Before the
United States Patent and Trademark Office
Alexandria, VA

In re 2019 Revised Patent Subject Matter Eligibility Guidance	Docket No. PTO-P-2018-0053

COMMENTS OF
COMPUTER & COMMUNICATIONS INDUSTRY ASSOCIATION

On January 7, 2019, the United States Patent and Trademark Office ("the Office") requested comments on its revised guidance on patentable subject matter eligibility determinations ("the Guidance").[1] The Computer & Communications Industry Association ("CCIA")[2] submits the following comments.

I. Summary of CCIA's Positions

CCIA appreciates the Office's continued efforts to ensure clear guidance to patent examiners regarding the topic of patentable subject matter eligibility and to ensure that patent applicants can clearly predict whether their applications will fall within the extremely broad range of patent-eligible subject matter that existing case law has set forth. While CCIA appreciates the Guidance's effort to synthesize a clear rule for examiners to apply, as well as the Guidance's clear statement that case law continues to control examination, not the Guidance, CCIA notes with concern that some aspects of the Guidance could be misread so as to be non-compliant with existing case law.

In particular, the Guidance fails to explicitly address the category of cases where the Federal Circuit has found that claims directed to "collecting, displaying, and manipulating data" are directed to an abstract idea. Absent clarification, an examiner might read the document's three categories of abstract ideas as allowing ideas already identified by the Federal Circuit as abstract, leading to the issuance of patents that violate Federal Circuit precedent.

In addition, the Guidance suggests that it is proper to exclude consideration of whether additional claim limitations represent "well-understood, routine, conventional activity" until after Step 2A. This appears to be contrary to the Supreme Court's guidance in *Alice v. CLS Bank*, where the Court relied on that exact consideration in determining whether a claim directed to an

[1] 84 Fed. Reg. 50 (Jan. 7, 2019).
[2] CCIA is an international nonprofit membership organization representing companies in the computer, Internet, information technology, and telecommunications industries. Together, CCIA's members employ nearly one million workers and generate approximately a quarter of a trillion dollars in annual revenue. CCIA promotes open markets, open systems, open networks, and full, fair, and open competition in the computer, telecommunications, and Internet industries. A complete list of CCIA members is available at http://www.ccianet.org/members.

abstract idea "[did] more than simply instruct the practitioner to implement the abstract idea." Omission of consideration of the conventionality of claim limitations until the final step of the *Alice* inquiry may cause examiners to issue claims which would later be struck down as directed to an abstract idea.

II. "Collecting, Displaying, and Manipulating Data"

The Guidance lays out three categories of abstract ideas: mathematical concepts, certain methods of organizing human activity, and mental processes.[3] However, this categorization appears to omit a category of abstract ideas characterized by the Federal Circuit as a "familiar class of claims"[4]—the set of abstract ideas that are directed to "collecting, analyzing, and displaying [] information"[5] or "collecting, displaying, and manipulating data."[6] While the Federal Circuit has made clear that it does not "suggest that every claim involving the collection, organization, manipulation, or display of data is necessarily directed to an abstract idea,"[7] this familiar class of cases is a significant aspect of the Federal Circuit's abstract idea jurisprudence and appears not to be explicitly addressed by the Guidance.[8]

The Guidance instead instructs examiners to determine if a given claim is directed to one of the three explicit categories. Although the *Digitech*[9] case cited in the footnotes to the mathematical concepts section of the Guidance could be read to capture this important class of cases, it is a footnote and there is no explicit discussion of this class of cases. If a given claim does not fall into the three explicit categories, an examiner is directed to only "in rare cases" classify the claim as directed to an abstract idea.

However, the type of claim identified above is not a rare case, but rather a frequently identified form of abstract idea. While the Guidance makes clear that it is not substantive rulemaking and does not overrule case law—nor could it—examiners rely on the instructions promulgated by the Office to direct them in examination. By omitting explicit discussion of this grouping of abstract ideas, the Guidance requires examiners to make the difficult choice between either broadly reading a single footnote to incorporate a class of claims or else ignoring a significant portion of binding case law.

Rather than relying on examiners to recognize that case law requires them to reject this type of abstract idea utilizing the catch-all provision of Section III.C, or the *Digitech* footnote, the Guidance should be updated to summarize and provide examiners with an explicit pathway for rejection of this class of claims.

