



## ***In re Bilski* Roll Call and Score Card**

- *IP Law360, Financial Services Law360, Technology Law360, April 23, 2008*

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### **Introduction**

On May 8, 2008, the U.S. Court of Appeals for the Federal Circuit will be hearing oral argument in *In re Bilski and Warsaw*, No. 2007-1130 (Fed. Cir.), to consider the limits of patent-eligible subject matter. The Federal Circuit has identified five questions (discussed herein) to be considered in this en banc appeal. These questions range from whether a representative claim in the *Bilski* patent application is patent-eligible subject matter, to whether the Court should reconsider or modify its prior decisions in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.*, 149 F.3d 1368 (Fed. Cir. 1998), and *AT&T Corp. v. Excel Communications, Inc.*, 172 F.3d 1352 (Fed. Cir. 1999). The Court has also asked a number of specific questions based on the Board of Patent Appeals and Interferences' decision rejecting the applicants' claim on the grounds that it is not patent-eligible subject matter.

Since there are a large number of issued patents, and even more pending applications, that will be affected by the ultimate outcome in this case, it is not surprising that over twenty amici curiae have weighed in on this subject to present a wide range of views.

The purpose of this Guest Column is to provide the casual observer with an overview of what the debate is about, as well as a summary of the positions being presented by the different amici. Part I provides a brief background of the debate. Part II provides a roll call of the various amici who have submitted briefs in this appeal, organized by industry and type of organization submitting the brief. Part III provides a score card of the views expressed in response to each of the five questions raised by the Federal Circuit.

### **PART I: The Legislative and Case Law Background**

The inquiry into what constitutes patent-eligible subject matter begins with the Patent Act, 35 USC 101: 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 USC § 101. Both the Supreme Court and the Federal Circuit have consistently construed Section 101 broadly, noting that when it was adopted as part of the Patent Act of 1952, Congress intended statutory subject matter to "include anything under the sun that is made by man." See, e.g., *Diamond v. Chakrabarty*, 447 US 303, 308-09 (1980) (quoting S. Rep. No. 82-1979, at 5 (1952); H.R. Rep. No. 82-1923, at 6 (1952)); *Diamond v. Diehr*, 450 US 175, 182 (1981); *State Street*, 149 F.3d at 1373; *AT&T*, 172 F.3d at 1355.



(Some *amici* have argued that the statement quoted from the legislative history really was intended to demonstrate that Section 101 should be narrowly construed, not broadly construed based on the full context in which the quote was presented).

The Supreme Court and the Federal Circuit have recognized that the use of the term “any” in 35 USC 101 demonstrates the broad breadth that statutory subject matter is intended to cover. *Chakrabarty*, 447 US at 308-09;

AT&T, 172 F.3d at 1373; *see also J.E.M. AG Supply v. Pioneer Hi-Bred Int’l*, 534 US 124, 130 (2001) (“As this Court recognized over 20 years ago in *Chakrabarty*, 447 U.S. at 308, the language of § 101 is extremely broad.”). Indeed, both Courts have made clear “that courts ‘should not read into the patent laws limitations and conditions which the legislature has not expressed.’” *Chakrabarty*, 447 US at 308. *See also Diehr*, 450 U.S at 182; *State Street*, 149 F.3d at 1373 (“Thus, it is improper to read limitations into §101 on the subject matter that may be patented where the legislative history indicates that Congress clearly did not intend such limitations.”).

Thus, with but three enumerated exceptions, the Supreme Court and the Federal Circuit recognize that when an invention falls within at least one of the four enumerated categories -- *i.e.*, “process”, “machine”, “manufacture” or “composition of matter”-- such invention is patent-eligible subject matter, and must be considered under the other provisions of the patent law, *e.g.*, 35 USC 102, 103, 112, etc. *Diehr*, 450 US at 185; *State Street*, 149 F.3d at 1372.

With respect to what constitutes a “process”, the Patent Act further defines a “process” to mean: “process, art, or method, and includes a new use of a known process, machine, manufacture, composition of matter, or material.” 35 USC 100(b). After the Federal Circuit’s decisions in *State Street* and *AT&T*, the Patent Act was further modified to provide a prior user right with respect to certain kinds of patents, *i.e.*, “a method of doing or conducting business”, thus confirming that this type of “method” can be patent-eligible subject matter. 35 USC 273(a)(3).

