

No. 19-430

IN THE
Supreme Court of the United States

ATHENA DIAGNOSTICS, INC., OXFORD UNIVERSITY
INNOVATION LTD., and MAX-PLANCK-GESELLSCHAFT
ZUR FORDERUNG DER WISSENSCHAFTEN E.V.,

Petitioner,

v.

MAYO COLLABORATIVE SERVICES, LLC, dba MAYO
MEDICAL LABORATORIES, and MAYO CLINIC,

Respondents.

*On Petition for a Writ of Certiorari
to the United States Court of Appeals
for the Federal Circuit*

**BRIEF OF *AMICI CURIAE*
FREEMOME HOLDINGS, INC. AND NEW
CURES FOR CANCERS, INC., IN SUPPORT OF
PETITION FOR A WRIT OF CERTIORARI**

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INTERESTS OF *AMICI CURIAE*^{1,2}

Amici Curiae are friends of the Court concerned with inconsistencies in the law pertaining to patent eligibility, which are decreasing the incentive to create new medical diagnostics, personalized medicines and life-saving drugs.

Freenome Holdings, Inc. (“Freenome”; www.freenome.com) uses artificial intelligence to recognize disease-associated patterns among billions of circulating, cell-free markers to produce accurate, non-invasive blood tests for very early cancer detection. Freenome’s blood tests look beyond mutations to detect the body’s own early-warning signs for cancer, incorporating a multi-dimensional view of both tumor- and immune-derived signatures that enable the early detection of cancer. Freenome integrates the actionable insights developed from its tests into health systems to operationalize a feedback loop between care and science.

¹ Pursuant to Sup. Ct. R. 37.6, Counsel for Freenome Holdings, Inc. and New Cures for Cancers, Inc. confirm they have authored the entirety of this brief and that no person other than the *amici curiae* and its counsel has made a monetary contribution to the preparation or submission of this brief.

² Pursuant to Sup. Ct. R. 37.2(a), both Petitioners and Respondents have consented to the filing of this *amicus brief*. Petitioners filed a general consent letter, located at a docket entry dated October 3, 2019. Respondents consented in communication between Respondent’s counsel and New Cures for Cancers’ counsel on October 21, 2019.

New Cures for Cancers, Inc. (www.newcurescancers.org) is a not for profit corporation focused on judicial and legislative advocacy to urge laws that motivate new diagnostics and new drugs to cure cancer. In 2019, 1.7 million people in the United States will be diagnosed with cancer and 609,000 will die. One goal of the organization is to foster changes in the courts' application of the law, which has caused the invalidation of every challenged patent on personalized diagnostics since 2012. Without patent protection for their investments, companies will not continue to be motivated to create new personalized diagnostics. Another goal of the organization is to foster changes in the courts' application of the law that isolated natural products are not eligible for patent protection, because isolated natural products play a crucial role in extending and saving the lives of cancer patients.

SUMMARY OF THE ARGUMENT

Amici Curiae urge the Court to resolve five critical inconsistencies in the law pertaining to patent eligible subject matter.

ARGUMENT

I. Introduction

Article I, Section 8, Clause 8 of the U.S. Constitution gives **Congress** the sole power to “promote the Progress of Science and the Useful Arts, by securing for limited times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.” (emphasis added). Since the enactment of the first patent eligibility statute in 1790, Congress has confirmed and repeatedly recodified the law over a 220 year period that anyone who “invents or discovers” a new and useful process, machine, manufacture or composition of matter is entitled to patent protection, subject to the other conditions of the statute. Sherry Knowles and Anthony Prosser, *Unconstitutional Application of 35 U.S.C. § 101 by the U.S. Supreme Court*, 18 J. MARSHALL REV. INTELL. PROP. L. 144 (2018). Congress unambiguously chose to use its Constitutional discretion to promote the progress of science by motivating scientific research that either “invents” **or** “discovers” in the disjunctive.

In the history of the 1952 Patent Act, Congress noted its intent that inventions “include anything under the sun that is made by man.” H.R. Rep. No. 82-3760, 82d Cong., 1st Sess., 37 (1951); S. Rep. No. 1979, 82d Cong., 2d Sess., 1952). The legislative history of the 1952 Patent Act establishes that Congress used its exclusive constitutional power to include applied “discoveries,” as patent eligible subject matter.

