Insights: Alerts

Navigating Patent Subject Matter Eligibility: Insights from USPTO Guidance

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On July 17, 2024, the United States Patent and Trademark Office (USPTO) issued comprehensive guidance ("the Guidance") on patent subject matter eligibility that expands on previous guidance and addresses the artificial intelligence (AI) inventions. This guidance is intended to promote innovation in AI.

Superficially, the Guidance appears to merely memorialize current USPTO approaches to determining patent eligibility of AI-tied claims. However, deeper review of the USPTO's "analysis" in combination with the associated fact patterns illuminates significant and troubling changes to AI patent eligibility.

AI innovations are frequently bucketed into one of: (1) hardware implementing and/or facilitating implementation of AI; (2) specific application of AI; and (3) AI itself. Only the first two of these broad categories of AI are satisfactorily addressed by these new examples and guidance. While not directly addressing the third category of AI itself, the USPTO's analysis of AI specific limitations is troubling.

From the provided examples, two themes in the USPTO's analysis frequently arise, namely: (1) AI itself embodies non-patent eligible mathematical calculation and merely improves on abstract concepts; and (2) patent eligibility of AI-tied claims requires a close tie to non-conventional hardware or to a specific and non-conventional application. See, e.g., July 2024 Subject Matter Eligibility Examples, Example 47 claims 1 and 3.

By treating limitations directed at AI, which limitations frequently reflect the true innovation of a claim, as directed at patent ineligible subject matter, the USPTO forces a closer tie between the claims and a specific application, narrowing the claim beyond the true contribution of the innovation. Considering this shift, applicants should expand discussion of ties to a practical application as well as discussion asserting the unconventional nature of those ties to the practical application. These ties to a practical application should at least be recited in limitations in dependent claims.

Given the USPTO's typical lag between a shift in policy and training of art units, it may well be several years before the impact of the Guidance is felt. However, the Guidance represents a significant shift in the USPTO's evaluation of AI patent eligibility, which should be considered in the preparation of all new AI-tied applications.