U.S. SOFTWARE PRACTICE ISSUES

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PRESENTATION OVERVIEW

CHAPTERS	Key Take Away
	Abstractness Issues *Also known as s. 101 issues or Alice issues*
	Indefiniteness Issues *Also known as 112(6th) issues, 112(f) issues or Means-Plus-Function Issues*
	Recommendations

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KEY TAKE AWAY

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KEY TAKE AWAY

Right now there is a lot of uncertainty and therefore risk in US patent law regarding software patents.

US common law is reactive and not proactive.

There are issues that the courts need to work through before things become clearer.

- Will take another 5-10 years.
- No one knows exactly where this will end up.

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KEY TAKE AWAY

My guess:

- Business methods will not be patentable (whether disguised as software or not).
- Software will remain patentable.
- It will take a while (and many court cases) to have an objective test to determine between the two.

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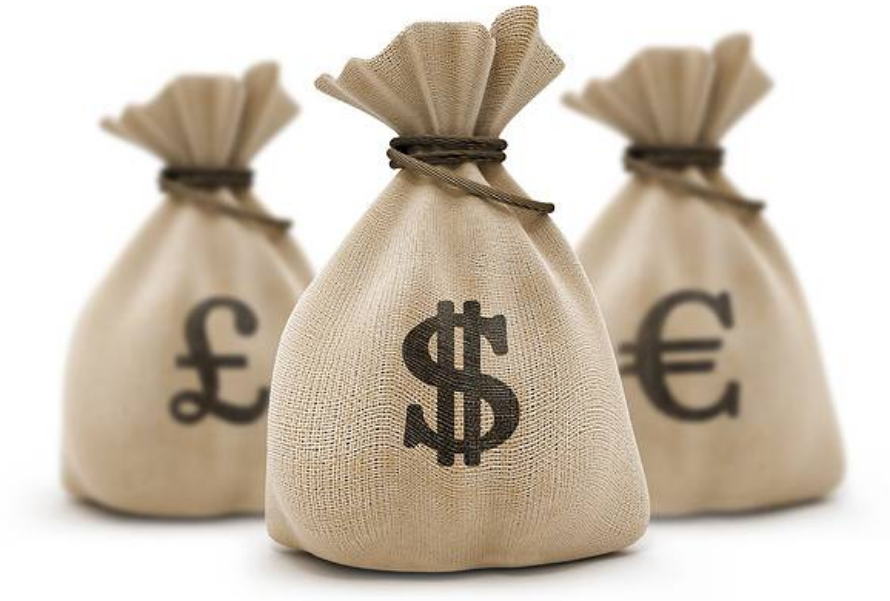
KEY TAKE AWAY

- There is a cost to this risk.
- If a broad US patent is desired, in most cases this will mean putting additional work in to a Russian-prepared draft.
- This will cost money.



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ABSTRACTNESS ISSUES

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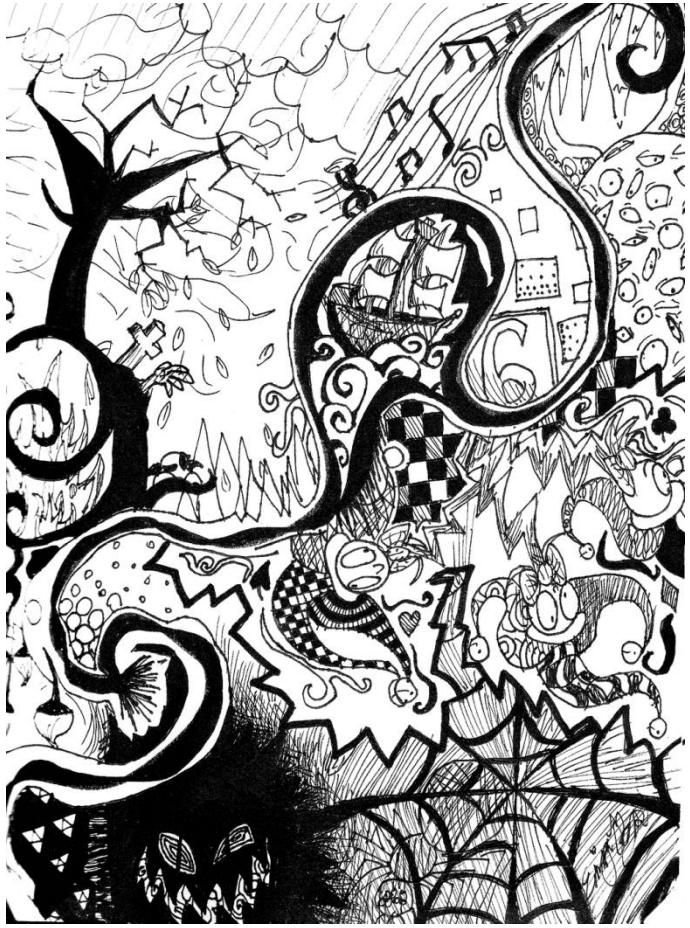
ABSTRACTNESS ISSUES

