

USPTO's New Subject Matter Eligibility Guidance and Best Practices

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The U.S. Patent and Trademark Office (USPTO) recently issued three memoranda focused on subject matter eligibility under 35 U.S.C. § 101. Together, these memos: (1) formalize the role of Subject Matter Eligibility Declarations (SMEDs) in prosecution, (2) outline best practices for SMEDs and (3) provide notice of changes to the Manual of Patent Examining Procedure (MPEP) incorporating the precedential *Ex Parte Desjardins* decision.^{1, 2, 3} These updates purport to reflect Director Squires' desire to recognize and promote artificial intelligence (AI) innovation and to reign in "overbroad Section 101 rejections . . . '[c]ategorically excluding AI innovations from patent protection in the United States,'" which have "jeopardized America's leadership in critical emerging technolog[ies]."⁴

1. Subject Matter Eligibility Declarations (SMEDs) Under Rule 132

Two of the memos address the use of SMEDs, which are voluntary Rule 132 declarations focused on eligibility. The first memo reminds examiners that applicants may submit SMEDs to provide evidence of eligibility. The second memo enumerates best practices for applicants seeking to use SMEDs to clarify the record and support their arguments. The guidance emphasizes that:

- A SMED can provide objective evidence of the state of the art at filing, explain how the invention improves on existing technology and demonstrate why descriptions like 'mental process' or 'organizing human activity' do not apply.
- The declaration must have a clear nexus to the claims and cannot be used to cure disclosure deficiencies under § 112. The declaration's value is in its factual support, since legal conclusions carry no weight.
- Examiners must consider timely, compliant SMEDs and explain in the next action how the evidence changes the eligibility under a preponderance standard, whether withdrawing or maintaining a rejection.

The memos include specific examples of SMED use to show: (1) claimed steps cannot practically be performed in the human mind, (2) the invention materially improves computer functioning or a technical field, (3) medical prophylaxis/therapy steps integrate an abstract idea into a practical application or (4) an unconventional arrangement of conventional components amounts to significantly more than a judicial exception.

2. Best Practices: Keep SMEDs Separate, Focused and Evidentiary

Enumerated best practices for submitting SMEDs include:

- File SMEDs as separate, stand-alone submissions focused only on § 101. This helps examiners easily find and assess eligibility evidence.

- Submit SMEDs on time (e.g., before prosecution is closed), follow proper formatting and ensure they directly relate to the claims and the invention's improvement. Use objective evidence like testing data, trade publications or technical explanations tied to how a person of ordinary skill in the art would understand the specification at filing.
- Align the SMED with the specification and claims. Do not attempt to add new matter. Instead, frame improvements in terms of technical effects reflected in the claims and specification.

3. *Ex Parte Desjardins*: How Examiners Should (and Should Not) Use § 101

Examiners should use a § 101 analysis to screen for abstract ideas, especially for AI-related inventions, that have not been applied practically. Other issues, like conventionality or claim breadth, should be handled under §§ 102, 103, and 112. For instance, arguments about whether claim elements are well-known or routine should be addressed under the rules for anticipation or obviousness, not § 101.

The guidance also suggests that the reasoning in *Ex Parte Desjardins* is not limited to AI. Rather, the reasoning should apply to any computer-implemented or other technological field where the invention changes how a machine operates, how data are structured or moved, or how performance constraints are overcome. Examiners should evaluate all relevant evidence of record, including asserted technical benefits, based on a preponderance of the evidence.

The third Dec. 5 memo revises the MPEP, effective as of the date of the memo, to explicitly incorporate *Ex Parte Desjardins* as a key example of presenting technological improvements that overcome § 101. The changes affect MPEP §§ 2106.04 and 2106.05, clarifying how to evaluate whether a claim is “directed to” an abstract idea. The revisions use *Ex Parte Desjardins* to illustrate that improvements to how a machine learning model operates, which overcome problems like “catastrophic forgetting” or reduce system complexity, can integrate a judicial exception into a practical application and render a claim eligible. Enumerated best practices for submitting SMEDs include:

Practical Implications

- Pending Applications: For pending non-provisional applications, the memos may allow practitioners to better structure eligibility rebuttals. Where the specification credibly describes a technical advance, a focused SMED can help convert that disclosure into persuasive evidence. Consideration should be given to modeling a focused SMED so that the facts align with any of the Federal Circuit cases that support eligibility (e.g., *Enfish*, *McRo*, etc.), especially for AI-focused applications.
- New Filings: For new applications, practitioners should seek to include as much technical detail as possible about how the invention improves system operations, data structures, etc. Expect examiners to be more receptive to arguments focused on technological improvements while *Ex Parte Desjardins* remains precedential.
- Litigation: Practitioners during prosecution should keep in mind the possibility that a SMED on record can be used against the patent in future litigation, such as for impeachment, estoppel and claim construction.

In short, the USPTO under Director Squires appears to be actively seeking to make it easier to obtain patent protection for AI-related innovations, but practitioners should continue to seek to align the evidence of any given application as much as possible with existing appellate precedent with respect to patent eligibility (starting with how the applications are drafted).

References

¹ “Subject Matter Eligibility Declarations,” Director John A. Squires, USPTO (Dec. 4, 2025), *available at* <https://www.uspto.gov/sites/default/files/documents/smeds-corps.pdf>.

² “Best Practices for Submission of Rule 132 Subject Matter Eligibility Declarations (SMEDs),” Director John A. Squires, USPTO (Dec. 4, 2025), *available at* <https://www.uspto.gov/sites/default/files/documents/smeds-applicants-practitioners.pdf>.

³ “Advance notice of change to the MPEP in light of *Ex Parte Desjardins*,” Deputy Commissioner for Patents Charles Kim, USPTO (Dec. 5, 2025), *available at* <https://www.uspto.gov/sites/default/files/documents/memo-desjardins.pdf>.

⁴ “Subject Matter Eligibility Declarations,” *supra* note 1, at 1.