No. 18-1223

In the Supreme Court of the United States

MARIO VILLENA AND JOSE VILLENA
Petitioners,
v.
ANDREI IANCU, DIRECTOR,
UNITED STATES PATENT AND TRADEMARK OFFICE,
Respondent.

ON PETITION FOR WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

BRIEF OF AMICUS CURIAE JEREMY C. DOERRE IN SUPPORT OF NEITHER PARTY

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QUESTIONS PRESENTED

The Petitioners ask whether "claim limitations can be completely unknown and nonobvious under Titles 35 U.S.C. §§ 102/103, yet at the same time be well-understood, routine, and conventional … as an ordered combination under an *Alice*/*Mayo* § 101 analysis?" Pet. i. Amicus would reformulate this to ask whether a combination of elements that is sufficient to render a claim novel and nonobvious over an abstract idea is also "'sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [abstract idea] itself.'" *Alice Corp. Pty. Ltd. v. CLS Bank Int'l*, 134 S. Ct. 2347, 2355 (2014) (quoting *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66, 72-73 (2012)).

Amicus submits this brief to bring to the Court's attention that, if the Court decides to utilize this case as a vehicle to consider this question, this case could potentially also be utilized as a vehicle to consider:

Whether, given this Court's "standard approach of construing a statutory exception narrowly to preserve the primary operation of the general rule," *Commissioner v. Clark*, 489 U.S. 726, 727 (1989), the implicit judicial exception to 35 U.S.C. § 101 should be narrowly construed to not apply for prior art ideas because 35 U.S.C. § 102 and 35 U.S.C. § 103 already ensure that claims do not "'disproportionately t[ie] up the use of [] underlying' [prior art] ideas." *Alice*, 134 S. Ct. at 2354-2355 (quoting *Mayo*, 566 U.S. at 73).

TABLE OF CONTENTS

TABLE OF AUTHORITIES

Cases

Statutes

Other Authorities

INTEREST OF AMICUS CURIAE[1]

Amicus Curiae Jeremy C. Doerre is a registered patent attorney who practices before the United States Patent and Trademark Office, the Office's Patent Trial and Appeal Board, and the United States Court of Appeals for the Federal Circuit. Amicus has no stake in any party or in the outcome of this case.

SUMMARY OF THE ARGUMENT

This Court has "long held that [35 U.S.C. § 101] contains an important implicit exception: Laws of nature, natural phenomena, and abstract ideas are not patentable."[2] This Court has "described the

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[1] No counsel for a party authored this brief in whole or in part, and no party or counsel for a party made a monetary contribution intended to fund the preparation or submission of this brief. No person or entity other than amicus curiae or amicus curiae's counsel made such a monetary contribution to the preparation or submission of this brief. All parties have provided written consent to the filing of this brief. A copy of written consent from the Petitioners and the Respondent was provided to the Clerk upon filing. Counsel of record for each of the parties received timely notice of amicus curiae's intent to file this brief.

[2] *Alice Corp. Pty. Ltd. v. CLS Bank Int'l*, 134 S. Ct. 2347, 2354 (2014).

concern that drives this exclusionary principle as one of pre-emption."[3]

The Petitioners ask whether "claim limitations can be completely unknown and nonobvious under Titles 35 U.S.C. §§ 102/103, yet at the same time be well-understood, routine, and conventional … as an ordered combination under an *Alice*/*Mayo* § 101 analysis?"[4] Amicus would reformulate this question to ask whether a combination of elements that is sufficient to render a claim novel and nonobvious over an abstract idea is also "'sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [abstract idea] itself,'"[5] and would urge that this is so.

Amicus suggests that, if this is the case, then with respect to abstract ideas that were already in the prior art, any pre-emption concern that a claim might "'disproportionately t[ie] up the use of [] underlying' [prior art] ideas" is already addressed by 35 U.S.C. § 102's requirement that the claim be novel over all prior art ideas and 35 U.S.C. § 103's requirement that the claim be nonobvious over all prior art ideas, with no need to resort to an implicit judicial exception to 35 U.S.C. § 101 to guard against such pre-emption.

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[3] *Alice*, 134 S. Ct. at 2354.

[4] Pet. i.

[5] *Alice*, 134 S. Ct. at 2355 (quoting *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66, 72-73 (2012)).

Given this, Amicus queries whether, in view of this Court's "standard approach of construing a statutory exception narrowly to preserve the primary operation of the general rule,"[6] the implicit judicial exception to 35 U.S.C. § 101 for abstract ideas should be narrowly construed to not apply for prior art ideas because 35 U.S.C. § 102 and 35 U.S.C. § 103 already ensure that claims do not "'disproportionately t[ie] up the use of [] underlying' [prior art] ideas."[7] Amicus submits this brief to bring to the attention of this Court that this case is potentially a suitable vehicle for considering this question, especially if the Respondent desires consideration of this issue.

