[date redacted]

The Honorable Andrei Iancu

Under Secretary of Commerce for Intellectual Property and

Director of the United States Patent and Trademark Office

United States Patent and Trademark Office

600 Dulany Street

Alexandria, VA 22314

cc: Thomas Kraus, Deputy General Counsel for Intellectual Property Law and Solicitor

Drew Hirshfeld, Commissioner for Patents for the United States Patent and Trademark Office

Dear Director Iancu,

I am writing to follow-up on a question that I asked you, as a member of the audience, at the 2020 Intellectual Property Summit in Utah. As you may recall, I was fortunate enough to take the microphone and ask you whether the USPTO had considered selecting an ideal vehicle case to support on appeal through the federal courts to improve the interpretation of 35 U.S.C.§ 101.

 By way of background, I am a registered patent attorney with over a decade of high-volume experience with the USPTO and before the PTAB. I am writing in my own capacity, and not on behalf of any firm, colleague, or client with whom I may be associated. I have invested heavily of my time in publishing articles and public comments directed to improving the interpretation of § 101. I am enclosing reference copies of examples of these documents for your convenience, including:

* **Document 1:** 11 pages of public comments (with a two-page executive summary) submitted in response to the 2019 USPTO Revised Guidance on § 101;[[1]](#footnote-1)
* **Document 2**: 22 pages of public comments (double spaced) submitted in response to the 2014 USPTO Interim Guidance;[[2]](#footnote-2) and
* **Document 3**: An 11-page article, “*Alice’s* Tourniquet: A Solution to the Crisis in Patentable Subject Matter Law,” published in IPWatchdog.[[3]](#footnote-3)

These documents all outlined different suggestions for improving the application of § 101. Document 1 encouraged your administration to advocate for legislative and jurisprudential changes to the interpretation of § 101, as distinct from promulgating Agency guidance, due to the traditional limitations on USPTO rulemaking powers in the examination context. Documents 2 and 3 also suggested more creative arguments for limiting the negative impact of *Alice*[[4]](#footnote-4) and its progeny, although in this letter I present a strategy that may be more promising.

In particular, I elaborate on the idea that I mentioned to you at the Utah Intellectual Property Summit, which is essentially the same idea that I alluded to at the conclusion of Document 1 (reproduced below with the most relevant passage highlighted):

As Director, you are better positioned than anyone to detect the harm, and sound the alarm, regarding recent developments in the law of patentable subject matter. Although you have already taken bold steps in this direction, I invite you to consider whether you can do even more. In the context of the federal courts, you can direct the Office Solicitor to file merit, intervenor, and amicus briefs arguing for the reforms that you may be barred by statute from enacting. **You can hand pick, from among hundreds of post grant review and covered business method review trials, as well as thousands of patent applications under examination, the ideal case to demonstrate the deficiencies in the current state of the law.**14 You can shepherd this case through the federal courts up to the Supreme Court. You can direct the Office Solicitor in oral arguments to tell the Federal Circuit that its law is forcing examiners to reject applications on meritorious inventions. I invite you to consider how the Supreme Court would react if you signed a brief declaring that the state of the law of section 101 is impeding innovation in America instead of promoting it—contrary to the constitutional mission of your Office. U.S. Const. Art I., § 8, cl. 8. (emphasis added)

In this letter I improve and elaborate on this proposal by suggesting that the USPTO may, within the context of a post-grant review (“PGR”) trial, first (i) promulgate regulations interpreting § 101 and then (ii) request for the Federal Circuit and Supreme Court to defer to the USPTO under *Chevron**[[5]](#footnote-5)* on this interpretation. The focus on PGR is important because, although Congress has declined to adopt legislation that would give the USPTO substantive rulemaking powers across the board,[[6]](#footnote-6) Congress used language in the PGR statute that arguably gave the USPTO some substantive rulemaking power at least in that limited procedural context, as discussed in more detail below.

