

Revived Prospects for Patenting Financial Product Inventions

December 15, 2020

Since the Supreme Court's 2014 decision in *Alice Corp. v. CLS Bank Int'l*, trying to patent a business method — such as a method for calculating premiums or underwriting for insurance policies — has generally been a fool's errand. But, as we have written previously, insurance and other financial companies are starting to see significantly more success patenting features that support processes, rather than patenting the processes themselves. See "Changes in Patent Landscape for Insurance and Financial Industries," *Expect Focus – Life, Annuity, and Retirement Solutions* (July 2019).

Reynolds Porter Chamberlain reports that the number of insurtech patents filed worldwide has increased significantly in recent years, on innovations as diverse as a behavior analytics system to evaluate risk based upon social media posts to a mobile app to speed up the claims process for people affected by natural disasters. Other granted patents include improvements in telematics systems, Internet of Things devices to monitor homes, and artificial intelligence-based applications. Several patent applications have also been filed in connection with smart contracting platforms and cybersecurity and encryption inventions.

So how can one determine whether an insurance or other financial product feature is patentable? One key is whether the feature can be achieved using a pencil and paper. Automating what used to be a manual process is less likely to be patentable. But creating a technological solution to a problem that could not otherwise be done manually should be considered for patent protection.

For example, one recently granted patent is directed to a "highly intuitive" user interface that dynamically adjusts a proposed retirement plan depending upon a user's real-time input of financial goals. Although tracking changes in a spreadsheet has been held in the past to be "mere automation" of a manual process and therefore not patentable, these particular claims were directed to a specific method of interacting with a user-friendly interface and therefore were found patentable. The difference is that the solution helped a user navigate through a complex system that was dynamically updating in real time and could not be done manually.

So, in the coming decade, look beyond new products to the processes that enable users to interact with them. A patentable invention just might be waiting.

Authored By



Eleanor M. Yost



Gail Podolsky

Related Practices

[Intellectual Property](#)

[Life, Annuity, and Retirement Litigation](#)

[Insurtech](#)

Related Industries

[Life, Annuity, and Retirement Solutions](#)

©2024 Carlton Fields, P.A. Carlton Fields practices law in California through Carlton Fields, LLP. Carlton Fields publications should not be construed as legal advice on any specific facts or circumstances. The contents are intended for general information and educational purposes only, and should not be relied on as if it were advice about a particular fact situation. The distribution of this publication is not intended to create, and receipt of it does not constitute, an attorney-client relationship with Carlton Fields. This publication may not be quoted or referred to in any other publication or proceeding without the prior written consent of the firm, to be given or withheld at our discretion. To request reprint permission for any of our publications, please use our Contact Us form via the link below. The views set forth herein are the personal views of the author and do not necessarily reflect those of the firm. This site may contain hypertext links to information created and maintained by other entities. Carlton Fields does not control or guarantee the accuracy or completeness of this outside information, nor is the inclusion of a link to be intended as an endorsement of those outside sites.