Fordham IP Conference 2013

Session 8B: Patentable Subject Matter: Are Software and Gene Patents still "Under the Sun"?

A European Perspective

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1. To European eyes, the US Supreme Court has got into difficulties on the question of patentable subject matter for the following reasons:

   (a) Construing § 101 as if it was a recent statute instead of trying to identify the principles which have been developed since 1790;

   (b) Trying to solve the problem by the use of too few concepts;

   (c) Allowing questions of validity to leak into the question of patentability.

2. It remains to be seen in *Myriad* they will also import questions of public policy.

A. Interpretation

3. It is bizarre to interpret a statute passed in 1790 to reward people who invent things no one has previously thought of by asking what the words would have meant to someone in 1790. Nor has the US Supreme Court done so.

4. Compare the approach of the High Court of Australia [Slide 2]

B. Concepts

5. The European Convention has exclusions from patentability which embody at least *two* concepts [Slides 3, 4 and 5]

   (a) Abstract ideas are not patentable;

   (b) Forms of human behaviour are not patentable (business methods, games, medical treatment, flying aeroplanes).

6. In *Bilski* and *Mayo* the Supreme Court tried to solve the problem only with (a). But in *Bilski* the patentee was not trying to patent the abstract idea of hedging. It was the *use* of that idea by a fund manager with a computer. Likewise in *Mayo* the patentee was not trying to patent

the abstract discovery of the relationship between the concentration of thiopurine metabolites in the blood and the effect of the drug. It was the *use* of that idea by doctors to test for the effect which the drug was having.

7. A European court would have rejected both as attempts to patent forms of human behaviour (specifically, in *Bilski,* a business method and, in *Mayo*, a method of medical treatment). The Supreme Court had to pretend that both were "really" attempts to patent abstract ideas. But what counts as being "really" an attempt to patent an abstract idea is obscure: see below, *Leakage*.

8. The Court was right in *Bilski* to reject a specific rule excluding business methods. It looks like an arbitrary exclusion rather than a general principle. Would the case have been differently decided if it had been argued that there was a general principle excluding the patenting of human behaviour?

C. Leakage

9. The EPO is careful not to allow the concept of patentability to be infected by leakage from questions going to the validity of the patent. Thus a CD ROM loaded with a new computer programme is patentable but cannot be the subject of a valid patent because (a) the CD ROM as such is not new and (b) the computer programme as such is an abstract algorithm and does not make the CD ROM new for the purpose of patent

validity any more than a new design on its jacket. These distinctions make for clear thinking.

10. In *Mayo*, however, the Supreme Court said the drug test was not *patentable under § 101* because, apart from the abstract idea of the relationship between the metabolites and the efficacy of the drug, there was nothing inventive about using it as a test. The possibility of borrowing concepts of novelty and inventiveness to decide questions of patentability is bound to cause confusion.

D. Public policy and Myriad

11. The arguments for the appellant in *Myriad* are essentially arguments of public policy. A patent for a synthetic molecule which reproduces the active agent in some herbal remedy would cause no difficulty. § 101 cannot answer the question of why a synthetic DNA molecule should be different.

12. In Europe the matter has been dealt with by legislation, as is appropriate for questions of public policy. See the *Biotech Directive* [Slides 7 and 8].

13. Will the Supreme Court import these questions of public policy into patentability?