In response to my question in Utah, you politely and helpfully indicated that the USPTO had prepared amicus briefs that were directed to improved interpretations of § 101 in federal court appeals, including I believe the *Berkheimer*[[7]](#footnote-7) and *Vanda Pharmaceuticals*[[8]](#footnote-8)appeals. Both of these amicus briefs were prudent, beneficial, and welcomed by the patent bar.

 As helpful as these amicus briefs were, however, they may have not been directly on point at least because neither of these cases originated through the USPTO and PTAB. Instead, both cases originated through federal court infringement litigation. Although this distinction might be subtle, it is significant, as I explain below.

 The most important reason—which I did not fully appreciate until recently—to focus on appeals originating within the USPTO is that the USPTO may now receive powerful *Chevron* deference when the PTAB adjudicates certain issues within AIA trials. As far back as the enacting of the AIA[[9]](#footnote-9), law professors noted the potential for the USPTO to finally receive *Chevron* deference.[[10]](#footnote-10) Since then, the Supreme Court in *Cuozzo[[11]](#footnote-11)* appears to have confirmed that the AIA left open the potential for *Chevron* deference to the USPTO. Although some have argued that the USPTO may only receive *Chevron* deference for “procedural” rules[[12]](#footnote-12), as distinct from “substantive” rules, the Court strongly rebuked this argument:

Where a statute leaves a gap or is ambiguous, this Court typically interprets a congressional grant of rulemaking authority as giving the agency leeway to enact rules that are reasonable in light of the text, nature, and purpose of the statute. [internal citations omitted]. Here, the statute grants the Patent Office the authority to issue regulations "governing IPR," and no statutory provision unambiguously mandates a particular claim construction standard.

The Patent Office's rulemaking authority is not limited to procedural regulations. Analogies to interpretations of other congressional grants of rulemaking authority in other statutes, which themselves do not unambiguously contain a limitation to procedural rules, cannot magically render unambiguous the different language in the different statutory grant of rulemaking authority at issue.

*Cuozzo*, 136 S. Ct. at 2134-2135. In *Cuozzo*, the Court signaled a willingness to defer to the USPTO on a question of substantive patent law. The relevant question of law in *Cuozzo* was directed to the standard for claim construction in inter partes review (“IPR”) trials. And it is reasonable to assert that claim construction is not purely procedural.

As in *Cuozzo*, “no statutory provision unambiguously mandates a particular” standard for interpreting § 101. *See* *id*. And, as in *Cuozzo*, the statutory language of § 101 creates a “gap” that may be filled using *Chevron* deference to the Agency. The gap here may result from the fact that USPTO stakeholders widely perceive the law of patentable subject matter to be vague and difficult to apply predictably.

In view of the above, although the primary supervisor over the USPTO’s application of § 101 has historically been the Federal Circuit and the Supreme Court, you can now argue that a different authority—Congress—changed that by enacting the AIA. This statutory overhaul empowered the USPTO to establish “regulations […] governing IPR under this chapter.” 35 U.S.C. § 316. The *Cuozzo* Court signaled its recognition that, after the AIA, the USPTO now has a stronger voice in the debate over substantive patent law than it did previously.

In citing *Cuozzo*, I do not want to be misinterpreted as overlooking that the question of claim construction in IPR trials is logically distinct from the question of interpreting § 101. In fact, Congress restricted the USPTO from considering § 101 in IPR trials.[[13]](#footnote-13) Rather, I cite *Cuozzo* for the signals that the Supreme Court has provided to the USPTO that the Agency is no longer limited to merely procedural rulemaking powers. By themselves, the Court’s pronouncements in *Cuozzo* do not immediately help to improve the law of patentable subject matter.

Fortunately for American inventors seeking relief from § 101 problems, IPR is not the only post-issuance trial proceeding created by the AIA. In addition to IPR, Congress also created PGR and covered business method (“CBM”) review. Both of these cover § 101 challenges.[[14]](#footnote-14) The fact that PGR and CBM proceedings cover § 101, unlike IPR, provides the statutory hook that the USPTO may consider using to receive powerful *Chevron* deference when interpreting the law of patentable subject matter.