To date, the Supreme Court has identified *only* three exceptions to what constitutes patent-eligible subject matter: “laws of nature, natural phenomena, and abstract ideas”. *Diehr*, 450 US at 185 (“Excluded from such patent protection are laws of nature, natural phenomena, and abstract ideas.”); *Chakrabarty*, 447 US at 309; *AT&T*, 172 F.3d at 1355.

Much of the debate being presented in *Bilski* is whether the Federal Circuit should adopt additional exceptions as proposed by the PTO or some of the *amici*, and whether and how to craft guidelines for determining whether a particular process falls within one of these exceptions so as to be patent-ineligible or falls outside these exceptions so as to be patent-eligible.

The five questions raised by the Federal Circuit to be heard en banc are as follows:



1. Whether claim 1 of the 08/833,892 patent application claims patent-eligible subject matter under 35 U.S.C. § 101?
2. What standard should govern in determining whether a process is patent-eligible subject matter under section 101?
3. [a] Whether the claimed subject matter is not patent-eligible because it constitutes an abstract idea or mental process; [b] when does a claim that contains both mental and physical steps create patent-eligible subject matter?
4. Whether a method or process must result in a physical transformation of an article or be tied to a machine to be patent-eligible subject matter under section 101?
5. Whether it is appropriate to reconsider State Street Bank & Trust Co. v. Signature Financial Group, Inc., 149 F.3d 1368 (Fed. Cir. 1998), and AT&T Corp. v. Excel Communications, Inc., 172 F.3d 1352 (Fed. Cir. 1999), in this case and, if so, whether those cases should be overruled in any respect?

(Question 3, has been treated as two separate questions by the *amici* in general).

With this background as to the relevant legal principles, the briefing in *Bilski* will now be addressed.

## **PART II: Roll Call of Amicus**

Over twenty *amici curiae* briefs have been submitted to the Federal Circuit in the *Bilski* case. These “friends of the Court” are from a wide range of industries and professions, including the financial services and sales sector, the computer and software sector, the biotechnology and pharmaceuticals sector, as well as legal and other associations and academics. A brief roll call categorizing the submissions as they fall into these sectors is provided in this Part II.

### **A. Financial Services and Sales Sector**

Since the *Bilski* claim at issue (see Question 1 under Part III below) is directed to a financial service product (i.e., a method of managing risk), the industry that most obviously is directly interested in the outcome of this case is the financial service and sales sector. In this regard, there are six submissions from the financial services and sales sector, including the submissions by: Reserve Management Corporation, PCT Capital LLC, Rearden Capital Corp. and Sales Optimization Group (“Reserve et al”), American Express Company (“AmEx”), Regulatory DataCorp, Inc. (“RDC”), CFPH, Inc. (“CFPH”), Financial Services Industry (“FSI”), and Pacific Life Insurance Company, The Hartford Financial Services Group, Inc., and John Hancock Life Insurance Company (U.S.A.) (not available). (The author is principal attorney on the Reserve et al submission).

### **B. Computer Software and Hardware Sector**



A number of the questions posed by the Federal Circuit are directed to issues impacting the patentability of computer software and hardware, e.g., whether an process needs to be tied to a machine or needs to transform matter in order to be patent-eligible (see Question 4). There are seven briefs submitted by corporations in the software and computer sector, including the submissions by Accenture (“Accenture”), Koninklijke Philips Electronics N.V. (“Philips”), SAP America, Inc. (“SAP”), Yahoo! Inc. and Professor Robert P. Merges (“Yahoo!”), Dell, Inc., Microsoft Corporation, and Symantec Corporation (“Dell/Microsoft/Symantec”), International Business Machines Corporation (“IBM”), and Red Hat, Inc. (“Red Hat”).

