



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

Table with 5 columns: APPLICATION NO., FILING DATE, FIRST NAMED INVENTOR, ATTORNEY DOCKET NO., CONFIRMATION NO.
13/366,426 02/06/2012 Perry Robinson MacNeille 83220396 8161

28395 7590 03/14/2018
BROOKS KUSHMAN P.C./FGTL
1000 TOWN CENTER
22ND FLOOR
SOUTHFIELD, MI 48075-1238

Table with 1 column: EXAMINER

REINHARDT, RICHARD G

Table with 2 columns: ART UNIT, PAPER NUMBER

3682

Table with 2 columns: NOTIFICATION DATE, DELIVERY MODE

03/14/2018

ELECTRONIC

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

docketing@brookskushman.com

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte PERRY ROBINSON MACNEILLE, YIMIN LIU,
OLEG YURIEVITCH GUSIKHIN, and MARK SCHUNDER

Appeal 2015-005876¹
Application 13/366,426
Technology Center 3600

Before NINA L. MEDLOCK, KENNETH G. SCHOPFER, and
TARA L. HUTCHINGS, *Administrative Patent Judges*.

MEDLOCK, *Administrative Patent Judge*.

DECISION ON REQUEST FOR REHEARING

The Examiner has requested that we reconsider our Decision on Appeal mailed April 10, 2017 (“Decision”), in which we reversed the rejections of claims 1 and 18 under 35 U.S.C. § 112, second paragraph; claims 1, 2, 7–9, 11, and 13–19 under 35 U.S.C. § 102(e); claims 1, 2, 5, 6, and 15–19 under 35 U.S.C. § 102(b); and claims 3, 4, and 7–14 under 35 U.S.C. § 103(a). We have reviewed the Request for Rehearing

¹ Our decision references the Examiner’s Answer (“Ans.,” mailed March 26, 2015) and Appellants’ Reply Brief (“Reply Br.,” filed May 22, 2015) and Reply to Request for Rehearing (“Reh’g. Reply,” filed February 6, 2018).

(“Request” or “Req. Reh’g”) in view of our Decision. For the reasons set forth below, we grant the Examiner’s request.

BACKGROUND

The Examiner observes in the Request that the Board, in rendering the Decision, overlooked, and, therefore, did not address, the rejection of claims 1–19 under 35 U.S.C. § 101, which the Examiner entered as a new ground of rejection in the Examiner’s Answer (Req. Reh’g 1). Therefore, the Examiner requests that the Decision be reconsidered and that the Board render a decision on the § 101 rejection (*id.* at 2).

ANALYSIS

Under 35 U.S.C. § 101, an invention is patent-eligible if it claims a “new and useful process, machine, manufacture, or composition of matter.” 35 U.S.C. § 101. The Supreme Court, however, has long interpreted § 101 to include an implicit exception: “[l]aws of nature, natural phenomena, and abstract ideas” are not patentable. *See, e.g., Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 134 S. Ct. 2347, 2354 (2014).

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 (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 Corp.*, 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.” *Id.* If the claims are not directed to a patent-ineligible concept, e.g., an abstract idea, the inquiry ends. Otherwise, the inquiry proceeds to the second step where

the elements of the claims are considered “individually and ‘as an ordered combination’” to determine whether there are additional elements that “‘transform the nature of the claim’ into a patent-eligible application.” *Id.* (quoting *Mayo*, 566 U.S. at 79, 78).

The Court acknowledged in *Mayo*, that “all inventions at some level embody, use, reflect, rest upon, or apply laws of nature, natural phenomena, or abstract ideas.” *Mayo*, 566 U.S. at 71. Therefore, the Federal Circuit has instructed that claims are to be considered in their entirety to determine “whether their character as a whole is directed to excluded subject matter.” *McRO, Inc. v. Bandai Namco Games Am., Inc.*, 837 F.3d 1299, 1312 (Fed. Cir. 2016) (quoting *Internet Patents Corp. v. Active Network, Inc.*, 790 F.3d 1343, 1346 (Fed. Cir. 2015)).

Here, in rejecting the claims under 35 U.S.C. § 101, the Examiner determined that claims 1–14 are directed to “retrieving habit information, identifying likely stopping areas, identifying a merchant, obtaining an advertisement, and presenting the advertisement upon the vehicle entering the area,” i.e., to a method of organizing human activities and, therefore, to an abstract idea; and that there are no meaningful limitations in the claims that transform the abstract idea into a patent-eligible application such that the claims amount to significantly more than the abstract idea itself (Ans. 13–15). The Examiner determined that claims 15–19 are patent-ineligible for substantially the same reasons (*id.* at 15).²

² Claims 1 and 15 are the independent claims. Claim 1, reproduced below, is illustrative:

1. A computer implemented method comprising:
retrieving user shopping habit information;

Applying the first step of the *Mayo/Alice* framework, we agree with the Examiner that the claims are directed to an abstract idea, i.e., to targeted advertising — a conclusion fully consistent with the Specification, including the claim language.³