Many diagnostics and personalized medicine approaches are considered applied discoveries.

In contrast, application of the legal test for patent eligible subject matter has become irreconcilable with the language of the text of § 101. The cornerstone of the Supreme Court law on patent eligibility relies on a group of judicial exceptions to the statutory text and a subjective test looking at whether there is “significantly more” or an “inventive concept,” none of which are found in the § 101 language. This court derived test is inconsistent with Congress’ legislative history and intent, and in fact, has *de facto* turned the statutory language into the opposite of what Congress intended.

The confusion and damage caused by the presentation of two inconsistent laws on the same subject matter by two branches of the U.S. government to industries, inventors and investors cannot be overstated. *Amici* urge the Court to provide guidance to resolve this confusion.

Amici identify five specific inconsistencies in the law pertaining to patent eligible subject matter that require urgent resolution by the Court.

II. The Current Law on Patent Eligible Subject Matter Includes Five Critical Inconsistencies

A. The Rubric of *Mayo* and *Alice* are Inconsistent with the Wording of Section 101

The Court's patent eligibility rubric is set out, among other places, in the cases of *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66 (2012) and *Alice Corp. Pty. v. CLS Bank Int'l*, 573 U.S. 208 (2014). Unfortunately, it is difficult to reconcile the *Mayo/Alice* rubric with the literal wording of § 101, which has led to unacceptable confusion and uncertainty in determining what is patent eligible.

Section 101 states:

Whoever *invents or discovers* any new and useful process, machine, manufacture or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

35 U.S.C. § 101 (2011). The patent eligibility rubric of *Mayo* and *Alice* requires:

Step 1. Determine whether claims are directed to the judicially created exceptions to patent eligibility of (i) a law of nature, (ii) natural phenomena or (iii) abstract idea.

Step 2. Determine whether there is significantly more-transforming the claim into patent eligible subject matter. Identify an “inventive concept”.

The *Mayo/Alice* rubric diverges from the Patent Statute in at least the following respects:

35 U.S.C. § 101

***Mayo/Alice* Rubric**

Section 101 does not contain any exceptions to patent eligible subject matter.

The *Mayo/Alice* rubric begins with a determination of whether the judicial exceptions preclude patent eligibility.

Section 101 refers to “invents or discovers” in the disjunctive, indicating that inventions and applied discoveries may be different and that either may be patent eligible.

The *Mayo/Alice* test does not refer to discoveries at all; instead *Mayo* teaches that applied discoveries without more are not patent eligible.

Section 101 presents an objective test (whoever “invents or discovers”).

The *Mayo/Alice* test is a subjective test (“significantly more” and “inventive concept”).

35 U.S.C. § 101

Section 101 excludes consideration of the other “conditions and requirements of this title” (Sections 102, 103 and 112), recognizing that they are applied later.

Section 101 provides a presumption that the process, machine, manufacture or composition of matter is patent eligible (subject to complying with the remaining terms of the title).

***Mayo/Alice* Rubric**

The *Mayo/Alice* test incorporates the other “conditions and requirements of this title” into the “inventive concept” analysis.

The *Mayo/Alice* test does not include this presumption.

B. The Court’s Application of Section 101 is Inconsistent with the Legislative History and the Intent of the Patent Statute

1. “A or B” is Inconsistent with “A not B.”

Section 101 unambiguously refers to “invents or discovers” in the disjunctive. Both the words “inventors” and “discoveries” are used in the U.S. Constitution. U.S. Const. art. I, § 8, cl. 8. And, both inventions

and applied discoveries have resulted in important fundamental advancements to society.³ By protecting both, Congress concluded it is in the country's best in-

³ The term "invention" is commonly defined in dictionaries either in circular fashion as the act of inventing or alternatively, according to the patentability requirements of novelty, non-obviousness, adequate description, and enablement. It has also been referred to as an act of ingenuity or genius and not of ordinary skill. *Invention*, WEBSTER'S THIRD NEW INTERNATIONAL DICTIONARY (3d ed. 1961). In contrast, "discovery" has been used to refer to learning how something works.