### **C. Biotechnology and Pharmaceutical Sector**

Much of the debate challenging the State Street “useful, concrete and tangible result” test for patent-eligible subject matter centers around comments made by Justice Breyer in his dissent from the dismissal of a petition for certiorari in *Lab Corp. of Am. Holdings v. Metabolite Labs., Inc.*, 126 S. Ct. 2921, 2928 (2006) (Breyer, J. dissenting), where he questioned the applicability of that test to pre-*Diehr* decisions by the Supreme Court. The *Lab Corp.* case involved a claim directed to a method of diagnosing a disease. In that petition, several members of the financial service sector weighed in on the debate because it appeared that the Supreme Court may address the State Street test. Thus, it is perhaps not surprising that the biotechnology and pharmaceutical sector has in turn weighed in on *Bilski*. In particular, to present two diametrically opposing views, briefs were submitted by the Biotechnology Industry Organization (“BIO”) (arguing in favor of a broad view of patent-eligible processes), and Eli Lilly and Company and The Association of American Medical Colleges (“Eli Lilly”) (arguing for a narrow view of patent-eligible processes).

### **D. Associations**

A dozen different industry and law associations submitted amici briefs to the Federal Circuit in *Bilski*, including the American Intellectual Property Law Association (“AIPLA”), the Boston Patent Law Association (“BPLA”), the Federal Circuit Bar Association (“FCBA”), the Houston Intellectual Property Law Association (“HIPLA”), the Business Software Alliance (“BSA”), the Washington State Patent Law Association (“WSPLA”), the Intellectual Property Owners Association (“IPO”), the American Institute of Certified Public Accountants (“AICPA”), the Computer & Communications Industry Association (“CCIA”), the Software & Information Industry Association (“SIIA”), the Federation International Des Conseils En Propriete Industrielle (“FICPI”), the Consumers Union, the Electronic Frontier Foundation, and the Public Knowledge (“CU/EFF/PK”), the American Civil Liberties Union (“ACLU”), and End Software Patents (“ESP”). Significantly, the patent law associations generally favor a broader scope of patent-eligible subject matter, while the non-patent lawyer associations seek a narrower scope of patent-eligible subject matter or in some cases, simply propose rules that would eliminate patent protection.

### **E. Academic**



Perhaps because of the academic nature of the questions being posed --e.g., what should be the scope of patent-eligible processes -- a large number of academics have also weighed in with their own amici curiae submissions. These briefs include both collective and individual briefs by academics, including: 22 Law and Business Professors (“22 Prof.”), Roberta J. Morris, Esq., Ph.D. (“Morris”), Jason V. Morgan (“Morgan”), Gregory Aharonian (“Aharonian”), Professor Robert P. Merges (see Yahoo!), Professor John Duffy (see RDC), 10 Law Professors (“10 Prof.”), Professor Lee A. Hollaar (“Hollar”), Professor Kevin Emerson Collins (“Collins”), William Mitchell College of Law Intellectual Property Institute (“WMC”).

### **Part III: Score Card**

Since the Federal Circuit has phrased the debate in terms of the five questions (actually six, since amici have treated Question 3 as two questions), Section III summarizes how the parties and various amici have addressed each of these questions in turn.

#### **Question 1: Whether claim 1 of the 08/833,892 patent application claims patent-eligible subject matter under 35 USC § 101?**

The first question seeks to decide the dispute being raised by the parties in the present case: Is the representative claim patent-eligible subject matter? In particular, Representative Claim 1 reads as follows:

1. A method for managing the consumption risk costs of a commodity sold by a commodity provider at a fixed price comprising the steps of:

(a) initiating a series of transactions between said commodity provider and consumers of said commodity wherein said consumers purchase said commodity at a fixed rate based upon historical averages, said fixed rate corresponding to a risk position of said consumer;

(b) identifying market participants for said commodity having a counter-risk position to said consumers;  
and

(c) initiating a series of transactions between said commodity provider and said market participants at a second fixed rate such that said series of market participant transactions balances the risk position of said series of consumer transactions.

As written, the Bilski claim is directed to a method for managing risk involving steps initiating a series of transactions. There is no requirement in the Bilski claim that a computer be used.

Of course, Bilski argues that this claim is patent-eligible, and the PTO argues that it is not. In presenting its argument that the Bilski claim is not patent-eligible, the PTO argues that the claim constitutes the “disembodied abstract concept of hedging the consumption risk cost of a commodity” and “fails to recite a practical application of the



concept” (PTO Supp. at p. 5). The PTO also argues that legal obligations are “intangible.” (Id.). As *Reserve et al* points out, in essence, the PTO argues that the Bilski claim fails to meet the “useful, concrete and practical results” test of *State Street*. (*Reserve et al*, pp. 15-16). Whether the PTO is correct or not is left for the Federal Circuit to determine, but as a practical matter, the PTO’s arguments can be adjudicated without creating new law (see *Reserve et al*, pp. 15-16), as proposed by the PTO and some of the *amici*. As such, one may question whether the Federal Circuit should even address the remaining questions. (See *WMC* (urging the Court to avoid broad sweeping holdings)).