ARGUMENT

I. It might be advantageous for this Court to confirm whether a combination of elements that is sufficient to render a claim novel and nonobvious over an abstract idea is also "'sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [abstract idea] itself.'"[8]

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[6] *Commissioner v. Clark*, 489 U.S. 726, 727 (1989).

[7] *Alice*, 134 S. Ct. at 2354-2355 (quoting *Mayo*, 566 U.S. at 73).

[8] *Alice*, 134 S. Ct. at 2355 (quoting *Mayo*, 566 U.S. at 72-73).

This Court has "long held that [35 U.S.C. § 101] contains an important implicit exception: Laws of nature, natural phenomena, and abstract ideas are not patentable."[9]

In *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*,[10] this Court "set forth a framework for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of those concepts."[11] This framework involves "[f]irst, [] determin[ing] whether the claims at issue are directed to one of those patent-ineligible concepts."[12] If so, the analysis proceeds to "consider[ing] the elements of each claim both individually and 'as an ordered combination'"[13] in a "search for an ' 'inventive concept' '— i.e., an element or combination of elements that is 'sufficient to ensure that the patent in practice

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[9] *Alice Corp. Pty. Ltd. v. CLS Bank Int'l*, 134 S. Ct. 2347, 2354 (2014).

[10] *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66 (2012).

[11] *Alice*, 134 S. Ct. at 2355 (citing *Mayo*, 566 U.S. 66).

[12] *Alice*, 134 S. Ct. at 2355 (citing *Mayo*, 566 U.S. at 77).

[13] *Alice*, 134 S. Ct. at 2355 (quoting *Mayo*, 566 U.S. at 79).

amounts to significantly more than a patent upon the [ineligible concept] itself.'"[14]

In the Petition, the Petitioners ask whether "claim limitations can be completely unknown and nonobvious under Titles 35 U.S.C. §§ 102/103, yet at the same time be well-understood, routine, and conventional individually and as an ordered combination under an *Alice*/*Mayo* § 101 analysis?"[15]

As noted above, Amicus would reformulate this question to ask whether a combination of elements that is sufficient to render a claim novel and nonobvious over an abstract idea is also "'sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [abstract idea] itself.'"[16] With respect to this question, Amicus would urge that any element or combination of elements that is sufficient to render a claim novel and nonobvious over an abstract idea is also "'sufficient to ensure that the [claim] in practice amounts to significantly more than a patent upon the [abstract idea] itself.'"[17]

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[14] *Alice*, 134 S. Ct. at 2355 (quoting *Mayo*, 566 U.S. at 72-73) (alteration in original).

[15] Pet. i.

[16] *Alice*, 134 S. Ct. at 2355 (quoting *Mayo*, 566 U.S. at 72-73).

[17] *Alice*, 134 S. Ct. at 2355 (quoting *Mayo*, 566 U.S. at 72-73).

Amicus would suggest that this conclusion would be supported by this Court's characterization of this particular portion of the analysis as a "search for an ' 'inventive concept' '," [18] as this Court has previously suggested with respect to "a judicial test[of] 'invention' -- i.e., 'an exercise of the inventive faculty,'" [19] that "Congress… articulated th[is] requirement in a statute, framing it as a requirement of 'nonobviousness.'" [20] Amicus would suggest that this characterization equating nonobviousness with "invention" supports the proposition that any element or combination of elements that is sufficient to render a claim novel and nonobvious over an abstract idea also is "'sufficient to ensure that the [claim] in practice amounts to significantly more than a patent upon the [abstract idea] itself.'" [21] [22]

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[18] *Alice*, 134 S. Ct. at 2355 (quoting *Mayo*, 566 U.S. at 72-73).

[19] *Dann v. Johnston*, 425 U.S. 219, 225-226 (1976) (quoting *McClain v. Ortmayer*, 141 U.S. 419, 427 (1891)).

[20] *Dann*, 425 U.S. at 225-226.

[21] *Alice*, 134 S. Ct. at 2355 (quoting *Mayo*, 566 U.S. at 72-73).

[22] Amicus would further suggest that this proposition may also be supported by the reasoning that an inventive step is sufficient to ensure the existence of an inventive concept, which reasoning may be relevant because "the term[] 'inventive step' … may be deemed … to be synonymous with the term[] 'non-obvious'." Agreement Establishing the

Amicus suggests that this Court's confirmation of whether this is the case may well be advantageous for increasing clarity regarding application of the implicit judicial exception to 35 U.S.C. § 101.

