

3 Things To Know About USPTO's New Memo On Eligibility

By **Michelle Holoubek and Lestin Kenton** (April 20, 2018, 5:34 PM EDT)

Patent practitioners now have a new tool to combat patent-ineligibility challenges. Following the Federal Circuit's decision in *Berkheimer v. HP Inc*[1], the U.S. Patent and Trademark Office has issued a new memorandum regarding "Changes in Examination Procedure Pertaining to Subject Matter Eligibility."

In *Berkheimer*, it was ruled that while patent eligibility is ultimately a question of law, "whether something is well-understood, routine, and conventional to a skilled artisan at the time of the patent is a factual determination." [2] In other words, merely stating that certain claim limitations represent well-understood, routine, conventional activity raised is not sufficient without evidence supporting this representation.

While the *Berkheimer* decision addressed patent-eligibility challenges at the summary judgment stage in district court proceedings, the decision also has implications for patent prosecution and certain Patent Trial and Appeal Board proceedings. The PTO's memo is intended to revise Section 2106.07 of the Manual of Patent Examining Procedure.

Here are three things practitioners need to know in light of the *Berkheimer* decision and the PTO's recent memo:

During prosecution, examiners will be required to provide evidence when alleging that claim limitations are well-understood, routine and conventional to a skilled artisan at the time of the patent.

The PTO's memo revised the procedures examiners must undertake when conducting an Alice analysis for patent-eligibility. Specifically, examiners cannot allege that a claim element is "well-understood, routine or conventional" without showing one of four things:

1. A citation to an express statement in the specification or made by an applicant that demonstrates the conventional nature of the element;
2. A citation to a Federal Circuit decision noting the conventional nature of the element;



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3. A citation to a publication that demonstrates the conventional nature of the element (an appropriate publication could include a book, manual, review article, or other source that describes the state of the art and discusses what is well-known and in common use in the relevant industry); or
4. A statement that the examiner is taking official notice of the conventional nature.

Gone are the days where a sufficient patent-eligibility challenge relies on a conclusory statement that certain claim elements are well-understood, routine or conventional. An examiner or challenger must now provide tangible evidence in support of any such statement.

Regarding taking official notice, the PTO states that this option should only be used by examiners when “the examiner is certain, based upon his or her personal knowledge, that the additional element(s) represents well-understood, routine, conventional activity engaged in by those in the relevant art, in that the additional elements are widely prevalent or in common use in the relevant field, comparable to the types of activity or elements that are so well-known that they do not need to be described in detail in a patent application to satisfy 35 U.S.C. § 112(a).”[3] However, if an applicant challenges the examiner’s official notice, the examiner is required to provide one of items 1-3 discussed above. If the examiner cannot provide one of those items, the examiner should actually issue an affidavit setting forth the facts supporting the examiner’s position..

The mere fact that something is disclosed in a piece of prior art does not mean it was well-understood, routine and conventional.

As the Federal Circuit explained in Berkheimer: “[w]hether a particular technology is well-understood, routine, and conventional goes beyond what was simply known in the prior art. The mere fact that something is disclosed in a piece of prior art, for example, does not mean it was well-understood, routine, and conventional.”[4]

As noted by the memo: “whether something is disclosed in a document that is considered a ‘printed publication’ under 35 U.S.C. § 102 is a distinct inquiry from whether something is well-known, routine, conventional activity. A document may be a printed publication but still fail to establish that something it describes is well-understood, routine, conventional activity.”[5]

This is significant because a patent-eligibility challenge does not pass muster by merely showing that a claim element was disclosed in a single piece of prior art. Rather, it must be established that a claim element (or combination of elements) was “widely prevalent or in common use in the relevant field.”

The PTO is requesting comments on these new guidelines.

The PTO is interested in receiving public feedback on this guidance. Practitioners should consider providing comments on these guidelines. The PTO’s new guidelines appear to support new PTO Director Andre Iancu’s multiple assertions in the past few weeks that the PTO is working on more concrete tests to guide examiners and applicants regarding subject matter eligibility in general. Providing comments can help shape the direction that the PTO takes, as it continues to strive to clarify patent eligibility.

What Can Patent Practitioners Do Now?

Force the Examiner's Hand

The PTO's new guidelines indicate that the office is clamping down on some examiners' seeming disregard of key claim features as "well-known" without evidence. Patent practitioners may now use these guidelines to help advance prosecution when faced with a patent-eligibility challenge. Specifically, during examiner interviews and in office action responses, practitioners should ask the examiner to provide evidence to support any allegations that certain claim elements are conventional or routine. Remember, the mere showing of a claim element in single disclosure may not be enough, without a showing that it was widely known by the industry as a whole.

Leverage Guidance When Faced With Patent-Eligibility Attack in CBM

While PTAB proceedings are not bound by the PTO's new guidelines, these proceedings are bound by the Berkheimer decision, and the PTO memo can be informative. When faced with a 101 challenge in a covered business method review or post-grant review proceeding, for example, leveraging the PTO's guidelines can be helpful. Specifically, a patent owner can look to the guidelines and the rationale contained therein to support a position that the petitioner should be required to provide at least the same type of evidence that an examiner has to provide in order to sufficiently establish that a claim element is conventional or well-known. While the full effect of Berkheimer in inter partes proceedings remains to be seen, without such evidence, the patent owner now has a strong argument in favor of eligibility.

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[1] Berkheimer v. HP Inc., (Fed. Cir. Feb. 8, 2018)

[2] Berkheimer, 881 F.3d at 1369

[3] Memorandum - Revising 101 Eligibility Procedure in view of Berkheimer v. HP, Inc. (issued April 19, 2018)

[4] Berkheimer, 881 F.3d at 1369.

[5] Memo, p. 4.