

Supreme Court to Review Business Method Patents

Today, the United States Supreme Court agreed to hear arguments in [Bilski v. Doll](#) to review last year's Federal Circuit decision, [In re Bilski](#), that significantly limited the scope of so-called business method Patents. The core issue in this line of cases is which business methods, if any, qualify as patentable subject matter.

Prior to the Federal Circuit's *Bilski* opinion, the standard for patentability was whether the claims of the Patent or Application result in "a useful, concrete and tangible result."^[1] Under *Bilski*, the standard was narrowed to require claims that are tied to a particular machine or transform a physical article into a different state or thing. Fundamentally, *Bilski* and earlier Federal Circuit decisions attempt to allow for Patents of useful applications of an idea while rejecting claims that merely attempt to patent abstract ideas or fundamental principles.

For the first time since 1980, the Supreme Court will consider the scope of the subject matter encompassed by the Patent Act.^[2]

Please contact us if you have any questions about how this decision could affect your business and obtaining business method patents.

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[1] *State Street Bank & Trust Co. v. Signature Financial Group, Inc.*, 149 F.3d 1368 (Fed. Cir. 1998), cert. denied, 525 U.S. 1093 (1999).

[2] *Diamond v. Chakrabarty*, 447 U.S. 303 (1980) (stating everything under the sun created by man is patentable).