From: marbux [e-mail redacted]
Sent: Monday, September 27, 2010 11:57 PM
To: Bilski_Guidance
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Subject: Docket No. PTO–P–2010–0067
Please find attached my comments and petition in regard to the Agency's request for comments on Interim Guidance for Determining Subject Matter Eligibility for Process Claims in View of Bilski v. Kappos. 75(143) Fed. Reg. 43922 et seq. (July 27, 2010), http://edocket.access.gpo.gov/2010/pdf/2010-18424.pdf, USPTO docket No. PTO–P–2010–0067.

Best regards,

Paul E. (Marbux) Merrell, J.D.

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Universal Interoperability Council
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Petitioner, *pro se*

BEFORE THE COMMISSIONER OF THE U.S. PATENT AND TRADEMARK OFFICE AND THE U.S. SECRETARY OF COMMERCE

In re: Interim Guidance for Determining Subject Matter Eligibility for Process Claims in View of Bilski v. Kappos	No. PTO–P–2010–0067 COMMENTS AND PETITION

1. This document is submitted in response to the U.S. Patent and Trademark Office's ("USPTO") request for comments in the above captioned matter. *See* 75(143) *Fed. Reg.* 43922 *et seq.* (July 27, 2010), http://edocket.access.gpo.gov/2010/pdf/2010-18424.pdf.

2. Pursuant to 5 U.S.C. § 553(e) and § 555(e),[1] this document is also a petition directed to the Secretary of Commerce and to the Director of the USPTO to commence

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[1] Respectively, http://www.law.cornell.edu/uscode/html/uscode05/usc_sec_05_00000553----000-.html and http://www.law.cornell.edu/uscode/html/uscode05/usc_sec_05_00000555----000-.html.

substantive rule-making in regard to the patentability of software. The legal landscape changed with the *Bilski* Court's decision and the public has a legitimate expectation that the Agency will adjust its formal rules accordingly so the ground rules are clear.

3. Under the requested rule, the agency would adopt a rule that software patents are rebuttably presumed to be non-patentable *per se* on grounds of obviousness and prior art, enabling a relaxed level of scrutiny for patentable subject matter examination for such applications and authorizing their rejection on obviousness and prior art grounds without consideration of other grounds for rejection.

I. DEFINITIONS

4. The following terms shall be understood throughout this document to be intended as having the definitions provided in this section./[2]

A. *Carrier* — a force of nature however manipulated for purposes of conveying or storing information, but excluding any information so conveyed or stored.

B. *Information* — any and all assignments of discrete symbolic meaning to a discrete manipulable physical state of a carrier or physical device, without regard to the level of abstraction of such information. The term shall be understood in its most inclusive sense and shall include, *inter alia,* all software and data.

C. *Physical device* — any hardware computer, peripheral device, or other physical apparatus employing a carrier that alone or in combination performs, *inter alia,* computation, information processing information storage, or communication tasks, but excluding any information so computed, stored, or communicated.

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[2] The above definitions are adapted from "The Groklaw Definition", reprinted in P. Jones, A Groklaw Suggestion on SW Patent Wording, *Groklaw.net* (1 June 2005), http://www.groklaw.net/article.php ?story=20050531195311724. (Disclosure: although unattributed, Petitioner was one of the two principal drafters of the Groklaw Definition.)

D. *Software* — any and all instruction sets for a physical device or for networked physical devices but excluding all carriers or physical devices. The term shall include, *inter alia,* any representation of software in any manipulable physical state of a carrier or physical device.

E. *Software patent* — a patent whose claims read on software and in any way preempt the legal right of a physical device owner to practice the development and use of software exercising the full capabilities of any physical device.

II. USPTO'S 'COMPACT PROSECUTION' POLICY NEEDS BROADER REVISION THROUGH FORMAL RULEMAKING

5.   The above-captioned matter in effect proposes to partially amend the USPTO's "compact prosecution" policy only insofar as that policy involves issues addressed by the Court in *Bilski v. Kappos,* 561 U.S. ___ (2010), No. 08-964, http://supreme.justia.com/us/561/08-964/.

