

“Business Method” Post-Grant Review for “Abstract” Inventions, Why?



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Just when everyone thought that abstract business method patents had been nailed shut by *Bilski v. Kappos*, 130 S.Ct. 3218 (2010), dead as a doornail... Then along comes the United States Senate to the rescue to keep controversy alive: Sec. 18 of the Senate-passed comprehensive patent reform bill, *America Invents Act*, provides a legislative mandate to “establish[] and implement[] a transitional post-grant review proceeding a for review of the validity of covered business-method patents.”

What *is* a “covered business-method patent”? The fuzzy definition in the statutory wording leaves open the possibility of myriad patents which have nothing to do with what a “business-method patent” would normally comprise.

“Abstract Business Methods”, Wasn’t *Bilski* Enough? In fact, the sponsors of the legislation are only concerned with *abstract business methods* which are *acknowledged* as unpatentable under recent Supreme Court precedent (as per *Congressional Record* explanation).

Thus, “business methods [in the legislation] do not include ‘technological inventions.’ In other words, the definition applies *only to abstract business concepts* and their implementation, whether in computers or otherwise...” *Patent Reform Act Of 2011 - Continued*, 157 Cong. Rec. S1360, 1379 (March 8, 2011)(Summary of the Managers’ Amendment)(emphasis added).

Redundant Legislation in view of *Bilski*: The sponsors acknowledge the redundancy of their proposal because the Supreme Court has *already* said that such inventions lack patent-eligibility. Citing, *inter alia*, *Bilski*, the sponsors say that “the Court articulated a new standard for obviousness and made clear that abstract business methods are not patentable. While these legal developments are important, the leave in limbo the many patents that were issued by the PTO since *State Street [Bank & Trust Co. v. Signature Financial Group, Inc.*, 149 F.3d 1368 (1998),] that are not in fact valid.” *Id.* at 1363 (Statement of Sen. Schumer).

But, surely *Bilski* has a retroactive effect for all patents granted since *State Street Bank*. So bizarre, so bizarre.