II. If this is so, this Court may wish to additionally consider whether the implicit judicial exception to 35 U.S.C. § 101 for abstract ideas should be narrowly construed to not apply for prior art ideas because 35 U.S.C. § 102 and 35 U.S.C. § 103 already ensure that claims do not "'disproportionately t[ie] up the use of [] underlying' [prior art] ideas."[23]

A. There is no need to resort to use of an implicit judicial exception to prevent pre-emption of prior art ideas because 35 U.S.C. § 102 and 35 U.S.C. § 103 already ensure that claims do not

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World Trade Organization, Annex 1C - Agreement on Trade-Related Aspects of Intellectual Property Rights, Section 5, note 5, available at https://www.wto.org/english/docs_E/legal_E/31bis_trips_e.pdf.

[23] *Alice*, 134 S. Ct. at 2354-2355 (quoting *Mayo*, 566 U.S. at 73).

"'disproportionately t[ie] up the use of [] underlying' [prior art] ideas."[24]

As noted above, this Court has "long held that [35 U.S.C. § 101] contains an important implicit exception: Laws of nature, natural phenomena, and abstract ideas are not patentable."[25] This Court has "described the concern that drives this exclusionary principle as one of pre-emption."[26]

In accord with this, this Court has indicated that in contrast to claims that "'would risk disproportionately tying up the use of the underlying' ideas, … and are therefore ineligible for patent protection," claims that "pose no comparable risk of pre-emption… remain eligible for the monopoly granted under our patent laws."[27]

In the context of a newly discovered law of nature or natural phenomenon, or a newly articulated abstract idea, it makes sense that pre-emption concerns might necessitate resort to an implicit judicial exception to 35 U.S.C. § 101 in order to ensure that claims do not "'disproportionately t[ie] up the use

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[24] *Alice*, 134 S. Ct. at 2354-2355 (quoting *Mayo*, 566 U.S. at 73).

[25] *Alice*, 134 S. Ct. at 2354.

[26] *Id.*

[27] *Alice*, 134 S. Ct. at 2354-2355 (quoting *Mayo*, 566 U.S. at 73).

of [] underlying' ideas."[28] Amicus would suggest, however, that there is no similar need to resort to use of an implicit judicial exception to prevent undue pre-emption of known prior art abstract ideas, as 35 U.S.C. § 102 and 35 U.S.C. § 103 already ensure that claims do not "'disproportionately t[ie] up the use of [] underlying' [prior art] ideas."[29]

In particular, as detailed above, Amicus would urge that any element or combination of elements that is sufficient to render a claim novel (under 35 U.S.C. § 102) and nonobvious (under 35 U.S.C. § 103) over an abstract idea is also "'sufficient to ensure that the [claim] in practice amounts to significantly more than a patent upon the [abstract idea] itself.'"[30]

Amicus respectfully suggests that if this is so, then with respect to abstract ideas that were already in the prior art, any pre-emption concern that a claim might "'disproportionately t[ie] up the use of [] underlying' [prior art] ideas" is already addressed by 35 U.S.C. § 102's requirement that the claim be novel over all prior art ideas and 35 U.S.C. § 103's requirement that the claim be nonobvious over all prior art ideas, with

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[28] *Alice*, 134 S. Ct. at 2354-2355 (quoting *Mayo*, 566 U.S. at 73).

[29] *Alice*, 134 S. Ct. at 2354-2355 (quoting *Mayo*, 566 U.S. at 73).

[30] *Alice*, 134 S. Ct. at 2355 (quoting *Mayo*, 566 U.S. at 72-73).

no need to resort to an implicit judicial exception to 35 U.S.C. § 101 to guard against such pre-emption.[31]

That is, Amicus urges that there is no need to resort to use of an implicit judicial exception to 35 U.S.C. § 101 in order to prevent pre-emption of prior art ideas because 35 U.S.C. § 102 and 35 U.S.C. § 103 already ensure that claims do not "'disproportionately t[ie] up the use of [] underlying' [prior art] ideas."[32]

B. The implicit judicial exception to 35 U.S.C. § 101, like other statutory exceptions, could reasonably be construed "narrowly in order to

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[31] Amicus would note that if an element or combination of elements that might otherwise qualify as an inventive concept is itself alleged to represent or be part of an ineligible abstract idea, e.g. a novel mathematical formula, then the claim could simply be alleged to be ineligible as directed to that abstract idea. Amicus would suggest that identification and emphasis of such a novel abstract idea at risk of being pre-empted, as contrasted with a blanket allegation of a claim as directed to a prior art idea coupled with dismissal of elements or a combination of elements as also abstract, has the advantage of requiring more explicit logical analysis, thus minimizing the likelihood of an error in application.

