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## The Alliance of U.S. Startups and Inventors for Jobs applauds House introduction of the Patent Eligibility Restoration Act (PERA)

Bipartisan bill introduced by Representatives Kevin Kiley (R-CA) and Scott Peters (D-CA) would provide desperately needed predictability and certainty to U.S. patent eligibility.

**WASHINGTON, D.C.** – The Alliance of U.S. Startups & Inventors for Jobs (USIJ) Executive Director Chris Israel issued the following statement on the introduction of the bipartisan, bicameral Patent Eligibility Restoration Act (PERA) in the U.S. House of Representatives:

"All of the active judges on the U.S. Court of Appeals for the Federal Circuit have cited their confusion regarding U.S. law on patent eligibility, and former USPTO Directors have said the state of patent eligibility is in "disarray" and it is leading to "deep uncertainty."

"The Patent Eligibility Restoration Act (PERA) would address this fundamental challenge by eliminating all prior judicial exceptions to eligibility and replacing them with a clearly articulated and limited set of exclusions. Under PERA, U.S. law would draw clear lines regarding what is not patent eligible, this includes: pure mathematical formulas and mental processes, unmodified genes in the human body and unmodified natural material existing in nature. PERA also excludes substantially economic, financial, business, social, cultural, or artistic processes, even when followed by language like "do it on a computer," as long as such processes can be practically performed without the use of a machine.

"The net effect of PERA is to strike a decade of judicial tinkering that has needlessly turned the question of patent eligibility into a confusing mess, and harmed the U.S. versus our economic competitors. While the U.S. has spent a decade holding back innovations in areas such as fintech, diagnostic solutions and medical devices while trying to figure out whether they are "abstract" or not, our competitors are moving forward and protecting these inventions. China, in particular has leapt well ahead of the U.S. by extending patent protection for a broader range of inventions by focusing on the concrete features of the invention while we spin our wheels arguing about whether something is "abstract" or not.

"U.S. entrepreneurs, startups and investors rely heavily on stable and reliable patent protection as a foundational prerequisite for making long term investments of capital and time commitments to high-risk businesses developing new technologies."

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