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UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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*Ex parte* LEKAN WANG, ALLEN CHANG, JOHN GARROD,  
SINA IMAN, PATRICK TARDIF, ANTOINE LLORCA,  
SEVASTIAN BRUCKNER, CODY VEAL, SAMUEL FENDELL,  
CHRISTOPHER LEWIS, BRIAN NGO, PATRICK DUNN,  
SEBASTIAN CALIRI,  
HARI ARUL, AJAY SUDAN, MICHAEL WINLO, ISAAC GATENO,  
MICHAEL GLAZER, DANIEL CERVELLI and  
LAUREN CHAPARRO

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Appeal 2017-007151  
Application 14/289,596  
Technology Center 3600

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Before ST. JOHN COURTENAY III, NORMAN H. BEAMER, and  
JOHN D. HAMANN, *Administrative Patent Judges*.

COURTENAY, *Administrative Patent Judge*.

DECISION ON APPEAL

Appellants<sup>1</sup> appeal under 35 U.S.C. § 134(a) from a second Non-Final Rejection of claims 1–3, 5–8, 10–14, and 16–20. Claims 4, 9, and 15 are cancelled. We have jurisdiction over the pending claims under 35 U.S.C. § 6(b). We affirm.

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<sup>1</sup> According to Appellants, the real party in interest is Palantir Technologies Inc., which is the assignee of the present application. App. Br. 3.

## STATEMENT OF THE CASE

### *Introduction*

Embodiments of Appellants' invention are generally related to computer-implemented systems and methods for analyzing healthcare-related entity performance. Abstract.

### *Exemplary Claim*

1. A system for analyzing healthcare-related entity performance, the system comprising:

a memory device that stores a set of instructions;

one or more processors configured to execute the set of instructions in order to:

[L1] *associate one or more of a plurality of categories of healthcare-related interactions associated with multiple healthcare-related entities in a data structure with one or more filters corresponding to one or more filter selections;*

receive a request that includes one or more filter selections;

access the data structure including information that specifies the plurality of categories of healthcare-related interactions associated with multiple healthcare-related entities;

identify a set of categories from the plurality of categories based on the one or more filter selections;

[L2] *utilize the information of the identified categories to:*

*determine one or more records within the data structure based on the identified categories;*

*determine one or more interactions within the data structure comprising the one or more determined records;*

*determine one or more entities of the multiple healthcare-related entities corresponding to the one or more determined interactions; and*

*determine performance information indicating a performance of the one or more entities based at least in part on the one or more interactions; and*

generate a user interface that includes the determined performance information.

App. Br. 25 (Claims Appendix) (Contested limitations emphasized regarding anticipation rejection C).

### *Rejections*

- A. Claims 1–3, 5–8, 10–14, and 16–20 are rejected under 35 U.S.C. § 101, as being directed to a judicial exception, without significantly more. Non-Final Act. 3.
- B. Claims 1–3, 5–8, 10–14, and 16–20 are rejected under 35 U.S.C. § 112(b) as being indefinite. Non-Final Act. 10.<sup>2</sup>
- C. Claims 1–3, 5–8, 10–14, and 16–20 are rejected under 35 U.S.C.

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<sup>2</sup> The Examiner initially set forth two independent bases for rejection B under 35 U.S.C. § 112(b). As we understand the status of rejection B on appeal, the Examiner has withdrawn the first ground for the ¶ 112(b) rejection (Ans. 10, ¶ 12, “The Examiner drops this rejection”), *but the Examiner does not withdraw the second ground* under 35 U.S.C. § 112(b). Ans. 10–11, ¶ 13, (“therefore the rejection is maintained.”). Therefore, the second ground of rejection under 35 U.S.C. § 112(b) is before us on appeal. *See* Ans. 11, ¶ 13.

§ 102(a)(2) as anticipated by Chao (US 2006/0241974 A1; Oct. 26, 2006). Non-Final Act. 17.

*Issues on Appeal*

Did the Examiner err in rejecting claims 1–3, 5–8, 10–14, and 16–20 under 35 U.S.C. § 101, as being directed to a judicial exception, without significantly more?

Did the Examiner err in rejecting claims 1–3, 5–8, 10–14, and 16–20 under 35 U.S.C. § 112(b), as being indefinite?

Did the Examiner err in rejecting claims 1–3, 5–8, 10–14, and 16–20 under 35 U.S.C. § 102(a)(2), as anticipated by Chao (US 2006/0241974 A1; Oct. 26, 2006)?

ANALYSIS

We have considered all of Appellants’ arguments and any evidence presented. We highlight and address specific findings and arguments for emphasis in our analysis below.