6.   The agency's compact prosecution policy is a Kafka-esque[3] example of wasted government resources in the circumstance where the law unequivocally requires a patent application to be rejected for any reason:

> Under the principles of *compact prosecution,* each claim should be *reviewed for compliance with every statutory requirement for patentability in the initial review* of the application, even if one or more claims are found to be deficient with respect to the patent eligibility requirement of 35 U.S.C. 101. Thus, Office personnel should state all non-cumulative reasons and bases for rejecting claims in the first Office action.

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[3]   F. Kafka, *The Castle* (Knopf, 1941).

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USPTO, 75(143) *Fed. Reg., supra,* at 43923 (italics added), *quoting without citation or*

atttribution, the USPTO Manual of Patent Examining Procedure ("MPEP") § 2106 (8th ed.,

last revised July 2010), http://www.uspto.gov/web/offices/pac/mpep/documents/2100_2106

.htm#sect2106 (italics added).

7.   In other words, the USPTO directs its examiners to evaluate every plausible

statutory grounds for rejection before an patent application can be denied. And as

graphically depicted in § 2106's flow chart, the mandated sequence of examination is to

first determine what the claimed invention is, then make a patentable subject matter

examination before proceeding to examine other factors such as the prior art, obviousness,

and utility.

8.   The agency commendably admits that its compact prosecution policy does not

have the force and effect of law. *Ibid.* ("These Guidelines do not constitute substantive

rulemaking [sic] and hence do not have the force and effect of law ... [A]ny failure by

USPTO personnel to follow the Guidelines is neither appealable nor petitionable"). But

rather than engage in substantive rule-making responsive to the holdings in *Bilski,* the

agency now seeks public comment on a proposal to refine its compact prosecution policy

without the bother of a substantive rule-making procedure.

9.   However, this is not a matter relating solely to the agency's internal practices and

thus exempted from the requirement of formal rule-making. First, the agency's relevant

procedures obviously impact patent applicant's time-to-market delay for patent

processing. Second, the agency's failure to protect the nation from junk patents is

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notorious and it is not a government secret that the scant time the agency's examiners are given to examine patent application packages is a major contributing factor. Moreover, the agency's has a constantly growing backlog of patent applications to process, with its compact prosecution policy inflicting unnecessary further delay upon inventors who submit valid applications and on public access to validly patented technology. The agency has no examiner time to waste and its waste of examiners' time unmistakably impacts more than the agency's internal practices.

10. That situation and fundamental principles of efficiency mandate that time and resources not be wasted exploring alternative bases for a decision when any single factor or set of factors is determinative. Decision-makers in and outside government typically conduct a truncated review when determinative facts are obvious. For example, U.S. courts routinely apply a relaxed level of scrutiny when a practice is unlawful *per se* and just as routinely assume *arguendo* that some arguments are valid in order to rule on other grounds against the party advancing the arguments. This is just common sense. *I.e.,* once the patent examiner has determined what the claimed invention is, why waste examiner time on a patentable subject matter determination if the application must in any event be rejected on other grounds such as obviousness and prior art?

11. The substantive rule-making this petition seeks would shortcut the need for any extended patentable subject matter examination once it is determined that the claimed invention apparently seeks to invade the non-patentable domain by preempting software methodology. After the applicant responds to the issued presumption on non-patentability,

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the agency can then make a determination whether further examination is required to reject the application and if not, summarily reject it.

III. POINTS AND AUTHORITIES

12. The requested relief is fully justified because software is, as a matter of Constitutional law: [i] necessarily obvious; [ii] of necessity prior art; and [iii] a prohibited government deprivation of liberty and taking of property interests without due process and just compensation.

A. Software Patents Violate the Constitution's Patent Clause

13. The grant of software patents violates the U.S. Constitution's Patent Clause in no small part because software only unites old elements with no change in their respective functions, the binary register states of the physical device and the binary information communicated via a carrier through physical devices' processes and between physical devices. Moreover, it is impossible for software to cause any change unforeseen by the prior art of the physical device. The net effect of software patents is only to subtract from former resources freely available to skilled artisans, the full capabilities of the physical device, in violation of the Patent Clause.

14. The U.S. Constitution provides in relevant part that:

> Congress shall have power ... [t]o promote the progress of science and useful arts, by securing for limited times to ... inventors the exclusive right to their respective ... discoveries[.]

Ibid., Article II § 8.

