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Forward

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Over forty years ago, the Supreme Court held in *Gottschalk v. Benson* that a process for converting binary-coded decimals into pure binary numbers was ineligible for patent protection. Since that time, both the Supreme Court and the Federal Circuit have been unable to express the line that divides patentable inventions from unpatentable ideas. The extended period of indeterminacy in the law of patentable subject matter has unfortunately coincided with an explosion in the number and value of software innovations: over the past two decades, the software industry has grown increasingly reliant upon and wary of software patents. In an effort to alleviate some of the confusion surrounding software patents, the Supreme Court has granted cert in a patent-eligible subject matter case in each of its last three terms.

The Federal Circuit’s latest attempt to clarify the law—the “machine or transformation” test—was rejected as the exclusive test for patent eligibility by the Supreme Court. However, the Court stated that the test, while not exclusive, is an important “clue” in determining patent eligibility. Without a more definitive test, District courts, the PTO, and the Federal Circuit have continued to rely on this clue to guide patent-eligibility determinations. Sarah Beth Smith’s paper traces the convoluted history of the law of software patent eligibility and examines recent applications of the machine or transformation test, focusing on the transformation prong of the test. In doing so, she argues that the test, while much maligned, can provide a modicum of determinacy for courts and litigants. The paper provides a helpful overview of the emerging law of “transformation” and proposes a way to improve the transformation analysis for courts and litigants.

-- Jonas Anderson, February 2013