II) REMARKS

The present claims were found to be allowable in the Notice of Allowance dated June 30, 2014. Therein, the Examiner admitted that the prior art does not teach the claims as previously amended. The present application was subsequently withdrawn from issue by the Patent Office in August 12, 2014, and the present Office action was issued.

In this Office action, the Examiner maintains that the claims are still allowable over the prior art, but the Examiner now rejects all the claims 1-108 under 35 U.S.C. 101 because the claimed invention is allegedly directed to non-statutory subject matter. This rejection was issued due to the recent U.S. Supreme Court case of Alice Corp. v. CLS Bank Int'l[1] and the Examination Guidelines that issued subsequently by the Patent Office.

In the Office action, the Examiner makes a general allegation that

> the claims, as a whole, are directed towards the concept of operating a data collection and analysis system, which is considered a fundamental economic practice and is simply a series of data gathering or collecting, mathematical formulation and operation; therefore the claims are drawn to an abstract idea. The claims do not recite limitations that are "significantly more" than the abstract idea because the claims do not recite an improvement to another technology or technical field, an improvement to the functioning of the computer itself, or meaningful limitations beyond

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[1] 2014 US Lexis 4303 (2014)

generally linking the use of an abstract idea to a
particular technological environment. ***It should be
noted the limitations of the current claims are
performed by the generically recited computer.*** The
limitations are merely instructions to implement
the abstract idea on a computer and require no
more than a generic device/computer to perform
<u>generic functions that are well-understood,
routine and conventional activities previously
known to the industry</u>.

Office action, pages 3-4 (underlined emphasis added, bold
italic emphasis original). Applicant respectfully disagrees
with this characterization of the Applicant's claims and
respectfully requests reconsideration of all pending claims
in view of these remarks. Applicant maintains that the
claims are indeed patent-eligible under 35 USC 101 for the
following reasons.

<u>a) there is no evidence on the record to establish that
the claim is an abstract method of "operating a data
collection and analysis system" under part one of the
Alice test</u>

The Examiner has alleged, without providing evidentiary
support, that

the claims, as a whole, are directed towards the
concept of <u>operating a data collection and
analysis system</u>, which is considered a <u>fundamental
economic practice</u> and is simply a series of data
gathering or collecting, mathematical formulation
and operation; therefore <u>the claims are drawn to
an abstract idea</u>.

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Office action, page 3 (emphasis added). However, the Examiner has provided no support in making this allegation and thus fails to establish a *prima facie* case that the claim is for an abstract idea. It appears that all the Examiner did was to take the language of the preamble, call it an abstract idea (with no evidentiary proof), and ignore the specific claim limitations *which the Examiner has found to be novel and unobvious over the prior art.* In the recent case of PNC Bank v. Secure Axcess, LLC,[2] the PTAB found that there was not sufficient evidence that the placing of a trusted stamp or seal on a document is a fundamental economic practice or a building block of the modern economy, noting that in Alice there were various references cited on the record that related to the concept of intermediated settlement.

Similarly, in this case, there is no evidence on the record that the invention as defined by the particular claim limitations is simply some abstract method of merely operating a data collection and analysis system as alleged by the Examiner. The Examiner has glossed over, apparently without any consideration, the specific steps delineated in the claim. No evidentiary support has been provided for the conclusory statement made by the Examiner that the following claimed process is a fundamental economic practice:

- an exchange computer applies a quantitative analysis algorithm with customer identification data
    - o the quantitative analysis algorithm determines whether the exchange computer has received an

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[2] CBM2012-00100, PTAB, September 9, 2014

amount of customer identification data sufficient
for the customer to be uniquely identified
- if the quantitative analysis algorithm passes, then the
exchange computer sends the customer identification
data to a linking service computer which applies a
qualitative analysis algorithm with the customer
identification data
    o the qualitative analysis algorithm determines if
      the customer identification data is sufficient for
      the customer to be uniquely identified by matching
      the customer identification data to a plurality of
      customer identification records
- if the qualitative analysis algorithm passes, then the
linking service computer retrieves from a database a
customer record set that has account information
records with account login data for logging into an
associated database
- the linking service computer sends the customer record
set to the exchange computer which then stores it and
uses it to communicate with a remote database
associated with the account login data and retrieve
customer information from each of the remote databases

Applicant cannot imagine how this specific, detailed process,
undertaken by several computers interoperating over a
computer network can be characterized as a mere "data
collection and analysis system" and thus a fundamental
economic practice. Applicant respectfully requests the
Examiner establish on the record precisely how this
conclusion has been reached.

