

### USPTO guidance on subject-matter eligibility following *Berkheimer* decision

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The US Patent and Trademark Office (USPTO) has recently provided additional guidance to its examiners on the issue of subject-matter eligibility, which could make it easier for applicants to overcome rejections under 35 USC Section 101. The memorandum, issued on April 19 2018, addresses the limited question of whether an additional claim element (or combination of additional claim elements) represents well-understood, routine and conventional activity.

The memorandum cites the recent Federal Circuit decision in *Berkheimer v HP, Inc*, which held that the question of whether certain claim limitations represent well-understood, routine and conventional activity raised a disputed, factual issue. In the civil litigation context, the existence of a disputed, factual issue would preclude summary judgment that the claims would be invalid, because they are not patent-eligible. Another decision of the Federal Circuit shortly after *Berkheimer*, in *Aatrix Software, Inc v Green Shades Software, Inc*, reaffirmed this standard for judgments on the pleadings, as well as for judgments as a matter of law. While litigation procedures are generally inapplicable to the patent examination process, court decisions affecting patent validity will have an impact on how examiners should analyse subject-matter questions.

For example, before *Berkheimer* and the USPTO memorandum that followed, a patent examiner making a Section 101 rejection of the claim might contend that certain claim limitations are "well-understood, routine, conventional activity" previously known in the industry. Unless the examiner supports this contention with specific facts, it can be difficult for an applicant to refute such a statement. Under the new USPTO guidance, in a Step 2B analysis the examiner must support the rejection with one or more of the following:

- a citation to an express statement in the specification or to a statement made by an applicant that demonstrates the well-understood, routine and conventional nature of the claim element;
- a citation to a Federal Circuit decision noting the well-understood, routine and conventional nature of the claim element;
- a citation to a publication that demonstrates the well-understood, routine and conventional nature of the claim element; or
- a statement that the examiner is taking official notice of the well-understood, routine and conventional nature of the claim element. This action may also be challenged by the applicant under the Manual of Patent Examining Procedure Section 2144, which may result in the examiner having to supply one or more of the above three items, or a declaration setting forth the specific facts in support of his or her position.

Significantly, the court in *Berkheimer* also clarified that mere disclosure of a specific fact in the prior art does not necessarily establish that such fact was well-understood, routine and conventional. As the Federal Circuit explained:

*"[w]hether a particular technology is well-understood, routine, and conventional goes beyond what was simply known in the prior art. The mere fact that something is disclosed in a piece of prior art, for example, does not mean it was well-understood, routine, and conventional."*

The implication is that a patent invalidity challenge based on Section 101 may not be successful merely because a claim element is found in the prior art.

From a practical standpoint, patent practitioners now appear to have more tools to force the examiner's hand in terms of support for rejections under Section 101. When responding to office actions and conducting telephone interviews, the examiner should be asked to provide one or more of the items listed in the USPTO memorandum to support any contention that certain claim elements are well-understood, routine and conventional activities. Although such claim elements may be disclosed in the prior art, the examiner must now show that they were widely known by the industry as a whole. As a result, applicants are likely to see fewer Section 101 rejections, or at least more well-supported Section 101 rejections.



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