*Rejection A under 35 U.S.C. § 101*

*Mayo/Alice Analysis*

Under 35 U.S.C. § 101, a patent may be obtained for “any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof.” The Supreme Court has “long held that this provision contains an important implicit exception: Laws of nature, natural phenomena, and abstract ideas are not patentable.” *Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 134 S.Ct. 2347, 2354 (2014) (quoting *Ass’n for Molecular Pathology v. Myriad Genetics, Inc.*, 569 U.S. 576, 589 (2013)).

The Supreme Court in *Alice* reiterated the two-step framework previously set forth in *Mayo Collaborative Services v. Prometheus Laboratories, Inc.*, 566 U.S. 66, 82–84 (2012), “for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of those concepts.” *Alice*, 134 S.Ct. at 2355.

The first step in that analysis is to determine whether the claims at issue are directed to one of those patent-ineligible concepts, such as an *abstract idea*. Abstract ideas may include, but are not limited to, fundamental economic practices, methods of organizing human activities, an idea of itself, and mathematical formulas or relationships. *Id.* at 2355–57.

If the “acts” of a claimed process manipulate only numbers, abstract concepts or ideas, or signals representing any of the foregoing, the acts are not being applied to appropriate subject matter. *See Gottschalk v. Benson*, 409 U.S. 63, 71–72 (1972). “Phenomena of nature, though just discovered, mental processes, and abstract intellectual concepts are not patentable, as they are the basic tools of scientific and technological work.” *In re Ferguson*, 558 F.3d 1359, 1363 (Fed. Cir. 2009) (quoting *Gottschalk*, 409 U.S. at 67). Moreover, if a method can be performed by human thought alone, or by a human using pen and paper, it is merely an abstract idea and is not patent eligible under § 101. *CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1372–73 (Fed. Cir. 2011).

If the claims are *not directed* to a patent-ineligible concept, *the inquiry ends*. *See Visual Memory LLC v. NVIDIA Corp.*, 867 F.3d 1253, 1262 (Fed. Cir. 2017).

Otherwise, the inquiry proceeds to the second step in which the elements of the claims are considered “individually and ‘as an ordered

combination’ to determine whether the additional elements ‘transform the nature of the claim’ into a patent-eligible application.” *Alice*, 134 S.Ct. at 2355 (quoting *Mayo*, 566 U.S. at 79, 78). For example, we consider the question of whether the claims are directed to a *specific improvement* in the capabilities of the computing devices, or, instead, “a process that qualifies as an ‘abstract idea’ for which computers are invoked merely as a tool.”

*Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1336 (Fed. Cir. 2016).

We, therefore, decide under step two, whether the claims: (a) set forth an *inventive concept* that provides a specific means or method that *improves* the relevant technology, or (b) are directed to a result or effect that itself is the abstract idea, in which the claims merely invoke generic processes and machinery. *See id.*

#### *The Examiner’s Rejection A under 35 U.S.C. § 101*

Regarding the first step of the *Alice/Mayo* analysis, the Examiner concludes that claims 1–3, 5–8, 10–14, and 16–20 are directed to a judicial exception, i.e., an abstract idea: “Although not explicitly stated, the abstract idea is shown through: Comparing new and stored information and using rules to identify options.” Non-Final Act. 3.<sup>3</sup>

Regarding the second step of the *Mayo/Alice* analysis, the Examiner finds “[t]he claims do not include additional elements (e.g. computer, processor, memory) that are sufficient to amount to significantly more than

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<sup>3</sup> “Patent eligibility under § 101 presents an issue of law.” *Accenture Glob. Servs., GmbH v. Guidewire Software, Inc.*, 728 F.3d 1336, 1340–41 (Fed. Cir. 2013).

the judicial exception because the specification shows them to be part of a general purpose computer.” Non-Final Act. 3.<sup>4</sup>

The Examiner cites paragraphs 47–50 of the Specification (which describe generic computer components) and finds:

the claimed elements are not improvements to another technology or technical field and are not improvements to the functioning of the computer itself. Rather, the elements are simply appending *well-understood, routine, and conventional* activities previously known to the industry, specified at a high level of generality, to the judicial exception.

Non-Final Act. 4 (emphasis added).

For the aforementioned reasons, the Examiner concludes that all claims 1–3, 5–8, 10–14, and 16–20 on appeal are not patent eligible under 35 U.S.C. § 101.