Between PGR and CBM, PGR provides the cleaner mechanism for the solution outlined here. Both PGR and CBM have enabling statutes[[15]](#footnote-15) that use the keyword “governing,” without using the keyword “procedure” in the same clause, thereby avoiding (as in *Cuozzo*) the argument that the USPTO’s rulemaking powers are limited to purely procedural questions in this context. Nevertheless, the CBM statute includes a rule of construction against interpreting § 101 and is, therefore, arguably a less attractive route to the solution outlined here.[[16]](#footnote-16) Under the scope-of-subparts canon of statutory construction, this rule against construing § 101 only applies to CBM and the USPTO is, therefore, presumably not limited against construing § 101 in the PGR context.[[17]](#footnote-17) Most importantly, CBM sunsets by statute on September 16, 2020. For these reasons, the remainder of this letter will focus on PGR.

The new *Chevron* deference that the Supreme Court arguably owes to the USPTO provides that Court with the hook that it needs to clarify, or even modify, its earlier jurisprudence on § 101. The Supreme Court’s recent decisions on patentable subject matter—including especially its decisions on the “abstract idea” legal term of art in *Bilski**[[18]](#footnote-18)* and *Alice[[19]](#footnote-19)*—have been criticized as harming the innovation economy. *Alice*—like *Berkheimer* and *Vanda* *Pharmaceuticals*—did not originate in the USPTO and, therefore, there was no question of deference to the Agency in those cases. *Bilski* originated in the USPTO, but predated the AIA and, therefore, the statutory hook for *Chevron* deference simply did not exist yet. In other words, the Supreme Court—which lacks a patent attorney—was left to decide fundamental questions of patent law in *Alice* without the benefit of Agency expertise, much less deference to that expertise.

The USPTO now has the opportunity to first (i) promulgate regulations improving the interpretation of § 101 and (ii) select an ideal vehicle case from the PTAB applying these regulations and shepherding that case through the Federal Circuit and potentially the Supreme Court. The USPTO can agree with the Supreme Court that its prior decisions were reasonable in view of the evidence and circumstances of the previous cases, yet Congress has since *Bilski* empowered the USPTO to prescribe regulations “establishing and governing a post-grant review under this chapter.”[[20]](#footnote-20) Moreover, the USPTO is well positioned to explain that a decade of experience since *Bilski* has persuaded the Agency that the law of patentable subject matter should be improved—and the improvements implemented by the USPTO through regulations should receive deference under *Chevron*.

As one illustrative example of how to specifically implement this strategy, the USPTO may adopt a regulation that applies the 2019 guidance on § 101[[21]](#footnote-21) to PGR trials as distinct from examination. I am attaching a draft of proposed text for this regulation as Appendix A. As of now, the USPTO has stylized the guidance as an update to examination procedures and, therefore, the guidance does not clearly apply to PGR trials. The failure of the guidance to clearly apply to PGR trials remains true even though the guidance states that administrative patent judges are expected to follow the guidance, and these judges often handle both AIA trials and appeals from examination. [[22]](#footnote-22) And, unlike for claim construction, there is no plausible reason in the law or public policy why there should be bifurcated § 101 standards between examination and PGR trials. If anything, for the reasons outlined above the USPTO has a stronger argument for interpreting § 101 in PGR trials than during examination, rather than the current vice-versa scenario. For example, the Federal Circuit has already confirmed that the guidance is not binding on that court in the context of examination or litigation.[[23]](#footnote-23) This strategy of applying the ideas from the 2019 guidance to the different context of PGR trials would be relatively modest, because the guidance itself does not greatly deviate from federal case law, if it does so at all.