Thus, the allegation by the Examiner that the claim is for a
mere abstract idea has no support and fails to support the
101 rejection under Alice.

b) the claims are not for a mere abstract idea due to presence of particular limitations that confine the scope of the claims to being much narrower than mere "operating a data collection and analysis system" and provide enough extra to pass the Alice test

In the Office action, the Examiner stated that

> The claims do not recite limitations that are "significantly more" than the abstract idea because the claims do not recite an improvement to another technology or technical field, an improvement to the functioning of the computer itself, or meaningful limitations beyond generally linking the use of an abstract idea to a particular technological environment. ***It should be noted the limitations of the current claims are performed by the generically recited computer.*** The limitations are merely instructions to implement the abstract idea on a computer and require no more than a generic device/computer to perform generic functions that are well-understood, routine and conventional activities previously known to the industry.

Office action at pages 3-4 (emphasis original).

Applicant respectfully disagrees with this analysis. The Examiner seems to gloss over the particular limitations of the claims that narrow substantially the reach of the claims in the overall field of "operating a data collection and analysis system". Thus, it is respectfully submitted that the claims are not for a mere abstract idea, but in fact require a particular set of detailed steps that sufficiently distinguish the claims from the general concept of

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"operating a data collection and analysis system." As such, the claims pass muster under the first part of the Alice two-part test for patent eligibility under section 101. Furthermore, in the PNC case mentioned above, the Patent Trial and Appeal Board provided an instructive analytical framework in deciding if a claim is directed towards an abstract idea under part one of the Alice test. In PNC, the PTAB first examined the claim as a whole, citing Alice, 134 S. CT. at 2355 n. 3. Claim 1 in the PNC case, as a whole, relates to:

> a computer-implemented method to transform data in a particular manner – by inserting an authenticity key to create formatted data, enabling a particular type of computer file to be located and from which an authenticity stamp is retrieved.

PNC, page 20 (emphasis added). Notably, the PTAB then concluded that

> On its face, there is nothing immediately apparent about these physical steps that would indicate the claim is directed towards an abstract idea.

PNC, page 20 (emphasis added).

Thus, the PTAB in PNC properly looked at the particular claim limitations that were present, and concluded that these particular limitations removed the claim from being a mere abstract idea under part one of the Alice test. Similarly, with the present claims, there are several particular limitations that also remove them from being abstract:

- an exchange computer <u>applies a quantitative analysis algorithm</u> with customer identification data
    - o the quantitative analysis algorithm determines whether the exchange computer has received an <u>amount of customer identification data sufficient</u> for the customer to be uniquely identified
- if the quantitative analysis algorithm passes, then the exchange computer sends the customer identification data to a linking service computer which <u>applies a qualitative analysis algorithm</u> with the customer identification data
    - o the qualitative analysis algorithm determines if the customer identification data is <u>sufficient</u> for the customer to be uniquely identified <u>by matching the customer identification data</u> to a plurality of customer identification records
- if the qualitative analysis algorithm passes, then the linking service computer <u>retrieves from a database a customer record set</u> that has account information records with account login data for logging into an associated database
- the linking service computer sends the customer record set to the exchange computer which then stores it and <u>uses it to communicate with a remote database associated with the account login data and retrieve customer information from each of the remote databases</u>

Therefore, the particular claim limitations discussed above necessarily remove the claims from being a mere abstract idea under part one of the <u>Alice</u> test. If, however, the Examiner is of the opinion that the mere presence of an abstract idea in the claims (data) necessarily places the claim into part two of the test, then it is respectfully submitted that the claim passes muster under part two as now explained.

In part two of the Alice test, we must examine the elements
of the claim to determine whether it contains an inventive
concept sufficient to transform the claimed abstract idea
into a patent-eligible application.[3] The question then
becomes – does the claim contain "enough" to remove it from
being for a mere abstract idea?

Unfortunately the Supreme Court laid out the language of the
test but gave very little insight as to what may be "enough"
for the claim to pass muster under the test. The Court gave
several non-limiting and non-exclusive examples involving
technological improvements[4] and "meaningful limitations"
beyond generally linking the use of the abstract idea to a
particular technological environment, but these examples are
illustrative and not the only ways to pass this part of the
test.

The Court also stated that merely adding the words "apply it"
to an abstract idea is not enough to pass the test. The
Examiner has asserted that the Applicant has merely taken
the abstract idea of a data collection and analysis system
and applied it to a general purpose computer, which is not
enough to escape the abstract idea exception to patent
eligibility. Applicant strongly but respectfully disagrees.

If the abstract idea is merely to collect and analyze data
as alleged by the Examiner, then the particular, detailed
steps in the remainder of the claim are certainly enough to
escape the ineligibility exception under Alice.