The PTO also advances other arguments why the Bilski claim is not patent-eligible subject matter, basically relying upon proposed carve outs to Section 101 that are not found in the statute or in Supreme Court or Federal Circuit precedent. (PTO Supp. at pp. 4-5). These other arguments are the basis of the other questions (Questions 2-4) being posed by the Federal Circuit.

Many of the *amici* either explicitly (see *Reserve et al*, *RDC*, *BIO*, *IPO*, *Philips*, *SAP*) or implicitly decline to address Question 1 or the Bilski claim in particular.

A few of the *amici* argue that the Bilski claim should be found to be patent-eligible subject matter. (See *AIPLA*, *Morris and HIPLA*). Others agree, but suggest that the claim may otherwise be invalid. (See *Accenture* and *AmEx*).

A number of the *amici* argue that the Bilski claim should be held to be patent-ineligible subject matter under a new standard. (See *Yahoo!*, *ACLU*, *BSA*, *Dell/Microsoft/Symantec*, *Eli Lilly*, *ESP*, *FSI*, *WSPLA*, *10 Prof.*, *Hollar*, *SIIA*).

For example, *Yahoo!* proposes a test for patent-eligibility that not only includes the “useful, concrete and tangible result” test from *State Street*, but also includes a requirement that the steps of the claimed invention taken as a whole must be “stable, predictable and reproducible.” (*Yahoo!* p.17). Because practical transformation of the mental steps in the Bilski claim is not sufficiently well-constrained, *Yahoo!* argues that it should not be considered patent-eligible subject matter. (Id., pp. 17-18). Significantly, other *amici* argue against imposing other limitations of the patent law, like definiteness under 35 USC 112 or novelty or nonobviousness under 35 USC 102 and 103, into patent eligible subject matter. (See *CFPH*; *BPLA*, pp. 11-13).

The *ACLU* submission takes an interesting tack by arguing that the Bilski claim seeks to patent mere conversations about a transaction and thus violates the First Amendment. (*ACLU*, p.8 (“The claim can be seen as consisting entirely of two offers for a commercial transaction.”)). The *ACLU* is correct in asserting that commercial speech truthfully offering a commercial transaction is subject to First Amendment analysis (though not necessarily unconstitutional), but the First Amendment has never been interpreted to restrict the government’s power to regulate the actual terms of commercial transactions. Thus, the *ACLU*’s First Amendment objection requires Bilski’s claim to be interpreted as “not requir[ing] that any transaction



actually take place” but instead covering situations where the parties merely “engage in two conversations” about transactions. (ACLU at 11). The ACLU’s interpretation is arguably wrong in that some would argue that “initiate” requires the “commencement” of the transaction, not merely the commencement of discussions as is the premise of the ACLU’s argument. If the claim is interpreted as requiring the initiation of a transaction, and not merely discussions as the ACLU asserts, then the First Amendment issues disappear. Significantly, the ACLU makes no argument that the claim would raise First Amendment issues if it is interpreted to regulate the substance of a set of commercial transactions.

## **Question 2: What standard should govern in determining whether a process is patent-eligible subject matter under section 101?**

Question 2 goes to the heart of the dispute. As discussed above, Section 101 sets forth four classes of patenteligible subject matter: process, machine, manufacture, or composition of matter. The present dispute is focused on the “process” category.

One amicus, Prof. Morris, argues for a very broad definition of patent-eligible process, *i.e.*, “anything made by man under the sun”. This broad test comes from statement made in Congress when 35 USC 101 was adopted as part of the 1952 Act, which the Supreme Court and the Federal Circuit have repeatedly cited as evidencing the broad scope that was intended to be encompassed by 35 USC 101. (See, e.g., *Diamond v. Chakrabarty*, 447 US at 308-09 (quoting S. Rep. No. 82-1979, at 5 (1952); H.R. Rep. No. 82-1923, at 6 (1952)).