Congress has clarified that these terms are limited to things made by man, although not necessary for "invention," the clarification shows that Congress intended that the statutory term "discovery" refers to *applied* discoveries, in other words, an application made by man of what something is or does. See H.R. Rep. No. 82-1923, 2d Sess., 6 (1952).

Examples of marketed pharmaceutical drugs (or drug combinations) that are synthetic and fall into the category of "invention" include rosuvastatin (Crestor[®]), atorvastatin (Lipitor[®]), fluticasone and salmeterol (Advair[®]), budesonide and formoterol (Symbicort[®]), sitaliptin (Januvia[®]), sildenafil (Viagra[®]), tadalafil (Cialis[®]), methylphenidate (Ritalin[®]), and lenalidomide (Revlimid[®]).

Examples of marketed drugs that have been "discovered" in nature and then isolated and applied in a non-naturally occurring form with important therapeutic uses include the antibiotics penicillin, tetracycline, and streptomycin; anti-cancer drugs adriamycin, insulin, vincristine, and vinblastine; anti-anemia drug epogen, and anti-rickets drug Vitamin B¹².

Both categories have improved health, promoted the progress of science, improved our standard of living, and saved countless lives.

terest to promote the progress of science by motivating and temporarily rewarding both inventions and applied discoveries.

Where the U.S. Constitution grants sole authority to Congress to create law in an area, the U.S. Supreme Court is limited to statutory construction. See *Hartford Underwriters Ins. Co. v. Union Planters Bank, N.A.*, 530 U.S. 1, 6 (2000); *Connecticut Nat. Bank v. Germain*, 503 U.S. 249, 253-54 (1992); and *Caminetti v. United States*, 242 U.S. 470, 485 (1917). The Supreme Court as recently as 2000 has stated that “when the statute’s language is plain, the sole function of the courts—at least where the disposition required by the text is not absurd—is to enforce it according to its terms.” *Hartford*, 530 U.S. at 6. The court has stated “time and again that courts must presume that a legislature says in a statute what it means and means in a statute what it says there.” *Connecticut*, 530 U.S. at 253-54 (citing several cases in support and going further to state that “When the words of a statute are unambiguous, then, this first canon is also the last” and the “judicial inquiry is complete”). This assumption is “elementary” to judicial analysis of statutes. *Caminetti*, 242 U.S. at 485 (“It is elementary that the meaning of a statute must, in the first instance, be sought in the language in which the Act is framed, and if that is plain, and if the law is within the constitutional authority of the lawmaking body which passed it, the sole function of the courts is to enforce it according to its terms.”).

2. Congress Has Continuously and Explicitly Included Discoveries within the Scope of Patent Eligible Subject Matter

Between 1790 and 2011, Congress defined the scope of patent eligibility in the broad disjunctive “invented or discovered.” It did remove the word “discovered” for a short period of time (1793-1836 (but even then referred to discoveries, multiple times, later in the text of the code)). In 1836, Congress purposefully restored the disjunctive “discovered or invented” to eligibility scope, which it has maintained through at least two dozen Patent Act amendments and is maintained today. *See* Pub. L. No. 24-357, 5 Stat. 117 (1836); *see also* Knowles, *supra* at 153.⁴

Finally, after the rich history of expanding and refining (but not limiting) patent eligibility described

⁴ In fact, Congress placed the word “discovered” before “invented.” Pub. L. No. 24-357, 5 Stat. 117 (1836). Congress kept the word discovers before invents from 1836 until 1870, and then again flipped the order to using “invented” first and “discovered” second. Pub. L. No. 41-230, 15 Stat. 198 (1870). The wording “invented or discovered” was then maintained through numerous Patent Act amendments until it was amended to “invents or discovers” in the Patent Act of 1952 and remained in the America Invents Act of 2011. The fact that the word “discovers” was removed and then reinstated, and that the order has changed over time, reinforces that Congress gave intentional thought about these words, considered that each word has a separate meaning and used the words purposefully.

above, Congress passed the modern day eligibility criteria in The Patent Act of 1952. Pub. L. No. 82-593, 66 Stat. 792 (1952).

