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on

"The State of Patent Eligibility in America: Part I"

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I. Introduction: *Mayo* and patents based on discovery

Mr. Chairman, thank you for the invitation to testify to the Committee today. My name is Jeffrey A. Lefstin, and I am a professor of law at the University of California, Hastings College of the Law. I hold a Ph.D. in biochemistry in addition to a J.D., and my specialties include the history of patent law as well as biotechnology patent law. My remarks will address the Supreme Court's recent § 101 jurisprudence in historical perspective.

In 1950, Justice Douglas – a notorious skeptic of the patent system – wrote:

> The Constitution never sanctioned the patenting of gadgets. Patents serve a higher end—the advancement of science. An invention need not be as startling as an atomic bomb to be patentable. But it has to be of such quality and distinction that masters of the scientific field in which it falls will recognize it as an advance.[1]

Yet seventy years later, the gadgets are patentable but the scientific advances are not.

Scientific discoveries in the abstract have never been patentable. But for most of the history of the U.S. patent system, practical applications of discoveries have been eligible for patents if the inventor met the other requirements of the patent laws.

In *Mayo v. Prometheus*, however, the Supreme Court added a new hurdle for patents based on scientific discoveries: that the inventor must supply a further unconventional and inventive concept in the application of his or her discovery. But for many fields of science, the difficulty and risk lie in the process of scientific discovery, and the application may be conventional or obvious once the discovery has been made. *Mayo*'s requirement for inventive application has virtually eliminated patent protection for new diagnostics and other kinds of discovery-based inventions. Beyond discouraging innovation in these fields, restricting patent protection also

[1] Great Atl. & Pac. Tea Co. v. Supermarket Equip. Corp., 340 U.S. 147, 155 (1950) (Douglas, J., concurring).

drives firms to maintain their discoveries as trade secrets, thereby reducing public disclosure that would support further discovery by others.

II. Congress has consistently provided for patents based on discoveries

The Court has acted as if Congress has never addressed this question. But Congress has spoken loud and clear. Every patent statute from the Act of 1790 to the 1952 Act has included protection not only for 'inventions,' but for 'discoveries' as well.

When Congress first provided for plant patents in 1930, Congress expressly authorized patenting of new discoveries that were applied by conventional means.[2] Addressing the objection that the discovery of a new plant variety could not qualify as a patentable invention, Congress declared that the patent statutes had always applied to the act of discovery as well as the act of invention, and that "inventors" as used in the Constitution included those who discovered, as well as those who created.

Finally, when Congress enacted § 100(b) of the 1952 Act, it intended to foreclose the argument that new use claims required an inventive application to be patent-eligible. As P. J. Federico, one of the principal authors of the Act, explained, such claims might fail as obvious under § 103, but could not be attacked on subject matter grounds merely because the steps of the process were routine and conventional.[3]

III. The Supreme Court's contrary conclusion rests on a misreading of history

Lacking statutory support, the Supreme Court has asserted that its limitations on patent eligibility are "a matter of statutory *stare decisis* going back 150 years."[4] But the Court has based the inventive application doctrine on a profound misreading of historical doctrine. In the nineteenth-century English cases that were the foundation of *Mayo* and *Flook*,[5] patents were sustained precisely because the inventor's means of application was well-known, routine, and conventional. It became black-letter law both in England and the United States that practical applications of discoveries were patentable without any ingenuity in the means of application.[6]

The Supreme Court's recent jurisprudence thus rests only on an intuitive judgment that some patents may pre-empt more progress than they will promote. But patents have always pre-empted, and the patent system has never attempted to equate the cost and benefit of any particular patent. As far back as Alexander Graham Bell's patent on the telephone, the Supreme Court explained that a patent based on a groundbreaking discovery might well pre-empt all practical applications of that discovery, but that was no reason to deny the inventor's claim.[7]

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[2] *See* H.R. REP. NO. 71-1129, at 7-10 (1930); S. REP. NO. 71-315, at 6-9 (1930).
[3] *See* P.J. Federico, *Commentary on the New Patent Act*, 35 U.S.C.A. 1 (West 1954), *reprinted in* 75 J. PAT. & TRADEMARK OFF. SOC'Y 161, 177-78 (1993).
[4] Bilski v. Kappos, 561 U.S. 593, 602 (2010).
[5] Parker v. Flook, 437 U.S. 584 (1978).
[6] *See* Jeffrey A. Lefstin, *Inventive Application: A History*, 67 FLA. L. REV. 565, 579-602 (2015).
[7] *See* Dolbear v. Am. Bell Tel. Co., 126 U.S. 1, 535 (1888).

IV. The proposed reform would restore traditional standards of patent eligibility

The Committee's proposal to abrogate the *Mayo-Alice* framework and to restrict patents to the technological arts would therefore do much to restore the traditional contours of the patent laws. Controversial patents will remain, as they have since the beginning of our patent system. But careful application of the statutory criteria for patentability will in most cases limit patents to their appropriate scope.

Application of those criteria may present difficult questions that cannot be easily resolved on a motion to dismiss. But the great advance of the 1952 Act was to replace vague and subjective standards of patentability with the ordered inquiries of §§ 102, 103, and 112. We should not abandon that endeavor in favor of an "I-know-it-when-I-see-it" standard for patentability under § 101.