Many of the *amici* submissions, including our own submission for Reserve et al, recognize that the Patent Act defines a “process” in 35 USC 100(b) as quoted above, and that the Supreme Court in *Diehr* (and other decisions) has only recognized three exceptions: “laws of nature, natural phenomena and abstract ideas”. *Diehr*, 450 US at 185. (See Reserve et al, RDC, WSPLA, Philips, AIPLA, Accenture, AmEx, FCBA). These *amici* urge the Federal Circuit to reject attempts to engraft additional exceptions to patent-eligible processes. (See, e.g., FCBA (urging Court to reject efforts to add new exclusions beyond three discussed above); BSA, BIO, Morgan, CFPH).

A number of the *amici* also recognize that the “useful, concrete and tangible result” test from *State Street* and other Federal Circuit precedent is merely another restatement of the above exclusions, and is consistent with the Supreme Court’s test in *Diehr* requiring “some practical method or means of producing a beneficial result or effect”. (*Diehr*, 450 US at 184 n.7 (quoting *Corning v. Burden*, 56 US (15 How.) 252, 267-68 (1854)). (See, e.g., Reserve et al, p. 7; BPLA, pp. 8-11).

HIPLA proposes setting as the standard the language in *Diehr* which states that “physical transformation” is the “clue” to “patentability of a process claim that does not include particular machines.” *Diehr*, 450 U.S. at 184 (quotations omitted). (See HIPLA). In this submission, it is not clear whether HIPLA is arguing in favor of an absolute rule or against an absolute rule. As the AIPLA submission notes, this language from *Diehr* stands for the proposition that “a clue is not a requirement” (see AIPLA, p.21).



Numerous *amici* argue that the Court should apply the “useful, concrete and tangible result” test of *State Street*, in addition to other tests. Thus, Yahoo! argues, as discussed in response to Question 1, the test should also include a requirement that the steps of the claimed invention taken as a whole must be reasonably “stable, predictable and reproducible.” (Yahoo! p.17. *But cf.* CFPH; BPLA, pp. 11-13).

Various *amici* seek to protect the patentability of software patents, but propose a test that would not allow for the patentability of business methods. Thus, for example, Dell/Microsoft/Symantec argue that a process claim is eligible for patent protection when the claimed process as a whole physically transforms physical subject matter or is tied to specific machines, and the result of the process is useful, concrete and tangible. Dell/Microsoft/Symantec. Accord SIIA IPO, Eli Lilly. Interestingly, SIIA seeks to confirm that the settled expectation of the software industry of being able to obtain and maintain patent protection should not be disturbed by the present case. (SIIA, pp. 8-11; see also SAP, pp. 14-20).

A few extreme *amici*, taking the lead from the PTO, seek to require more, in that they argue there must be more than merely a trivial transformation of matter. (See, e.g., 10 Prof., ESP).

A few other *amici*, again taking the PTO’s lead, seek to limit patent protection to “technological” arts, CU/EFF/PK, IBM, or some technical steps. FICPI. Reserve et al explains in its submission that the PTO’s effort to impose a “technological” arts requirement in the patent law is unsupported by the case law or historical practice. (Reserve et al, pp. 20-22). RDC goes one step further to demonstrate that business, finance and other fields of applied economics are indeed “technological” in any event. (RDC, pp.19-24).

Finally, some *amici* take an extremely narrow view of what should be patent-eligible subject matter. (See CCIA (arguing anything but *State Street* test) and FSI (narrow view)).

**Question 3a: Whether the claimed subject matter is not patent-eligible because it constitutes an abstract idea or mental process;**

Question 3 has been broken up by virtually all of the *amici*, addressing the issue into two separate questions. Question 3a is the first part of Question 3, which is directed to the Bilski claim. To the extent this question was addressed, it was addressed by the *amici* along the same lines as Question 1 discussed above. Some *amici* argue the Bilski claim is patent-eligible (See Morris, RDC, HIPLA), while other *amici* argue the Bilski claim is patent-ineligible (See ESP, Dell/Microsoft/Symantec, and Yahoo!).

**Question 3 b: when does a claim that contains both mental and physical steps create patenteligible subject matter?**

A few *amici* argue that mental steps are not barred from being patent-eligible subject matter, either alone or when tied to physical steps. (See HIPLA, FCBA).



