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SUBJECT MATTER ELIGIBILITY WORKSHEET
Abstract Idea Workshop

This worksheet can be used to assist in analyzing a claim for “Subject Matter Eligibility” (SME) under 35 U.S.C. 101 for any judicial exception (law of nature, natural phenomenon, or abstract idea) in accordance with the [2014 Interim Eligibility Guidance](#). As every claim must be examined individually based on the particular elements recited therein, a separate worksheet should be used to analyze each claim. The use of this worksheet is optional.

For purposes of simplicity in this workshop, the questions below only refer to *abstract ideas* and will be used to walk through several of the [abstract ideas examples](#) published on the website. (A blank generic worksheet is available on the training website.) It is suggested that the worksheet be used with the [2014 Interim Eligibility Guidance Quick Reference Sheet](#), which includes an overview of the analysis, along with the flowchart and form paragraphs referenced herein.

Worksheet Summary: Section I is designed to address the first activity in examination, which is to determine what applicant invented and to construe the claim in accordance with its broadest reasonable interpretation (BRI). Next, referring to the eligibility flowchart reproduced in the *Quick Reference Sheet*, Section II addresses *Step 1* regarding the four statutory categories of invention. Section III addresses *Step 2A* by determining whether the claim is directed to an abstract idea. Section IV addresses *Step 2B* by identifying additional elements to determine if the claim amounts to significantly more than an abstract idea.

Application/Example No. and claim: Claim 1

I. What did applicant invent?

Review the disclosure to identify what applicant considers as the invention. (MPEP 2103(I))

Applicant invented:

A computerized system for converting a designated portion of future retirement payments into currently available resources. The advanced funds are determined based upon the present value of a designated portion of the beneficiary's future retirement benefits. The advanced funds are distributed to beneficiary via a remote kiosk that encodes and encrypts account information on a debit card that is ejected to the beneficiary.

Establish the broadest reasonable interpretation (BRI) of the claim.

The claim recites a system with a memory, processor, network interface and controller. The system stores an account to receive future retirement payments by electronic funds transfer from a source, designates a benefit provider to provide a present monetary benefit to the beneficiary, electronically communicates with the benefit provider to periodically disburse a predetermined portion of the future retirement payments via computers

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and an interface, electronically communicates with the beneficiary and outputs instructions to the benefit provider to disperse the monetary benefit to the beneficiary based on the present value of a designated portion of the future retirement payment.

II. Does the claimed invention fall within one of the four statutory categories of invention (process, machine, manufacture or composition of matter) (Step 1)?

Choose A or B:

- A. Yes, the claimed invention is a machine, a combination of mechanical devices.

Continue with the SME analysis.

- B. No, the claimed invention is not one of the four statutory categories. Make a rejection of the claim as being drawn to non-statutory subject matter. Use Form Paragraphs 7.05 and 7.05.01 available in Custom OACs.

If the claim could be amended to fall within one of the statutory categories, it is recommended to **continue with the SME analysis** under that assumption. Make the assumption clear in the record if a rejection is ultimately made under *Step 2*, and consider suggesting a potential amendment to applicant that would result in the claim being drawn to a statutory category.

If no amendment is possible, **conclude the SME analysis** and continue with examination under each of the other patentability requirements.

III. Is the claim directed to an abstract idea (Step 2A)?

Courts have found certain concepts to be “abstract ideas”, for example fundamental economic practices, certain methods of organizing human activity, ideas themselves (standing alone), or mathematical relationships/formulae. Identify the claim limitation(s) that correspond to the abstract idea, and explain how such is similar to concepts previously held by the courts to be abstract (Refer to the July 2015 Update Quick Reference Sheet, page 2). A claim is “directed” to an abstract idea when the abstract idea is recited (*i.e.*, **set forth or described**) in the claim.

Choose A, B, or C:

- A. No, the claim does not recite a concept that is similar to those found by the courts to be abstract. **Conclude SME analysis** and continue with examination under each of the other patentability requirements. If needed, the record can be clarified by providing remarks in the Office action regarding interpretation of the claim (*for example*: the broadest reasonable interpretation of the claim is not directed to an abstract idea.)
- B. Yes, but the streamlined analysis is appropriate as the eligibility is self-evident, and a full eligibility analysis is not needed. Applicant’s claimed invention, explained in Section I above, is not focused on the abstract idea, and the claim clearly does not attempt to tie up

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an abstract idea such that others cannot practice it. (Refer to the [February 2015 Training Slides](#) for information and examples of a streamlined analysis.) **Conclude SME analysis** and continue with examination under each of the other patentability requirements.