*Mayo/Alice Analysis — Step 1*

Regarding *Alice* Step 1, Appellants contend that claims 1–3, 5–8, 10–14, and 16–20 satisfy step 1 because “the Examiner provides no reasoning as to how any of the claims are directed to an abstract idea.” App. Br. 10–11. Appellants urge: “Instead, and without analyzing the **actual language of the claims**, the Examiner merely generalizes that the claims are drawn to ‘an idea of itself,’ which is allegedly shown through ‘[c]omparing new and stored information and using rules to identify options.’”

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<sup>4</sup> The patent-eligibility inquiry may contain underlying issues of fact. *Mortg. Grader, Inc. v. First Choice Loan Servs. Inc.*, 811 F.3d 1314, 1325 (Fed. Cir. 2016). In particular, “[t]he question of whether a claim element or combination of elements is well-understood, routine and conventional to a skilled artisan in the relevant field is a question of fact.” *Berkheimer v. HP Inc.*, 881 F.3d 1360, 1368 (Fed. Cir. 2018).

App. Br. 11.

Appellants further contend: “Appellants claims are similar to those found subject matter eligible in *Enfish* because they too are ‘directed to a specific implementation of a solution to a problem in the software arts.’”

App. Br. 12. In support, Appellants note:

As described in the specification, the technology-at-issue provides an improved analysis of interactions, leading to reduced errors when processing extremely large amounts of anonymous information, which can be useful when attempting to detect fraud. *See* Specification ¶ [0016]. This reduction also leads directly to a decrease in the memory requirements for storage and processing resulting in more efficient processor operations.

Furthermore, the pending claims cannot be directed to an abstract idea because they do not attempt to preempt or monopolize every application of the asserted abstract idea(s) of “[c]omparing new and stored information and using rules to identify options.” This is at least evident from the prior art of record, which demonstrates that alternative methods in the art exist for “[c]omparing new and stored information and using rules to identify options,” including those that fall outside of the elements of the pending claims.

*Id.*

In response, the Examiner disagrees, and further explains the basis for the rejection:

the Examiner disagrees with the Appellant's assertion regarding "oversimplification." As the Specification states in paragraph 16, "Using the information that is collected, processed, analyzed, and displayed, a number of useful insights associated with healthcare-related entities can be inferred." The Abstract states, "Computer implemented systems and method are provided for analyzing healthcare-related entity performance."

Ans. 4.

As pointed out by the Examiner (*id.*), Appellants' Specification (§ 16) expressly describes: "Using the information that is *collected, processed, analyzed, and displayed*, a number of useful insights associated with healthcare-related entities can be inferred." (emphasis added).

Our reviewing court has held that claims directed to data collection, analysis, and display are directed to an abstract idea. *Elec. Power Grp. LLC v. Alstom S.A.*, 830 F.3d 1350, 1353 (Fed. Cir. 2016) (holding that "collecting information, analyzing it, and displaying certain results of the collection and analysis" are "a familiar class of claims 'directed to' a patent ineligible concept"); *see also In re TLI Commc'ns LLC Patent Litig.*, 823 F.3d 607, 611 (Fed. Cir. 2016); *FairWarning IP, LLC v. Iatric Sys., Inc.*, 839 F.3d 1089, 1093–94 (Fed. Cir. 2016).

The Federal Circuit further guides that abstract ideas include the concepts of collecting data, recognizing certain data within the collected data set, and storing the data in memory. *Content Extraction & Transmission LLC v. Wells Fargo Bank, N.A.*, 776 F.3d 1343, 1347 (Fed. Cir. 2014); *see also Smart Sys. Innovations, LLC v. Chicago Transit Auth.*, 873 F.3d 1364, 1372 (Fed. Cir. 2017) (concluding "claims directed to the collection, storage, and recognition of data are directed to an abstract idea"). The court also guides that data gathering is a classic example of insignificant extra-solution activity. *See, e.g., In re Bilski*, 545 F.3d 943, 963 (Fed. Cir. 2008) (en banc), *aff'd sub nom, Bilski v. Kappos*, 561 U.S. 593 (2010).

Nor do we find persuasive Appellants' attempts to analogize their claims to the subject claims considered by the court in *McRO, Inc. v. Bandai Namco Games America Inc.*, 837 F.3d 1299 (Fed. Cir. 2016), and *Enfish*. App. Br. 11.

We note the *McRO* claims concerned a method for automatically animating lip synchronization and facial expressions. *McRO*, 837 F.3d at 1303. The *McRO* court concluded the subject claim did not recite an abstract idea because the computer animation *improved* the prior art through the use of *rules*, rather than artists, to set morph weights and transitions between phonemes. *Id.* at 1308. Thus, the claimed invention in *McRO* allowed for computer performance of animation steps that previously had to be performed by human animators. *Id.* at 1309. The subject claim in *McRO* used “limited *rules* in a process specifically designed to achieve an improved technological result” over “existing, manual 3-D animation techniques.” *Id.* at 1316 (emphasis added).