Whoever *invents or discovers* any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Id. at 797 (emphasis added); *See also* Leahy-Smith America Invents Act (“AIA”), Pub. L. No. 112-29, 125 Stat. 284 (2011) (maintaining the same language for patent eligibility).

The 1952 Act also added a definition for the term “invention.” The Act states that: “The term ‘invention’ means invention or discovery.” 35 U.S.C. § 100(a) (1952); *See also* AIA, Pub. L. No. 112-29, 125 Stat. 284 (2011). Congress’ explicit actions confirm its insistence that applied discoveries are patent eligible.

The Hearings before the Subcommittee of the Committee on the Judiciary of the House of Representatives pertaining to the 1952 Act are enlightening. The congressional record shows the intent to maintain “discoveries” was purposeful. For example, The Department of Justice (“DOJ”) gave testimony to Congress (Rep. Bryson presiding), with a range of comments on various proposed sections of the Act. H.R. Rep. No. 82-3760, 1st Sess., 93 (1951).

With respect to patent eligibility, the DOJ requested removal of “discoveries” from the definition of

invention with the assertion that it was inconsistent with the decisions of the Supreme Court. H.R. Rep. No. 82-3760, 1st Sess., 94 (1951). The DOJ stated that it “recommend that no hasty action be taken toward the enactment of a statutory definition of “invention.” H.R. Rep. No. 80-4061, 2d Sess., 82 (1951). And then the DOJ went as far as to say “under existing law discoveries, as such, are not patentable.” *Id.* Specifically, Mr. Brown for the DOJ stated that:

Section 100 of the bill, “definitions,” defines “invention” to include discoveries. While the term “discovery” is used in the patent law as synonymous with invention and it has been recognized that the act of discovery is an essential part of the invention, under existing law discoveries, as such are not patentable. . . The section might have the effect of creating doubt as to existing law on the subject of discovery and might result in opening the door to a huge new area of patents, and permit the creation of monopolies in some of the fundamental and far-reaching discoveries in the fields of chemistry, physics, medicine, mathematics, et cetera. . . The Department would be opposed to the creation of any new area of monopoly which would be exempt from the operation of the anti-trust laws in the absence of clear evidence that such extension is necessary to provide adequate incentive for scientific effort. There would appear to be no such

necessity with respect to the broad field of “discoveries.”

Id.

After Mr. Brown’s testimony was read into the record, the sole response to the DOJ comments was a short “Thank you, Mr. Brown” from Rep. Bryson for Congress without comment and a request to call the next speaker. *Id.* at 98. As the codified law makes clear, the DOJ’s suggestion was not accepted, even after the testimony that it would be inconsistent with Supreme Court cases. On the contrary, Congress did the opposite; it added § 100(a) in the 1952 Act to emphasize that inventions, at a minimum, specifically include applied discoveries.

3. The Court Has Not Construed the Statutory Language “Whoever Invents or Discovers”

There has been a complete absence of statutory construction by the Court of the § 101 language “whoever invents or discovers,” or a discussion of the legislative history or intent behind that language.

Instead of focusing on the wording of the statute, the Court has created and then repeatedly discussed its judicial exceptions to the statute as the preeminent inquiry. This has caused confusion. For example, in *Mayo*, the Court mentions § 101 at the beginning of the opinion, solely to introduce the Court’s judicially created exceptions to it. *Id.* at 70-71. There is no further discussion of the statute or legislative history or intent. The whole of the opinion refers back to earlier

Supreme Court precedent and the Court's evolving law on judicial exceptions to eligibility, instead of focusing on the statute.