I suspect, however, that the AIA empowers the USPTO to go even further. The fact that the Supreme Court explicitly refused to define the term “abstract idea” in *Alice[[24]](#footnote-24)* arguably creates a “gap” that the USPTO can fill under *Chevron*. After the AIA, the USPTO can clarify what Congress and the Supreme Court left ambiguous. The USPTO can explicitly define the term “abstract idea” in a manner that shows fidelity to recent Supreme Court case law while nevertheless minimizing the negative consequences of that case law. For example, your administration could promulgate a regulation that defines the term “abstract idea” for PGR petitions and trials based on the strategy I outlined in Document 3 (i.e., except for one narrow exception, limiting the term “abstract idea” to claims having the hallmarks of either the trilogy[[25]](#footnote-25) of math-based cases from last century or the hallmarks of the two[[26]](#footnote-26) business-method-based cases from this century). For your convenience, I am attaching a draft of proposed text for this regulation as Appendix B.

One challenge with this more aggressive strategy (i.e., defining the term “abstract idea” by regulation) is the argument that 35 U.S.C. § 101 does not contain a “gap” regarding abstract ideas, and instead the “gap” resides in extra-statutory Supreme Court glosses that deviate from the plain text of the statute. I suspect that this argument is based on a false dichotomy. It is true that the term “abstract idea” originates with the Supreme Court, yet both the acquiescence rule and the reenactment rule of statutory construction suggest that Congress incorporated previous Supreme Court case law on the limits of patentable subject matter when it adopted modern § 101 in 1952.[[27]](#footnote-27) Section 101 does not mention the term “abstract idea,” much less define it, yet this ambiguity continues to invalidate thousands of patents with your signature. This argument against reliance on *Chevron* is also problematic as a matter of public policy: if the Supreme Court permits agencies to resolve ambiguities created by Congress under *Chevron*, it is not clear why it would be good public policy to handcuff these agencies when resolving ambiguities created by the Court itself. Bold action by the USPTO may also motivate Congress to act with greater freedom and expertise.[[28]](#footnote-28) Nevertheless, if, despite the above, there remain surmountable challenges with my proposed reliance on *Chevron* deference (I am not an expert on administrative law), then the professionals in the USPTO Office of the Solicitor and the Department of Justice are better positioned to stylize the arguments and regulations for maximum effectiveness.

More generally, I recognize that the solution proposed above to the current challenges in patentable subject matter law is not without potential risks, complications, or disappointments. The Court may deny *Chevron* deference. Additionally, shifting some authority to decide questions of substantive patent law from Article III Courts to an Article I Agency may subject these questions to political instability and oscillation, which is a concern that I highlighted in my public comments on the 2019 USPTO revised guidance.[[29]](#footnote-29) Even if you obtain short-term success with pro-patent regulations, nothing prevents your successor as Director from reversing what you have accomplished. Given the infrequent use of PGR trials, the USPTO may also find it challenging to identify a specific appeal on a patent-worthy invention to use for this strategy.[[30]](#footnote-30) And, one surmountable yet non-trivial obstacle may be to ensure that your administration interprets § 101 through regulations rather than adjudication alone.[[31]](#footnote-31)

Nevertheless, I modestly suggest that it is worthwhile for the USPTO to invest in the strategy that I outlined above for improving the interpretation of § 101 in the context of PGR trials by first promulgating regulations interpreting § 101 and then selecting a PGR trial reviewing a patent-worthy invention and defending the patent all the way to the Supreme Court while requesting for the Court to grant *Chevron* deference to the USPTO’s expert conclusion of patentability.[[32]](#footnote-32)

 Sincerely,

 

 Kipman T. Werking

 USPTO Patent Reg. No. 60,187

kipman.werking@fisherbroyles.com

(801) 332-9283

**Appendix A**

§ 42.200 Procedure; pendency.