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The function of a patent is to add to the sum of useful knowledge. Patents
cannot be sustained when, on the contrary, their effect is to subtract from
former resources freely available to skilled artisans. A patent for a combination
which only unites old elements with no change in their respective functions,
such as is presented here, obviously withdraws what already is known into the
field of its monopoly and diminishes the resources available to skillful men.
This patentee has added nothing to the total stock of knowledge, but has
merely brought together segments of prior art and claims them in congregation
as a monopoly.

A. & P. Tea Co. v. Supermarket Corp., 340 U.S. 147, 153 (1950); http://supreme.justia.com/

us/340/147/case.html; *reaffirmed, Graham v. John Deere,* 383 U.S. 1, 6 (1966) , http://laws

.findlaw.com/us/383/1.html#6 ("Congress may not authorize the issuance of patents whose

effects are to remove existent knowledge from the public domain, or to restrict free access

to materials already available"); *Bonito Boats v. Thunder Craft Boats,* 489 U.S. 141, 146

(1989), http://supreme.justia.com/us/489/141/case.html#146 (same, *quoting John Deere*)./[4]

15.   As explained by the Court in *KSR Int'l v. Teleflex,* 550 U.S. 398, ___ (2007), Slip

Op. at pp. 11-12, http://supreme.justia.com/us/550/04-1350/opinion.html:

For over a half century, the Court has held that a "patent for a combination
which only unites old elements with no change in their respective functions . . .
obviously withdraws what is already known into the field of its monopoly and
diminishes the resources available to skillful men."

(Citation to *A. & P. Tea Co.* omitted.)

16.   The functioning of a physical device must be deemed known prior to software's

"invention" and creation, else software to be processed by the physical device could not be

written. For this reason, all software is unavoidably obvious in the constitutional sense.

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[4]   *See also*

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The only "inventions" that a software author has available to work with are the known functions and processes of the physical device. The software author can only create binary notation that the physical device will process in a known way. Accordingly, software patents can *only* "subtract from former resources freely available to skilled artisans … [combining] old elements with no change in their respective functions, … obviously withdraw[ing] what already is known into the field of its monopoly and diminish[ing] the resources available to skillful men." *A. & P. Tea Co., supra.; KSR Int'l, supra; see also ibid.:*

> This is a principal reason for declining to allow patents for what is obvious. The combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results.

Software can accomplish nothing more than to combine the familiar elements of the physical device and yield predictable results. The capabilities of the physical device and its required encoding is all that a software author has to work with.

17.   Even if mistakenly regarded as non-obvious patentable subject matter, software is also of necessity prior art. Even rudimentary understanding of computer science instructs that it is physically impossible for software to be correctly processed by the physical device if software — which is purely abstract information — included any invention unforeseen by that device's processes. Software is only information, only a literary work, purely mental steps recorded in binary math notation./[5]

18.   There is no *process* in software in the statutory sense; there are only the processes of the physical device or multiple connected devices. Software does not act

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[5]   Were it otherwise, software could not lawfully be copyrighted.

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upon the physical device; the physical device acts upon the software, changing its register

states to match the software's binary notation whilst processing the software and other

information (data) also recorded in binary notation.

19.   There is no legally cognizable novelty in binary notation. Pingal was known to

have used binary notation *circa* 5th-2nd Centuries B.C. *See* B. Van Nooten. Binary

Numbers in Indian Antiquity, 21(1) *J. of Indian Philosophy,* p. 31 et seq. (1993), http://www

.springerlink.com/content/n45g2606g0k76858/. Binary notation is very simply a numerical

system for recording (and processing) numbers having the base 2, marvelously suited to

the requirements of modern physical devices.

20.   Even were one to erroneously postulate that software makes physical changes

rather than the physical device that processes the binary-encoded numbers comprising

software and other identically encoded information, by no stretch of the imagination could

software cause any useful change unforeseen by the prior art of the physical device. Of

necessity, the physical device's art is prior to that of the software the physical device

processes. The physical device's data registers each can have only one of two states at any

given time, various depicted by human beings as "1" or "0", ON or OFF, "low power" or

"high power", *etc.* And all that any software consists of is binary information written in a

form that the physical device can process. To the extent that there is *invention* involved in

the processing (within the sense of patent law), it lies in the physical device and pre- and

post-processing activities, not in the software. The physical device's art is of necessity

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prior to that of the software, else the physical device could not process the software. This is

a simple immutable Truth.