*“The Court has long held that this provision contains an important implicit exception. “[L]aws of nature, natural phenomena, and abstract ideas” are not patentable. *Diamond v. Diehr*, 450 U.S. 175, 185, 101 S.Ct. 1048, 67 L.Ed.2d 155 (1981); see also *Bilski v. Kappos*, 561 U.S. 593, ---, 130 S.Ct. 3218, 3233-3234, 177 L.Ed.2d 792 (2010); *Diamond v. Chakrabarty*, 447 U.S. 303, 309, 100 S.Ct. 2204, 65 L.Ed.2d 144 (1980); *Le Roy v. Tatnam*, 14 How. 156, 175, 14 L.Ed. 367 (1853); *O’Reilly v. Morse*, 15 How. 62, 112-120, 14 L.Ed. 601 (1854); cf. *Neilson v. Harford*, Webster’s Patent Cases 295, 371 (1841) (English case discussing same).*

Mayo, 566 U.S. at 70 (emphasis added). The Court then admits that it cannot take its own judicially created exceptions too far or else they will destroy Congress’ patent law *in toto*:

The Court has recognized, however, that too broad an interpretation of this exclusionary principle could eviscerate patent law. For all inventions at some level embody, use, reflect, rest upon, or apply laws of nature, natural phenomena, or abstract ideas. . . Still, as the Court has also made clear, to transform an unpatentable law of nature into a patent-eligible application of such a law, one must do

more than simply state the law of nature while adding the words “apply it.” See, e.g., *Benson*, *supra*, at 71–72, 93 S.Ct. 253.

Mayo, 566 U.S. at 71 (emphasis added).

In *Association for Molecular Pathology v. Myriad Genetics, Incorporated*, 569 U.S. 576 (2013), the Supreme Court considered the patent eligibility of certain isolated gene sequences which encode the BRACA1 and BRACA2 genes, the presence of which are highly predictive of the potential to get breast cancer. The Court held the claims patent ineligible under 35 U.S.C. § 101. *Id.* at 594.

The unanimous Court focused not on the statutory language of § 101 or legislative history or intent, but again instead on the judicially created exceptions to the statute and the economic policy reason for them, neither of which appear to be delegated to the Court by the Constitution.

We have “long held that this provision contains an important implicit exception[:] Laws of nature, natural phenomena, and abstract ideas are not patentable.” *Mayo*, 566 U.S., at ----, 132 S.Ct., at 1293 (internal quotation marks and brackets omitted). Rather, “they are the basic tools of scientific and technological work” that lie beyond the domain of patent protection. *Id.*, at ----, 132 S.Ct., at 1293. As the Court has explained, without this exception, there would be considerable danger

that the grant of patents would “tie up” the use of such tools and thereby “inhibit future innovation premised upon them.” *Id.*, at ---, 132 S.Ct., at 1301. This would be at odds with the very point of patents, which exist to promote creation. *Diamond v. Chakrabarty*, 447 U.S. 303, 309, 100 S.Ct. 2204, 65 L.Ed.2d 144 (1980) (Products of nature are not created, and “‘manifestations ... of nature [are] free to all men and reserved exclusively to none’”).

.... As we have recognized before, patent protection strikes a delicate balance between creating “incentives that lead to creation, invention, and discovery” and “imped[ing] the flow of information that might permit, indeed spur, invention.” *Id.*, at ---, 132 S.Ct., at 1305. We must apply this well-established standard to determine whether Myriad's patents claim any “new and useful ... composition of matter,” § 101, or instead claim naturally occurring phenomena.

Id. at 589. The Supreme Court then held:

groundbreaking, innovative, or even brilliant discovery does not by itself satisfy the § 101 inquiry. See *Funk Bros. Seed Co. v. Kalo Inoculant Co.*, 333 U.S. 127, 68 S.Ct. 440, 92 L.Ed. 588 [1948].

Id. at 576. It is hard to reconcile the Supreme Court ruling that discoveries cannot be patented when the

statute it is applying states that any invention or discovery can be patented, and such law has been repeatedly recodified for 220 years.

C. The Court’s Application of Statutory Construction Principles to Patent Eligibility Law Are Inconsistent with its Application of Statutory Construction Principles to Other Federal Laws

The terms of the U.S. patent eligibility code should be applied in the same precise, strict, non-emotional manner that other U.S. codes are applied, and without judicial exceptions that serve to change the meaning of the statute.