[32] *Alice*, 134 S. Ct. at 2354-2355 (quoting *Mayo*, 566 U.S. at 73).

preserve the primary operation of the provision."[33]

This Court has suggested that statutory exceptions generally should be narrowly construed. For example, in *Commissioner v. Clark*[34] this Court referenced its "standard approach of construing a statutory exception narrowly to preserve the primary operation of the general rule,"[35] and noted that "[i]n construing provisions … in which a general statement of policy is qualified by an exception, we usually read the exception narrowly in order to preserve the primary operation of the provision."[36]

This Court has proffered at least one rationale for why statutory exceptions should be narrowly construed, articulating in *Phillips, Inc. v. Walling*[37] that: "[t]o extend an exemption to other than those plainly and unmistakably within its terms and spirit is to abuse the interpretative process and to frustrate the announced will of the people."[38]

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[33] *Commissioner v. Clark*, 489 U.S. 726, 739 (1989) (citing *Phillips, Inc. v. Walling*, 324 U.S. 490, 493 (1945)).

[34] *Commissioner v. Clark*, 489 U.S. 726 (1989).

[35] *Clark*, 489 U.S. at 727.

[36] *Clark*, 489 U.S. at 739 (citing *Phillips, Inc. v. Walling*, 324 U.S. 490, 493 (1945)).

[37] *Phillips, Inc. v. Walling*, 324 U.S. 490 (1945)

[38] *Phillips*, 324 U.S. at 493.

Amicus would query whether, if this is true for explicit statutory exceptions enacted as part of a statute by legislative representatives of the people, it is also true for implicit statutory exceptions inferred by the judicial branch.[39] The exception to 35 U.S.C. § 101 for abstract ideas is such an implicit statutory exception, as this Court made clear in noting that it has "long held that th[e] provision of [35 U.S.C. § 101] contains an important implicit exception: Laws of nature, natural phenomena, and abstract ideas are not patentable."[40]

In accordance with this Court's guidance regarding construction of statutory exceptions, the implicit statutory exception to 35 U.S.C. § 101 could

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[39] This Court has recently suggested that in at least some contexts, courts may not "may not engraft … exceptions onto the statutory text," *Henry Schein, Inc. v. Archer and White Sales, Inc.*, 139 S. Ct. 524, 530 (2019), and "may not rewrite [a] statute simply to accommodate [a] policy concern." *Id.* at 531. To the extent that the longstanding implicit judicial exception to 35 U.S.C. § 101 can be implied to be accepted or adopted by Congress, e.g. because "Congress is presumed to be aware of a[] … judicial interpretation of a statute and to adopt that interpretation when it reenacts a statute without change," *Lorillard v. Pons*, 434 U.S. 575, 580 (1978), Amicus suggests that this would not impact an argument that the implicit statutory exception, like other statutory exceptions, should be narrowly construed.

[40] *Alice*, 134 S. Ct. at 2354.

reasonably be construed "narrowly in order to preserve the primary operation of the provision [of 35 U.S.C. § 101],"[41] as to do otherwise would risk "frustrat[ing] the announced will of the people."[42]

Amicus would respectfully suggest that such a narrow construction may be especially appropriate with respect to the implicit exception to 35 U.S.C. § 101 for abstract ideas, as this Court has declined to "labor to delimit the precise contours of the 'abstract ideas' category,"[43] but has cautioned that one must "tread carefully in construing this exclusionary principle lest it swallow all of patent law."[44]

C. The implicit judicial exception to 35 U.S.C. § 101 for abstract ideas could reasonably be narrowly construed to not apply for prior art ideas because 35 U.S.C. § 102 and 35 U.S.C. § 103 already ensure that claims do not

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[41] *Clark*, 489 U.S. at 739 (citing *Phillips*, 324 U.S. at 493).

[42] *Phillips*, 324 U.S. at 493.

[43] *Alice*, 134 S. Ct. at 2357. While this Court's choice was eminently reasonable, it has left decision makers uncertain as to when to apply the implicit exception to 35 U.S.C. § 101 for abstract ideas.

[44] *Alice*, 134 S. Ct. at 2354.

