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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte KARTHICK MUTHU-MANIVANNAN,
CARL L. BENNER, PENG XU, and BILLY DON RUSSELL

Appeal 2014-006595
Application 12/031,990
Technology Center 2400

Before CARLA M. KRIVAK, BRUCE R. WINSOR, and
AARON W. MOORE, *Administrative Patent Judges*.

MOORE, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Appellants[1] appeal under 35 U.S.C. § 134(a) from a Final Rejection of claims 1–26. We have jurisdiction under 35 U.S.C. § 6(b).

We reverse and enter a new ground of rejection.

THE INVENTION

The application is directed to "[a] method for prioritizing events on an electrical power system." (Abstract.) Claim 1, reproduced below, is illustrative:

> 1. A method for prioritizing events on an electrical power system, comprising:
>
> (a) acquiring at least one data portion representative of the behavior of an electrical power system, where the electrical power system comprises all or a part of a system that conducts electrical power between an electric power source and an electric load, the at least one data portion containing at least one power system event which represents a deviation from steady-state operation of the electrical power system;
>
> (b) assigning at least one rank value to the at least one data portion based on the type of power system event, the rank value indicative of a priority of the event; and
>
> (c) conducting subsequent data processing operations on the at least one data portion in accordance with the at least one rank value.

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[1] Appellants identify The Texas A & M University System as the real party in interest. (*See* App. Br. 3.)

THE REFERENCES AND THE REJECTION

Claims 1–26 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Butka et al. (US 6,735,704 B1, issued May 11, 2004) and Schweitzer (US 2007/0239372 A1, published Oct. 11, 2007). (*See* Final Act. 2–6.)

ANALYSIS

With respect to independent claims 1 and 14, Appellants argue that the combination of Butka and Schweitzer is improper because one of skill in the art would not have combined Schweitzer's teachings regarding load-shedding priority with Butka's power supply control method to achieve the recited invention.

Butka teaches acquiring data reflecting a failure of a power subsystem and then performing an operation based on the data, namely instructing another subsystem to couple a power supply to the bus. (*See, e.g.*, Butka 2:24–34.) Schweitzer teaches that a power supply system can ensure that critical infrastructure will be preserved in the event of a power supply shortage by shedding customers according to a priority list. (*See, e.g.*, Schweitzer ¶ 35.)

Mindful that "[t]he test for obviousness is not whether the features of a secondary reference may be bodily incorporated into the structure of the primary reference" but rather "what the combined teachings of those references would have suggested to those of ordinary skill in the art," *In re Keller*, 642 F.2d 413, 425 (CCPA 1981), we nevertheless fail to see how these references may be combined to arrive at the claimed invention. There does not appear to be any reason to modify Butka, which teaches replacing a

failed power supply, with Schweitzer's teachings regarding prioritization of power recipients in the event power load needs to be shed. The Examiner's stated motivation—"to reduce latency through prioritization" (Ans. 3)—does not appear to be grounded in the prior art, as Schweitzer uses a priority list to ensure protection of critical infrastructure, not to reduce latency, and the Examiner provides no explanation of how or why adding Schweitzer's prioritization to Butka would result in latency reduction. While Schweitzer has a reason to prioritize in the context of load shedding, the Examiner does not provide a reason to prioritize in Butka's system of replacing failed power supplies, and we thus find that the combination lacks the required "rational underpinning." *See KSR Int'l. Co. v. Teleflex, Inc.*, 550 U.S. 398, 418 (2007).

For these reasons, we do not sustain the rejection of independent claims 1 and 14 and, for the same reason, we do not sustain the rejection of dependent claims 2–13 and 15–26.

NEW GROUND OF REJECTION

We enter the following new ground of rejection pursuant to 37 C.F.R. § 41.50(b): claims 1–26 are rejected under 35 U.S.C. § 101.

Section 101 of the Patent Act permits the patenting of "any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof." 35 U.S.C. § 101. Despite this broad language, the Supreme Court has "long held that this provision contains an important implicit exception: [l]aws 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) (internal citations omitted).

The Supreme Court has set forth a two-part test "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 the analysis is to "determine whether the claims at issue are directed to one of those patent-ineligible concepts." *Id.* For example, abstract ideas include, but are not limited to, fundamental economic practices, methods of organizing human activities, an idea itself, and mathematical formulas or relationships. *Id.* at 2355-57.

If the claims are directed to a patent-ineligible concept, the second step is to consider the elements of the claims "individually and 'as an ordered combination' to determine whether the additional elements 'transform the nature of the claim' into a patent-eligible application." *Id.* at 2355 (quoting *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 132 S. Ct. 1289, 1297-98 (2012)). In other words, the second step is to "search for an 'inventive concept,'" namely "an element or combination of elements that is 'sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [ineligible concept] itself.'" *Id.* (quoting *Mayo*, 132 S. Ct. at 1294; brackets in original)).

