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## Patent Chief's Early Opinion Emphasizes Pro-AI Innovation Push

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US Patent and Trademark Office Director John Squires signaled an eagerness to encourage patenting AI innovations by striking down a tribunal's line of reasoning he warned would render much of the technology unprotectable.

"Categorically excluding AI innovations from patent protection in the United States jeopardizes America's leadership in this critical emerging technology," Squires said in a ruling issued Sept. 26, four days after he was sworn in.

His [opinion](#) vacated part of a Patent Trial and Appeal Board's decision affirming denial of an application covering training machine learning models, assigned to Google's DeepMind, that the PTAB found to be directed to ineligible subject matter. Squires didn't object to the PTAB's other grounds for affirming the patent's rejection, but criticized the panel's eligibility analysis and said it had broad, troubling implications.

The opinion is a signpost that Squires plans to do his "absolute best" to leverage AI and continue the "larger US agenda and business purpose" of pushing innovation in the technology, said [Bryce Barcelo](#) of Barcelo Law PLLC.

"This is his drawing a line in the sand to say that his patent office will not categorically reject patent applications which are drawn to AI, and any attempt to do so will be met with a swift pen directly from his hand," Barcelo said.

Squires has previously voiced his interest in broadening patent eligibility, including [during his Senate confirmation](#) hearing. Section 101 of the Patent Act allows "any new and useful process, machine, manufacture, or composition of matter" to be patented. Laws of nature, mathematical concepts, algorithms, and other abstract ideas aren't patentable, which sometimes poses a problem for software-related inventions.

That's why Squires' decision is encouraging for AI inventors, attorneys said. The director criticized the original PTAB panel's patent-eligibility analysis, saying it "essentially equated any machine learning with an unpatentable 'algorithm.'"

“The fact that he chose to issue this opinion in the first week of his administration signaled that he finds patent eligibility something important to focus on and perhaps reform,” said [Kevin Schubert](#), a principal at McKool Smith.

The move fits with the Trump administration’s broad push for policies to boost US dominance in AI, including its [call for an acceleration of AI innovation](#) in an action plan released in July.

It also aligns with the PTO’s activity in other technological fields. An agency spokesperson pointed to the first two patents Squires issued in his tenure—one covering cryptocurrency technology, and the other medical diagnostics—and said the AI decision is “squarely in line” with them.

Squires said during a signing ceremony for those two patents that the PTO is “open for business—especially for the technologies of tomorrow.”

### AI Patent Eligibility

The patent examiner’s rejection of the application from inventor Guillaume Desjardins and five others turned on a separate question of patentability: the obviousness of the invention. On appeal, the PTAB affirmed that rejection and added reasoning that the invention wasn’t in an eligible category for patenting. Squires vacated that portion of the decision while allowing the other justifications for the rejection to stand.

He said the case demonstrates how other sections of patent law beyond eligibility—including how “novel” or “nonobvious” the invention is—are the “traditional and appropriate tools to limit patent protection to its proper scope.”

While some attorneys said they view Squires’ decision as opening the door for more AI-related patent applications, Barcelo said it’s more of a reminder that the technology is patentable rather than a broadening of eligibility.

Software-related patenting has always carried uncertainty, he said, suggesting Squires wants people to be “unafraid” to seek out AI-related patents.

“As he sees it—rightfully so—is that in order to have innovation in a particular technological area like AI, you need to have ways to protect those innovations,” Barcelo said.

### Director Input

Squires’ decision could lead to a reduction in the number of AI-related applications rejected on eligibility grounds, attorney [Babak Akhlaghi](#) of NovoTech Patent Firm said.

The PTO [provided examiners guidance](#) on AI inventions’ eligibility in July 2024. But Squires’ said in his opinion that Section 101 jurisprudence has been “confusing.” Akhlaghi said it’s been hard to predict whether a patent examiner would reject a claim on eligibility grounds.

“If we have a top-down approach where a leader of the USPTO says, ‘This is the guideline, this is the reminder, this is a case that was 101-rejected that shouldn’t have been rejected,’ I think the different examining units will look at that and will have a more consistent approach,” Akhlaghi said.

But [Charles Duan](#), an assistant professor at American University’s Washington College of Law, said it typically hasn’t been the role of political appointees such as the PTO director to decide “substantive questions of patent law.”

“This suggests to me that the office of Director is seeking to become a new locus of power not just over policy but also over the doctrines of patentability themselves,” Duan said in an email. “That seems a big change compared to the traditional roles in which Congress sets the standards and courts interpret them.”