Patent Eligibility Bulletin: Steps To Consider As USPTO Shifts

By **Reilley Keane and Kirk Sigmon** (March 11, 2026)

This article is part of a quarterly column that discusses the rapidly evolving field of subject matter eligibility at the U.S. Patent and Trademark Office and courts, and practical guidance for practitioners. In this installment, we discuss how the USPTO is emphasizing concrete technological improvements, suggesting a stance potentially favorable toward artificial intelligence-related inventions.

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In recent years, satisfying patent subject matter eligibility requirements under Title 35 of the U.S. Code, Section 101, has felt like a moving target.

In practice, outcomes at the U.S. Patent and Trademark Office have often depended largely on examiner discretion, and it was not uncommon for examiners — and their supervisors — to develop idiosyncratic expectations of what was and was not subject matter eligible.

Recently, the USPTO has taken numerous notable steps toward recalibrating that landscape. Across three memoranda issued in December last year, the office signaled a renewed emphasis on concrete technological improvements, and restraint in characterizing claims as abstract ideas. The first patents issued under Director John Squires have similarly suggested that the USPTO is shifting toward a pro-AI stance.

Taken together, in the first quarter of 2026, these developments suggest a recalibration of the USPTO's Section 101 approach, particularly for AI-related applications.

Two Memos on Subject Matter Eligibility Declarations

The USPTO's Dec. 4 memoranda — one for applicants and practitioners, and the other for examiners — shed light on the use of subject matter eligibility declarations, or SMEDs.

These memos describe best practices for submitting SMEDs to address Section 101 rejections during prosecution by providing objective evidence of the eligibility of a claimed invention.

For a SMED to be relevant, there must be a nexus between the claimed invention and the provided evidence. Also, the SMED cannot merely be used to improperly supplement the original disclosure, but instead should describe the state of the art at the time of filing, provide evidence of technical improvements, explain why one of ordinary skill in the art would have recognized the improvement, and the like.

There are no special qualifications to file a SMED — one could be filed by an inventor or other experts — and the USPTO generally recommends that the SMED exclusively address subject matter eligibility, to avoid intertwining those with other issues.

The memos provide helpful examples of how SMEDs may be used to traverse Section 101 rejections involving alleged mental processes, improvements to computer functioning, treatment claims and how claims can recite significantly more than a judicial exception.[1]

Pro-AI Subject Matter Eligibility MPEP Revisions in Light of Ex Parte Dejardins

The USPTO's Dec. 5 memo provided notice of future updates to the Manual of Patent Examining Procedure in the wake of Ex Parte Desjardins, a rehearing decision that significantly broadened the subject matter eligibility of AI patent applications in November.

The memo emphasizes — and the MPEP changes are expected to further underscore — the importance of Enfish LLC v. Microsoft Corp., decided by the U.S. Court of Appeals for the Federal Circuit in 2016, placing particular focus on the idea that nonabstract improvements in computer technology may include improvements to software.[2]

In turn, the MPEP changes are expected to instruct that technical improvements to machine learning technology (e.g., reduced storage, reduced system complexity and streamlining, and preservation of learning to avoid so-called catastrophic forgetting) are patent-eligible.

Like previous USPTO memos, the Dec. 5 memo cautions examiners against evaluating claims, and particularly those directed to AI and machine learning, at such a high level of generality such that meaningful technical limitations are dismissed without adequate explanation.

The memo also counsels against classifying elements as mere generic computer components without considering whether such elements confer a technical improvement.[3]

Early Signals From the First Squires Patents Favorable to AI Patents

The first two patents — U.S. Patent Nos. 12,419,201 and 12,419,202 — issued under Squires suggest that Squires is far more permissive toward subject matter eligibility.

Particularly, these initial grants — one relating to diagnostic and therapeutic methods, and the other directed to distributed ledgers and cryptocurrencies — highlight Squires' pro-patent stance and echo his remarks that the USPTO is "open for business, especially for the technologies of tomorrow."[4] The grants signal optimism for patentability of business and life science methods.

Older USPTO Eligibility Examples May Be Losing Value

One quiet casualty of the December guidance is the practical usefulness of many older USPTO eligibility examples. While those examples remain officially valid, they have potentially become moot given the USPTO's current approach to subject matter eligibility.