(a) A post-grant review is a [trial](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=816a164bcf0fee3a48825e1dc77abc23&term_occur=999&term_src=Title:37:Chapter:I:Subchapter:ID1013:Part:42:Subpart:C:Subjgrp:223:42.200) subject to the procedures set forth in [subpart A](https://www.law.cornell.edu/cfr/text/37/part-42/subpart-A) of this part.

(b) In a post-grant review [proceeding](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=0290bc31da3d38972ab261ef34472f10&term_occur=999&term_src=Title:37:Chapter:I:Subchapter:ID1013:Part:42:Subpart:C:Subjgrp:223:42.200), a claim of a patent, or a claim proposed in a [motion](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=ec9a4d257973aea75c8673f9ab2f0a7d&term_occur=999&term_src=Title:37:Chapter:I:Subchapter:ID1013:Part:42:Subpart:C:Subjgrp:223:42.200) to amend under [§ 42.221](https://www.law.cornell.edu/cfr/text/37/42.221), shall be construed using the same claim construction standard that would be used to construe the claim in a civil action under [35 U.S.C. 282(b)](https://www.law.cornell.edu/uscode/text/35/282#b), including construing the claim in accordance with the ordinary and customary meaning of such claim as understood by one of ordinary skill in the art and the prosecution history pertaining to the patent. Any prior claim construction determination concerning a term of the claim in a civil action, or a [proceeding](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=0290bc31da3d38972ab261ef34472f10&term_occur=999&term_src=Title:37:Chapter:I:Subchapter:ID1013:Part:42:Subpart:C:Subjgrp:223:42.200) before the International Trade Commission, that is timely made of record in the post-grant review [proceeding](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=0290bc31da3d38972ab261ef34472f10&term_occur=999&term_src=Title:37:Chapter:I:Subchapter:ID1013:Part:42:Subpart:C:Subjgrp:223:42.200) will be considered.

(c) A post-grant review [proceeding](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=0290bc31da3d38972ab261ef34472f10&term_occur=999&term_src=Title:37:Chapter:I:Subchapter:ID1013:Part:42:Subpart:C:Subjgrp:223:42.200) shall be administered such that pendency before the [Board](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e79a0c1bb97f3dff218e3eb9f84c0631&term_occur=999&term_src=Title:37:Chapter:I:Subchapter:ID1013:Part:42:Subpart:C:Subjgrp:223:42.200) after institution is normally no more than one year. The time can be extended by up to six months for good cause by the Chief Administrative Patent Judge, or adjusted by the [Board](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e79a0c1bb97f3dff218e3eb9f84c0631&term_occur=999&term_src=Title:37:Chapter:I:Subchapter:ID1013:Part:42:Subpart:C:Subjgrp:223:42.200) in the case of joinder.

(d) Interferences commenced before September 16, 2012, shall proceed under [part 41](https://www.law.cornell.edu/cfr/text/37/part-41) of this chapter except as the Chief Administrative Patent Judge, acting on behalf of the Director, may otherwise order in the interests-of-justice.

(e) When evaluating both whether to grant a petition to institute post-grant review and when evaluating whether to cancel at least one claim at the conclusion of a post-grant review, the Board shall apply the 2019 Revised Patent Subject Matter Eligibility Guidance at 84 Fed. Reg. 50 for any ground of unpatentability based on patentable subject matter law under 35 U.S.C. § 101.

**Appendix B**

§ 42.200 Procedure; pendency.

(a) A post-grant review is a [trial](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=816a164bcf0fee3a48825e1dc77abc23&term_occur=999&term_src=Title:37:Chapter:I:Subchapter:ID1013:Part:42:Subpart:C:Subjgrp:223:42.200) subject to the procedures set forth in [subpart A](https://www.law.cornell.edu/cfr/text/37/part-42/subpart-A) of this part.