Most *amici* addressing the issue recognized that Supreme Court precedent in *Diehr* makes it clear that when a claim ties a mental step to physical steps, that claim is patent-eligible subject matter. (Reserve et al, FCBA, Yahoo!, Accenture, AmEx, AIPLA, RDC, BIO, Morris, SAP, BSA. Cf. Dell/Microsoft/Symantec (a process claim is eligible for patent protection when the claimed process as a whole physically transforms physical subject matter or is tied to specific machines, and the result of the process is useful, concrete and tangible)).

One *amici* argues that human cognition should not be patentable subject matter or be given patentable weight. (Collins). This is consistent with European practice as advocated by FICPI. (FICPI). The European practice of restricting patentability of even computer implemented inventions has been the subject of much criticism on both sides of the Atlantic.

Another *amici*, the patentee in the recent *Nuijten* decision, argued that it should not matter if a process is human or machine implemented, but pure mental steps should not be patentable. (Philips).

Finally, a few more extreme *amici* argue that merely having physical steps in addition to mental steps is not enough. (See 10 Prof., IPO, FSI, Red Hat, Eli Lilly).

#### **Question 4: Whether a method or process must result in a physical transformation of an article or be tied to a machine to be patent-eligible subject matter under section 101?**

With one or two minor exceptions of the most extreme *amici* (see, e.g., Hollar, and 10 Prof.), virtually all the *amici* recognize that under binding Supreme Court precedent, a process which results in physical transformation of an article or is tied to a machine is considered patent-eligible subject matter.

Most *amici* addressing Question 4 recognize that, as Supreme Court precedent has made clear, these two criteria are merely a safe harbor of patent-eligible processes, and are not the sole criteria by which a process could be considered patent-eligible. These *amici* answer Question 4 in the negative. In other words, a method or process does not need to result in a physical transformation of an article or be tied to a machine to be patent-eligible subject matter under 35 USC 101. (See, e.g., Reserve et al, AIPLA, FCBA, CFP, HIPLA, Yahoo!, Aharonian, Accenture, AmEx, RDC, WSPLA, BSA, BIO, 22 Prof., Philips, Morris, SAP).

These *amici* rely upon the clear and unequivocal language in the Supreme Court precedent of *Diehr*, *Flook* and *Benson*, which reject the option of adopting such a blanket rule. *Diehr*, 450 US at 184 (listing merely as “e.g.” examples); *Gottschalk v. Benson*, 409 US 63, 71 (1972) (“It is argued that a process patent must be either tied to a particular machine or apparatus or must operate to change articles or materials to a ‘different state or thing’. We do not hold that no process patent could ever qualify if it did not meet the requirements of our prior precedents.”); *Parker v. Flook*, 437 US 584, 589 n.9 (1978) (“we assume that a valid process patent may issue even if it does not meet one of these qualifications of our earlier precedents”). (See Reserve et al, p. 27; AIPLA, p.18-19). Curiously, although the PTO quotes this language from *Benson* in its supplemental



submission (PTO Supp. pp. 8-9), the PTO nonetheless goes on to argue for such a hard and fast rule to be adopted. (PTO Supp. p. 25).

A handful of the more extreme *amici*, like the PTO, argue that contrary to the Supreme Court's refusal to adopt such a rule, the Federal Circuit should nonetheless require that in order for a process to be patent-eligible it must result in a physical transformation of an article or be tied to a machine. (See, e.g., ESP, Dell/Microsoft/Symantec, IPO and Eli Lilly).

One *amicus* took the position that if these criteria are met, it is presumptively patent-eligible subject matter, but if they are not met, then the process is presumptively not patent-eligible subject matter. (SIIA). Interestingly, at the same time, this same *amicus* argued that software should be patent-eligible, and that it would upset too many well settled expectations to find otherwise. (See SIIA).

One *amicus*, FICPI, argued that scientific manipulation should be enough to define patent-eligible subject matter.

IBM took the more extreme position that patent-eligibility should be limited to technological contributions. (IBM). The 10 Prof. submission advocated for a position that patent-eligibility requires more than a trivial or peripheral physical transformation. (10 Prof.). Both of these additional limitations on patent-eligibility were sought to be engrafted on the Patent Act by the PTO. (PTO Supp. pp. 10, 12).

