Lecture 7

Law 115
Rachael Vaughn

Agenda

- Quiz #2
- Trademark Exercise
- Guest Speaker: What is Patentable (Ben Tabor)

Trademark Exercise

Trademark Exercise

- Part I: Discussion with the class
- Part II: Group work

Trademark: Part I

Trademark Exercise: Part I

Plaintiff's Mark

1. Describe what plaintiff seeks to protect
2. Has it acquired secondary meaning?

Trademark Exercise: Part II

Answer the questions on your work sheet about the defendant's use of the mark.

You have been hired by Williams-Sonoma to design a new brownie pan (including packaging) to replace the chocolate bar brownie pan that is the subject of the dispute!

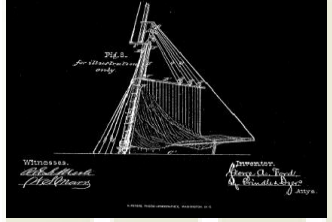
- Form groups of 4-5 people and outline your plan
- The assignment sheet is due on March 5 at 6:00 PM

Guest Speaker: What is Patentable? (Ben Tabor)

Patent Eligibility 101: What is patentable?

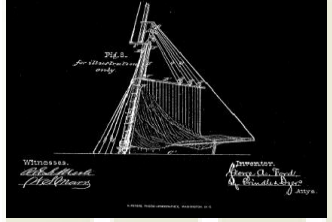
Digipen Class – 2/27/2014

Ben Tabor



OVERVIEW

- 35 U.S.C. § 101 (the statute)
- Old Law (S. Ct. Trilogy)
  - Benson
  - Flook
  - Diehr
- Recent Law
  - Bilski
  - and prodigy
- Pending Law / Quiz

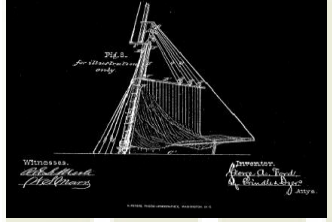


101 STATUTORY FRAMEWORK

Whoever invents or discovers any new and useful:

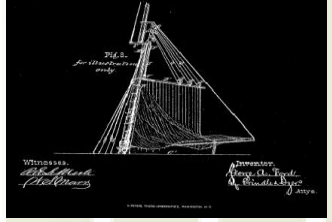
- process,
- machine,
- manufacture, or
- composition of matter . . .

may obtain a patent . . .



101 STATUTORY FRAMEWORK

- The term "process" means: process, art, or method, and includes a new use of a known
  - process,
  - machine,
  - manufacture,
  - composition of matter, or
  - material.



101 Statutory Framework

Section 33: Patent **Limitations**

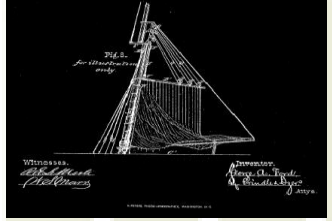
a) LIMITATION.—Notwithstanding any other provision of law,

no patent may issue

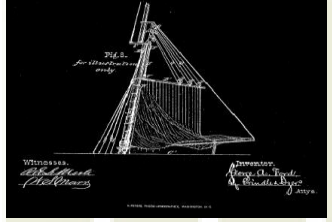
on a claim directed to

or encompassing a

human organism.

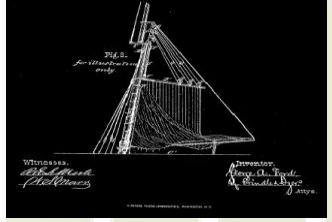


COURT CASES

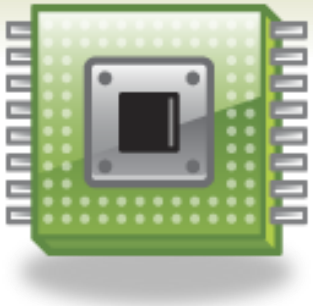


BENSON: 409 U.S. 63 (1972)

