is a required part of the test
  
- What does “transformation” mean and what kinds of transformations qualify?
  - Physical transformation is acceptable
  - Data transformation more difficult – does it need to be tied to a machine?
    - Information transformation (Appellant called it physical transformation)
  - Is a transformation encompass any kind of change at all (e.g., throwing baseball)?



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## Machine Test

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- One test discussed at the hearing and advocated by USPTO: Is the subject matter sufficiently tied to a machine?
- Derived from *Benson* and *Diehr* “Transformation and reduction of an article 'to a different state or thing' is the clue to the patentability of a process claim that does not include particular machines”
- Probably only a test to determine that subject matter is patentable; not a test to determine that subject matter is unpatentable.



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## Machine Test

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- For non-transformative processes, such as in *Bilski*, the claim must either recite the use of machine components, or be virtually impossible to carry out without a machine.
- At least one judge questioned if *State Street Bank* held patentable a computer (machine) that was carrying out a mental process (idea).
- Although discussed, the test was not explored thoroughly, it does not appear that the judges consider it as a potential centerpiece for a decision. This may change with time.



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## Useful, Concrete and Tangible Test

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- Mostly questioned appellant about this standard
- Strongly questioned meaning of the individual words
- Demonstrated some lack of clarity of words “concrete” and “tangible”



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## Policy Considerations

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### **Section 101 requires flexibility to keep pace with technology**

- The Federal Circuit questioned whether the “transformation” test was appropriate in today’s information age.
- *Gottschalk v. Benson*, 409 U.S. 63, 71 (1972) (“It is argued that a process patent must either be tied to a particular machine or apparatus or must operate to change articles or materials to a ‘different state or thing.’ We do not hold that no process patent could ever qualify if it did not meet the requirements of our prior precedents.”)
- *Parker v. Flook*, 437 U.S. 584, 589 n.9 (1978) (“As in *Benson*, we assume that a valid process patent may issue even if it does not meet one of these qualifications of our earlier precedents.”)



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## Policy Considerations

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### The Court must adopt a workable test.

- The PTO examiners must apply any test ultimately adopted by the Federal Circuit.
- The Court was concerned with creating a standard that would be meaningless and difficult to apply (what is “concrete”, “tangible” and “useful”).
- The Court noted that its decisions could have more impact on the daily operations of the PTO versus litigation in Federal Courts.

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## 最近の重大な事件

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*Quanta* (2008年1月16日に口頭弁論)

*KSR* (2007)

*eBay* (2006)

そして、*Bilski*

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## Patentability

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- *State Street Bank & Trust Co.*, 149 F.3d 1368 (Fed. Cir. 1998)
- *AT&T Corp.*, 172 F.3d 1352 (Fed. Cir. 1999)

“useful, concrete and tangible result”



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## 日本

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### 特許法第2条

この法律で「発明」とは、自然法則を利用した技術的思想の創作のうち高度のものをいう。



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- Process patent の対象に制限がないとすれば、
  - ・金融取引
  - ・R&Dの方法
  - ・製品管理の方法
  - ・マーケティングの方法
  - ・ヘッドハンティングの仕方
  - ・業績評価の方法
  - ・節税方法



- 特許可能性のあるprocessはビジネス分野に限られない
  - ・ゴルフのスイングの仕方
  - ・泳ぎ方
  - ・デートの仕方
  - ・プロポーズの仕方
  - ・歯磨きの仕方

(既に出願されているものもある)





- ProcessはMachineと結びつく必要はあるのか
  - ・ソフトウェア
- Transformation
  - ・データ変換