Applying the first step of the analysis, we first note claim 1 is directed to a method comprising the steps of (a) acquiring data containing an event representing a deviation from a steady state operation of a power system, (b) assigning a rank indicative of a priority based on the type of event, and (c) conducing data processing operations in accordance with the rank. We find this claim directed to the idea of prioritizing events based on type and processing data in accordance with the rank. We further conclude that this idea, which amounts to a scheme for organizing and using information, is

abstract, as were similar concepts that have been considered by both the Supreme Court and our reviewing Court. *Cf. Parker v. Flook*, 437 U.S. 584, 592–96 (1978) (holding a claim directed to a method for updating the value of an alarm limit in the catalytic chemical conversion of hydrocarbons invalid under Section 101); *In re TLI Communications LLC Patent Litigation*, No. 2015-1372, 2016 WL 2865693, *3–5 (Fed. Cir. May 17, 2016) (finding claims "directed to the abstract idea of classifying and storing digital images in an organized manner" to be abstract); *Intellectual Ventures I LLC v. Capital One Bank (USA)*, 792 F.3d 1363, 1367 (Fed. Cir. 2015) ("Here, the patent claims are directed to an abstract idea: tracking financial transactions to determine whether they exceed a pre-set spending limit (i.e., budgeting)."); *Content Extraction & Transmission LLC v. Wells Fargo Bank, Nat. Ass'n*, 776 F.3d 1343, 1347 (Fed. Cir. 2014) (finding claims drawn to the "idea of 1) collecting data, 2) recognizing certain data within the collected data set, and 3) storing that recognized data in a memory" directed to an abstract idea); *SmartGene, Inc. v. Advanced Biological Labs.*, SA, 555 Fed. Appx. 950, 954–55 (Fed. Cir. 2014) (determining that a claim directed to "the mental steps of comparing new and stored information and using rules to identify medical options" was abstract and "involve[d] a mental process excluded from section 101").

Because we find claim 1 directed to an abstract idea, we must determine whether the claim is directed to significantly more than the abstract idea itself, i.e., to a patent-eligible application of the abstract idea. *See Alice*, 134 S. Ct. at 2355. In this connection, we observe that the Background portion of Appellants' Specification confirms that it was known to gather information about abnormal conditions in an electrical system for

use by operations and maintenance personnel. (*See* Spec. ¶ 4.) We also observe that the claim merely acquires data, ranks the data, and "conduct[s] subsequent data processing operations" according to the ranking. Thus, looking at claim 1 as a whole, we find that it is directed to conventional steps involved in managing an electrical system (i.e., processing events), to which the abstract idea of ranking is applied, where the steps are performed on a computer. However, neither limiting the use of an abstract idea to a particular technological environment nor using a general purpose computer can transform the idea into a patent-eligible invention. *See Alice*, 134 S. Ct. at 2358 ("[T]he mere recitation of a generic computer cannot transform a patent-ineligible abstract idea into a patent-eligible invention."); *Flook*, 437 U.S. at 595 ("[I]f a claim is directed essentially to a method of calculating, using a mathematical formula, even if the solution is for a specific purpose, the claimed method is nonstatutory." (quoting *In re Richman*, 563 F.2d 1026, 1030 (1977)).

We accordingly conclude that independent claim 1 does not amount to significantly more than an abstract idea, and is not patent eligible. The same reasoning applies to independent claim 14, directed to a "computer program product comprising one or more computer readable media having stored thereon a plurality of instructions" for performing the method of claim 1. *See Alice*, 134 S. Ct. at 2360 ("Because petitioner's system and media claims add nothing of substance to the underlying abstract idea, we hold that they too are patent ineligible under § 101."). We further find that the dependent claims, 2–13 and 15–26, do not add anything materially more patent-eligible than the abstract concepts recited in the independent claims.

DECISION

The Examiner's 35 U.S.C. § 103(a) rejection of claims 1–26 is reversed. We enter a NEW GROUND OF REJECTION of claims 1–26 under 35 U.S.C. § 101 pursuant to our authority under 37 C.F.R. § 41.50(b)

NEW GROUND

This decision contains a new ground of rejection pursuant to 37 C.F.R. § 41.50(b).

37 C.F.R. § 41.50(b) provides that "[a] new ground of rejection pursuant to this paragraph shall not be considered final for judicial review" and that Appellants, WITHIN TWO MONTHS FROM THE DATE OF THE DECISION, must exercise one of the following two options with respect to the new ground of rejection to avoid termination of the appeal as to the rejected claims:

(1) reopen prosecution by submitting an appropriate amendment of the claims so rejected, or new Evidence relating to the claims so rejected, or both, and have the matter reconsidered by the examiner, in which event the proceeding will be remanded to the examiner; or

(2) request that the proceeding be reheard under § 41.52 by the Board upon the same Record.

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

REVERSED; 37 C.F.R. § 41.50(b)