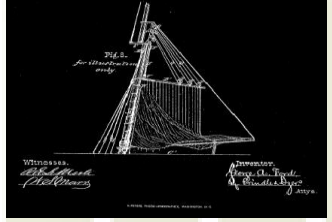
- A method of converting signals from binary coded decimal form into binary
- "A computer program, a mathematical formula without substantial practical application except in connection with a digital computer, was not a patentable process."
  - "storing the binary coded decimal signals in a reentrant shift register"
  - "shifting the signals to the right by at least three places, until there is a binary '1' in the second position of said register"



BENSON: 409 U.S. 63 (1972)

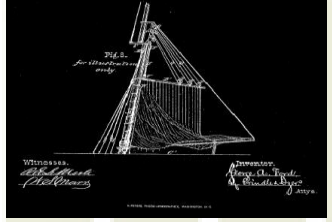


- **Patent Ineligible**
- Any application of the algorithm requires a computer, thus the claim preempts all applications “and in practical effect would be a patent on the algorithm itself.”



FLOOK: 437 U.S. 584 (1978)

- Directed toward a method for updating the value of an alarm limit on a process variable involved in a process comprising the catalytic chemical conversion of hydrocarbons.
- Applied a novel formula to a conventional process



FLOOK: 437 U.S. 584 (1978)

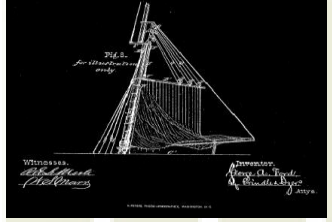
Claim included:

- Determining a new alarm base B1, using the following equation: $B1 = B0(1.0 - F) + PVL(F)$

  where F is a predetermined number greater than zero and less than 1.0 . . .

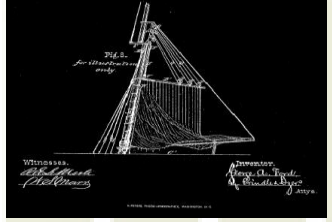
- Determining an updated alarm limit which is defined as B1 + K; and thereafter

- Adjusting said alarm limit to said updated alarm limit value.



FLOOK: 437 U.S. 584 (1978)

- **Patent Ineligible**
- “The only novel feature of the method is a mathematical formula. “
- “We think this case must . . . be considered as if the principle or mathematical formula were well known.”



DIEHR: 450 U.S. 175 (1981)

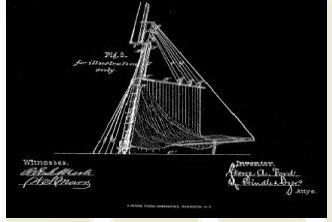
- A method of operating a

rubber-molding press for

precision molded compounds

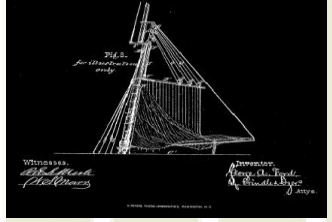
with the aid of a digital computer

- Application of Arrhenius Equation



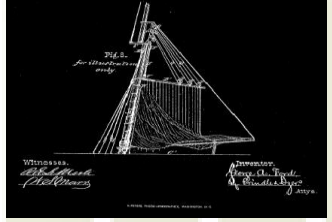
DIEHR: 450 U.S. 175 (1981)

- **Patent Eligible**
- Application equation to a particular manufacturing process



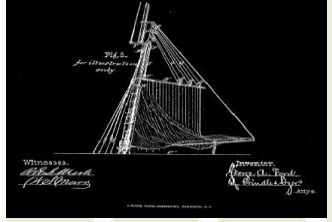
SUPREME COURT § 101 CASES

- "Supreme Court Trilogy"
  - Benson: 1972 - BCD-to-Binary Conversion
    - **patent ineligible**
  - Flook: 1978 - Setting Process Alarm Limits
    - **Patent ineligible**
  - Diehr: 1981 - Curing Rubber
    - **patent eligible**



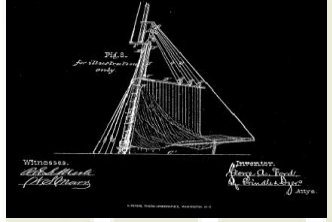
BILSKI: 130 S.Ct. 3218 (2010)

- Invention explains how commodities buyers and sellers in the energy market can protect, or hedge, against the risk of price changes.
- The “machine-or-transformation test” is a useful and important tool to determining patent eligibility for processes