"'disproportionately t[ie] up the use of [] underlying' [prior art] ideas."[45]

As detailed above, although this Court has articulated an implicit statutory exception to 35 U.S.C. § 101 for abstract ideas driven by pre-emption concerns which exists to ensure that claims do not "'disproportionately t[ie] up the use of the underlying' ideas,"[46] Amicus urges that there is no need to resort to use of this implicit judicial exception to 35 U.S.C. § 101 in order to prevent pre-emption of prior art ideas because 35 U.S.C. § 102 and 35 U.S.C. § 103 already ensure that claims do not "'disproportionately t[ie] up the use of [] underlying' [prior art] ideas."[47]

As also noted above, the implicit judicial exception to 35 U.S.C. § 101, like other statutory exceptions, could reasonably be construed "narrowly in order to preserve the primary operation of the provision."[48]

Accordingly, Amicus respectfully suggests that the implicit statutory exception to 35 U.S.C. § 101 for abstract ideas could reasonably be narrowly construed

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[45] *Alice*, 134 S. Ct. at 2354-2355 (quoting *Mayo*, 566 U.S. at 73).

[46] *Alice*, 134 S. Ct. at 2354-2355 (quoting *Mayo*, 566 U.S. at 73).

[47] *Alice*, 134 S. Ct. at 2354-2355 (quoting *Mayo*, 566 U.S. at 73).

[48] *Clark*, 489 U.S. at 739 (citing *Phillips*, 324 U.S. at 493).

to not apply for prior art ideas because 35 U.S.C. § 102 and 35 U.S.C. § 103 already ensure that claims do not "'disproportionately t[ie] up the use of [] underlying' [prior art] ideas."[49]

D. Narrowly construing the implicit judicial exception to 35 U.S.C. § 101 to not apply for prior art ideas would still allow the exception to operate to prevent claims from pre-empting newly discovered or novel ideas.

Importantly, narrowly construing the implicit judicial exception to 35 U.S.C. § 101 to not apply for prior art ideas would not disrupt this Court's precedent applying the implicit exception to 35 U.S.C. § 101 to guard against pre-emption of newly discovered or novel laws of nature, natural phenomena, and abstract ideas.

As an example, consider *Parker v. Flook*,[50] where this Court addressed a question regarding eligibility of a novel formula, considering whether, if a "formula is the only novel feature of [a] method[,] … the discovery of this feature makes an otherwise

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[49] *Alice*, 134 S. Ct. at 2354-2355 (quoting *Mayo*, 566 U.S. at 73).

[50] *Parker v. Flook*, 437 U.S. 584 (1978).

conventional method eligible for patent protection."[51] Narrowly construing the implicit exception to 35 U.S.C. § 101 to not apply for prior art ideas would not prevent application, as in *Flook*, of this implicit exception for a novel formula.

Similarly, in *Mayo*, this Court addressed claims involving newly discovered natural correlations, where "those in the field did not know the precise correlations between metabolite levels and likely harm or ineffectiveness,"[52] and "[t]he patent claims … set forth processes embodying researchers' findings that identified these correlations with some precision."[53] Narrowly construing the implicit exception to 35 U.S.C. § 101 to not apply for prior art ideas would not prevent application, as in *Mayo*, of this implicit exception for newly discovered natural laws.

Overall, narrowly construing the implicit judicial exception to 35 U.S.C. § 101 to not apply for prior art

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[51] *Flook*, 437 U.S. at 588 ("For the purpose of our analysis, we assume that respondent's formula is novel and useful, and that he discovered it. We also assume, since respondent does not challenge the examiner's finding, that the formula is the only novel feature of respondent's method. The question is whether the discovery of this feature makes an otherwise conventional method eligible for patent protection.")

[52] *Mayo*, 566 U.S. at 74.

[53] *Id.*

ideas would still allow the exception to operate to prevent claims from pre-empting newly discovered or novel laws of nature, natural phenomena, and abstract ideas.

E. This Court has not previously addressed whether the implicit judicial exception to 35 U.S.C. § 101 should be narrowly construed to not apply for prior art ideas.

Notably, this Court has at times applied the implicit judicial exception to 35 U.S.C. § 101 to find claims ineligible as directed to abstract ideas which clearly represent prior art ideas.

For example, in *Bilski v. Kappos*[54] this Court found claims ineligible as directed to "[t]he concept of hedging,"[55] which was found to be "a fundamental economic practice long prevalent in our system of commerce and taught in any introductory finance class,"[56] and in *Alice* this Court similarly found claims ineligible as directed to "the concept of intermediated settlement,"[57] which was likewise found to be "'a fundamental economic practice long prevalent in our

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[54] *Bilski v. Kappos*, 561 U.S. 593, 611 (2010).

[55] *Id.*

[56] *Id.*

[57] *Alice*, 134 S. Ct. at 2356.

system of commerce.'"[58] Thus, in each of these cases this Court applied the implicit judicial exception to 35 U.S.C. § 101 for a concept that was "long prevalent," and thus clearly a prior art idea.

