US Perspectives: US High Court Removes Economics From Patent Law

By Jared Lee

The US Supreme Court’s recent decision to reject an argument about the economics of patent law as a determining factor is a moral and rational one.

The case, Alice Corp. v. CLS Bank International, centered on whether a computerized financial transaction system was eligible for a patent. The district court had ruled the system patent ineligible under the Federal抽象 luminary test because it was not transformative, and the Federal Circuit had affirmed that decision.

However, the US Supreme Court overturned the decision. In a 9-0 vote, the court said the case did not involve an abstract idea and that the software itself was transformative and patent eligible.

This decision has significant implications for the future of patent law. The US Supreme Court’s decision to remove economics from patent law is a positive step towards ensuring that patent law remains focused on the underlying innovation.

A departure from economic analysis in patent law is likely to have several implications. Firstly, it could lead to an increase in the number of patents granted, as the focus shifts from economic viability to the transformative nature of the invention. This could have implications for the innovation ecosystem, as it could lead to more inventions being protected.

Secondly, the removal of economic analysis from patent law could have implications for the patent market. The lack of economic analysis could lead to a decrease in the value of patents, as investors and companies may be less willing to invest in inventions that are not economically viable.

In conclusion, the US Supreme Court’s decision to remove economics from patent law is a positive step towards ensuring that patent law remains focused on the underlying innovation. However, the removal of economic analysis from patent law could have several implications for the future of patent law and the innovation ecosystem.

Reference:


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