PATENT WATCH

# Software patent ruling gives pointers for diagnostics

For the first time in over 30 years, the US Supreme Court has ruled on what types of patent claims that rely on the use of computer software are eligible for patenting. The Court stopped short of throwing out software patents altogether, but limited the scope of patent protection for such inventions and, importantly, afforded guidance that might prove useful for those seeking to protect life-science inventions such as diagnostics.

The case at issue — Alice Corporation versus CLS Bank International — was a lawsuit over the eligibility of several patents that describe a method for mitigating risk during financial transactions, and the use of a computer to carry out this method. The Court held that the scheme for mitigating financial risk, a well-known economic practice referred to as an 'intermediated settlement', is classed as an abstract idea. Together with laws of nature, abstract ideas are not eligible for patenting; whether or not a computer is used in the patent makes no difference to patent eligibility. "According to the Court, it is not sufficient to combine an abstract idea with a computer and simply implement that idea," says Kirsten Grüneberg, an Attorney at Law at Oblon and Spivak, Alexandria, Virginia, USA.

"The decision is both good news and bad for patent holders," says Maia Harris, Partner at Nixon Peabody, Boston, Massachusetts, USA. In one respect, this decision is the latest in a string of US Supreme Court decisions that have narrowed patent eligibility. "On the other hand, the decision will ultimately prove helpful, insofar as it includes guide-posts about what will, or will not, make an invention patent eligible," she explains. In particular, the Court drew extensively on a 2012 Supreme Court decision — Mayo versus Prometheus (see *Nature Rev. Drug Discov.* **11**, 344–345; 2012) — which ruled that methods of determining therapeutic doses of a drug on the basis of levels of drug metabolites are not eligible for patent protection because the methods depend on the implementation of a law of nature. "The Court's reliance on Mayo suggests that the same analysis that was used in this ruling should apply to diagnostics and other technology involving novel applications of natural phenomena and/or laws of nature," says Harris.

According to the Court's ruling, patent protection may still be available for inventions that include natural phenomena and/or laws of nature, provided there is more scope to the invention. "The use of the computers or software should advance the relevant field — for example, by providing a technical improvement," says Grüneberg. But despite providing guidance on the eligibility of patents that use computer software, the Court left a vexing question open. "A useable test for determining what an abstract idea actually is remains somewhat elusive, even after the Alice Corporation versus CLS Bank decision," she highlights.

**Alice Corporation versus CLS Bank International:** http://www.supremecourt.gov/opinions/13pdf/13-298_7lh8.pdf

*Charlotte Harrison*