10-1972

Gottschalk v. Benson

Lewis F. Powell Jr.

Weisswasser, as I'll have filed brief Amicus

Q - Are soft ware "computer programs" patentable?

The Patent Office & Bd of Patent appeals said "no", but US Ct of Customs & Patent Appeals reversed, holding such programs are patentable if standards are met.

SG seeks Cert. on behalf of Comm. of Patents. IBM & others have asked leave to file Amicus briefs supporting Comm. of Patents.

Many agree with SG but Number issue is too complex for Court to decide; that Congress should should clarify law. I am inclined to agree with Many, although Cert. should be granted & Ct. of C&PA reversed if the record supports view that a "computer program" is not a "process" within meaning of Statute.

NOTE: THIS CASE HAS BEEN PLACED ON THE CJS DISCUSS LIST. LAH

No. 71-485 OT 1971
Gottschalk, Comm'r of Patents v. Benson & Tabbot
Cert to US Ct of Customs & Patent Appeals (CCPA)

PATENTABILITY OF COMPUTER PROGRAMS

Resps sought a patent from the Patent Office covering a computer program which operated to convert from a "binary coded decimal" system to a true "binary" system. Without attempting to understand how the program works or what useful function it performs, it is sufficient for our purposes to note that it is essentially a mathematical process involving successive additional and multiplicational steps. The Patent Office Examiner held that the subject matter was unpatentable because it did not constitute a "process" as that term is used in 35 U.S.C. § 101 ("Whoever invents or discovers any new or useful process . . . may obtain a patent therefor . . ."). The Board of Patent Appeals aff'd the Examiner relying on its consistent prior practice of holding that computer programs are not patentable subject matter under the patent laws. Resps appealed to the CCPA and that ct rev'd the Patent Office and held that the program

did constitute patentable subject matter under Section 101. The Patent Comm'r, under the signature of the SG, seeks review in this Court of the CCPA holding.

The only question presented in this petition is whether a computer program is a "process" within the meaning of Section 101 or whether the subject matter in issue here is merely a "mental process" not statutorily recognized as patentable. Heretofore the general rule consistently applied during the short history of the computer programming ("software") industry has been that programs are not patentable. Programs have fallen in the area of scientific principles, mental processes, and abstract intellectual concepts, which have been viewed (to borrow the language used by the SG) as the "basic instruments of scientific and technological development and, their free exchange is, therefore, not to be hindered by the granting of patent monopolies."

This petition is not susceptible to disposition through analysis of legal arguments involving statutory construction. Neither can it be satisfactorily resolved on the basis of prior case law. The question is essentially one of policy--should the patent laws contemplate the granting of monopolies for programs. The arguments of the SG, and of the three parties filing amici briefs, catalog the policy considerations. (Caveat: Motions for leave to file amici briefs have been lodged, along with the briefs themselves, by (1) Business Equipment Manufacturers Ass'n (a trade ass'n for the computer industry), (2) IBM, and (3) the Information Industry Ass'n (ass'n of organizations in the information production, storage, retrieval, etc business). Along with the vote whether to grant cert, the conference will also vote on whether to grant these motions to file. They, of course, are generally granted as a matter of course and I see no reason to depart from that practice here.)

Following are the policy considerations mentioned favoring the nonpatentability of programs:

(1) Patentability will impede the future growth of the computer software business due to the lack of free interchange of ideas, which has marked the industry's growth to date.

(2) Patents will be sought for, apparently, thousands of programs and patent infringement suits can be anticipated, all contributing to confusion and additional costs heretofore not required.

(3) The computer program industry grew phenominally without the protection of patent monopolies and it is relatively clear that the monopoly incentive is not necessary to assure maximum industry development.

(4) Failure to resolve this issue, one way or the other, will leave standing a serious conflict between the Patent Office and the CCPA (a similar conflict was cited as a reason for deciding to decide the standards for utility in Brenner v. Manson, 383 U.S. 519, 522 (1966)).

(5) The President's Commission on the Patent System in 1966 concluded that denying patents to the computer industry had been cocnsistent with the patent system and had not interferred with the growth of the industry.

(6) Nearly all foreign countries which have resolved the question whether software constitutes patentable subject matter have concluded that it does not.

(7) In view of the long and successful history of the industry in the absence of such monopolies, any change in the status quo should have come from Congress in the form of legislation rather than by change of statutory interpretation by the CCPA.

Resps offer, on the other side of the case, the considerations that (1) one who meets the rigorous standards of proving patentability should be permitted to receive his statutory reward in the form of a monopoly just as is the case is other industries, (2) there will be no great flood of patent applications, as Petrs contend, since most programs cannot hope to meet the rigors of the application process, and (3) the decision is not a departure from prior law. I believe this latter contention to be erroneous.

