

# 21C

THE COALITION FOR 21<sup>ST</sup> CENTURY PATENT REFORM

Protecting Innovation to Enhance American Competitiveness

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## ***The Coalition for 21<sup>st</sup> Century Patent Reform Supports 101 Reform***

***June 11, 2019***

21C applauds Senate Judiciary Committee IP Subcommittee Chairman Thom Tillis and Ranking Member Chris Coons, and House Judiciary Committee IP Subcommittee Chairman Hank Johnson and Ranking Member Steve Stivers, and their staffs, for addressing our current patent eligibility problems and for proposing a legislative solution to them. 21C strongly supports this bipartisan, bicameral proposal to reform Section 101 of the Patent Act. Such legislation is essential if we are to continue to summon the creative genius of independent inventors, start-ups, universities, and corporations to invent, develop, and commercialize new innovations to benefit society.

There is a broad consensus within the stakeholder community that judicially created exceptions to patent eligibility have injected a high degree of uncertainty and unpredictability into our patent system, putting us at a great disadvantage as compared to other countries. These exceptions now deny patent protection to some of our best inventions, including many in fields of artificial intelligence, software, healthcare diagnostics, and biotechnology. More important, without knowing whether their inventions will be deemed patent eligible, inventors are discouraged from pursuing research and development in many areas that are critical to our future health and prosperity.

This proposal was developed through unprecedented stakeholder outreach and engagement. By convening a series of broadly attended roundtables focusing first on understanding the problem, then developing guiding principles for a solution, and finally drafting a solution, the proposed legislation balances all points of view. The proposal restores Section 101 to its traditional role of defining patent eligible subject matter in a technology-neutral fashion, while eliminating the current sources of ambiguity and unpredictability that are undermining the reliability of our patent system.

At the same time, this proposal ensures that materials and compositions as they exist in nature, including human genes, will remain patent ineligible. In contrast to the assertions of the ACLU and others, this proposed legislation would not “authorize patenting products and laws of nature, abstract ideas, and other general fields of knowledge,” nor would it “permit patenting of human genes and naturally-occurring associations between genes and diseases.” These would remain patent ineligible because they are not “inventions or discoveries,” did not result from “human intervention,” and/or do not have “specific and practical utility in any field of technology.”

21C looks forward to continuing to work with Congress and the Administration to reform Section 101 of the Patent Act to strengthen our U.S. patent system.

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The Coalition for 21st Century Patent Reform represents 18 diverse industry sectors and includes many of the nation’s leading manufacturers and researchers. The coalition’s steering committee, which is chaired by Philip S. Johnson, includes 3M, Bristol-Myers Squibb, Eli Lilly, General Electric, Johnson & Johnson, Procter & Gamble, and United Technologies. For more information, visit <http://www.patentsmatter.com>.