(b) In a post-grant review [proceeding](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=0290bc31da3d38972ab261ef34472f10&term_occur=999&term_src=Title:37:Chapter:I:Subchapter:ID1013:Part:42:Subpart:C:Subjgrp:223:42.200), a claim of a patent, or a claim proposed in a [motion](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=ec9a4d257973aea75c8673f9ab2f0a7d&term_occur=999&term_src=Title:37:Chapter:I:Subchapter:ID1013:Part:42:Subpart:C:Subjgrp:223:42.200) to amend under [§ 42.221](https://www.law.cornell.edu/cfr/text/37/42.221), shall be construed using the same claim construction standard that would be used to construe the claim in a civil action under [35 U.S.C. 282(b)](https://www.law.cornell.edu/uscode/text/35/282#b), including construing the claim in accordance with the ordinary and customary meaning of such claim as understood by one of ordinary skill in the art and the prosecution history pertaining to the patent. Any prior claim construction determination concerning a term of the claim in a civil action, or a [proceeding](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=0290bc31da3d38972ab261ef34472f10&term_occur=999&term_src=Title:37:Chapter:I:Subchapter:ID1013:Part:42:Subpart:C:Subjgrp:223:42.200) before the International Trade Commission, that is timely made of record in the post-grant review [proceeding](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=0290bc31da3d38972ab261ef34472f10&term_occur=999&term_src=Title:37:Chapter:I:Subchapter:ID1013:Part:42:Subpart:C:Subjgrp:223:42.200) will be considered.

(c) A post-grant review [proceeding](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=0290bc31da3d38972ab261ef34472f10&term_occur=999&term_src=Title:37:Chapter:I:Subchapter:ID1013:Part:42:Subpart:C:Subjgrp:223:42.200) shall be administered such that pendency before the [Board](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e79a0c1bb97f3dff218e3eb9f84c0631&term_occur=999&term_src=Title:37:Chapter:I:Subchapter:ID1013:Part:42:Subpart:C:Subjgrp:223:42.200) after institution is normally no more than one year. The time can be extended by up to six months for good cause by the Chief Administrative Patent Judge, or adjusted by the [Board](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=e79a0c1bb97f3dff218e3eb9f84c0631&term_occur=999&term_src=Title:37:Chapter:I:Subchapter:ID1013:Part:42:Subpart:C:Subjgrp:223:42.200) in the case of joinder.

(d) Interferences commenced before September 16, 2012, shall proceed under [part 41](https://www.law.cornell.edu/cfr/text/37/part-41) of this chapter except as the Chief Administrative Patent Judge, acting on behalf of the Director, may otherwise order in the interests-of-justice.

(e) For any petition involving a question regarding an “abstract idea” under the law of patentable subject matter, when evaluating both whether to grant a petition to institute post-grant review and when evaluating whether to cancel at least one claim at the conclusion of a post-grant review, the Board shall define the term “abstract idea” in accordance with the following procedure:

 (1) Categorize the candidate “abstract idea” into one of the following categories: (i) “a fundamental economic practice long prevalent in our system of commerce,” (ii) a mathematical algorithm, or (iii) a manifestly abstract idea.

(2) For a candidate “abstract idea” that is categorized as a “fundamental economic practice long prevalent in our system of commerce,” the Board shall determine whether the candidate qualifies as an abstract idea based on a consideration of all the following factors:

(i) whether the candidate qualifies as an economic practice;

 (ii) whether the candidate qualifies as fundamental;

(iii) whether the candidate is prevalent in our system of commerce; and

(iv) whether the candidate has been prevalent for a long period of time.

(3) For a candidate abstract idea that is categorized as a mathematical algorithm, the Board shall determine whether the candidate qualifies as an abstract idea based on a consideration of all the following factors:

(i) whether the corresponding claim recites explicit numerical values or variables;

(ii) whether the candidate manipulates or compares numerical values or variables; and

(iii) whether the corresponding claim recites or implies a looped or repeated computation.