However, "appellate courts do not sit as self-directed boards of legal inquiry and research, but essentially as arbiters of legal questions presented and argued by the parties before them,"[59] and in neither of these cases, nor in any other case, so far as Amicus is aware, was this Court asked to consider whether the implicit statutory exception to 35 U.S.C. § 101 for abstract ideas should be narrowly construed to not apply for prior art ideas because 35 U.S.C. § 102 and 35 U.S.C. § 103 already ensure that claims do not "'disproportionately t[ie] up the use of [] underlying' [prior art] ideas."[60]

Perhaps the closest this Court has come in its recent cases to addressing this issue was in *Mayo*, where this Court addressed a brief by the United States filing as *Amicus Curiae* which urged an exceedingly narrow construction of the implicit exception to 35 U.S.C. § 101[61] and argued that "other

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[58] *Alice*, 134 S. Ct. at 2356 (quoting *Bilski*, 561 U.S. at 611).

[59] *Carducci v. Regan*, 714 F.2d 171, 177 (D.C. Cir. 1983) (Scalia, J.).

[60] *Alice*, 134 S. Ct. at 2354-2355 (quoting *Mayo*, 566 U.S. at 73).

[61] See, e.g., *Mayo*, 566 U.S. at 89 ("the Government argues that virtually any step beyond a statement of a law of

statutory provisions—those that insist that a claimed process be novel, 35 U.S.C. § 102, that it not be 'obvious in light of prior art,' § 103, and that it be 'full[y], clear[ly], concise[ly], and exact[ly]' described, § 112—can perform this screening function."[62]

In addressing this argument, this Court "recognize[d] that, in evaluating the significance of additional steps, the § 101 patent-eligibility inquiry and, say, the § 102 novelty inquiry might sometimes overlap," but noted that such overlap with another statutory section "need not always be so."[63] Importantly, because *Mayo* dealt with newly discovered laws of nature, it did not offer this Court a chance to consider a situation where such overlap with another statutory section will always be present: when considering prior art laws of nature, natural phenomena, and abstract ideas.

Indeed, although this Court explicitly referenced the category of "newly discovered (and 'novel') laws of nature,"[64] and seemed to recognize that such newly discovered laws of nature, natural phenomena, and

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nature itself should transform an unpatentable law of nature into a potentially patentable application sufficient to satisfy § 101's demands." (citing Brief for United States as *Amicus Curiae*)).

[62] *Mayo*, 566 U.S. at 89.

[63] *Mayo*, 566 U.S. at 90.

[64] *Id.*

abstract ideas might sometimes have different implications than prior art laws of nature, natural phenomena, and abstract ideas,[65] the government's proposed approach did not differentiate between the two, and instead "suggest[ed] in effect that the novelty of a component law of nature may be disregarded when evaluating the novelty of the whole."[66]

This Court reasonably declined to adopt the government's proposed approach which attempted to shift the role of screening out newly discovered or novel ideas from the implicit judicial exception to 35 U.S.C. § 101 to other statutory sections, thus rendering the "exception to § 101 patentability a dead letter."[67]

In contrast, narrowly construing the implicit judicial exception to 35 U.S.C. § 101 to not apply for prior art ideas would merely shift the role of screening out prior art ideas back to the other statutory sections where Congress intended it to lie: 35 U.S.C. § 102 and 35 U.S.C. § 103.[68] Unlike the approach proposed by

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[65] See *Mayo*, 566 U.S. at 90 ("What role would laws of nature, including newly discovered (and 'novel') laws of nature, play in the Government's suggested 'novelty' inquiry?")

[66] *Mayo*, 566 U.S. at 90.

[67] *Mayo*, 566 U.S. at 89.

[68] For example, 35 U.S.C. § 103 can often be applied in accord with *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398 (2007) to reject and invalidate obvious claims which merely

the government in *Mayo*, narrowly construing the implicit judicial exception to not apply for prior art ideas would not render the exception a dead letter, as the exception would still operate to prevent claims from pre-empting newly discovered or novel laws of nature, natural phenomena, and abstract ideas, as detailed above.

F. If urged by Respondent, this case is potentially a suitable vehicle for this Court to consider whether the implicit judicial exception to 35 U.S.C. § 101 should be narrowly construed to not apply for prior art ideas.

In the present case, the Federal Circuit affirmed the claims as ineligible as "directed to the abstract idea of property valuation."[69] As property valuation is clearly a prior art idea, this case thus implicates the question of whether the implicit judicial exception to 35 U.S.C. § 101 for abstract ideas should be narrowly construed to not apply for prior art ideas because 35 U.S.C. § 102 and 35 U.S.C. § 103 already ensure that

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recite obvious computer implementations of prior art ideas using routine and conventional computer components and functionality.

