

JAPAN INTELLECTUAL PROPERTY ASSOCIATION

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8th March, 2019

To: United States Patent and Trademark Office
Eligibility2019@uspto.gov

Re: Public Comments on 2019 Revised Patent Subject Matter Eligibility Guidance

Dear Director of United States Patent and Trademark Office,

1. The Japan Intellectual Property Association (JIPA) is one of the world's largest organizations of IP system users with 1315 members (as of March 1, 2019), most of which are Japanese companies. Considering that many member companies file US patent applications, JIPA has carefully reviewed the 2019 Revised Patent Subject Matter Eligibility Guidance published by USPTO in the Federal Register dated January 7, 2019. JIPA respectfully submits comments on the above revised guidance.

2. JIPA comments on the 2019 Revised Patent Subject Matter Eligibility Guidance from the following two viewpoints.

(1) Reasons why we favorably accept the revision.

The reasons why the revision is favorable are mentioned in the following 1) and 2).

1) JIPA favorably accepts the revision of Step 2A, which is intended to improve the clarity, consistency, and predictability of determination whether a claim is directed to a judicial exception (laws of nature, natural phenomena, or abstract ideas).

Previously, Step 2A "Is the claim directed to a law of nature, a natural phenomenon (product of nature), or an abstract idea" had room for interpreting the phrase "directed to" as "recite." It was occasionally found that the determination (Step 2A: NO; Step 2B: NO) was made only based on the point that a

claim recites a judicial exception while an improvement over prior art was not taken into consideration at Step 2A and Step 2B. This led to not a few cases conflicting with past many court decisions (*Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327 (Fed. Cir. 2016), *McRO, Inc. v. Bandai Namco Games Am., Inc.*, 837 F.3d 1299 (Fed. Cir. 2016), *Finjan, Inc. v. Blue Coat Systems, Inc.*, 879 F.3d 1299 (Fed. Cir. 2018), *Core Wireless Licensing S.A.R.L. v. LG Electronics, Inc.*, 880 F.3d 1356 (Fed. Cir. 2018), etc.).

Meanwhile, the present revision divides Step 2A into Prong One and Prong Two, and Prong Two makes it clear to determine "whether the claim as a whole integrates the recited judicial exception into a practical application of the judicial exception." Therefore, even if a claim recites a judicial exception, it is expected that the claim will not be rejected without any consideration of an improvement as before.

Accordingly, the revision to Step 2A is expected to improve clarity, consistency, and predictability on the criteria for judicial exceptions compared to before, and this revision is considered favorable to applicants of our association.

2) JIPA favorably accepts the discontinuation of the Eligibility Quick Reference Sheet Identifying Abstract Ideas.

There were cases where when determining whether or not the claim was directed to an abstract idea at Step 2A, only judicial precedents having a high similarity to an application among judicial precedents listed in an Eligibility Quick Reference Sheet Identifying Abstract Ideas were indicated in an office action with no specific reasons for determination indicated. Therefore, we appreciate that the discontinuation of the Eligibility Quick Reference Sheet Identifying Abstract Ideas and the indication of those identified as abstract ideas by three groups in the revised guideline clarify the criteria for determination more than before, and we consider that this is favorable to applicants of our association.

(2) Future requirements

Based on the revision published this time, JIPA respectfully makes the following requests 1) to 5) in the hope that the requests are of some help to further improvement in clarity, consistency, and predictability in the patent eligibility analysis.

1) Regarding the criteria at Step 2B, we request a future revision such that the interpretation of, in particular, an "inventive concept" is clarified (or the criteria at Step 2B are clarified without relying on an "inventive concept").

2) Regarding the criteria at Prong Two of Step 2A, we request a future revision such that determination on whether or not to be "insignificant extra-solution activity" is clarified and also that the difference between "insignificant extra-solution activity" and "common activity" is clarified.

3) In determination at Step 2A, the revision specifies that "Any rejection in which a claim limitation, which does not fall within the enumerated abstract ideas, is nonetheless treated as reciting an abstract idea must be approved by the Technology Center Director." We consider that at the time of rejection, if the opportunity to discuss with the Technology Center Director having made the rejection decision is approved, this will further enhance the transparency of the decision on the rejection. If it is not assumed at present that an applicant can take the opportunity to seek for an interview with the Technology Center Director, we request that the applicant be allowed to seek for an interview with the Technology Center Director.

4) When a reason for rejection under 35 U.S.C. § 101 is notified, we request that a suggestion for resolving the reason for rejection to the extent possible be actively described in an office action. In fact, many examiners provide advice for resolving a reason for rejection in an interview with them, and we consider that this is greatly preferable to applicants in making patent

registration. We are sure that it will be very helpful to applicants if such advice that allows them to obtain an effective patent right early is actually described in an office action.

5) We request you to add cases that satisfy the following points to the cases published in "2019 PEG Examples 37 through 42."

(i) We request addition of cases where the answer to the requirement at Step 2B is YES. If many cases where the answer to the requirement at Step 2B is YES are presented, this is considered more valuable when applicants formulate application strategies in line with the practical use of the guidance.

(ii) Example 39 is one exemplary case related to AI technology, wherein the answer to Prong One of Step 2A is NO and thus no decision at Prong Two is made. However, addition of cases where a decision at Prong Two is made will be very helpful, for example, a case where the answer to Prong One of Step 2A is YES and the answer to Prong Two thereof is NO. In particular, because the number of AI technology-related applications remarkably increases and is expected to very likely continue to increase in the future, it is considered valuable to applicants to provide further enhancement of AI technology-related cases.

(iii) Explanations of cases of several claim variations for one example such as Example 37 (Relocation of Icons on a Graphical User Interface), Example 40 (Adaptive Monitoring of Network Traffic Data), and Example 42 (Method for Transmission of Notifications When Medical Records are Updated), are quite valuable to applicants when they understand the criteria under 35 U.S.C. §101. In addition to the above examples, we request that more examples dealing with several claim variations be provided.

Yours faithfully

A handwritten signature in blue ink that reads "M. Kato" with a large, sweeping flourish at the end.

Minoru Kato
Managing Director
Japan Intellectual Property Association