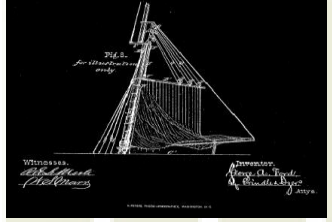
OBSERVATIONS

- Specific “Machine or Transformation”
  - Article Transformed
  - Practical Application
  - Not just a Concept
  - Observable
  - Verifiable
  - Applied



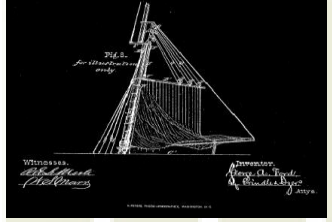
OBSERVATIONS

- No machine or transformation
  - Generic Machine
  - Machine Insignificant
  - General Concept



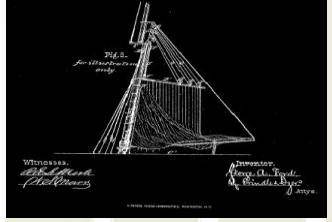
Alice Corp.

- Currently pending before the S. Ct.
  - *IS A CLAIM FOR A COMPUTER-IMPLEMENTED INVENTION INVOLVING AN ABSTRACT IDEA PATENT ELIGIBLE IF IT DESCRIBES A SPECIFIC, PRACTICAL APPLICATION OF THE IDEA*
  - Alice Corp's claims are drawn to ***methods of reducing settlement risk by effecting trades through a third party intermediary (a supervisory institution) empowered to verify that both parties can fulfill their obligations before allowing the exchange to be completed.***
  - Third-party escrow that helps overcome the risk of fraud and non-payment.



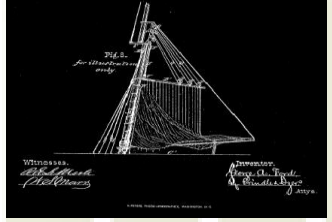
Alice Corp.

- Claim Language
  - A computer program product comprising *a computer readable storage medium having computer readable program code embodied in the medium* for use by a party to exchange an obligation between a first party and a second party, the computer program product comprising:
    - program code for causing a computer to send a transaction . . . ; and
    - program code for causing a computer to allow viewing of information relating to processing . .



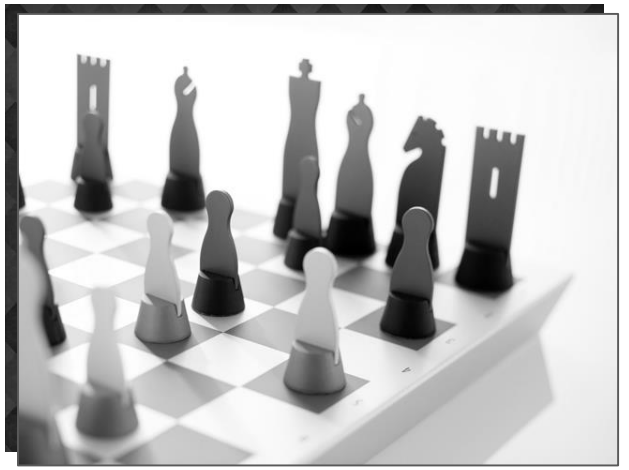
Alice Corp.

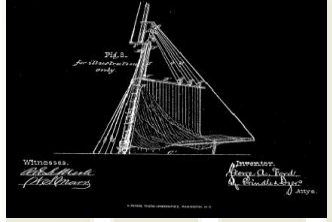
- Result in Federal Circuit
  - The court determined that the claimed invention is an abstract idea because it is a “disembodied” concept that is a basic building block of human ingenuity and untethered from any real-world application.
  - **Patent Ineligible**



RCT: 627 F.3d 859 (2010)

- A method for halftoning a gray scale image by using a pixel-by-pixel comparison of the image against a blue noise mask.