- C. Yes, identify the limitation(s) in the claim that recite(s) the abstract idea and explain why the recited subject matter is an abstract idea. After identifying the abstract idea, **continue with SME analysis**.

The limitation(s) in the claim that set(s) forth or describe(s) the abstract idea is (are):

The claim recites, in part, a system for performing the steps of storing an account for a beneficiary to receive future retirement payments, designating a benefit provider, periodically disbursing a portion of retirement payments, and authorizing the benefit provider to provide the benefit to the beneficiary based on present value of a portion of future retirement payments.

The reason(s) that the limitation(s) are considered an abstract idea is (are):

These steps describe the concept of advancing funds based on future retirement payments, which corresponds to concepts identified as abstract ideas by the courts, such as intermediate settlement in *Alice*, risk hedging in *Bilski* or tax-free investing in *Fort Properties*. All of these concepts relate to economic practices where monetary transactions between people are managed. The concept in claim 1 is not meaningfully different than those economic concepts found by the courts to be abstract ideas (*Step 2A: YES*).

IV. Does the claim as a whole amount to significantly more than the abstract idea (Step 2B)?

- A. Are there any additional elements (features/limitations/step) recited in the claim beyond the abstract idea identified above?

Choose 1 or 2:

1. No, there are no other elements in the claim in addition to the abstract idea. **Conclude SME analysis** by making a § 101 rejection and continue with examination under each of the other patentability requirements. Use *Form Paragraphs 7.05 and 7.05.015* available in *Custom OACs*.

Are there elements in the disclosure that could be added to the claim that may make it eligible? Identify those elements and consider suggesting them to applicant:

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2. Yes, the claim elements (features/limitations/steps) in addition to the abstract idea are:

The claim recites the additional elements of a "memory" for storing the account, a "processor" programmed to perform the designating, disbursing and authorizing steps, a "network interface" for providing electronic communication, and a "controller" that accepts inputs and outputs instructions. The claim also indicates that the beneficiary is to receive payments by "electronic funds transfer."

Continue with the SME analysis.

- B. Evaluate the significance of the additional elements. Identifying additional elements and evaluating their significance involves the search for an "inventive concept" in the claim. It can be helpful to keep in mind what applicant invented (identified in Section I above) and how that relates to the additional elements to evaluate their significance.

Consider all of the identified additional elements individually and in combination to determine whether the claim as a whole amounts to significantly more than the abstract idea identified above. Reasons supporting the significance of the additional elements can include one or more of the following:

- improves another technology or technical field
- improves the functioning of a computer itself
- applies the abstract idea with, or by use of, a particular machine
 - *not* a generic computer performing generic computer functions
 - *not* adding the words "apply it" or words equivalent to "apply the abstract idea"
 - *not* mere instructions to implement an abstract idea on a computer
- effects a transformation or reduction of a particular article to a different state or thing
- adds a specific limitation other than what is well-understood, routine and conventional in the field
 - *not* appending well-understood, routine, and conventional activities previously known to the industry, specified at a high level of generality
 - *not* a generic computer performing generic computer functions
- adds unconventional steps that confine the claim to a particular useful application
 - *not* adding insignificant extrasolution activity, such as mere data gathering

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- adds meaningful limitations that amount to more than generally linking the use of the abstract idea to a particular technological environment

Complete (1) or (2) below:

1. Yes, the additional elements, taken individually or as a combination, result in the claim amounting to significantly more than the abstract idea because

If any elements, individually or as a combination, amount to the claim reciting significantly more than the abstract idea, **conclude SME analysis** and continue with examination under each of the other patentability requirements. If needed, the record can be clarified by providing remarks in the Office action regarding interpretation of the claim (*for example*: the claim recites the abstract idea of “x”, but amounts to significantly more than the idea itself with the additional element “y” because “abc”).

2. No, the additional elements, taken individually and as a combination, do not result in the claim amounting to significantly more than the abstract idea because

The “memory,” “processor,” “network interface” and “controller” are recited at a high level of generality and are recited as performing generic computer functions routinely used in computer applications. Generic computer components recited as performing generic computer functions that are well-understood, routine and conventional activities amount to no more than implementing the abstract idea with a computerized system. Next, “electronic funds transfer” is stated at a high level of generality and its broadest reasonable interpretation comprises only the transfer of money between two entities through the use of some unspecified generic computers and interface. The use of generic computer components to transmit information through an unspecified interface does not impose any meaningful limit on the computer implementation of the abstract idea. Thus, taken alone, the additional elements do not amount to significantly more than a judicial exception. Looking at the limitations as an ordered combination adds nothing that is not already present when looking at the elements taken individually. There is no indication that the combination of elements improves the functioning of a computer or improves any other technology. Their collective

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functions merely provide conventional computer implementation (Step 2B: NO).

