

June 2014

## **USPTO Preliminary Examination Instructions in view of U.S. Supreme Court Decision in *Alice Corp. v. CLS Bank***

As a Supplement to our Intellectual Property Newsflash, today, the United States Patent and Trademark Office (USPTO) issued Preliminary Examination Instructions to Examiners in view of the United States Supreme Court Decision in *Alice Corporation Pty. Ltd. V CLS Bank International, et al.*

The USPTO made it quite clear that Examiners are to apply the following two-part analysis in those patent applications in which the Examiner is considering whether the claims cover an abstract idea or not.

The Examiner is first to determine whether the subject matter that the claim covers is directed to one of the four categories of invention, which are process or method, machine or apparatus, manufacture, or composition of matter. If the claim does not fall within any of the four categories, the Examiner is to reject the claim as covering non-statutory subject matter. If, however, the claim is directed to one of the four categories of invention, then the Examiner is to determine whether the claim is directed to an abstract idea.

To make such determination, the Examiner will apply the following two-part analysis:

- 1) Determine whether the claim is directed to an abstract idea. Abstract ideas are, for example, an idea itself, mathematical relationships, formulas, fundamental economic practices, and certain methods of organizing human activities.

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If the Examiner concludes that the claim is not directed to an abstract idea, the Examiner will proceed to examine the claim against prior art and other requirements for patentability. If, however, the Examiner suspects or is certain that an abstract idea is present, the Examiner will proceed to consider the following second part.

- 2) Determine whether any element or combination of elements in the claim is sufficient to ensure that the claim amounts to *significantly more* than the abstract idea itself. That is, considering *the claim as a whole*, are there other limitations in the claim that would hold the claim to cover statutory subject matter? For example, in a computer claim,
  - a. Does the claim recite *improvements of the functioning* of the computer itself?
  - b. Are there *meaningful structural or even functional limitations* in the claim beyond generally linking the user of the abstract idea to a computer?
  - c. Is there a *meaningful transformation of the functioning* of the computer or processes being claimed?

As explained in our Intellectual Property Newsflash, a claim reciting no more than a generic computer, processor, or controller to perform the functions will not suffice to consider the claim to cover statutory subject matter. If the Examiner concludes that there are no meaningful limitations in part two of the analysis, the Examiner most likely will reject the claim as covering non-statutory subject matter.

The USPTO will continue to study *Alice* to further elaborate and clarify the analysis to determine whether a claim covers an abstract idea. The USPTO recognized that it will take some time to provide more concrete guidelines in the analysis of computer claims and method claims. We will continue to provide you with updates on additional comments and guidelines the USPTO may provide in the examination of patent applications including method and computer claims.

The contents of this update are not intended to serve as legal advice related to individual situations or as legal opinions concerning any situations. Counsel should be consulted for legal planning and advice.

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