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[3] 87 Fed. Reg. at 52.
[4] *Electric Power Group, LLC v. ALSTOM SA*, 830 F.3d 1350 (Fed. Cir. 2016).
[5] *Interval Licensing LLC v. AOL, Inc.*, 896 F.3d 1335 (Fed. Cir. 2018).
[6] *Intellectual Ventures I, LLC, v. Capital One Fin. Corp.*, 850 F.3d 1332, 1341 (Fed. Cir. 2017).
[7] *MOVE, Inc. v. Real Estate Alliance*, Case No. 2017-1463, slip op. at 9 (Fed. Cir. Feb. 1, 2018).
[8] *See, e.g.*, *Interval Licensing; Electric Power Group*; *Intellectual Ventures*; *Univ. of Florida Research Foundation, Inc. v. General Electric*, Case No. 2018-1284, slip op. (Fed. Cir. Feb. 26, 2019); *Two-Way Media Ltd. v. Comcast Cable Commc'ns*, 874 F.3d 1329 (Fed. Cir. 2017); *Smart Systems Innovations v. Chicago Transit Auth.*, 873 F.3d 1364 (Fed. Cir. 2017); *in re TLI Commc'ns*, 823 F.3d 607 (Fed. Cir. 2016); *Content Extraction and Transmission LLC v. Wells Fargo*, 776 F.3d 1343 (Fed. Cir. 2014).
[9] *Digitech Image Techs., LLC v. Elecs. for Imaging, Inc.*, 758 F.3d 1344, 1350 (Fed. Cir. 2014).

III. Conventionality and Step 2A

The Guidance requires examiners not to consider conventionality of claim limitations at Step 2A, when the examiner determines if the claim integrates the abstract idea into a practical application. However, this is not consistent with the Federal Circuit or Supreme Court's approach to analyzing this question. Both the Federal Circuit and the Supreme Court consider conventionality as part of the entirety of Step 2, not solely when considering inventive concept as in Step 2B.

Removing conventionality from the Step 2A analysis for computer-implemented inventions runs the risk of allowing subject matter that is clearly ineligible. For example, the claim in *Two-Way Media* was directed to an abstract idea. That abstract idea was integrated into a practical application—that of streaming audio-visual data to multiple users and tracking the time during which each user receives the streamed data. However, nothing in the claimed invention "require[d] anything other than conventional computer and network components operating according to their ordinary functions" and thus the Federal Circuit found the claim to be ineligible.[10] Similarly, in *UFRF v. GE*, the Federal Circuit, in applying *Alice* Step 2, considered conventionality as part of the inquiry into whether the limitations of the claim transform the abstract idea into significantly more than just the abstract idea.[11] Failure to consider conventionality when examining practical applications runs the risk of allowing claims that will later be found ineligible.

And in cases such as *DDR Holdings* where the claimed invention was found eligible, the Federal Circuit relied on the unconventionality of the ordered combination of the claim limitations to find that the invention related to something more than simply an abstract idea.[12] Lack of consideration of conventionality in Step 2A also runs the risk of judging ineligible claims that might have been found eligible if the conventionality of the ordered combination of claim limitations was examined.

Further, in distinguishing between computer-implemented abstract claims such as those in *Two-Way Media* or *UFRF* and computer-implemented non-abstract claims such as those in *DDR Holdings*, one important factor is determining whether the claim recites an improvement to an area of computer technology. That inquiry requires a comparison of the claim to "routine, conventional, and well-understood" computer technology in order to determine whether the claim represents such an improvement or not.

A failure to consider conventionality as part of this inquiry risks creating errors in determining whether a given claim meets the patentability inquiry set forth in *Alice:* whether "the balance of the claim adds 'significantly more'."[13] Conventionality is a key guidepost, though not the sole test, for whether a claim has done so, and should be considered as part of Step 2A's role in the inquiry into whether the balance of the claim has added significantly more to the abstract idea.

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[10] *Two-Way Media*, 874 F.3d at 1339.
[11] *UFRF*, Case No. 2018-1284, slip op. (Fed. Cir. Feb. 26, 2019).
[12] *DDR Holdings, LLC v. Hotels.com, LP*, 773 F.3d 1245, 1258-59 (Fed. Cir. 2014).
[13] *Alice Corp. Pty. Ltd. v. CLS Bank Int'l*, 573 U.S. 208, 214 (2014).

IV. Summary

CCIA appreciates the Office's consideration of these comments on the Guidance. CCIA respectfully suggests clarification and correction of the Guidance with respect to the above-identified issues.

Respectfully submitted,

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