 (4) For a candidate abstract idea that is categorized as a manifestly abstract idea, the Board shall determine whether the candidate qualifies as an abstract idea based on a determination of whether, despite the fact that the candidate does not qualify as “a fundamental economic practice long prevalent in our system of commerce” or a mathematical algorithm, the candidate nevertheless exhibits the quality of being abstract “so manifestly as to override the broad statutory categories of eligible subject matter and the statutory context that directs primary attention on the patentability criteria of the rest of the Patent Act” under *Research Corp. Technologies v. Microsoft Corp.*, 627 F.3d 859, 868 (Fed. Cir. 2010).

1. https://www.uspto.gov/sites/default/files/documents/eligibility2019comments\_f\_werking\_2019mar08.pdf [↑](#footnote-ref-1)
2. https://www.uspto.gov/sites/default/files/documents/2014\_f\_werking\_2015mar16.pdf [↑](#footnote-ref-2)
3. https://www.ipwatchdog.com/2016/03/07/alice-tourniquet-solution-patentable-subject-matter-law/id=66844/ [↑](#footnote-ref-3)
4. *Alice Corp. Pty. Ltd. v. CLS Bank Intern.*, 134 S. Ct. 2347 (2014). [↑](#footnote-ref-4)
5. *Chevron U.S.A., Inc. v. Natural Resources Defense Council, Inc.*, 467 U.S. 837 (1984). [↑](#footnote-ref-5)
6. *See* Patent Reform Act of 2007, H.R. 1908, 110th Cong. § 11 (“In addition to the authority conferred by other provisions of this title, the Director may promulgate such rules, regulations, and orders that the Director determines appropriate to carry out the provisions of this title or any other law applicable to the United States Patent and Trademark Office or that the Director determines necessary to govern the operation and organization of the Office.”). [↑](#footnote-ref-6)
7. Brief for the United States as Amicus Curiae, *HP INC. v*. *Berkheimer*, 139 S. Ct. 860 (2019) (available at https://foiadocuments.uspto.gov/amicus/HP\_Government\_Brief\_Amicus.pdf). [↑](#footnote-ref-7)
8. Brief for the United States as Amicus Curiae, *Hikma Pharmaceuticals USA Inc*. *v*. *Vanda Pharmaceuticals Inc.*, 139 S. Ct. 1368 (2019) (available at https://foiadocuments.uspto.gov/amicus/Hikma\_Government\_Brief\_Amicus.pdf). [↑](#footnote-ref-8)
9. Leahy-Smith America Invents Act (“AIA”), Pub. L. No. 112-29, 125 Stat. 284 (2011). [↑](#footnote-ref-9)
10. Wasserman, Melissa F., The Changing Guard of Patent Law: *Chevron* Deference for the PTO (October 24, 2012). William & Mary Law Review, Vol. 54, 2013; Illinois Program in Law, Behavior and Social Science Research Paper No. LBSS14-06; Illinois Public Law Research Paper No. 13-25. Available at SSRN: [https://ssrn.com/abstract=2166560](https://ssrn.com/abstract%3D2166560) [↑](#footnote-ref-10)
11. *Cuozzo Speed Technologies, LLC v. Lee*, 136 S. Ct. 2131 (2016). [↑](#footnote-ref-11)
12. .https://www.ipwatchdog.com/2019/10/01/examining-usptos-bid-adjudicatory-chevron-deference/id=114132/ [↑](#footnote-ref-12)
13. 35 U.S.C. § 311. [↑](#footnote-ref-13)
14. For example, the Federal Circuit has held that “both our opinions and the Supreme Court's opinions over the years have established that § 101 challenges constitute validity and patentability challenges” that are therefore appropriately considered in CBM review trials. *Versata Development Group v. SAP America, Inc.*, 793 F.3d 1306, 1330 (Fed. Cir. 2015). This is now settled case law and § 101 challenges in such trials are routine. *Id*. [↑](#footnote-ref-14)