Here, Appellants’ claimed invention does not apply positively recited *rules*, per se. The invention under appeal merely adapts to a technological setting (e.g., generic memory device, processor, and user interface) the broad concept of associating one or more of a plurality of categories of healthcare-related interactions with multiple healthcare-related entities, filtering the information according to a filter selection, and using the results, e.g., for display (to a person) on a user interface. Thus, the invention under appeal is directed to the *result* of “generat[ing] a user interface that includes the determined performance information.” Claim 1. We emphasize that *McRO* (837 F.3d at 1312) guides that “[t]he abstract idea exception prevents patenting a *result* where ‘it matters not by what process or machinery the result is accomplished.’” (quoting *O’Reilly v. Morse*, 56 U.S. 62, 113 (1854)) (emphasis added).

Here, Appellants' claims merely implement generic computer components to perform the recited functions (system claim 1) and steps (method claim 11).

Regarding Appellants' arguments analogizing *Enfish* to the claims before us on appeal (App. Br. 12), we note the *Enfish* court (822 F.3d at 1336) concluded that there was no abstract idea under *Alice* step 1 ("Accordingly, we find that the claims at issue in this appeal are not directed to an abstract idea within the meaning of *Alice*. Rather, they are directed to a specific improvement to the way computers operate, embodied in the self-referential table.").

Thus, the court concluded the claimed self-referential database table was a specific type of data structure designed to improve the way a computer stores and retrieves data in memory. *Enfish*, 822 F.3d at 1339. Because the analysis stops if there is no abstract idea under *Alice* step 1, the *Enfish* court concluded the claims were patent eligible.

Here, Appellants have not persuasively shown that any features of the claimed invention *improve* the way the recited generic "memory device" (claim 1) and/or "data structure" (claims 11 and 17), store and retrieve data, in a manner analogous to that found by the court in *Enfish*.

Therefore, we are not persuaded that Appellants' claimed invention improves the recited *memory device* or *processor* (claim 1), or *data structure* (claims 11 and 17) functionality or efficiency, or otherwise changes the way the claimed generic computer components function, at least in the sense contemplated by the Federal Circuit in *Enfish*.

Regarding Appellants’ contention asserting the absence of preemption (App. Br. 12),<sup>5</sup> our reviewing court provides applicable guidance: “While preemption may signal patent ineligible subject matter, the absence of complete preemption does not demonstrate patent eligibility.” *Ariosa Diagnostics, Inc. v. Sequenom, Inc.*, 788 F.3d 1371, 1379 (Fed. Cir. 2015); *Ultramercial, Inc. v. Hulu LLC*, 722 F.3d 1335, 1346 (Fed. Cir. 2013). Therefore, we are not persuaded by Appellants’ argument regarding the absence of complete preemption. *See* App. Br. 12, 14, 15.

Moreover, but for the recitations of *a memory device, one or more processors, and a data structure* (claim 1), we are of the view that the recited functions or steps (excepting the generation of the recited “user interface”) could be performed as mental steps, or with the aid of pen and paper. *See Synopsys, Inc. v. Mentor Graphics Corp.*, 839 F.3d 1138, 1146–47 (Fed. Cir. 2016) (“While the Supreme Court has altered the § 101 analysis since *CyberSource* in cases like *Mayo* and *Alice*, we continue to ‘treat[] analyzing information by steps people go through in their minds, or by mathematical algorithms, without more, as essentially mental processes within the abstract-idea category.’” (Brackets in original) (quoting *Elec. Power Grp.*, 830 F.3d at 1354)); *see also CyberSource*, 654 F.3d at 1375 (“That purely mental processes can be unpatentable, even when performed by a computer, was precisely the holding of the Supreme Court in *Gottschalk v. Benson.*”).

“Phenomena of nature, though just discovered, *mental processes*, and abstract intellectual concepts are not patentable, as they are the basic tools of

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<sup>5</sup> Appellants repeat essentially the same preemption argument on pages 14 and 15 of the Appeal Brief.

scientific and technological work.” *Gottschalk v. Benson*, 409 U.S. 63, 67 (1972). (Emphasis added). Moreover, “merely selecting information, by content or source, for collection [and] analysis . . . does nothing significant to differentiate a process from ordinary mental processes . . . .” *Elec. Power Grp.*, 830 F.3d at 1355. Data gathering, such as receiving and analyzing (or identifying data), by itself, does not transform an otherwise-abstract process or system of information collection and analysis. *See id.*

For at least these reasons, we are not persuaded the Examiner erred in concluding that each of claims 1–3, 5–8, 10–14, and 16–20 on appeal is directed at least to the abstract idea of *a method of organizing human* (i.e., healthcare) *activities*, similar to the abstract ideas identified by our reviewing courts, (as discussed above) that could additionally be performed as mental steps, albeit with the aid of pen and paper.