§ 101

- Many software patent claims are being invalidated under § 101 as being directed to an "abstract idea"

- Abstract ideas, along with laws of nature and natural phenomena, are "patent ineligible" subject matters under § 101



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ABSTRACTNESS ISSUES

§ 101

- 2-Part test from US Supreme Court *Alice v. CLS Bank* case for validity under § 101:

  1. Is the claim directed to an "abstract idea"?
  2. If yes, do the claim's elements, considered both individually and "as an ordered combination," "transform the nature of the claim" into something which is patent-eligible application?

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ABSTRACTNESS ISSUES

§ 101

Issues:

- What is an "abstract idea"?
- USSC refused to give a definition in *Alice*.
- Right now courts are going on a case-by-case basis trying to analogize to earlier cases.
- Very subjective.
- No consistency.
- No foreseeability.
- Does the claim cover a business method or has it merely automated something that has been done manually in the past?

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ABSTRACTNESS ISSUES

§ 101

The claims may be **valid** if:

- The claimed solution is necessarily rooted in computer technology in order to overcome a problem specifically arising in the realm of computer networks.
- The plain focus of the claims is on an improvement to computer functionality itself, not on economic or other tasks for which a computer is used in its ordinary capacity.
- The claims purport to improve an existing technological process.

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ABSTRACTNESS ISSUES

§ 101

The claims are **invalid** if:

- They merely recite the performance of some business practice known from the pre-Internet world along with the requirement to perform it on the Internet.
- They recite a common place business method aimed at processing business information, applying a known business process to the particular technological environment of the Internet, or creating or altering contractual relations using generic computer functions and conventional network operations.

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ABSTRACTNESS ISSUES

§ 101

The claims are **invalid** if: 

- Merely recite a generic computer.
- Recite an abstract idea while adding the words "apply it" or "apply it with a computer" or "implement it on a computer" is not enough for patent eligibility.
- Limit the use of an abstract idea "to a particular technological environment".

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INDEFINITENESS ISSUES

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INDEFINITENESS ISSUES

35 U.S.C. § 112(6)

- "*An element in a claim for a combination may be expressed as a means or step for performing a specified function without the recital of structure, material, or acts in support thereof, and such claim shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof.*"

- The use of the word "***means***" is not required to invoke § 112(6).

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INDEFINITENESS ISSUES

35 U.S.C. § 112(6)

- While there is a presumption against applying § 112(6) when the word "*means*" is not used, it is relatively easily overcome.

- Use in a claim of any "***nonce***" word (*e.g.* component, module, element, device, mechanism, etc.) and a function, without recitation of any **structure** to carry out that function, will invoke § 112(6).
  - *E.g. … a receiving component for receiving data via a communications network from a server.*

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INDEFINITENESS ISSUES

35 U.S.C. § 112(6)

Issues:

- This is language that US software patents currently use all the time. Many issued patents and filed applications contain this language.
- No one is certain exactly what language to replace it with right now to avoid invocation of § 112(6).
- What is a nonce word and what is not?
  - E.g. "*machine-learning algorithm*".
- What is "***sufficient structure***" in a software claim to avoid invocation of § 112(6).

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INDEFINITENESS ISSUES

35 U.S.C. § 112(6)

- If § 112(6) is invoked, in order to determine the scope of that element of the claim, you need to determine what structures are disclosed in the specification that carry out the recited function.

- If there is no structure disclosed in the specification that carries out the recited function, the claim is invalid under § 112(2).
  - Even if the claim is enabled in the eyes of a person skilled in the art.

