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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte YAKOV FAITELSON
and
OHAD KORKUS

Appeal 2019-001828
Application 13/771,560
Technology Center 2400

Before JOSEPH L. DIXON, DAVID M. KOHUT, and
JON M. JURGOVAN, *Administrative Patent Judges*.

DIXON, *Administrative Patent Judge*.

DECISION ON APPEAL
STATEMENT OF THE CASE

Appellant¹ appeals under 35 U.S.C. § 134(a) from a final rejection of claims 1–24. We have jurisdiction under 35 U.S.C. § 6(b).

We affirm.

The claims are directed to “systems and methodologies for monitoring shared data elements in a network” by “automatically ascertaining the presence of shared data elements stored on multiple storage resources in [the] network” or “automatically ascertaining the presence of shared data

¹ We use the word “Appellant” to refer to “applicant(s)” as defined in 37 C.F.R. § 1.42. The real party in interest is Varonis Systems, Inc. Appeal Br. 2.

elements stored on multiple storage resources in [the] network,” and “automatically ascertaining at least one property of at least one share designator associated with each of the shared data elements.” (Spec. ¶¶ 7–8, 12.)

Claim 1, reproduced below, is illustrative of the claimed subject matter:

1. A method for automatically ascertaining a presence of shared data elements stored on multiple storage resources in a network, the method comprising employing a computer server connected to said network:

for automatically ascertaining a presence of said multiple storage resources on said network by continuously monitoring said network;

for each of said multiple storage resources ascertained to be present in said network, for automatically ascertaining a presence of shared data elements associated with stored data elements stored on each of said multiple storage resources ascertained to be present in said network; and

for each of said shared data elements ascertained to be present on said multiple storage resources in said network, for automatically ascertaining at least one property of at least one share designator associated with each shared data element of said shared data elements, said at least one share designator being distinguished from said data element, said at least one property of said at least one share designator being distinguished from file level permissions of said data element associated therewith and comprising a network location of a person creating, removing or changing a share designator at the time of creating, removing or modifying said share designator.

(Appeal Br. 18–25 (Claims Appendix).)

REFERENCES

The prior art relied upon by the Examiner in rejecting the claims on appeal is:

Subramanya US 2011/0145216 A1 June 16, 2011
("Subramanya")

Labowicz et al. US 2012/0278471 A1 Nov. 1, 2012
("Labowicz")

Brien Posey, *Step-By-Step: How to audit file and folder access to improve Windows 2000 Pro security*, TechRepublic, February 26, 2003, <http://www.techrepublic.com/article/step-by-step-how-to-audit-file-and-folder-access-to-improve-windows-2000-pro-security/> (retrieved April 11, 2017) ("Posey")

Wahlert et al. US 2006/0053147 A1 Mar. 9, 2006
("Wahlert")

Dye et al. US 2005/0114658 A1 May 26, 2005
("Dye")

REJECTIONS

The Examiner made the following rejections:

Claims 1–24 stand rejected under 35 U.S.C. § 112(a) as failing to comply with the written description requirement. (Final Act. 3.)

Claims 1–24 stand rejected under 35 U.S.C. § 112(b) as being indefinite. (Final Act. 4.)

Claims 1–24 stand 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. (Final Act. 4–7.)

Claims 1–3, 5, 13–15, and 17 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Subramanya in view of Labowicz and Posey. (Final Act. 7–15.)

Claims 6–8, 10, 12, 18–20, 22, and 24 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Wahlert in view of Subramanya and Posey. (Final Act. 15–23.)

Claims 4 and 16 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Subramanya in view of Labowicz and Posey, and further in view of Dye. (Final Act. 23–24.)

Claims 9, 11, 21, and 23 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Wahlert in view of Subramanya and Posey, and further in view of Dye. (Final Act. 25–26.)

ANALYSIS

35 U.S.C. § 112(a) Rejection

To satisfy the written description requirement, the disclosure must reasonably convey to skilled artisans that Appellant possessed the claimed invention as of the filing date. *Ariad Pharms., Inc. v. Eli Lilly & Co.*, 598 F.3d 1336, 1351 (Fed. Cir. 2010) (en banc).