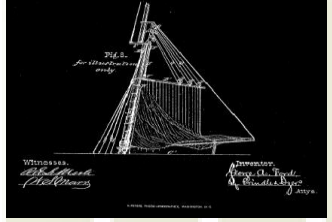


RCT: 627 F.3d 859 (2010)

Claim 1

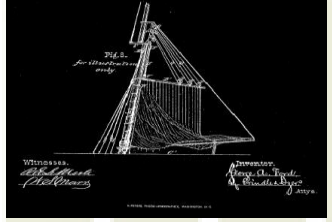
A method for the halftoning of gray scale images by utilizing a pixel-by-pixel comparison of the image against a blue noise mask

in which the blue noise mask is comprised of a random nondeterministic, non-white noise single valued function which is designed to produce visually pleasing dot profiles when thresholded at any level of said gray scale images.

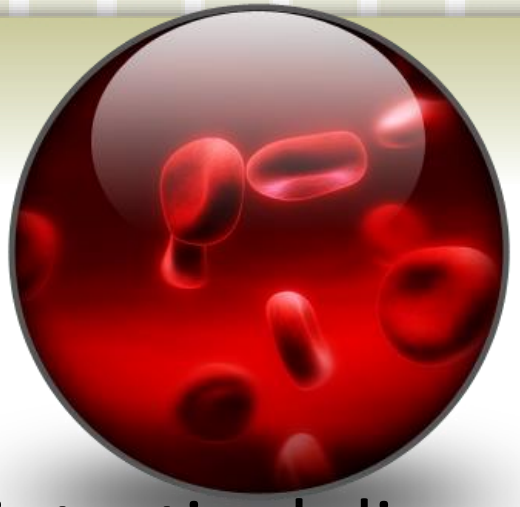


RCT: 627 F.3d 859 (2010)

- **Patent Eligible**
- "[A]bstractness, as a disqualifying characteristic, should exhibit itself so manifestly as to override the broad statutory categories of eligible subject matter . . . ."
- "[S]pecific applications or improvements to technologies **in the marketplace** are not likely to be so abstract that they override the statutory language . . . ."



PROMETHEUS: 628 F.3d 1347



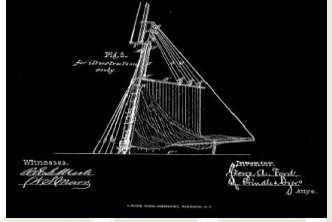
- A method of optimizing

therapeutic efficacy and

reducing toxicity associated with

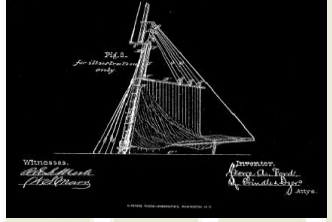
treatment of an immune-mediated gastrointestinal disorder

- A process for a chemical or physical transformation of physical objects or substances is patent-eligible subject matter



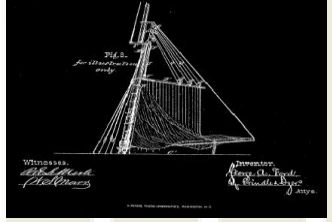
PROMETHEUS: 628 F.3d 1347

- Prometheus patent claims are directed to (i) “administering” a drug to a subject, (ii) “determining” metabolite levels of the drug, and (iii) comparing metabolite levels in the subject to a reference metabolite level, “wherein” the measured levels “indicate a need” to increase or decrease drug dosage.



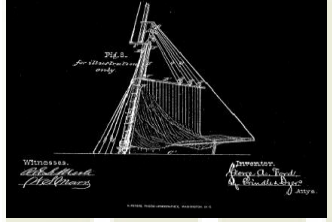
PROMETHEUS: 628 F.3d 1347

- **Patent Eligible**
- The "concreteness" of the patented method of personalizing the dosage of a particular drug treatment is patentable.