1. Tax Law

In the case of *National Federation of Independent Businesses v. Sebelius, Secretary of Health and Human Services*, 567 U.S. 519 (2012), the Court recognized Congress’ Constitutional power to “lay and collect Taxes, Duties, Imposts and Excises,” U.S. Const., Art. I, § 8, cl.1, and to “make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers,” U.S. Const., Art. I, § 8, cl 18. 567 U.S. at 559. The Court recognized Congress’ great latitude in exercising its powers. *Id.* Chief Justice Roberts concluded, after a lengthy opinion, that the Affordable Care Act’s requirement of a financial penalty for not obtaining insurance may be reasonably characterized as a tax, and falls within Congress’ broad Constitutional power to do so. *Id.* at

574. According to the Court, “[b]ecause the Constitution permits such a tax, it is not our role to forbid it, or pass upon its wisdom or fairness.” *Id.*

The same treatment should be given to the language of § 101.

Similarly, in *United States v. Zacks*, 375 U.S. 59 (1963), Justice Harlan for a unanimous Court (Justice Douglas not participating) held that a 1956 amendment to the Tax Code which effected retroactive changes to the tax treatment of transfers of patent rights, did not give rise to a claim for refund barred by the statute of limitations generally applicable to tax refund claims. Justice Harlan stated that the intent of the legislature must guide the decision. *Id.* at 69. If the taxpayer’s argument prevailed, it would lead to an automatic waiver of the statute of limitations in each case, and whether that should be done is a matter for Congress to decide. *Id.* at 70. “Where Congress has decided otherwise, this Court has but one course.” *Id.*

2. Federal Arbitration Act

In *Henry Schein, Incorporated v. Archer & White Sales, Incorporated*, 139 S. Ct. 524 (2019), the Court was asked to decide whether the judicially-created “wholly groundless” exception to the Federal Arbitration Act, 9 U.S.C. § 2, was consistent with the statutory text of the Federal Arbitration Act. *Id.* at 528. The unanimous Court ruled that it was not. Justice Kavanaugh, writing for the Court, held that the Act does not contain a “wholly groundless” exception and

“we are not at liberty to rewrite the statute passed by Congress and signed by the President.” *Id.* Archer and White argued that there is a policy argument to include the “wholly groundless” exception to deter frivolous motions to compel arbitration. The Court responded that “we may not rewrite the statute simply to accommodate that policy concern.” *Id.* at 531.

Likewise, the text of Section 101 does not include the judicially created exceptions to patent eligibility of (i) a law of nature, (ii) natural phenomena or (iii) abstract idea. The reasoning of the Schein Court in interpreting the Federal Arbitration Act should equally apply to the 1952 Patent Act and the 2011 America Invents Act.

3. America Invents Act: Patent Office *Inter Partes* Review

In the case of *SAS Institute Incorporated v. Iancu, et. al.*, 138 S. Ct. 1348 (2018), Justice Gorsuch, for the majority, ruled that 35 U.S.C. § 318(a) requires the Patent and Trademark Appeal Board to decide the patentability of every challenged claim, based on the plain language of the statute that the Board “shall issue a final written decision with respect to the patentability of any patent claim challenged by the petitioner....” Giving every word its meaning, Court held that the word “shall” generally imposes a nondiscretionary duty and the word “any” naturally carries “an expansive meaning.” *Id.* at 1354.

The SAS Court instructs: “Start where the statute does,” and “just as Congress’ choice of words is presumed to be deliberate” and deserving of judicial respect, so too are structural choices.” *Id.* at 1355. *Amici* agree. Section 101 starts with the words “whoever invents or discovers...” 35 U.S.C. 101 (2011).

The SAS Court continues:

We need not and will not invent an atextual explanation for Congress’ drafting choices when the statute’s own terms supply an answer. *See United States v. Ron Pair Enters., Inc.*, 489 U.S. 235, 240-241 (1989) (“As long as the statutory scheme is coherent and consistent, there generally is no need for a court to inquire beyond the plain language of the statute.”)

Id. at 1357.

Importantly, in response to a policy argument from the PTO, the Court replied that “Policy arguments are properly addressed to Congress, not this Court. It is Congress’ job to enact policy and it is this Court’s job to follow the policy Congress has prescribed.” *Id.* *Amici* again agree.