[69] Pet. App. 6a.

claims do not "'disproportionately t[ie] up the use of [] underlying' [prior art] ideas."[70]

Amicus notes and acknowledges that the Petitioners did not raise this question, and appreciates that, accordingly, this Court would generally be unlikely to consider it at this time. Further, Amicus is mindful and cautious of submitting a brief that would be wasteful of this Court's time. However, given that public remarks of the Respondent suggest that the Respondent may well be interested in seeing this issue addressed, and given that this Court has on rare occasion requested parties to address questions not presented in a petition for a writ of certiorari,[71] Amicus submits this brief in support of neither party to bring to this Court's attention that this case potentially represents a

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[70] *Alice*, 134 S. Ct. at 2354-2355 (quoting *Mayo*, 566 U.S. at 73).

[71] See, e.g., *Ebay Inc. v. Mercexchange, L.L.C.*, 546 U.S. 1029 (2005) ("In addition to the question presented by the petition, the parties are directed to brief and argue the following question: 'Whether this Court should reconsider its precedents, including *Continental Paper Bag Co. v. Eastern Paper Bag Co.*, 210 U. S. 405 (1908), on when it is appropriate to grant an injunction against a patent infringer.'"); *Nat'l Ass'n of Home Builders v. Defenders of Wildlife*, 549 U.S. 1105 (2007); *Hernandez v. Mesa*, 137 S.Ct. 291 (2016); *Chappell v. Ayala*, 135 S. Ct. 401 (2014).

suitable vehicle for this Court to consider this issue if urged to do so by the Respondent.

In this regard, the Respondent has publicly suggested narrowly construing the implicit judicial exception to 35 U.S.C. § 101. For example, in remarks delivered at the 10th Annual Patent Law & Policy Conference held at Georgetown University Law School, the Respondent observed that "[t]he exceptions to the 101 statute are judicially created," and suggested that "[i]n the spirit of judicial restraint, let's apply them only where we have to."[72]

Similarly, the Respondent has made public remarks that suggest he may agree with the premise that any element or combination of elements that is sufficient to render a claim novel (under 35 U.S.C. § 102) and nonobvious (under 35 U.S.C. § 103) over an abstract idea is also "'sufficient to ensure that the [claim] in practice amounts to significantly more than a patent upon the [abstract idea] itself.'"[73] For example, in remarks delivered at the Intellectual Property Owners Association 46th Annual Meeting in

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[72] Andrei Iancu, Remarks by Director Iancu delivered at the 10th Annual Patent Law & Policy Conference at Georgetown University Law School (November 26, 2018), available at https://www.uspto.gov/about-us/news-updates/remarks-director-iancu-10th-annual-patent-law-policy-conference (hereinafter "Remarks at Georgetown").

[73] *Alice*, 134 S. Ct. at 2355 (quoting *Mayo*, 566 U.S. at 72-73).

Chicago, the Respondent queried "How can a claim be novel enough to pass 102 and nonobvious enough to pass 103, yet lack an 'inventive concept' and therefore fail 101?"[74] The answer, of course, is that the claim may involve a novel, but ineligible, law of nature, natural phenomenon, or abstract idea. However, in the context of a claim alleged to be directed to a prior art idea, the Respondent's query captures an important question, and speaks to the proposition that there is no need to resort to use of an implicit judicial exception to 35 U.S.C. § 101 for prior art ideas.

Further, the Respondent appears to support minimizing overlap between statutory sections and shifting the role of screening out prior art ideas away from 35 U.S.C. § 101 and back to 35 U.S.C. § 102 and 35 U.S.C. § 103. For example, the Respondent has suggested "keep[ing] rejections in their own distinct lanes—as directed, in fact, by the 1952 [Patent] Act,"[75]

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[74] Andrei Iancu, Remarks by Director Iancu delivered at the Intellectual Property Owners Association 46th Annual Meeting (September 24, 2018), available at https://www.uspto.gov/about-us/news-updates/remarks-director-iancu-intellectual-property-owners-46th-annual-meeting (hereinafter "Remarks at IPO Meeting").

[75] Andrei Iancu, Remarks at IPO Meeting, *supra* note 74; see also Andrei Iancu, Remarks at Georgetown, *supra* note 72 ("[P]ursuant to the Patent Act of 1952, we should keep invalidity rejections in their own lanes.")

and has further suggested that "[i]f something is not inventive, then invalidate it under 102 or 103."[76]

A desire by the Respondent to minimize overlap between statutory sections makes sense, as such overlap requires a patent examiner to have to enter and articulate both a rejection under 35 U.S.C. § 101, and a rejection under 35 U.S.C. § 102 or 35 U.S.C. § 103.[77] While this overlap and resulting inefficiency may sometimes be unavoidable, narrowly construing the implicit judicial exception to 35 U.S.C. § 101 to not apply for prior art ideas would at least obviate this inefficiency for claims directed to prior art ideas.