For example, the USPTO's 2024 Example 47 seems to suggest that a claim implementing an artificial neural network on an application specific integrated circuit would be allowable, while an artificial neural network for outputting anomalies would not be allowable.

While these examples likely still have some merit, it is unclear whether Example 47 Claim 1's application specific integrated circuit-based example remains persuasive in view of the more updated guidance from the USPTO. Potentially better approaches are provided below.

Common Practitioner Mistakes

Despite the more applicant-friendly tone of the new guidance, several recurring mistakes continue to undermine eligibility outcomes in many current patent applications.

Focus on Results, Not Mechanisms

Claims that optimize, analyze or determine without specifying how those functions are achieved invite examiners to find abstraction, regardless of how detailed the specification may be.

Thinking-Related Language

Applicants should avoid reciting steps that sound like human mental processes (e.g., analyzing, judging, comparing, etc.). Similarly, anthropomorphisms (e.g., consider) should be avoided. Rather, draft claims to include specific, nonroutine steps that emphasize a technical improvement, ideally to the model itself.

Failure to Draft AI Applications Strategically

Specifications should be drafted to include sufficient discussion of a technical problem, solution and corresponding benefits, which may make the application robust against eligibility challenges. Such language provides valuable support in the event that an initial eligibility rejection is received.

Practical Recommendations

Despite the various memos from the USPTO suggesting a slightly more permissive approach to subject matter eligibility, USPTO examiners still appear to be providing somewhat inconsistent approaches to subject matter eligibility.

Some USPTO examiners consider the above-referenced memoranda to be nonbinding, leading them to stick to rejecting AI-related patent claims under Section 101. Accordingly, patent attorneys should continue to exercise caution during prosecution.

In turn, several valuable patent prosecution strategies have emerged in view of the recent memos discussed above.

Use SMEDs.

Applicants should consider the strategic use of a SMED to fight entrenched Section 101 rejections. Remember, there must be a nexus between the claimed invention and the provided evidence, and the declaration cannot merely be used to improperly supplement the original disclosure.

Use the MPEP updates and memos aggressively.

These can help underscore the USPTO's trend toward favoring AI-related claims and the importance of focusing on technical improvements to technical problems. These also are valuable to fight against oversimplification/generalization of claim elements by the examiner.

Use USPTO eligibility examples sparingly.

Some, such as Example 47 Claim 1, have uncertain utility, given the recent positions taken by the USPTO.

Draft to focus on technical problems, solutions and corresponding benefits.

In particular, for AI and machine learning applications, emphasize how your technical improvements distinguish over mental processes, e.g., by incorporating technical features that cannot practically be performed in the human mind.

Interview liberally.

Even though current USPTO policy only incentivizes one interview per round, push for as many interviews as you can get. These are valuable to understand the examiner's potentially idiosyncratic perspectives on subject matter eligibility and provide an opportunity to orally advocate for allowance.

Use Squires' examples.

It can sometimes help to cite cases newly allowed by Squires, such as the '201 and '202 patents, to underscore the allowability of an application.

Conclusion

The USPTO's December 2025 eligibility guidance does not rewrite the current law governing Section 101, nor does it guarantee favorable outcomes for all AI cases.

Instead, these developments signal that the USPTO may pivot its subject matter eligibility analysis to focus on technical reality rather than generalized abstraction. This provides cautious optimism for practitioners, particularly those handling applications in the AI and machine learning field.

With this much development occurring in the first few months of Squires' administration, 2026 promises to be a landmark year in the clarification of patent eligibility procedures and guidance.

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[1] Subject Matter Eligibility Declarations (December 4, 2025); Best Practices for Submission of Rule 132 Subject Matter Eligibility Declarations (SMEDs) (December 4, 2025).

[2] Enfish LLC v. Microsoft Corp., 822 F.3d 1327 (Fed Cir. 2016) at 1336-1339.

[3] Advance notice of change to the MPEP in light of Ex Parte Desjardins (December 5, 2025).

[4] U.S. Patent & Trademark Office, Patent Signing Ceremony (Sept. 24, 2025), https://www.uspto.gov/about-us/news-updates/patent-signing-ceremony.