21. The USPTO subtracting from the available vocabulary and arrangement of binary

notation available to skilled artisans through the grant of software patents makes no more

legal sense than granting patents on the words one may permissibly pencil on paper, the

notes that can be written in a musical score, or the arrangement of holes in a player piano

roll. In all such situations, the Agency grants a monopoly on wholly abstract arrangements

of symbols, on written *language*, on *information* itself.

22. Nothing in the Patent Clause can fairly be read as authorizing patents on

information itself. Instead, the Clause contemplates public disclosure of information about

an invention, allowing monopoly only on the *practice* of the invention, not on information

itself. Those who argue that recital of the involvement of a physical device or a process

somehow legitimizes software patents miss that the Clause nowhere authorizes patent

monopolies on information itself. To the contrary, the Clause authorizes only copyrights on

written information.

23. Subtracting software authors' vocabulary via the government's grant of a software

patent can not rationally be understood as promoting "the progress of ... useful arts."

Software patents only subtract from former resources freely available to skilled artisans" *A.*

& P. Tea Co., supra. Accordingly, applications for such patents must be rejected. And in the

interests of government efficiency and minimizing legal uncertainty among software

developers about what is lawful and not, such rejections should be made summarily.

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B.   *The Patent Statutes Must be Construed within Constitutional Limits*

24.   That the effect of software patents "is to subtract from former resources freely available to skilled artisans," *A. & P. Tea Co., supra,* is made plain by examining software patents in light of the U.S. Constitution's Fifth Amendment prohibition against deprivation of liberty without due process and government taking of property without just compensation. The U.S. Constitution's Fifth Amendment imposes significant restrictions on the powers of the federal government:

> No person .... shall be deprived of life, liberty, or property, without due process of
> law; nor shall private property be taken for public use, without just
> compensation.

25.   The public has a constitutionally protected liberty interest in the practice of inventions that are already in the public domain and in the non-patentability of materials already available to skilled artisans. *John Deere, supra* at 6 ("Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available"); *Trade-Mark Cases,* 100 U. S. 82, 93-94 (1879), http://supreme.justia.com/us/100/82/case.html#93 (invalidating statute in part because Congress had exceeded the limits of its powers under the Patent and Copyright Clause).

> Although the Court has not assumed to define "liberty" with any great precision,
> that term is not confined to mere freedom from bodily restraint. Liberty under
> law extends to the full range of conduct which the individual is free to pursue,
> and it cannot be restricted except for a proper governmental objective.

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Bolling v. Sharpe, 347 US 497, 499-500 (1954), http://supreme.justia.com/us/347/497/case .html. There is no "proper governmental objective" in carving up what the Constitution reserves to the People and bestowing it on would-be monopolists.

26. The *John Deere* Court explored in some detail the history of the Founders' discontent that resulted in the Constitution's rejection of patents for any thing other than inventions with a particular quality:

> At the outset it must be remembered that the federal patent power stems from a specific constitutional provision which authorizes the Congress "To promote the Progress of … useful Arts, by securing for limited Times to … Inventors the exclusive Right to their … Discoveries." Art. I, 8, cl. 8. 1 The clause is both a grant of power and a limitation. This qualified authority, unlike the power often exercised in the sixteenth and seventeenth centuries by the English Crown, is limited to the promotion of advances in the "useful arts." It was written against the backdrop of the practices — eventually curtailed by the Statute of Monopolies — of the Crown in granting monopolies to court favorites in goods or businesses which had long before been enjoyed by the public. See Meinhardt, *Inventions, Patents and Monopoly,* pp. 30-35 (London, 1946). *The Congress in the exercise of the patent power may not overreach the restraints imposed by the stated constitutional purpose. Nor may it enlarge the patent monopoly without regard to the innovation, advancement or social benefit gained thereby. Moreover, Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available. Innovation, advancement, and things which add to the sum of useful knowledge are inherent requisites in a patent system which by constitutional command must "promote the Progress of … useful Arts." This is the standard expressed in the Constitution and it may not be ignored.* And it is in this light that patent validity "requires reference to a standard written into the Constitution." *A. & P. Tea Co. v. Supermarket Corp., supra,* at 154 (concurring opinion).