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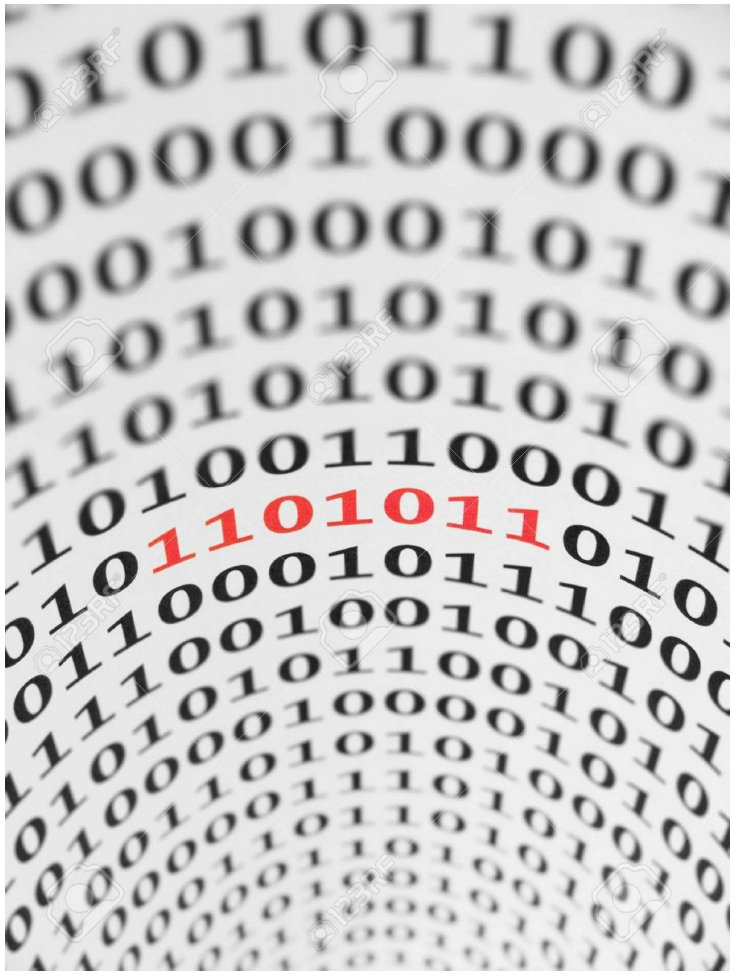
INDEFINITENESS ISSUES

35 U.S.C. § 112(6)

- You likely need ***code*** to function as the recited structure.
  - No clarity on this issue yet.
  - US software patent drafters stopped putting in code years ago, as it was not thought to be necessary to enable the claims under § 112(2).



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INDEFINITENESS ISSUES

35 U.S.C. § 112(6)

- If you do have code the claim may be very narrow, as it may be interpreted to be limited solely to the code set forth in the specification.

- If you do not have code the claim may be indefinite and therefore invalid under § 112(2).

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INDEFINITENESS ISSUES

35 U.S.C. § 112(6)

System claims are important in US because there are US-specific issues with **method claims**.

1. In US, all steps of a method claim must actually be performed in the US in order for there to be infringement.
   - Makes avoiding infringement of method claims easy by performing one of the steps outside of the US
   - This is NOT true for a system claim.

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INDEFINITENESS ISSUES

35 U.S.C. § 112(6)

2. In US, all steps of a method claim must be performed by a single actor.
   - Makes avoiding infringement of method claims easier by performing only some of the steps and leaving another party to complete the remaining steps.
   - This is NOT likely true for a system claim as a single entity will use the system.

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RECOMMENDATIONS

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RECOMMENDATIONS

FOR RUSSIAN-ORIGINATING APPLICATIONS

- Russian patent law and practice are very different from US patent law and practice.

- Russian and English languages are very different from one another.

- Unless you are looking just for a US filing for a reason other than to obtain a broad, quality-drafted patent, a simple translation of the Russian original patent application will not suffice.

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RECOMMENDATIONS

FOR RUSSIAN-ORIGINATING APPLICATIONS

- Do NOT wait until the end of the 12-month priority period to start working on the US patent application.
  - **Start Early!**

- Unless your English is fluent, work with a fully bilingual Russian-speaking US patent attorney.
  - They will be able to read the original Russian draft and speak with you in Russian (no translations are necessary).
  - They will be able to prepare the US patent application in English.

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RECOMMENDATIONS

FOR RUSSIAN-ORIGINATING APPLICATIONS

- Be prepared to provide the US patent attorney with a lot of information regarding the technology.

- The US patent application will require many more details and many more examples than the Russian application did.
  - This is generally true in US patent law.
  - It is especially true right now in US software patent applications given the uncertainty of how the law will develop.

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RECOMMENDATIONS

FOR RUSSIAN-ORIGINATING APPLICATIONS

- Do **NOT** simply rely on the recitation of a generic computer.

- Depending on the actual technology in question, you may have to provide actual code for use in the US patent applications.
  - Including alternative code to the code you are actually using or plan to use.

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RECOMMENDATIONS

FOR RUSSIAN-ORIGINATING APPLICATIONS

- Be prepared to see (and discuss) a claim set having different types of claims and claims of varying scope.

- The more involved you are the better the work product will be.

THANK YOU
СПАСИБО

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