Likewise, where Congress has promulgated and recodified the patent eligibility statute over a 220 year period to cover both inventions and applied discoveries, Congress’ policy should not be overridden and rewritten by the judiciary to be converted into a statute that removes an entire category of subject matter out of the statute by imposing exceptions and

inserting subjective considerations based on an arbitrary “inventive concept” doctrine.⁵

D. Both *Mayo* and *Alice* are Inconsistent with the 1980 *Dawson Chemical Decision*

The case of *Dawson Chemical Company v. Rohm & Haas Company*, 448 U.S. 176 (1980), bears striking similarity in fact pattern to the cases of *Mayo* and *Alice*, yet the Court’s analysis and conclusions are strikingly different.

In *Dawson Chemical*, Justice Blackmun for the Court focused on the scope of the historic court created doctrines of contributory infringement and patent misuse in light of limitations on that doctrine by the codification of 35 U.S.C. § 271(c) and (d) in the 1952 Patent Act. *Id.* The reasoning and conclusion in

⁵ One goal of the 1952 Patent Act was to overrule the *Hotchkiss v. Greenwood*, 52 U.S. 248 (1850) subjective test of “invention,” resulting in Congress’s action to create an objective obviousness standard. It is equally true that the subjective “invention” test at the time went to patent eligibility itself, as it was used as a subjective threshold test. Judge Rich, a highly respected jurist who was a co-author of the 1952 Patent Act, disagreed that a subjective threshold test was good for the country. Today, by application of judicial exceptions and a subjective inventive concept text, the case law has digressed back to a subjective patent eligibility test, which is inconsistent with Congressional legislative history and intent of the 1952 Patent Act. See Giles S. Rich, *The Vague Concept of “Invention” as Replaced by Sec 103 of the 1952 Patent Act*,” J. OF PATENT OFFICE SOCIETY, XLVI No. 12, Dec. 1964.

Dawson stand as a model for courts on how to thoroughly review legislative history and intent and apply the literal wording of statutes as promulgated.

The judicially created law on patent misuse had been fluid and expanding before the 1952 Patent Act, most notably through the cases of *Mercoïd Corporation v. Mid-Continent Investment Company*, 320 U.S. 661 (1944) and *Mercoïd Corporation v. Minneapolis-Honeywell Regulator Company*, 320 U.S. 680 (1944), based on the general distaste for monopolies. In these cases, according to Justice Blackmun, “the Court definitely held that any attempt to control the market for unpatented goods would constitute patent misuse, even if those goods had no use outside a patented invention.” *Dawson Chem.*, 448 U.S. at 195. These cases served as the “point of departure” for the later 1952 congressional legislation. *Id.*

Justice Blackman recognized that a complicated judicial development had occurred “in which the rights and obligations of patentees as against contributory infringers varied over time.” *Id.* at 197. It became difficult for patent attorneys to advise their clients on questions of contributory infringement and to render secure opinions on licensing issues. *Id.* at 200. The patent bar asked Congress for help. H.R. Rep. No. 82-3760, 82d Cong., 1st Sess., 37 (1951). Congress proposed new subsections to § 271 to address the issue. The DOJ objected to the new provisions on the basis that they would “permit illegal extension of the patent monopoly.” *Dawson Chem.*, 448 U.S. at 207. By contrast, during the hearings on

the 1952 Patent Act, Giles Rich, a drafter of that Act, argued that the new subsections were essential to restrict the judicially created doctrine of patent misuse. *Id.* At the Court, Dawson argued in response that § 271(d) actually codified the *Mercoïd* decisions, and the law remained the same as the pre-1952 Act. The Supreme Court disagreed with Dawson.

Importantly, the Court emphasized that “our present task is one of statutory construction, questions of public policy cannot be determinative of the outcome unless specific policy choices can be attributed to Congress itself.” *Id.* at 221

The Court affirmed the rights of the patentee, Rohm and Hass, based on Congress’ clear policy and intent embedded in the codification of § 271(d) in the 1952 Patent Act, which the Court concluded re-balanced the judicial trend to find patent misuse. Instead of finding Rohm and Haas had misused its patent rights, the Court held that Dawson was a contributory infringer. *Id.* at 221-22

The law of patent eligibility has traveled a stunningly parallel history, but with the opposite outcome. The judicially created law on patent eligibility had been contracting the doctrine before the 1952 Patent Act, also due to a dislike of statutory monopolies, including the case of *Funk Brothers Seed Company v. Kalo Inoculant Company*, 333 U.S. 127 (1948).