Notably, reference to the recent case of Tuxis Technologies,

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[3] Alice, slip op at 11.
[4] "improvements to another technology or technical field,
improvements to the functioning of the computer itself"

LLC v. Amazon.com, Inc.[5] is instructive on this subject. In
Tuxis, the court followed the Alice case in analyzing a
claim under the abstract idea exception to patent
eligibility. The court stated "once an abstract idea is
identified, the Court must perform a preemption analysis and
***determine whether the remainder of the claim includes
limitations*** that "narrow, confine, or otherwise tie down the
claim so that, in practical terms, it does not cover the
full abstract idea itself."[6] "The relevant inquiry is whether
***a claim, as a whole, includes meaningful limitations
restricting it*** to an application, rather than merely
an abstract idea."[7]

Clearly, the Applicants claims act to narrow, confine, and
otherwise tie down the claim so as not to cover the general
abstract idea of just collecting and analyzing data. In the
Applicant's claims, very particular steps must be carried
out as explained above. Clearly, these detailed
requirements are enough to render the claim patent-eligible
under section 101 since the claim is not for the mere
abstract idea of collecting and analyzing data. In
Applicant's claims, a series of tests are performed (the
quantitative and the qualitative tests) and if they pass
then login data is retrieved and used to access various web
sites over the Internet. These claims are clearly not just
for data collection and analysis and thus are eligible for
patent protection under 35 USC 101.

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[5] 2014 US Dist. LEXIS 122457 (US Dist. Ct. Del. 9/3/2014).
[6] Tuxis, US Dist. LEXIS 122457, citing Accenture, 728 F.3d at 1341
[7] Id.

c) the claims provide an inventive concept since they
have been found to be allowable under sections 102 and
103

In addition, the Tuxis court observed that the claim at
issue in that case lacked an "inventive concept," in that
the claimed elements were known in the art. Here, in stark
contrast, the Examiner has found that the claims are
allowable under sections 102 and 103 of the patent statute,
which govern novelty and unobviousness. That is, the
Examiner has acknowledged that the claim as a whole recites
novel and unobvious (and therefore otherwise patentable)
subject matter. After a thorough examination process, in
which the claims were amended in view of detailed prior art
rejections, the Examiner is ready to allow the claims but
for this 101 rejection that was spurred on because of the
recent Supreme Court case of Alice. Clearly these claims
present the inventive concept required to pass muster under
section 101 as well.

d) the claims do not wholly pre-empt the field of data
collection and analysis due to numerous non-infringing
alternatives that are significant and substantial

Pre-emption of a field by a claim to an abstract idea was a
major main concern of the Supreme Court in Alice. There,
the Supreme Court emphasized that "the concern that drives
this exclusionary principle [that abstract ideas cannot be
patented] is one of pre-emption."[8] That is, the Court does

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[8] Alice, Slip Op. at 5 (emphasis added).

not want to allow an inventor to "effectively grant a monopoly over an abstract idea".[9] However, the Court very clearly cautioned that it treads carefully in construing this exclusionary principle "lest it swallow all of patent law," since all inventions embody, use, reflect, rest upon, or apply abstract ideas.[10] Moreover, an invention is not rendered ineligible for patent simply because it involves an abstract concept.[11]

The Court further explained how it is important to distinguish between patents that claim the building blocks of human ingenuity and those that integrate the building blocks into something more, thereby transforming them into a patent-eligible invention, which poses no risk of pre-emption, and therefore remain eligible for the monopoly granted under our patent laws.[12] Simply put, the Applicant's claims do not pre-empt the field of data collection and analysis.

Unfortunately the Court in Alice gave little insight as to how to determine if there is undue pre-emption of the field, since all claims pre-empt something. In the recent Tuxis case, decided after and in view of Alice, the court considered various ways that the claim at issue could be avoided in order to determine if the claim was unduly pre-emptive. Although the Tuxis court eventually decided that the limitations of that claim were not meaningful enough

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[9] Id at 6.
[10] Id (emphasis added).
[11] Id.
[12] Alice, Slip. Op. at 6 (emphasis added).

(i.e. the practical effect was "insubstantial"), its analysis is instructive and should be used as guidance in this case.

Thus, there are many meaningful and significant ways that awards can be distributed (which is the abstract idea identified by the Examiner) without being covered by the claim and thus operate outside of the reach of the patent. Thus, the claim does not pre-empt the broad field of data collection and analysis and is eligible under section 101.

Thus, it is respectfully submitted that the claims are indeed patent-eligible under a proper application of the standards set forth in the Alice case.

Applicant thus submits that application is now in condition for allowance, early notice of which would be appreciated. Should the Examiner not agree with the Applicant's position, a personal or telephonic interview is respectfully requested to discuss any remaining issues and expedite the eventual allowance of this application.

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