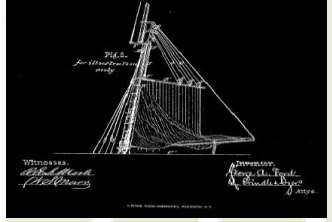
MYRIAD: 99 U.S.P.Q.2D (BNA) 1398

- Myriad's claims directed to screening potential cancer therapeutics via changes in cell growth rates were invalid



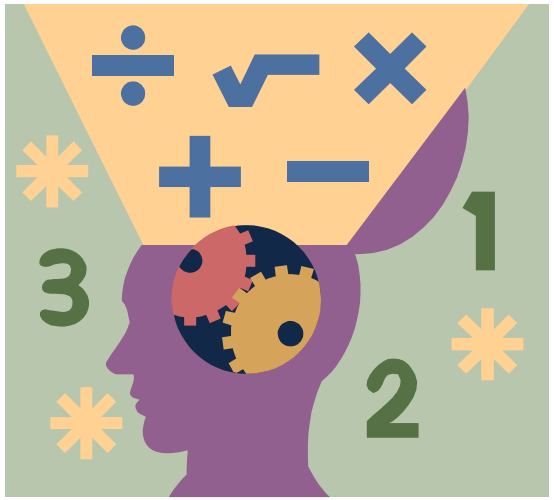
MYRIAD: 99 U.S.P.Q.2D (BNA) 1398

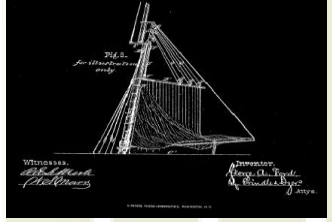
- Isolated genes are **patent eligible**



CYBERSOURCE: 99 U.S.P.Q.2d 1690

- Directed toward a method/CRM for verifying the validity of a credit card transaction over the Internet.





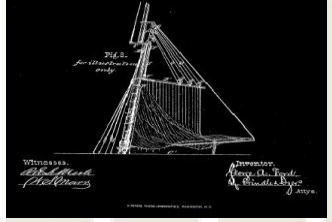
CYBERSOURCE: 99 U.S.P.Q.2d 1690

A method for verifying the validity of a credit card transaction over the Internet comprising the steps of:

a) obtaining information about other transactions that have utilized an Internet address that is identified with the [ ] credit card transaction;

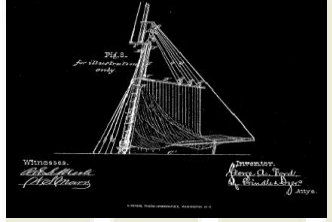
b) constructing a map of credit card numbers based upon the other transactions and;

c) utilizing the map of credit card numbers to determine if the credit card transaction is valid.



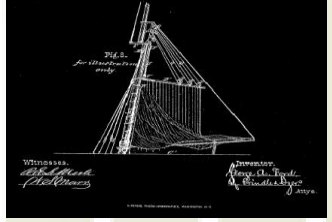
CYBERSOURCE: 99 U.S.P.Q.2d 1690

- **Patent Ineligible**
- "Because claims 2 and 3 attempt to capture unpatentable mental processes (i.e., abstract ideas), they are invalid under § 101."



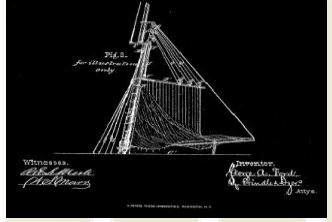
CLASSEN: 2011 US APP LEXIS 18126

A method of immunizing using a schedule of infant immunization for infectious diseases that can affect the later occurrence of chronic immune-mediated disorders…and conducting immunizations based on the schedule, which presents the lowest risk with respect to such disorders.



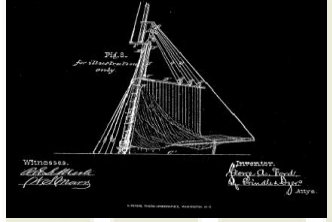
CLASSEN: 2011 US APP LEXIS 18126

- **Patent Eligible**
- The presence of a mental step is not of itself fatal to § 101 eligibility
- Because the claims of these patents include the physical step of immunization, the majority held, they were directed to a "specific, tangible application."



HULU: 2011 WL 4090761 (C.A.Fed. (Cal.))

- Directed toward distributing copyrighted products over the Internet.
- Claims a method for distributing copyrighted products over the Internet where the consumer receives a copyrighted product for free in exchange for viewing an advertisement and the advertiser pays for the copyrighted content.



HULU: 2011 WL 4090761 (C.A.Fed. (Cal.))

- **Patent Eligible**
- "Unlike the claims in *CyberSource*, the claims here require, among other things, controlled interaction with a consumer via an Internet website, something far removed from *purely* mental steps."