The Examiner finds “claims [1, 6, 13 and 18] recite the limitation ‘*said at least one property of said at least one share designator being distinguished from file level permissions of said data element associated therewith*’” and “this limitation is not supported by the specification.” (Final Act. 3.) Appellant contends the limitation “said at least one property of said at least one share designator being distinguished from file level permissions of said data element associated therewith” is “implicitly supported by the

specification,” because “file-system access and network share access” are distinct and it is “deemed to be common knowledge to those skilled in the art that properties of share designators are distinguished from file level permissions of data elements associated therewith.” (Appeal Br. 9–10.)

Appellant offers evidence in the form of arguments discussed at a February 27, 2018 Interview with the Examiner, when

Applicants presented to the Examiner, a Microsoft Windows folder properties dialog box. As was clearly shown, the dialog box includes a “Security” tab, in which file access is managed, and a “Sharing” tab, in which network shares are managed. Clearly, these two tabs serve to manage file access and network sharing as *two separate entities*.

Id. at 9.

The Examiner responds that “appellant relied on the prior art alone for support to the [disputed claim] limitation without pointing out to anywhere in the originally filed disclosure for support” and, moreover, “[t]he original disclosure is completely silent about file level permissions and whether the file level permissions [are] distinguished from share designator or whether there is an association between file level permission and data element.”

(Ans. 26.)

We agree with the Examiner. The Examiner reasonably questioned the presence of descriptive support in the original disclosure for the claim limitation “said at least one property of said at least one share designator [associated with each shared data element] being distinguished from file level permissions of said data element associated therewith.” Appellant has not identified where in the Specification this “property of said at least one share designator being distinguished from file level permissions of said data

element” is described. We also agree with the Examiner the Specification does not appear to set forth written-description support for *a property of a share designator being distinguished from file level permissions* as claimed. In addition, Appellant’s arguments (reproduced *supra*) refer to “network shares,” which is not recited in claims 1, 6, 13, and 18. (*See* Appeal Br. 9–10.)

We, therefore, sustain the Examiner’s § 112, written description rejection of independent claims 1, 6, 13, and 18, and their dependent claims 2–5, 7–12, 14–17, and 19–24.

35 U.S.C. § 112(b) Rejection

The Examiner rejects independent claims 1, 6, 13, and 18 as being indefinite because “the claims recite the limitation ‘*said data element*’, in the last limitation” and “there is insufficient antecedent basis for the limitation in the claim[s].” (Final Act. 4.)

Appellant acknowledges, “the limitation ‘*said data element*’ refers to the ‘*shared data element*’ introduced earlier in each of the independent claims,” and Appellant “request[s] that the claims be amended accordingly prior to allowance, as by an Examiner’s amendment.” (Appeal Br. 10.) Since such claim amendment (for resolving the insufficient antecedent basis) has not yet been entered by the Examiner, we sustain the Examiner’s § 112(b) indefiniteness rejection of independent claims 1, 6, 13, and 18, and their dependent claims 2–5, 7–12, 14–17, and 19–24.

35 U.S.C. § 101 Rejection

An invention is patent eligible if it claims a “new and useful process,

machine, manufacture, or composition of matter.” 35 U.S.C. § 101.

However, the Supreme Court has long interpreted 35 U.S.C. § 101 to include implicit exceptions: “[l]aws of nature, natural phenomena, and abstract ideas” are not patentable. *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66, 70 (2012) (brackets in original) (citing *Diamond v. Diehr*, 450 U.S. 175, 185 (1981)).

In determining whether a claim falls within an excluded category, we are guided by the Supreme Court’s two-step framework, described in *Mayo* and *Alice*. *Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 573 U.S. 208, 217–18 (2014) (citing *Mayo*, 566 U.S. at 75–77). In accordance with that framework, we first determine what concept the claim is “directed to.” See *Alice*, 573 U.S. at 218–19 (“On their face, the claims before us are drawn to the concept of intermediated settlement, *i.e.*, the use of a third party to mitigate settlement risk.”); see also *Bilski v. Kappos*, 561 U.S. 593, 611 (2010) (“Claims 1 and 4 in petitioners’ application explain the basic concept of hedging, or protecting against risk.”).

Concepts determined to be abstract ideas, and, thus, patent ineligible, include certain methods of organizing human activity, such as fundamental economic practices (*Alice*, 573 U.S. at 219–20; *Bilski*, 561 U.S. at 611); mathematical formulas (*Parker v. Flook*, 437 U.S. 584, 594–95 (1978)); and mental processes (*Gottschalk v. Benson*, 409 U.S. 63, 67 (1972)). Concepts determined to be patent eligible include physical and chemical processes, such as “molding rubber products” (*Diehr*, 450 U.S. at 191); “tanning, dyeing, making water-proof cloth, vulcanizing India rubber, smelting ores” (*id.* at 182 n.7 (quoting *Corning v. Burden*, 56 U.S. 252, 267–68 (1853))); and manufacturing flour (*Benson*, 409 U.S. at 69 (citing *Cochrane v.*

Deener, 94 U.S. 780, 785 (1876))).