Appellants provide no further substantive arguments regarding *Alice* Step 1. Arguments not made are waived. *See* 37 C.F.R. § 41.37(c)(1)(iv). Therefore, we proceed to *Alice* Step 2.

#### *Mayo/Alice Analysis – Step 2*

Because we conclude the claims are directed to an abstract idea for essentially the same reasons articulated by the Examiner (Non-Final Act. 3; Ans. 4–6), we turn to the second part of the *Alice/Mayo* analysis. We analyze the claims to determine if there are additional limitations that individually, or as an ordered combination, ensure the claims amount to “significantly more” than the abstract idea. *Alice*, 134 S.Ct. at 2357 (internal quotations and citation omitted).

Regarding *Alice* Step 2, Appellants addresses the purported *inventive concept* of the claims. Appellants urge:

Even if an abstract idea is somehow related to the pending claims, which Appellant[s] dispute[], the pending claims amount to "significantly more" than whatever abstract idea may be asserted by the Examiner. For example, the claims require specialized computer processing and hardware (e.g., independent claim 11 recites "accessing a data structure including information that specifies a plurality of categories of healthcare-related interactions associated with multiple healthcare-related entities" and "generating a user interface that includes the determined performance information"). Independent claim 1 (directed to a "system for analyzing healthcare related entity performance") and independent claim 17 (directed to a "non-transitory computer-readable medium storing a set of instructions ... for analyzing healthcare related entity performance") also recite elements that are more than any abstract idea for similar reasons.

As evidenced by the language of the claims, *Appellant[s'] independent claims do not merely correspond to conventional functions of a general purpose computer. Instead, these operations or functions require special design and programmed operations and hardware, and equate to "significantly more" than any abstract idea.*

App. Br. 9 (emphasis added).

Contrary to Appellants' contentions (*id.*), we find the claims on appeal are *silent* regarding specific limitations directed to an *improved* computer system, processor, memory, network, database, or Internet. Therefore, we find Appellants' claimed invention does not provide a solution "necessarily rooted in *computer technology* in order to overcome a problem specifically arising in the realm of computer networks," as considered by the court in *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245, 1257 (Fed. Cir.

2014) (emphasis added).

Further regarding the use of the recited generic memory device or processor (claim 1), or data structure (claims 11 and 17), the Supreme Court held “the mere recitation of a generic computer cannot transform a patent-ineligible abstract idea into a patent-eligible invention.” *Alice*, 134 S.Ct. at 2358.

Appellants’ analogy to *BASCOM*<sup>6</sup> is similarly unavailing. *See* App. Br. 10. The Federal Circuit held in *BASCOM* that the claimed Internet content filtering, featuring an implementation “versatile enough that it could be adapted to many different users’ preferences while also installed remotely in a single location,” expressed an inventive concept in “the non-conventional and non-generic arrangement of known, conventional pieces.” *BASCOM*, 827 F.3d at 1346, 1350.

Here, we are not persuaded by Appellants’ contention that “the particular *arrangement of elements* in the claims provides a technical improvement over prior methods for analyzing healthcare data.” App. Br. 15 (emphasis added). This contention is unconvincing, because Appellants fail to identify the particular *structural* arrangement of conventional elements in the claims that provides the purported technical improvement.

Instead, Appellants’ merely support their conclusion by an assertion: “For example, as discussed above, the improved analysis techniques lead to reduced errors when processing extremely large amounts of anonymous information, which can be useful when attempting to detect fraud. *See* Specification ¶ [0016].” App. Br. 15. *But see* *BASCOM*, 827 F.3d at 1348

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<sup>6</sup> *BASCOM Glob. Internet Servs. v. AT&T Mobility, LLC*, 827 F.3d 1341 (Fed. Cir. 2016).

(“An abstract idea on ‘an Internet computer network’ or on a generic computer is still an abstract idea”). On this record, we are of the view that Appellants’ claims do not operate the recited generic computer components in an unconventional manner to achieve an improvement in computer functionality.

