Thursday, August 11, 2022

The US Court of Appeals for the Federal Circuit found that an artificial intelligence (AI) software system cannot be listed as an inventor on a patent application because the Patent Act requires an “inventor” to be a natural person. *Thaler v. Vidal*, Case No. 21-2347 (Fed. Cir. Aug. 5, 2022) (Moore, Taranto, Stark, JJ.)

Stephen Thaler develops and runs AI systems that generate patentable inventions, including a system that he calls his “Device for the Autonomous Bootstrapping of Unified Science” (DABUS). In 2019, Thaler sought patent protection for two of DABUS’s putative inventions by filing patent applications with the US Patent & Trademark Office (PTO). Thaler listed DABUS as the sole inventor on both applications. The PTO found that the patent applications lacked valid inventorship and sent a Notice of Missing Parts requesting that Thaler identify a valid inventor. Thaler petitioned the director to vacate the notices. The PTO denied the petitions, explaining that a machine does not qualify as an inventor and that inventors on patent applications must be natural persons. Thaler then pursued judicial review in
the district court. The district court agreed with the PTO, concluding that an “inventor” under the Patent Act must be an “individual,” and that the plain meaning of “individual” is a natural person. Thaler appealed.

The sole issue on appeal was whether an AI software system can be an “inventor” under the Patent Act. The Federal Circuit started with the statutory language of the Patent Act, finding that it expressly provides that inventors are “individuals.” The Court noted that while the Patent Act does not define “individual,” the Supreme Court has explained that the term “individual” refers to a human being unless there is some indication that Congress intended a different reading. The Federal Circuit also found that this result was consistent with its own precedent, which found that neither corporations nor sovereigns can be inventors; instead only natural persons can be inventors.

The Federal Circuit rejected Thaler’s policy argument that inventions generated by AI should be patentable to encourage innovation and public disclosure. The Court found that these policy arguments were speculative, lacked any basis in the text of the Patent Act, and were contrary to the unambiguous text of the Patent Act. The Court also rejected Thaler’s reliance on the fact that South Africa has granted a patent with DABUS as an inventor, explaining that the South African Patent Office was not interpreting the US Patent Act. The Court concluded that since Congress has determined that only a natural person can be an inventor, AI cannot be an inventor.

**Practice Note:** The Federal Circuit’s decision comes on the heels of a decision from the US Copyright Office Review Board finding that a work must be created by a human being to obtain a copyright. The Federal Circuit also noted that it was not confronted with the question of whether inventions made by human beings with the assistance of AI are eligible for patent protection.

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