In *Diehr*, the claim at issue recited a mathematical formula, but the Supreme Court held that “[a] claim drawn to subject matter otherwise statutory does not become nonstatutory simply because it uses a mathematical formula.” *Diehr*, 450 U.S. at 187; *see also id.* at 191 (“We view respondents’ claims as nothing more than a process for molding rubber products and not as an attempt to patent a mathematical formula.”). Having said that, the Supreme Court also indicated that a claim “seeking patent protection for that formula in the abstract . . . is not accorded the protection of our patent laws, . . . and this principle cannot be circumvented by attempting to limit the use of the formula to a particular technological environment.” *Id.* (citing *Benson and Flook*); *see, e.g., id.* at 187 (“It is now commonplace that an *application* of a law of nature or mathematical formula to a known structure or process may well be deserving of patent protection.”).

If the claim is “directed to” an abstract idea, we turn to the second step of the *Alice* and *Mayo* framework, where “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.” *Alice*, 573 U.S. at 221 (internal citation omitted). “A claim that recites an abstract idea must include ‘additional features’ to ensure ‘that the [claim] is more than a drafting effort designed to monopolize the [abstract idea].’” *Id.* (quoting *Mayo*, 566 U.S. at 77). “[M]erely requir[ing] generic computer implementation[] fail[s] to transform that abstract idea into a patent-eligible invention.” *Id.*

The PTO recently published revised guidance on the application of

§ 101. USPTO’s Memorandum, 2019 REVISED PATENT SUBJECT MATTER ELIGIBILITY GUIDANCE, 84 Fed. Reg. 50 (January 7, 2019) (“Revised Guidance”). Under that guidance, we first look to whether the claim recites:

- (1) any judicial exceptions, including certain groupings of abstract ideas (i.e., mathematical concepts, certain methods of organizing human activity such as a fundamental economic practice, or mental processes); and
- (2) additional elements that integrate the judicial exception into a practical application (*see* MANUAL OF PATENT EXAMINING PROCEDURE (MPEP) § 2106.05(a)–(c), (e)–(h) (9th ed., Rev. 08.2017, 2018)).

Only if a claim (1) recites a judicial exception and (2) does not integrate that exception into a practical application, do we then look to whether the claim:

- (3) adds a specific limitation beyond the judicial exception that is not “well-understood, routine, conventional” in the field (*see* MPEP § 2106.05(d)); or
- (4) simply appends well-understood, routine, conventional activities previously known to the industry, specified at a high level of generality, to the judicial exception.

See Revised Guidance.

STEP 1 of the Revised Guidance

Independent claims 1 and 6, as “method” claims, recite one of the enumerated categories of statutory subject matter in 35 U.S.C. § 101, namely, a process. Independent claims 13 and 18, as “system” claims, recite another of the enumerated categories of statutory subject matter in 35 U.S.C. § 101, namely, a machine.

The issue before us is whether claims 1, 6, 13, and 18 are directed to a judicial exception without significantly more.

STEP 2A, Prong 1 of the Revised Guidance

The first Prong of Step 2A under the Revised Guidance is to determine whether a claim recites a judicial exception including (a) mathematical concepts; (b) certain methods of organizing human activity; and (c) mental processes. Revised Guidance, 84 Fed. Reg. at 51–52. Here, the Examiner determines that “the claimed invention in this instant application is substantially similar to *FairWarning v. Iatric*. . . . in which the court found the claims are not patent eligible” as “directed to the concept of collecting and analyzing information to detect misuse and notifying a user when misuse is detected (data auditing in a computer environment). This concept is similar to the features that are being claimed.” (Ans. 27 (citing *FairWarning IP, LLC v. Iatric Sys., Inc.*, 839 F.3d 1089 (Fed. Cir. 2016)); *see also* Final Act. 5–6 (referring to information collection, comparing and analyzing information, and displaying results of the collection and analysis) (citing *Electric Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350 (Fed. Cir. 2016); *Classen Immunotherapies, Inc. v. Biogen IDEC*, 659 F.3d 1057 (Fed. Cir. 2011); *PerkinElmer, Inc. v. Intema Ltd.*, 496 F. App’x. 65 (Fed. Cir. 2012)).) The Examiner further asserts the “[claimed] elements encompassed in a computer server and in the feature of *automatically* performing the [ascertaining] limitations . . . add insignificant extrasolution activity.” (Final Act. 5–7.)

