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LAW WEEK COLORADO

Alice is Lost in Wonderland

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Alice is lost in Wonderland, and somebody needs to get her out. Can it be done? Not as long as her world constitutes nothing more than an "abstract idea."

The U.S. Supreme Court's recent decision in Alice Corp. v. CLS Bank International on what constitutes patentable subject matter — based on whether the invention is an abstract idea — handed the U.S. Patent and Trademark Office a set of confusing tests and brought to a halt the approval of thousands of patents. The cost of addressing Alice rejections is enormous. An inventor can easily expect to pay tens of thousands of dollars haggling with the patent office, all to no avail.

The current solution proposed by the patent office is to wait for more judicial decisions. But a judicial decision created this mess by refusing to grant patents on so-called abstract ideas. Forthcoming decisions will do little to clarify the waters because nobody can articulate what constitutes an abstract idea.

A better solution would be for Congress to re-enact the requirement for inventors to physically build their inventions. If you can build it, the idea isn't abstract and should constitute patentable subject matter.

The requirement to build an invention existed well before the notion of an abstract idea was formulated. According to Alice, the term "abstract idea" wasn't hatched until 1874 when the Supreme Court held that "an idea of itself is not patentable."

So what happened at the end of the Industrial Revolution to cause the Supreme Court to render a decision that an idea in itself is not patentable? After all, the patent system had been around for a century before this concern was articulated.

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The answer lies in the patent office's decision to retract the century-old model requirement, thus eliminating the necessity for inventors to build their inventions. These patent models were miniature prototypes of the actual product.

The insistence of models by the first Congress likely came about because of a precedent set approximately 100 years earlier. When America was made of up 13 loosely associated colonies, some did allow for patent grants. In those cases, an inventor could petition the colonial legislature or assembly to grant him the exclusive right to use or sell his invention. But legislatures — ever leery of abuses of power — were reluctant to grant any exclusionary rights based on a mere idea. And so they rarely awarded patents.

Smart inventors learned that it was easier to obtain patent rights if they constructed a model to demonstrate that their idea really worked. Models also served a deeper purpose. Legislators knew that patents were granted only if the public would benefit from the idea after the patent expired and everyone was free to use the technology. Models provided an easy way for legislators to see what would eventually be turned over to the public.

The Patent Act of 1790 required the submission of a miniature model to the Secretary of State. President Thomas Jefferson believed that patents were part of a social contract that necessitated government protection, but he also was concerned that government grants of patent rights were subject to abuse. Patent models could curb the grant of excessive rights by ensuring that applicants adequately described their invention.

The demise of the patent models began in the 1850s when Commissioner Thomas Ewbank began promoting the publication of patent specifications and drawings. The cry was to modernize the patent office, and paper drawings were the way to start.

Two decades later, a devastating fire ripped through the patent office and destroyed most of the models. Commissioner General Ellis Spear demanded a change. "We will have no more models," he said. "Drawings will do — and the smaller the better." In 1880 the patent office discontinued the model requirement.

Because inventors no longer needed to prove they could build their inventions, they immediately began filing on mere ideas. This led to the proliferation of "paper patents" — ideas never built but for which patents have been granted. The most famous early case was the Selden automobile patent asserted against Henry Ford.

Fast forward to recent years, when the public demanded action against the trolls and their paper patents. As a quick fix, the Supreme Court decided that abstract ideas are not patentable, formulating a nonsensical test for what constitutes patentable subject matter. Since then, confusion has reigned. Patent attorneys now haggle over whether a claim is directed toward an invention that is something "significantly more" than an "abstract idea," whatever that may be.

But there is a much better solution: Simply define an abstract idea to be one that isn't physically built. If you build the invention, i.e., reduce it to practice, then by definition it is not an abstract idea. It is a physical object capable of being observed in some kind of tangible medium. This practice would virtually eliminate all the haggling. It would drastically reduce backlogs and the cost to obtain a patent.

How would this work? One option is to produce a video demonstrating the idea actually working. For the mechanical arts, this would be as easy as showing a spring flexing under pressure. For software inventions, the idea would need to be physically coded and stored on a tangible medium. Regardless of the technology, proof of the reduction to practice could be uploaded to the patent office database so the public would have access to what the invention was intended to cover.

The granting of a patent is one of the strongest rights afforded by our government. If we give someone a 20-year monopoly, let's at least make them show what they've invented.

Congress can help Alice get out of the wilderness by bringing back a modern version of the model requirement. No more abstractions. Let's get our inventors back onto the playing field where they belong. •

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