Our reviewing court provides additional guidance: *See FairWarning IP, LLC v. Iatric Sys., Inc.*, 839 F.3d 1089, 1096 (Fed. Cir. 2016) (“[T]he use of generic computer elements like a microprocessor or user interface do not alone transform an otherwise abstract idea into patent-eligible subject matter.”); *OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1363 (Fed. Cir. 2015) (claims reciting, *inter alia*, sending messages over a network, gathering statistics, using a computerized system to automatically determine an estimated outcome, and presenting offers to potential customers found to merely recite “‘well-understood, routine conventional activities’” by either requiring conventional computer activities or routine data-gathering steps) (internal citation omitted); *see also Elec. Power Grp.*, 830 F.3d at 1355 (“We have repeatedly held that such invocations of computers and networks that are not even arguably inventive are ‘insufficient to pass the test of an inventive concept in the application’ of an abstract idea” (quoting *buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1353, 1355 (Fed. Cir. 2014))); *Intellectual Ventures I LLC v. Capital One Financial Corp.*, 850 F.3d 1332, 1341 (Fed. Cir. 2017) (“Rather, the claims recite both a generic computer element—a processor—and a series of generic computer ‘components’ that merely restate their individual functions . . . . That is to say, they merely describe the functions of the abstract idea itself, without particularity. This is simply not enough under step two”).

The Supreme Court additionally guides that the “prohibition against patenting abstract ideas ‘cannot be circumvented by attempting to limit the use of the formula to a particular technological environment’ or [by] adding ‘insignificant post-solution activity.’” *Bilski*, 561 U.S. at 610–11 (quoting *Diehr*, 450 U.S. at 191–92).

Because we find Appellants have not established that claims 1–3, 5–8, 10–14, and 16–20 are directed to an *improvement* in the recited generic memory device or processor (claim 1), or data structure (claims 11 and 17), we conclude that none of the claim limitations, viewed both individually and as an ordered combination, amount to significantly more than the judicial exception in order to sufficiently transform the nature of the claims into patent-eligible subject matter.

In light of the foregoing, we conclude, under the *Mayo/Alice* analysis, that each of Appellants’ claims 1–3, 5–8, 10–14, and 16–20, considered as a whole, is directed to a *patent-ineligible abstract idea* (under *step one*), and under *step two*, does not recite something *significantly more* to transform the nature of the claim into a patent-eligible application.

Accordingly, for the reasons discussed above, we sustain the Examiner’s rejection A under 35 U.S.C. § 101 of claims 1–3, 5–8, 10–14, and 16–20, as being directed to a judicial exception, without significantly more.<sup>7</sup>

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<sup>7</sup> To the extent Appellants have not advanced separate, substantive arguments for particular claims, or other issues, such arguments are waived. See 37 C.F.R. § 41.37(c)(1)(iv).

*Rejection B of Claims 1–3, 5–8, 10–14, and 16–20  
under 35 U.S.C. § 112(b)*<sup>8</sup>

Regarding the claim language, “utilize the information of the identified categories to” perform the recited steps or functions of “determining,” the Examiner sets forth rejection B under 35 U.S.C. § 112(b) (indefiniteness) for the following reason:

Claims 1, 11, and 17 provide for the use of "the information of the identified categories," but, since the claim does not set forth any steps involved in the method/process, it is unclear what method/process applicant is intending to encompass. A claim is indefinite where it merely recites a use without any active, positive steps delimiting how this use is actually practiced.

Non-Final Act. 10.

Appellants traverse the § 112(b) rejection: “the Office appears to be applying a misinterpretation of the relevant portion of the MPEP— MPEP § 2173.05(q) ‘Use’ claims. This section is directed to entire claims that ‘claim a process without setting forth any steps involved in the [claimed] process . . . .’ MPEP § 2173.05(q).” App. Br. 19.

Appellants further contend: “On top of that, MPEP § 2173.05(q)(II) further clarifies that the step of ‘utilizing’ is not indefinite. This clarification shows that this section is only relevant to *entire process claims that do not recite any steps*, as opposed to a step that recites ‘utilizing,’ as recited in the pending claims.” App. Br. 19 (emphasis added).

In the Answer, the Examiner further explains the basis for the rejection:

The question that the Examiner has is whether [the claim 1 function] “utilize the information ... to:” means that the

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<sup>8</sup> See *supra*, n.2.

“determine” steps that follow *are performed* or are the *intent* of the “utilize the information.” The Appellant argues the converse of the claim language, or even more clearly that the [claim 1] “utilize the information of the identified categories to:” limitation does not perform anything. The Examiner believes that every limitation is important and *therefore the rejection is maintained*.

Ans. 11 (emphasis added).