If no elements, taken individually and as a combination, amount to the claim reciting significantly more than the abstract idea, **conclude the SME analysis** by making a § 101 rejection and continue with examination under each of the other patentability requirements. *Use Form Paragraphs 7.05 and 7.05.015 available in Custom OACs.*

Are there elements in the disclosure that could be added to the claim that may make it eligible? Identify those elements and consider suggesting them to applicant:

See Subject Matter Eligibility Worksheet for claim 2.

Sample Rejection:

See Section II - Office Action of the 2016 Subject Matter Eligibility Workshop.

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Application/Example No. and claim: Claim 2

I. What did applicant invent?

Review the disclosure to identify what applicant considers as the invention. (MPEP 2103(I))

Applicant invented:

A computerized system for converting a designated portion of future retirement payments into currently available resources. The advanced funds are determined based upon the present value of a designated portion of the beneficiary's future retirement benefits. The advanced funds are distributed to beneficiary via a remote kiosk that encodes and encrypts account information on a debit card that is ejected to the beneficiary.

Establish the broadest reasonable interpretation (BRI) of the claim.

The claim recites a system with a memory, processor, network interface, controller and a kiosk with an interactive display, network connector and smart card dispenser. The system receives information from the beneficiary entered at the kiosk, stores an account to receive future retirement payments by electronic funds transfer from a source, designates a benefit provider to provide a present monetary benefit to the beneficiary, electronically

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communicates with the benefit provider to periodically disburse a predetermined portion of the future retirement payments via computers and an interface, outputs instructions to the benefit provider to disperse the monetary benefit to the beneficiary based on the present value of a designated portion of the future retirement payment, and receives account information from the benefit provider to encode and encrypt the memory chip of a smart card and ejects the smart card to the beneficiary.

II. Does the claimed invention fall within one of the four statutory categories of invention (process, machine, manufacture or composition of matter) (Step 1)?

Choose A or B:

- A. Yes, the claimed invention is a machine, a combination of mechanical devices.

Continue with the SME analysis.

- B. No, the claimed invention is not one of the four statutory categories. Make a rejection of the claim as being drawn to non-statutory subject matter. Use *Form Paragraphs 7.05 and 7.05.01 available in Custom OACs.*

If the claim could be amended to fall within one of the statutory categories, it is recommended to **continue with the SME analysis** under that assumption. Make the assumption clear in the record if a rejection is ultimately made under *Step 2*, and consider suggesting a potential amendment to applicant that would result in the claim being drawn to a statutory category.

If no amendment is possible, **conclude the SME analysis** and continue with examination under each of the other patentability requirements.

III. Is the claim directed to an abstract idea (Step 2A)?

Courts have found certain concepts to be “abstract ideas”, for example fundamental economic practices, certain methods of organizing human activity, ideas themselves (standing alone), or mathematical relationships/formulae. Identify the claim limitation(s) that correspond to the abstract idea, and explain how such is similar to concepts previously held by the courts to be abstract (Refer to the July 2015 Update Quick Reference Sheet, page 2). A claim is “directed” to an abstract idea when the abstract idea is recited (*i.e.*, **set forth** or **described**) in the claim.

Choose A, B, or C:

- A. No, the claim does not recite a concept that is similar to those found by the courts to be abstract. **Conclude SME analysis** and continue with examination under each of the other patentability requirements. If needed, the record can be clarified by providing remarks in the Office action regarding interpretation of the claim (*for example*: the broadest reasonable interpretation of the claim is not directed to an abstract idea.)

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B. Yes, but the streamlined analysis is appropriate as the eligibility is self-evident, and a full eligibility analysis is not needed. Applicant's claimed invention, explained in Section I above, is not focused on the abstract idea, and the claim clearly does not attempt to tie up an abstract idea such that others cannot practice it. (Refer to the [February 2015 Training Slides](#) for information and examples of a streamlined analysis.) **Conclude SME analysis** and continue with examination under each of the other patentability requirements.

C. Yes, identify the limitation(s) in the claim that recite(s) the abstract idea and explain why the recited subject matter is an abstract idea. After identifying the abstract idea, **continue with SME analysis**.

The limitation(s) in the claim that set(s) forth or describe(s) the abstract idea is (are):

The claim recites, in part, a system for performing the steps of storing an account for a beneficiary to receive future retirement payments, designating a benefit provider, periodically disbursing a portion of retirement payments, and authorizing the benefit provider to provide the benefit to the beneficiary based on present value of a portion of future retirement payments.

