

FOR IMMEDIATE RELEASE:

Today, Senator Thom Tillis (R-NC), Ranking Member of the Senate Judiciary IP Subcommittee, introduced the Patent Eligibility Restoration Act of 2022. Chris Israel, Executive Director of the Alliance of U.S. Startups and Inventors for Jobs (USIJ), issued the following statement:

"USIJ applauds Senator Thom Tillis for introducing the Patent Eligibility Restoration Act of 2022, which will provide much-needed clarity to patent eligibility law in the United States. USIJ has long raised concern about the chilling effect that recent patent eligibility jurisprudence has begun to have on our innovation economy, and our members are therefore grateful to Senator Tillis for crafting a consensus legislative fix to this timely issue.

In particular, as USIJ pointed out <u>in comments</u> in response to USPTO's patent eligibility study, two recent decisions from the Supreme Court in eligibility cases – namely Prometheus v. Mayo Clinic and Alice Corporation v. CLS Bank – have reshaped what previously was a reasonably well-settled body of law as to the proper role for Section 101. The aforementioned decisions have led to a great deal of judicial confusion and misinterpretations by lower courts on an unprecedented scale, and, as a result, uncertainty in innovation and investment communities.

In fact, several members who form part of the USIJ community report having decided not to invest in certain areas of technology (diagnostic procedures, for example) as a result of the manner in which the Mayo decision is being applied by the Federal Circuit. We further outlined our concerns with the current state of 101 jurisprudence in the <u>amicus</u> <u>brief</u> we filed in the American Axle case – and were deeply concerned that the U.S. Supreme denied to hear that case, which deemed a mechanical engineering improvement to an axle to be unpatentable. This is exemplary of the problem that the Supreme Court created that this legislation is intended to fix.

Fortunately, the Patent Eligibility Restoration Act of 2022 would restore certainty and consistency to patent eligibility law by defining the scope of patent eligible subject matter and all exceptions in Chapter 10 of Title 35. Specifically, the bill would restore patent eligibility to important inventions across many fields, such as diagnostics, gene-based medicine, AI, and other software-based technologies, while simultaneously resolving concerns over patenting of mere ideas, the mere discovery of what already exists in nature, and social and cultural content that is beyond the scope of the patent system as a system aimed at promoting technology-based innovation. We are also pleased that the bill is intended to abrogate all judicially-created exceptions to eligibility and the case law interpreting those exceptions.

USIJ strongly supports this well-balanced legislative proposal and looks forward to working Senator Tillis to advance it as soon as possible."

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About the USIJ:

USIJ is an association of inventors, startups, venture capital investors, entrepreneurs and supporters, whose efforts to bring new companies and new technologies into being are entirely dependent on a reliable system of patent protection. Collectively, we have launched dozens of companies in areas including biotechnology, clean energy, medical devices and wireless technology.

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