As pointed out in MPEP § 2173.05(q)(II) (regarding “Use” Claims), “It is often difficult to draw a fine line between what is permissible, and what is objectionable from the perspective of whether a claim is definite.”

Based upon our review of the record, we reverse the Examiner’s rejection B under 35 U.S.C. § 112(b) of all claims 1–3, 5–8, 10–14, and 16–20 on appeal, for essentially the same reason argued by Appellants in the Appeal Brief (18–19). Moreover, we are of the view that the Examiner conflates an arguable statement of intended purpose (“utilize . . . to” — claim 1) with indefiniteness.

*Anticipation Rejection C of Representative Independent Claim 1  
under 35 U.S.C. § 102(a)(2)*

**Issues:** Under 35 U.S.C. § 102(a)(2), did the Examiner err by finding the cited Chao reference expressly or inherently discloses contested limitations L1 and L2 :

[L1] *associate one or more of a plurality of categories of healthcare-related interactions associated with multiple healthcare-related entities in a data structure with one or more filters corresponding to one or more filter selections; . . .*

[L2] *utilize the information of the identified categories to:*

*determine one or more records within the data structure based on the identified categories;*

*determine one or more interactions within the data structure comprising the one or more determined records;*

*determine one or more entities of the multiple healthcare-related entities corresponding to the one or more determined interactions; and*

*determine performance information indicating a performance of the one or more entities based at least in part on the one or more interactions; and*

generate a user interface that includes the determined performance information[,]

within the meaning of representative claim 1?<sup>9</sup> (emphasis added).

#### *Contested Limitation L1 (Claim 1)*

Appellants contend:

*Chao* generally relates to an "automated system and method for evaluating the performance of individuals or entities employed

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<sup>9</sup> We give the contested claim limitations the broadest reasonable interpretation ("BRI") consistent with the Specification. *See In re Morris*, 127 F.3d 1048, 1054 (Fed. Cir. 1997); *see also, e.g.*, Spec. ¶ 143 ("In the foregoing specification, embodiments have been described with reference to numerous specific details that can vary from implementation to implementation. *Certain adaptations and modifications of the embodiments described herein can be made.* Therefore, the above embodiments are considered to be *illustrative* and not restrictive.") (emphasis added).

by an organization." *Chao*, Abstract. *Chao* discloses collecting data associated with physicians, performing statistical analyses, and producing performance information. *Chao*, ¶ [0025]-[0029], Fig. 2. The cited portions of *Chao*, however, do not disclose "associating one or more of a plurality of categories of healthcare-related interactions associated with multiple healthcare related entities in a data structure with *one or more filters corresponding to one or more filter selections*," as claimed. For example, the Office cites paragraphs [0025]-[0030] as disclosing a plurality of categories of healthcare-related interactions associated with multiple healthcare-related entities. Office Action, p. 11. These paragraphs describe how statistical analyses can be performed on collected data, how a user can access a "Physician Performance System," and how requested information can be automatically calculated. *Chao*, ¶ [0025]-[0030]. This portion of *Chao*, however, does not disclose "associating one or more of a plurality of categories ... *with one or more filters*" as claimed. While *Chao* discloses classification systems and a plurality of evaluation categories (*see Chao*, ¶¶ [0026], [0028]), *Chao* does not disclose *associating the evaluation categories with filters*.

App. Br. 20–21 (emphasis added).

In response, the Examiner further explains the basis for the anticipation rejection of contested limitation L1 on the basis of claim interpretation: "filtering is understood to be a query." Ans. 13.<sup>10</sup>

We agree with the Examiner that database queries inherently filter the data to be returned, because a standard SQL relational database query uses conditional statements to return the desired (filtered) data. For example, using "*where*" *condition* statements (e.g., *select* employee\_name from

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<sup>10</sup> Because "applicants may amend claims to narrow their scope, a broad construction during prosecution creates no unfairness to the applicant or patentee." *In re ICON Health and Fitness, Inc.*, 496 F.3d 1374, 1379 (Fed. Cir. 2007) (internal citation omitted).

table\_name where employee\_age > 40), as used in a standard SQL relational database query). See Ans. 12–13.

*Contested Limitation L2 (Claim 1)*

Based upon our review of the record and the paragraphs in Chao cited by the Examiner as evidence, we agree with and adopt the Examiner’s factual findings regarding contested limitation L2 of independent claim 1. Non-Final Act. 11–12; see also Ans. 14–16.