Prior to the 1952 Patent Act, patent eligibility precedent had developed in a complicated pattern in which the rights of scientific researchers had varied

and decreased over time. Hence, it had become difficult for patent attorneys to advise their clients on questions of patent eligibility and to render secure opinions on whether inventors would be entitled to a patent. The patent bar discussed this with Congress. Congress added a new definition of “invention” to § 100 to confirm that an invention can be either an invention or a discovery. The DOJ unsuccessfully objected to the new provision, and to the use of the word “discovers” in § 101. *See* Sec. II.B.2, *supra*.

Although the Court in *Dawson Chemical* kept to the confines of its role to apply the patent statute as Congress intended based on legislative policy, such has not been the case for patent eligibility.

The Court has not reviewed the legislative intent behind the 1952 Patent Act to remove subjectivity from eligibility determinations, nor has it given credit to the explicit result of congressional hearings, where Congress dismissed the DOJ’s urging to remove reference to discoveries from the statute. The Court also has not addressed the most recent modifications to the Patent Statute. In 2011, Congress passed the AIA adding two sections, § 100(f) and § 100(g), that again referred to “invented or discovered,” and which should be yet another clue on legislative intent of patent eligibility for the Court.

E. The Court’s Application of Statutory Construction Principles to Patent Eligibility Law Is Inconsistent with the Rule Against Surplusage

The Rule against Surplusage is a statutory construction principle requiring that every word of a statute should be given effect. If Congress uses two words in the disjunctive, therefore, logically Congress has used the two words to mean different things. Justice Stevens reflected on this principle that “[w]e must give effect to every word that Congress used in the statute.” *Lowe v. SEC*, 472 U.S. 18 (1985). Similarly, Chief Justice Burger noted that “[i]n construing a statute we are obliged to give effect, if possible, to every word Congress used.” *Reiter v. Sonotone Corp.*, 442 U.S. 330, 339 (1979).

The case of *Moskal v. United States*, 498 U.S. 103 (1990) focused on the presumption against duplication of meaning in words in 18 U.S.C. § 2314. Defendant argued that in the clause “falsely made, forged, altered or counterfeited,” “falsely made” must mean the same thing as “forged” or “counterfeited.” Justice Marshall, writing for the Court, refused to accept defendant’s argument that the term “falsely made” was redundant, on the basis that it would violate the principle that a court should give effect to every clause or word of a statute. *Id.* Instead, the Court held that “falsely made” had an independent meaning. *Id.*

In the case of *Board of Trustees of Leland Stanford Junior University v. Roche Molecular Systems, Incorporated*, 563 U.S. 776 (2011), the Court was called to

decide whether the Bayh-Dole Act, Pub. L. No. 95-517, 94 Stat. 3015 (1980) Act, vests title to federally funded inventions in the inventor's employer, which was the federal contractor. Stanford proposed that the term "invention of the contractor" meant "all inventions made by a contractor's employees." *Id.* at 787. Chief Justice Roberts for the Court held that the Bayh-Dole Act's provision that contractors may "elect to retain title" does not *vest* title. *Id.* at 789. Stanford had reached the opposite conclusion because it read "retain" to mean "acquire" or "receive." *Id.* The Court held that this was not the common meaning of "retain." *Id.*

Likewise, the terms "invent" and "discover" can have different meanings (see footnote 3); they are not redundant. The lack of redundancy of "invents" and "discovers" is driven home by the legislative history of § 101. As noted above, between 1790 and 2011, Congress defined the scope of patent eligibility in the broad disjunctive "invents or discovers." *See* Sec. II.B., *supra*. Based on this history, it should not be concluded that applied discoveries are not patent eligible after 220 years of Congress telling the country that they are.

CONCLUSION

Amici Curiae urge the Court to grant the petition for writ of certiorari in this case to resolve the five inconsistencies in the law of patent eligibility described above.

Respectfully submitted,

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November 1, 2019