The reason(s) that the limitation(s) are considered an abstract idea is (are):

These steps describe the concept of advancing funds based on future retirement payments, which corresponds to concepts identified as abstract ideas by the courts, such as intermediate settlement in *Alice*, risk hedging in *Bilski* or tax-free investing in *Fort Properties*. All of these concepts relate to economic practices where monetary transactions between people are managed. The concept in claim 2 is not meaningfully different than those economic concepts found by the courts to be abstract ideas (*Step 2A: YES*).

IV. Does the claim as a whole amount to significantly more than the abstract idea (Step 2B)?

A. Are there any additional elements (features/limitations/step) recited in the claim beyond the abstract idea identified above?

Choose 1 or 2:

1. No, there are no other elements in the claim in addition to the abstract idea. **Conclude SME analysis** by making a § 101 rejection and continue with examination under each of the other patentability requirements. *Use Form Paragraphs 7.05 and 7.05.015 available in Custom OACs.*

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Are there elements in the disclosure that could be added to the claim that may make it eligible? Identify those elements and consider suggesting them to applicant:

2. Yes, the claim elements (features/limitations/steps) in addition to the abstract idea are:

The claim recites the additional elements of a "memory" for storing the account, a "processor" programmed to perform the designating, disbursing and authorizing steps, a "network interface" for providing electronic communication, and a "controller" that accepts inputs and outputs instructions. The claim also indicates that the beneficiary is to receive payments by "electronic funds transfer." The claim further recites a kiosk with an "interactive display," a "network connector" for communicating over the Internet with the network interface and benefit provider, and a "smart card dispenser" for dispensing smart cards.

Continue with the SME analysis.

- B. Evaluate the significance of the additional elements. Identifying additional elements and evaluating their significance involves the search for an "inventive concept" in the claim. It can be helpful to keep in mind what applicant invented (identified in Section I above) and how that relates to the additional elements to evaluate their significance.

Consider all of the identified additional elements individually and in combination to determine whether the claim as a whole amounts to significantly more than the abstract idea identified above. Reasons supporting the significance of the additional elements can include one or more of the following:

- improves another technology or technical field
- improves the functioning of a computer itself
- applies the abstract idea with, or by use of, a particular machine
 - *not* a generic computer performing generic computer functions
 - *not* adding the words "apply it" or words equivalent to "apply the abstract idea"
 - *not* mere instructions to implement an abstract idea on a computer
- effects a transformation or reduction of a particular article to a different state or thing
- adds a specific limitation other than what is well-understood, routine and conventional in the field

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- *not* appending well-understood, routine, and conventional activities previously known to the industry, specified at a high level of generality
- *not* a generic computer performing generic computer functions
- adds unconventional steps that confine the claim to a particular useful application
 - *not* adding insignificant extrasolution activity, such as mere data gathering
- adds meaningful limitations that amount to more than generally linking the use of the abstract idea to a particular technological environment

Complete (1) or (2) below:

1. Yes, the additional elements, taken individually or as a combination, result in the claim amounting to significantly more than the abstract idea because

The specific elements of claim 2 that work in combination to effect dispersal of advanced retirement funds represent a departure from the routine and conventional sequence of events after the authorization by a third party to provide a monetary benefit to a beneficiary from a benefit provider. In particular, considering these limitations in combination with the additional limitations of claim 1 amount to significantly more than the abstract idea of advancing funds based on future retirement benefits. These limitations in combination provide meaningful limitations beyond generally linking the use of the abstract idea to a particular technological environment.

If any elements, individually or as a combination, amount to the claim reciting significantly more than the abstract idea, **conclude SME analysis** and continue with examination under each of the other patentability requirements. If needed, the record can be clarified by providing remarks in the Office action regarding interpretation of the claim (*for example*: the claim recites the abstract idea of “x”, but amounts to significantly more than the idea itself with the additional element “y” because “abc”.)

2. No, the additional elements, taken individually and as a combination, do not result in the claim amounting to significantly more than the abstract idea because

If no elements, taken individually and as a combination, amount to the claim reciting significantly more than the abstract idea, **conclude the SME analysis** by making a § 101

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rejection and continue with examination under each of the other patentability requirements. *Use Form Paragraphs 7.05 and 7.05.015 available in Custom OACs.*

Are there elements in the disclosure that could be added to the claim that may make it eligible? Identify those elements and consider suggesting them to applicant:

Sample Rejection:

Claim _ is rejected under 35 U.S.C. 101 because the claimed invention is directed to a judicial exception (i.e., a law of nature, a natural phenomenon, or an abstract idea) without significantly more. Claim _ is directed to

The claim does not include additional elements that are sufficient to amount to significantly more than the judicial exception because