15. 35 U.S.C. § 326(a)(4) (PGR enabling statute); AIA, 125 Stat. at 328 (CBM enabling statute). [↑](#footnote-ref-15)
16. AIA § 18(e). [↑](#footnote-ref-16)
17. Antonin Scalia & Bryan A. Garner, *Reading Law: The Interpretation of Legal Texts* 156 (2012) (“Material within an indented subpart relates only to that subpart.”). [↑](#footnote-ref-17)
18. *Bilski v. Kappos*, 130 S. Ct. 3218 (2010). [↑](#footnote-ref-18)
19. *Alice*, n. 4 *supra*. [↑](#footnote-ref-19)
20. *Supra*, n. 15. [↑](#footnote-ref-20)
21. 84 Fed. Reg. 50. [↑](#footnote-ref-21)
22. *Id*. at 51. [↑](#footnote-ref-22)
23. *Cleveland Clinic Foundation v. True Health Diagnostics*, Appeal No. 2018-1218, slip op. at 13 (Fed. Cir. 2019) (unpublished) (“While we greatly respect the PTO's expertise on all matters relating to patentability, including patent eligibility, we are not bound by its guidance[,]) (available at https://scholar.google.com/scholar\_case?case=169913701832419828). [↑](#footnote-ref-23)
24. *Alice*, 134 S. Ct. at 2357. “In any event, we need not labor to delimit the precise contours of the ‘abstract ideas’ category in this case.” [↑](#footnote-ref-24)
25. *Gottschalk v. Benson*, 93 S. Ct. 253 (1972); *Parker v. Flook*, 98 S. Ct. 2522 (1978); *Diamond v. Diehr*, 101 S. Ct. 1048 (1981). [↑](#footnote-ref-25)
26. *Bilski*, n. 18 *supra*; *Alice*, n. 4 *supra*. [↑](#footnote-ref-26)
27. Eskridge, *Interpreting Legislative Inaction*, 87 Mich. L. Rev. 67, 125-28 (1988). [↑](#footnote-ref-27)
28. *Diamond v. Chakrabarty*, 447 U.S. 303, 317 (1980) (“Whatever their validity, the contentions now pressed on us should be addressed to the political branches of the Government, the Congress *and the Executive*, and not to the courts.”) (emphasis added); *Cf.* Brief for Petitioner, *Arthrex, Inc. v. Smith & Nephew, Inc.*, No. ------- (2020) (“While Congress remains free to amend the statute, the court of appeals’ ruling invites inertia rather than encouraging Congress to bring its expertise to bear.”) (discussing a parallel dynamic between Congress and patent law policy in the context of the Appointments Clause). [↑](#footnote-ref-28)
29. *See* n. 1, *supra*. [↑](#footnote-ref-29)
30. USPTO statistics up to June 2020 indicate that the office has received 234 PGR petitions in comparison to 10,860 IPR petitions. https://www.uspto.gov/sites/default/files/documents/trial\_statistics\_20200630.pdf [↑](#footnote-ref-30)
31. *See Aqua Products, Inc. v. Matal*, 872 F.3d 1290, 1329 (en banc) (J., Moore, concurring) (“Even assuming that the Director has the authority to adopt a standard placing the burden of persuasion upon the patentee to prove the patentability of its proposed amended claims, Congress *only* delegated the Director the authority to do so through *regulations.*”) (emphasis in original); *see also* Kristin Hickman & Richard Pierce, Administrative Law (6th ed. 2019) § 4.8 at 517 (“Over the years, commentators, judges, and Justices have shown near unanimity in extolling the virtues of the rulemaking process over the process of making ‘rules’ through case-by-case adjudication.”). [↑](#footnote-ref-31)
32. *See, e.g., Dickinson v. Zurko*, 527 U.S. 150, 160 (1999) (“In nearly half of the cases, the CCPA explains why it uses its “manifest error” standard by pointing out that the PTO is an expert body, or that the PTO can better deal with the technically complex subject matter, and that the PTO consequently deserves deference.”). [↑](#footnote-ref-32)