We are not persuaded by the Examiner’s findings, as we are unable to agree that the Examiner has adequately found the concept of claim 1 to be similar to other concepts (e.g., data collection and organization, mental processes, mathematical concepts, or methods of organizing human activity) found to be abstract ideas by our reviewing courts. Appellant’s claim 1 (and

independent claims 6, 13, and 18 reciting similar limitations) recites a method of monitoring a computer network, the storage resources on the network, and the data elements and shared data elements stored on the storage resources in the network, the monitoring performed by a computer server interacting with the network to automatically ascertain the stored shared data elements present on the network and their properties. Here, we are unable to determine from the Examiner's analysis whether such technique for automatically monitoring storage resources, data elements, and shared data elements stored on the storage resources in the network describes subject matter that is a mathematical concept, a method of organizing human activity, or a mental process (i.e., one of the three types of abstract ideas identified by the Revised Guidance). Claim 1 does not recite any of the methods of organizing human activity identified in the Revised Guidance. For example, claim 1 does not recite fundamental economic principles or practices, commercial or legal interactions, or managing personal behavior or relationships or interactions between people. *See* Revised Guidance, 84 Fed. Reg. at 51–52. Second, claim 1 does not recite a mathematical concept, such as a specific mathematical algorithm or formula. *See Flook*, 437 U.S. at 586; *Diehr*, 450 U.S. at 187.

Appellant's method—of monitoring the status of storage resources and data elements on a network as these resources and data elements may change in real-time—is also not performable by a human being or by pen and paper. Rather, Appellant's method requires automatic monitoring operations performed between a computer server, a network, and various storage resources on the network—operations that cannot practicably be

performed in the human mind or with pen and paper, and thus do not amount to a mental process. (*See* Appeal Br. 14.)

We also note the Examiner’s analysis of claim 1 (and claims 6, 13, and 18) as “directed to the concept of collecting and analyzing information,” oversimplifies the claim and does not identify an abstract idea recited therein. (*See* Ans. 27; *see also* Final Act. 5 (merely asserting that an “abstract idea is encompassed in the [ascertaining] limitation(s)”).) Claim 1 does not merely recite collecting and organizing information, or data manipulation in an abstract sense, as the Examiner asserts; rather, claim 1 relates to a method for automatically monitoring a network, storage resources on the network, and data elements stored on the storage resources in the network, which is not an abstract idea. (*See* Appeal Br. 18.)

Accordingly, in light of the Revised Guidance, we determine that claim 1, and independent claims 6, 13, and 18 reciting similar limitations, do not recite an abstract idea that would make them patent-ineligible under 35 U.S.C. § 101.

For these reasons, we do not sustain the Examiner’s rejection of claims 1, 6, 13, and 18, and dependent claims 2–5, 7–12, 14–17, and 19–24, as directed to patent-ineligible subject matter under 35 U.S.C. § 101.

35 U.S.C. § 103(a) Rejections

With respect to independent claims 1, 6, 13, and 18, Appellant argues the claims together. (Appeal Br. 15–16.) Therefore, we select independent claim 1 as the representative claim for the group and will address Appellant’s arguments thereto. *See* 37 C.F.R. § 41.37(c)(1)(iv) (2017). We do not consider arguments that Appellant could have made but chose not to

make in the Brief so we deem any such arguments as waived. 37 C.F.R. § 41.37(c)(1)(iv).

With respect to representative independent claim 1, Appellant contends claim 1 is not rendered obvious by the cited art because folders and network shares are different, with “the prior art disclos[ing] monitoring properties of *folders*” while “the claims of the present application recite monitoring properties of *network shares*.” (Appeal Br. 15.) Appellant further describes arguments discussed at the February 27, 2018 Interview with the Examiner, when Applicant’s representative argued that “the claimed ‘share designator’ is different than object (i.e. folder/files) permissions as taught by windows audit” and “presented, to the Examiner, a Microsoft Windows folder properties dialog box” to

clarify the aforementioned distinction between file-system access and network share access. . . . the dialog box includes a “Security” tab, in which file access is managed, and a “Sharing” tab, in which network shares are managed. Clearly, these two tabs serve to manage file access and network sharing as *two separate entities*.