However, as an initial matter of claim construction (a question of law), the Examiner raises the issue of purported *intended use* (Non-Final Action 11–12), as discussed previously regarding rejection B. Specifically, under anticipation rejection C: “The Examiner notes the ‘using’ verb . . . and [] how the use is *not limiting*. The information following ‘identified categories to’ represents the *intended use* of the identified categories. These functions are not positively claimed and therefore are not performed.” *Id.* See Claim 1.

We note our reviewing court guides: “[a]n intended use or purpose usually will not limit the scope of the claim because such statements usually do no more than define a context in which the invention operates.” *Boehringer Ingelheim Vetmedica, Inc. v. Schering-Plough Corp.*, 320 F.3d 1339, 1345 (Fed. Cir. 2003). Although “[s]uch statements often . . . appear in the claim’s preamble,” *In re Stencel*, 828 F.2d 751, 754 (Fed. Cir. 1987), a statement of intended use or purpose can appear elsewhere in a claim. *Id.*

However, Appellants disagree and urge:

First, the "determining" steps recited above do not represent "the intended use of the identified categories"; rather, each step is positively claimed, and the claims are clear that the

performance of each step is required to practice the claim. For example, claim 11 recites "utilizing the information of the identified categories to determine the one or more records .... " (Emphases added.) Accordingly, to practice claim 11, "information of the identified categories" must be utilized "to determine the one or more records". It is insufficient that "information of the identified categories" be utilized merely with the intent that determination of the one or more records may occur.

App. Br. 22.

Even assuming *arguendo* that Appellants are correct regarding the disputed "determine" limitations being positively claimed (*id.*), in the alternative, in considering representative independent claim 1 as a whole, we conclude Appellants' claimed "determined performance information" is non-functional descriptive material (NFDM) intended for human viewing.

The Manual of Patent Examining Procedure (MPEP) provides applicable guidance: "where the claim as a whole is directed to conveying a message or meaning to a human reader independent of the intended computer system, and/or the computer-readable medium merely serves as a support for information or data, no functional relationship exists." MPEP § 2111.05 (III.) (9th Ed., Rev. 08.2017, Last Revised Jan. 2018). *See also Ex parte Nehls*, 88 USPQ2d 1883, 1889 (BPAI 2008) (precedential) ("[T]he nature of the information being manipulated does not lend patentability to an otherwise unpatentable computer-implemented product or process.").

Therefore, in applying the procedural guidance of the MPEP, and the controlling guidance of *Nehls*, we broadly but reasonably construe the recited "determined performance information" (claim 1) as non-functional descriptive material merely intended for human perception.

For at least these reasons, we agree with the Examiner that Appellants' arguments are not commensurate with the scope of claim 1, under a broad but reasonable interpretation. *See supra* n.10. Therefore, on this record, we find a preponderance of the evidence supports the Examiner's finding of anticipation over the cited Chao reference.

Accordingly, we sustain the Examiner's rejection C under § 102(a)(2) of representative independent claim 1. Claims 2, 3, 5–8, 10–14, and 16–20 (not argued separately) fall with claim 1. *See* 37 C.F.R. § 41.37(c)(1)(iv) (2015).

#### *Reply Brief*

To the extent Appellants *may* advance new arguments in the Reply Brief not in response to a shift in the Examiner's position in the Answer, we note arguments raised in a Reply Brief that were not raised in the Appeal Brief or are not responsive to arguments raised in the Examiner's Answer will not be considered except for good cause. *See* 37 C.F.R. § 41.41(b)(2).

#### CONCLUSIONS

The Examiner did not err in rejecting claims 1–3, 5–8, 10–14, and 16–20 under 35 U.S.C. § 101, as being directed to a judicial exception, without significantly more.

The Examiner erred in rejecting claims 1–3, 5–8, 10–14, and 16–20 under 35 U.S.C. § 112(b), as being indefinite.

The Examiner did not err in rejecting claims 1–3, 5–8, 10–14, and 16–20 under 35 U.S.C. § 102(a)(2), as being anticipated by Chao.

DECISION

We affirm the Examiner's decision rejecting claims 1–3, 5–8, 10–14, and 16–20 under 35 U.S.C. § 101.

We reverse the Examiner's decision rejecting claims 1–3, 5–8, 10–14, and 16–20 under 35 U.S.C. § 112(b), as being indefinite.

We affirm the Examiner's decision rejecting claims 1–3, 5–8, 10–14, and 16–20 under 35 U.S.C. § 102(a)(2).

Because we have affirmed at least one ground of rejection with respect to each claim on appeal, the Examiner's decision is affirmed. *See* 37 C.F.R. § 41.50(a)(1).

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a)(1)(iv). *See* 37 C.F.R. § 41.50(f).

AFFIRMED