After reviewing the various contentions, I am, first, persuaded that Petr and the amici are in possession of the more persuasive arguments. I am unable to accept the idea that patent monopolies ought to be fostered unless they serve some purpose to protect the growth of the industry. That is, simply, not the case here as the prior rapid development of the software business illustrates. However, I frankly do not believe that this Court is best equipped to handle the problem. Resolution of the policy issues could best be handled by Congress where their broad fact-gathering processes will allow full consideration to the myriad technological facts, historical data, and predictions for the future of the industry. If the "real-world" facts are as clearly on the side of Petr as they seem, the computer software industry should experience little difficulty obtaining the requisite amendment to the patent laws.

DENY

LAH

I recused in this case

No. 71-485 OT 1971
Gottschalk v. Benson
Cert to US Ct of CPA

DISCUSS

This is the cert petition in which you have recused yourself because of ~~your friendship with Mr. Ross Malone~~ of IBM. As I indicated in a memo earlier this week, the CJ has prepared a proposal to send to the patent applicant which asks, in essence, whether the patent program actually works. My records indicate that as of this time Justices Marshall, Douglas, and Blackmun have joined. I understand that other Justices think the proposal unnecessary. It should be a so urce of lively debate at conference.

NOT PARTICIPATING

LAH

Malone is V/P of GM - not IBM. (I own IBM stock & have rep. GM)

Recuse
(IBM)

SUPPLEMENTAL MEMO
No. 71-485 OT 1971
Gottschalk v. Benson
Cert to US CT Customs & Patents Appelas

This is the patent case raising the challenge to the patentability of computer programs. It has been on three prior conference lists and is, again, on this one for the 2/18. You have already recused yourself from this case because of IMB's participation. You should, therefore, make certain that it is noted that you are not participating.

(I will not place all the prior cert memos in the conference book for this case, unless you indicate that you would like to have those papers.)

NOT PARTICIPATING LAH

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE THURGOOD MARSHALL

January 19, 1972

Re: No. 71-485 - Gottschalk v. Benson

Dear Chief:

I have no objection to your proposed questions.

Sincerely,

T.M.

The Chief Justice

cc: The Conference

Court U. S. Ct. of Customs and Patent Appls.	Voted on ...., 19...		
Argued ...., 19...	Assigned ...., 19...	No.	71-485
Submitted ...., 19...	Announced ...., 19...		

ROBERT GOTTSCHALK, ACTING COMMISSIONER OF PATENTS, Petitioner

vs.

GARY R. BENSON AND ARTHUR C. TABBOT

10/4/71 Cert. filed.

Relist for Jan 21

This involves patents by I.B.M. — I took no part.

	HOLD FOR	CERT.		JURISDICTIONAL STATEMENT				MERITS		MOTION		ABSENT	NOT VOTING	
		G	D	N	POST	DIS	AFF	REV	AFF	G	D			
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Rehnquist, J.			✓											
Powell, J.		Pass / ~~so~~ Disqualify												
Blackmun, J.		✓												
Marshall, J.			✓											
White, J.		✓												
Stewart, J.		Pass												
Brennan, J.		Pass												
Douglas, J.		✓												
Burger, Ch. J.		Pass												

Conf. 2/18/72

Court .....
Argued ....., 19...
Submitted ....., 19...

Voted on ....., 19...
Assigned ....., 19...
Announced ....., 19...

No. 71-485

GOTTSCHALK

vs.

BENSON

	HOLD FOR	CERT.		JURISDICTIONAL STATEMENT				MERITS		MOTION		ABSENT	NOT VOTING	
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Rehnquist, J.														
Powell, J.														
Blackmun, J.														
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Burger, Ch. J.														

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE POTTER STEWART

November 9, 1972

RE: NO. 71-485 - GOTTSCHALK v. BENSON

Dear Bill,

I should appreciate your stating at the foot of your opinion in this case that I did not participate in its consideration or decision.

Sincerely yours,

P.S.

Mr. Justice Douglas

Copies to the Conference

November 9, 1972

Re: No. 71-485 Gottschalk v. Benson

Dear Bill:

Please note at the appropriate place that I did not participate in the above case.

Sincerely,

Mr. Justice Douglas

LFP, Jr. : ofd.

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
THE CHIEF JUSTICE

November 17, 1972

Re: 71-485 - Gottschalk v. Benson

Dear Bill:

Please join me.

Regards,

Mr. Justice Douglas

Copies to the Conference