Id. at 16.

Appellant’s arguments are not persuasive. At the outset, we note Appellant’s arguments are not commensurate in scope with the express language of representative claim 1, which does not recite “network shares” or “monitoring properties of *network shares*,” as Appellant argues. (See Appeal Br. 15–16; *see also* Appeal Br. 18 (claim 1 reciting “share designator”).) In addition, claim 1 does not preclude “monitoring properties of *folders*,” monitoring “object (i.e. folder/files) permissions,” or auditing “file-system access,” as Appellant contends. (*Id.*) Thus, Appellant’s

arguments fail because the arguments are not commensurate with the scope of claim 1. *See In re Self*, 671 F.2d 1344, 1348 (CCPA 1982) (“[A]ppellant’s arguments fail from the outset because . . . they are not based on limitations appearing in the claims.”); *see also In re Hiniker Co.*, 150 F.3d 1362, 1369 (Fed. Cir. 1998) (“[The] proffered facts . . . are not commensurate with the claim scope and are therefore unpersuasive.”).

From our review of the Examiner’s rejection, we find the Examiner has found each of the elements of representative claim 1 and provided a line of reasoning to modify those elements in the combination. For example, the Examiner finds (i) Posey teaches “that ‘folders’ are shared, hence ‘shared data element’, and the permissions associated with the folders teaches ‘associated share designator,’” and (ii) Subramanya’s “computer code, for monitoring folders 34 and any corresponding changes in permissions associated with the folders 34 as indicated in the accompanying ACL [(Access Control List)] 36” teaches the claimed “automatically ascertaining at least one property of at least one share designator associated with each shared data element.” (Ans. 29 (citing Posey 2, 5; Subramanya ¶ 8); Final Act. 8–10 (citing Posey 3; Subramanya ¶¶ 14, 42) (emphasis omitted).) As the Examiner explains, “merely describing the claim limitation ‘data element’ as ‘shared’ does not necessarily limit the limitation to sharing folder between different users over a computer network. For example, a local folder is shared by two users using the same computer, or shared by processes/programs in the same computer.” (Ans. 29–30.)

As Appellant’s Brief has not shown error in the Examiner’s proffered prima facie case of obviousness under § 103(a), we sustain the Examiner’s decision in rejecting representative independent claim 1, grouped

independent claims 6, 13, and 18, and dependent claims 2–5, 7–12, 14–17, and 19–24 not separately argued, under 35 U.S.C. § 103(a). (Appeal Br. 16.)

CONCLUSIONS

The Examiner erred in rejecting claims 1–24 under 35 U.S.C. § 101.

The Examiner did not err in rejecting claims 1–24 under 35 U.S.C. § 112(a).

The Examiner did not err in rejecting claims 1–24 under 35 U.S.C. § 112(b).

The Examiner did not err in rejecting claims 1–24 based upon obviousness under 35 U.S.C. § 103(a).

DECISION

For the above reasons, we REVERSE the Examiner’s patent eligibility rejection of claims 1–24 under 35 U.S.C. § 101, and we AFFIRM (1) the Examiner’s § 112(a) rejection of claims 1–24, as failing to comply with the written description requirement, (2) the Examiner’s § 112(b) rejection of claims 1–24, as being indefinite, and (3) the Examiner’s obviousness rejections of claims 1–24 under 35 U.S.C. § 103(a).

In summary:

Claims Rejected	35 U.S.C. §	Basis	Affirmed	Reversed
1–24	101	Eligibility		1–24
1–24	112(a)	Written description	1–24	
1–24	112(b)	Indefiniteness	1–24	

Claims Rejected	35 U.S.C.§	Basis	Affirmed	Reversed
1–3, 5, 13–15, 17	103(a)	Subramanya, Labowicz, Posey	1–3, 5, 13–15, 17	
6–8, 10, 12, 18–20, 22, 24	103(a)	Wahlert, Subramanya, Posey	6–8, 10, 12, 18–20, 22, 24	
4, 16	103(a)	Subramanya, Labowicz, Posey, Dye	4, 16	
9, 11, 21, 23	103(a)	Wahlert, Subramanya, Posey, Dye	9, 11, 21, 23	
Overall Outcome			1–24	

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).

AFFIRMED