**Question 5: Whether it is appropriate to reconsider *State Street Bank & Trust Co. v. Signature Financial Group, Inc.*, 149 F.3d 1368 (Fed. Cir. 1998), and *AT&T Corp. v. Excel Communications, Inc.*, 172 F.3d 1352 (Fed. Cir. 1999), in this case and, if so, whether those cases should be overruled in any respect?**

Many of the *amici* argued that *State Street* and *AT&T* should remain unaltered. (See, e.g., Reserve et al, AIPLA, Yahoo!, Accenture, AmEx, RDC, BPLA, BIO, Philips, Morris, SAP). Some argued these precedents should not be overruled but rather, they should be clarified to be read in a more limiting manner. (SIIA, IPO, Dell/Microsoft/ Symantec, Eli Lilly, FICPI). For example, one *amici* argued that the law should be clarified to indicate that "useful, concrete and tangible result" is not a separate test. (FCBA).

Less than half the *amici* argued that *State Street* and *AT&T* should be modified or reversed. (See, e.g., HIPLA, IBM, Red Hat, Hollar, WSPLA, FSI, 10 Prof., CCIA, ESP, CU/EFF/PK).

## Conclusion

With the parties' five submissions, over twenty *amici* submissions, and the anticipated oral arguments on May 8, 2008, the full Court will have before it many competing viewpoints regarding its five questions. How the Court resolves this issue will affect hundreds of thousands of issued patents and pending patent applications, and likely billions of dollars of



business. For over two hundred years, the patent system our founding fathers set up has proven along the way its ability to adapt to and encourage previously unforeseen innovations. We will have to wait and see how it will continue to adapt and promote new innovations that the U.S. economy continues to develop.

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#### Endnotes

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#### Reference Links

##### Financial Services and Sales Sector

Reserve Management Corporation, PCT Capital LLC, Rearden Capital Corp. and Sales Optimization Group ("[Reserve et al](#)"), American Express Company ("[AmEx](#)"), Regulatory DataCorp, Inc. ("[RDC](#)"), CFPH, Inc. ("[CFPH](#)"), Financial Services Industry ("[FSI](#)"), and Pacific Life Insurance Company, The Hartford Financial Services Group, Inc., and John Hancock Life Insurance Company (U.S.A.) (not available).

##### Computer Software and Hardware Sector

Accenture ("[Accenture](#)"), Koninklijke Philips Electronics N.V. ("[Philips](#)"), SAP America, Inc. ("[SAP](#)"), Yahoo! Inc. and Professor Robert P. Merges ("[Yahoo!](#)"), Dell, Inc., Microsoft Corporation, and Symantec Corporation ("[Dell/Microsoft/Symantec](#)"), International Business Machines Corporation ("[IBM](#)"), and Red Hat, Inc. ("[Red Hat](#)").

##### Biotechnology and Pharmaceutical Sector

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The American Intellectual Property Law Association ("[AIPLA](#)"), the Boston Patent Law Association ("[BPLA](#)"), the Federal Circuit Bar Association ("[FCBA](#)"), the Houston Intellectual Property Law Association ("[HIPLA](#)"), the Business Software Alliance ("[BSA](#)"), the Washington State Patent Law Association ("[WSPLA](#)"), the Intellectual Property Owners Association ("[IPO](#)"), the American Institute of Certified Public Accountants ("[AICPA](#)"), the Computer & Communications Industry Association ("[CCIA](#)"), the Software & Information Industry Association ("[SIIA](#)"), the Federation International Des Conseils En Propriete Industrielle ("[FICPI](#)"), the Consumers Union, the Electronic Frontier Foundation, and the Public Knowledge ("[CU/EFF/PK](#)"), the American Civil Liberties Union ("[ACLU](#)"), and End Software Patents ("[ESP](#)").

##### Academic

22 Law and Business Professors ("[22 Prof.](#)"), Roberta J. Morris, Esq., Ph.D. ("[Morris](#)"), Jason V. Morgan ("[Morgan](#)"), Gregory Aharonian ("[Aharonian](#)"), Professor Robert P. Merges (see [Yahoo!](#)), Professor John Duffy (see [RDC](#)"), 10 Law Professors ("[10 Prof.](#)"), Professor Lee A. Hollaar ("[Hollaar](#)"), Professor Kevin Emerson Collins ("[Collins](#)"), William Mitchell College of Law Intellectual Property Institute ("[WMC](#)").