Similarly, a preference by the Respondent for shifting the role of screening out prior art ideas away from 35 U.S.C. § 101 and back to 35 U.S.C. § 102 and

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[76] Andrei Iancu, Remarks at IPO Meeting, *supra* note 74; see also Andrei Iancu, Remarks at Georgetown, *supra* note 72 ("If something is not novel or is obvious, we should invalidate it under 102 or 103.")

[77] See, e.g., U.S. Patent and Trademark Office Manual of Patent Examining Procedure (MPEP) 2103, available at https://www.uspto.gov/web/offices/pac/mpep/s2103.html ("It is essential that patent applicants obtain a prompt yet complete examination of their applications. Under the principles of compact prosecution, each claim should be reviewed for compliance with every statutory requirement for patentability in the initial review of the application, even if one or more claims are found to be deficient with respect to some statutory requirement.")

35 U.S.C. § 103 makes sense given his confidence that "[w]e have decades of case law from the courts and decades of experience at the PTO examining millions of patent applications, which guide us in our 102, 103 and 112 analyses,"[78] and that "[p]eople know these standards and know how to apply these well-defined statutory requirements."[79] These sentiments mark a sharp contrast with his publicly expressed concerns that "the law surrounding what subject matter is eligible for patenting, under 35 U.S.C. section 101, is anything but clear,"[80] and that "[w]e have thousands of examiners who struggle with these issues on a daily basis."[81]

Overall, in view of the Respondent's publicly expressed preferences to "apply the[] [implicit judicial exception] only where we have to,"[82] "keep rejections in their own distinct lanes,"[83] and "[i]f something is not inventive, then invalidate it under 102 or 103,"[84] the Respondent may well favor shifting the role of screening out prior art ideas away from 35 U.S.C. § 101 and back to 35 U.S.C. § 102 and 35 U.S.C. § 103

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[78] Andrei Iancu, Remarks at Georgetown, *supra* note 72.

[79] *Ibid.*

[80] *Ibid.*

[81] Andrei Iancu, Remarks at IPO Meeting, *supra* note 74.

[82] Andrei Iancu, Remarks at Georgetown, *supra* note 72.

[83] Andrei Iancu, Remarks at IPO Meeting, *supra* note 74.

[84] *Ibid.*

by narrowly construing the implicit judicial exception to 35 U.S.C. § 101 to not apply for prior art ideas. However, given this Court's application of the implicit judicial exception to 35 U.S.C. § 101 in *Alice* and *Bilski* for long prevalent concepts, the Respondent likely cannot shift the role of screening out prior art ideas away from 35 U.S.C. § 101 and back to 35 U.S.C. § 102 and 35 U.S.C. § 103 without this Court's approval.

Accordingly, the Respondent may well favor this Court's consideration of whether the implicit judicial exception to 35 U.S.C. § 101 for abstract ideas should be narrowly construed to not apply for prior art ideas because 35 U.S.C. § 102 and 35 U.S.C. § 103 already ensure that claims do not "'disproportionately t[ie] up the use of [] underlying' [prior art] ideas."[85] If so, this case may potentially be a suitable vehicle for this Court's consideration of this issue. While this case may not represent the ideal vehicle for such consideration, the Respondent has indicated that "the USPTO cannot wait,"[86] and that "[o]ur examiners need additional guidance now[,] [a]nd so do patent applicants, patent owners, and the public."[87]

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[85] *Alice*, 134 S. Ct. at 2354-2355 (quoting *Mayo*, 566 U.S. at 73).

[86] Andrei Iancu, Remarks at IPO Meeting, *supra* note 74.

[87] *Ibid.*

CONCLUSION

Amicus submits this brief to bring to this Court's attention that, if this Court decides to utilize this case as a vehicle to consider whether a combination of elements that is sufficient to render a claim novel and nonobvious over an abstract idea is also "'sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [abstract idea] itself,'"[88] this case could potentially also be utilized as a vehicle to consider whether the implicit judicial exception to 35 U.S.C. § 101 for abstract ideas should be narrowly construed to not apply for prior art ideas because 35 U.S.C. § 102 and 35 U.S.C. § 103 already ensure that claims do not "'disproportionately t[ie] up the use of [] underlying' [prior art] ideas."[89]

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[88] *Alice*, 134 S. Ct. at 2355 (quoting *Mayo*, 566 U.S. at 72-73).

[89] *Alice*, 134 S. Ct. at 2354-2355 (quoting *Mayo*, 566 U.S. at 73).

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