



Myths vs. Facts: The Patent Eligibility Restoration Act (PERA) Software and Technology

The Patent Eligibility Restoration Act (PERA), sponsored by Sens. Thom Tillis (R-NC) and Chris Coons (D-DE), is bipartisan legislation that would make critical reforms to the U.S. patent system.

In recent years, a series of Supreme Court decisions have created major uncertainty around U.S. patent eligibility for cutting-edge inventions in a number of crucial fields, including diagnostic testing, personalized medicine, software, and artificial intelligence. Meanwhile, other countries — like China, Japan, and many European nations — have maintained patent eligibility for innovations in these highly competitive sectors, putting U.S. industries at a severe disadvantage.

The “exceptions” to patent eligibility created by the Supreme Court were not drafted or endorsed by Congress. They also represent a misapplication of the statutes that govern the U.S. patent system. In particular, 35 U.S.C. § 101 — the section governing eligibility — is meant to delineate broad categories of inventions that may be considered for patent protection, while Sections 102, 103, and 112 set forth specific requirements that an eligible invention must meet in order to receive a patent, such as being new and non-obvious. The Court has conflated the distinct functions of the different sections of the Patent Act.

By amending Section 101 and related sections, PERA would restore patent eligibility to categories of inventions that the Supreme Court’s decisions have rendered ineligible while clarifying which kinds of inventions are ineligible for patents.

Below are some misconceptions about PERA related to the software and technology industries that have circulated in recent months:

Myth: PERA would automatically make certain classes of inventions patentable.

Fact: This is wrong. “Patentable” and “patent eligible” are very different things. Eligibility is a general test that identifies broad categories of inventions — processes, machines, articles of manufacture, and compositions of matter — as *potentially* able to receive a patent. To actually receive a patent — to be “patentable” — an invention must also meet several more granular and refined requirements, such as being novel and non-obvious. PERA would clarify that categories of inventions courts have declared ineligible for patents — such as medical diagnostics — are indeed patent eligible. This change would *not* make all inventions that fall into those categories patentable. In fact, it would not make any invention patentable. It would merely make them eligible for consideration.

Myth: PERA would make patentable any “idea” that relies on the use of technology, even if it does not constitute an improvement to the technology.

Fact: As explained above, the terms “patentable” and “patent eligible” should not be conflated. PERA would restore patent eligibility for some types of inventions, but it does not dictate what can be patented, nor would it make any idea patentable. Under PERA, inventions must still meet the other statutory requirements, such as being novel — i.e., unique compared to what came before — to receive patents. Moreover, ideas would not even be *eligible* for patenting under PERA — the bill’s text states that “mental process[es] performed in the mind of a human being” are outside the bounds of eligibility.

Myth: PERA would make patentable any economic, social, and cultural process that merely requires “some use” of computers.

Fact: This is misleading. PERA simply restores the categories of patent-eligible inventions as they existed for well over 150 years before the Supreme Court decisions of the last decade that have caused the current breakage. Under PERA, economic, social, and cultural processes that make use of computers are only eligible for patents if they cannot be performed without the use of “a machine or manufacture.” The bill explicitly states that such processes which include “non-essential reference[s]” to computers would not be eligible. Furthermore, in order to be patented, any computer-reliant invention must still meet the requirements of Sections 102, 103, and 112 of the U.S. Code, including novelty and non-obviousness.

Myth: PERA would overturn established legal principles regarding what a patent may claim, such as the rule that a patent must specify a particular method of achieving a result rather than claim the result itself.

Fact: This is false. Requirements for what a patent may claim are found in Section 112 of the U.S. Code and are unrelated to patent eligibility, which is governed by Section 101 and is PERA’s sole focus. Specifically, Section 112 already requires all patent claims “particularly pointing out and distinctly claiming the subject matter which the inventor or a joint inventor regards as the invention.”