

## SUBJECT MATTER ELIGIBILITY WORKSHEET:

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.

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: Example 7, claim 1

#### ***I. What did applicant invent?***

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

Applicant invented:

a method for providing a performance guaranty (a contract) in an online commercial transaction by guaranteeing a first party's performance when the first party and second party enter into the online transaction.

This can be a brief description and should not merely reproduce the claim. The important take away here is that applicant's invention is focused on providing safe online transactions using a performance guaranty.

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

#### ***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 series of steps, which is a process.

**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.*

## SUBJECT MATTER ELIGIBILITY WORKSHEET:

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. Assistance in identifying such abstract ideas can be obtained by referring to the [case law chart](#) available on the website and the court case discussions in the 2014 Interim Eligibility Guidance. 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 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 “receiving,” “processing,” and “offer[ing]” steps describe creating a contract, including receiving a request for a performance guaranty (contract), processing the request by underwriting to provide a performance guaranty and offering the performance guaranty.

## SUBJECT MATTER ELIGIBILITY WORKSHEET:

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

The creation of a contractual relationship as recited in the claim is a commercial arrangement involving contractual relations similar to the fundamental economic practices found by the courts to be abstract ideas (e.g., hedging in *Bilski*, mitigating settlement risk in *Alice*).

### 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:

Additional claim elements include a computer application running on a computer and a computer network.

**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

The courts have found that some computerized systems implementing abstract ideas do not add significantly more to the abstract idea. Thus, providing a programmed computer does not automatically satisfy a 'particular machine' for this analysis.

The additional elements must show an “inventive concept.” Many of these considerations overlap, and more than one

## SUBJECT MATTER ELIGIBILITY WORKSHEET:

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

In this case, the circles indicate that the computer limitations are generic elements performing generic functions.

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

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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 additional elements are a generic recitation of a computer and a computer network performing their basic, generic computer functions. The claim amounts to no more than stating create a contract on a computer and send it over a network. The addition of the computer and network do not

## SUBJECT MATTER ELIGIBILITY WORKSHEET:

add a meaningful limitation to the method of creating a performance guaranty. These generic computing elements do not amount to significantly more than the judicial exception.

The claim is ineligible.

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:

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A sample rejection follows:

[FP 7.05] Claim 1 is rejected under 35 U.S.C. 101 because

[FP 7.05.015] 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(s) 1 is/are directed to the abstract idea of creating a contract. While the claim does not explicitly recite "creating a contract," the concept of "creating a contract," is described by the "receiving," "processing," and "offer[ing]" steps. The creation of a contractual relationship as recited in the claim is a commercial arrangement involving contractual relations similar to the fundamental economic practices found by the courts to be abstract ideas (*e.g.*, hedging in *Bilski*, mitigating settlement risk in *Alice*).

The claim does not include additional elements that are sufficient to amount to significantly more than the judicial exception because the additional elements are simply a generic recitation of a computer and a computer network performing their generic computer functions. The claim amounts to no more than stating create a contract on a computer and send it over a network. Taking the elements both individually and as a combination, the computer components in claim 1 perform purely generic computer functions. The claim as a whole does not amount to significantly more than the abstract idea itself. Accordingly, claim 1 is ineligible.