Ibid., pp. 5-6 (italics added.)

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27.   The antagonism between software patents and the Fifth Amendment is perhaps most vividly illustrated in the following only-somewhat hypothetical situation./[6] Company X sells a computer to Ms. Carol Customer. Later, Company X applies for and receives from the USPTO a software patent restricting what Ms. Customer may lawfully do with her computer without first obtaining a license or other grant of rights from the company.

28.   The computer is Ms. Customer's chattel property and upon purchase she acquired a bundle of legal rights in that property protected by the Fifth Amendment, such as "the right to possess, use and dispose of it." *Ruckelshaus v. Monsanto Co.,* 467 U.S. 986 (1984), http://supreme.justia.com/us/467/986/case.html#1005; *Bd. of Regents v. Roth,* 408 U.S. 564, 561-572 (1972), http://supreme.justia.com/us/408/564/case.html ("the property interests protected by procedural due process extend well beyond actual ownership of real estate, chattels, or money").

29.   One of those property rights (and liberty interests) sold to her by Company X was the right to practice with her computer "any existent knowledge from the public domain [along with] any materials already available", *John Deere, supra* at 6, and to do so without concern that the USPTO would grant any "patent for a combination which only unites old elements with no change in their respective functions." *KSR Int'l, supra; Bolling, supra.*

30.   However, the USPTO's grant of the software patent to Company X subtracted from Ms. Customer's Fifth Amendment liberty interest and property right, with both rights also

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[6]   The situation has undoubtedly recurred thousands of times. There are a multitude of companies that both sell hardware and obtain software patents. *E.g.,* IBM, Oracle, Apple.

reserved to her by the Patent Clause, by abridging her right to practice the full functionality of her purchase.

31. Critically, Company X from the moment of the consummated sale, as a seller, retained no rights to restrict what Ms. Customer could do with the computer that is now hers. It was a sale, not a license. Ms. Customer acquired clear legal title received from Company X to practice the full capabilities of her computer. As a seller, Company X retains no blocking rights.

32. In breach of its warranty of good title to transfer, Company X later applied for and received from the USPTO a software patent restricting what Ms. Customer may do with her computer.

33. On that set of facts, might the USPTO somehow argue in good faith that the rights it subtracted from Ms. Customer's bundle of rights via the patent grant to Company X included no property "use" right, *Ruckelshaus, supra,* after having granted a property right to Company X allowing the company to exclude Ms. Customer's practice of the software "invention?" Might a government lawyer still argue with a straight face that the identical practice is simultaneously a property owned by Company X but not a property "use" right when practiced by Ms. Customer, notwithstanding that Ms. Customer acquired her right before the USPTO granted it to the very same company that had sold Ms. Customer her right?

34. The USPTO lawyers might be tempted to opine that Ms. Customer's right to the full use and enjoyment of her computer's capabilities is only a "unilateral expectation or an

abstract need" too attenuated from the specific claims of the patent to constitute a "reasonable investment-backed expectation[.]" *Ruckelshaus, supra,* 467 U.S. 1005-1006.

35.   But considering the massive flood of software patents the USPTO has unleashed on the People in the last several years, that argument boils down to a claim that the government may lawfully accomplish piecemeal that which it is forbidden to do in a single act. One might as well argue that the Fifth Amendment prohibition against deprivation of life without Due Process imposes no restriction on government power so long as the killing of a citizen is accomplished by ten thousand cuts rather than by the hangman's noose. The cumulative result is what matters. Dead is dead. A liberty extinguished is gone. And in place of Ms. Customer's property right to the full use and enjoyment of her property, the USPTO obviously expects her to either risk infringement or to spend virtually all of her waking hours reading patent claims to determine whether the next line of code she wishes to write will infringe a patent and if so, studying whether the claims are lawful. The Agency very obviously does not expect her to spend her time advancing "the progress of science and useful arts." U.S. Constitution, Article II, § 8, *supra.*

IV.   CONCLUSION

36.   Pre- or post-software processing activities may or may not be patentable but software is not. Petitioner requests that the Secretary and the Commissioner commence substantive rule-making as described above in order to carry out their constitutional duty.1

RESPECTFULLY SUBMITTED this 27th day of September, 2010.

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