Claim 1, for example, recites a computer-implemented method comprising a series of steps, i.e., (1) retrieving information regarding the user's (i.e., the occupant's) shopping habits; (2) identifying a likely stopping area along the vehicle route; (3) identifying a merchant corresponding to the retrieved information within a predetermined proximity of the stopping area; (4) obtaining an advertisement for the merchant; and (5) presenting the advertisement to the vehicle occupant as the vehicle moves within a predefined perimeter of the merchant. These steps are all in furtherance of advertising, i.e., providing promotional content to a potential customer, and, as the Examiner observes, involve nothing more than collecting, analyzing, and presenting information (Ans. 15) — activities squarely within the realm of abstract ideas. *See Elec. Power Grp. LLC v. Alstom, S.A.*, 830 F.3d 1350,

identifying a non-destination area along a route as a likely stopping area;

identifying, using a computer, a merchant corresponding to the retrieved information and within a predefined proximity to the stopping area;

obtain[ing] an advertisement for the merchant; and

as a vehicle moves within a predefined perimeter of the merchant, presenting the advertisement to a vehicle occupant.

³ Although our articulation of the abstract idea may differ from the Examiner's, that difference merely relates to the level of abstraction, and does not impact the patent-eligibility analysis. *See Apple, Inc. v. Ameranth, Inc.*, 842 F.3d 1229, 1241 (Fed. Cir. 2016) (“An abstract idea can generally be described at different levels of abstraction.”).

1353–54 (Fed. Cir. 2016) (characterizing collecting information, analyzing information by steps people go through in their minds, or by mathematical algorithms, and presenting the results of collecting and analyzing information, without more, as matters within the realm of abstract ideas).

Appellants charge that the Examiner’s articulation of the abstract idea, (i.e., as “retrieving habit information, identifying likely stopping areas, identifying a merchant, obtaining an advertisement, and presenting the advertisement upon the vehicle entering the area”), “given the degree of specificity (essentially reciting back the entire claim), . . . hardly represents an abstract idea” (Reply Br. 5). Yet, Appellants cannot reasonably deny that the claims are directed to targeted advertising (*see, e.g.*, Spec. ¶¶ 5–7, 33–34), i.e., to a fundamental, long-standing, and well-known economic practice and, therefore, to an abstract idea. *See Tuxis Technologies, LLC v. Amazon.com, Inc.*, No. CV 13-1771-RGA, 2014 WL 4382446, at *5 (D. Del. Sept. 3, 2014) (Matching consumers with a given product or service “has been practiced as long as markets have been in operation.”). *See also Morsa v. Facebook, Inc.*, 77 F. Supp.3d 1007, 1013–14 (C.D. Cal. 2014), *aff’d* 622 F. App’x 915 (Fed. Cir. 2015) (concluding that targeted advertising is an abstract idea).

We also are not persuaded by Appellants’ argument that the § 101 rejection cannot be sustained because there is no preemption (Reply Br. 6–7). Although the Supreme Court has described “the concern that drives [the exclusion of abstract ideas from patent eligible subject matter] as one of pre-emption,” *Alice Corp.*, 134 S. Ct. at 2354, characterizing pre-emption as a driving concern for patent eligibility is not the same as characterizing preemption as the sole test for patent eligibility. “The Supreme Court has

made clear that the principle of preemption is the basis for the judicial exceptions to patentability” and “[f]or this reason, questions on preemption are inherent in and resolved by the § 101 analysis.” *Ariosa Diagnostics, Inc. v. Sequenom, Inc.*, 788 F.3d 1371, 1379 (Fed. Cir. 2015) (citing *Alice Corp.*, 134 S. Ct. at 2354). “[P]reemption may signal patent ineligible subject matter, [but] the absence of complete preemption does not demonstrate patent eligibility.” *Id.*

Turning to the second step of the *Mayo/Alice* framework, we agree with the Examiner that there are no meaningful limitations in the claims sufficient to transform the abstract idea into a patent-eligible application. For example, we find no indication in the Specification, nor do Appellants point to anything in the Specification to indicate, that the steps recited in claim 1, for example, require any specialized computer hardware or other inventive computer components, invoke any assertedly inventive programming, or that the claimed invention is implemented using other than generic computer components to perform the claimed method steps, which is not enough for patent-eligibility. *See DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245, 1256 (Fed. Cir. 2014) (“After *Alice*, there can remain no doubt: recitation of generic computer limitations does not make an otherwise ineligible claim patent-eligible.”).

Appellants assert that the claims call for identifying a non-destination as a likely stopping area and then using this stopping area as the basis for merchant selection and advertisement presentation. And Appellants argue that this is “an atypical approach[] that improves the technology of advertisement selection and presentation by accommodating the route, but avoiding oversaturation of advertisements” (Reh’g Reply 2–3). Yet,

avoiding oversaturation of advertisements is not a *technical* challenge; it is a *business* challenge. And selecting and presenting advertisement by accommodating a route is a commercial solution, not a technical solution.

The only portion of the claims that can reasonably be considered “technological” is the generic computer hardware, i.e., the claimed “computer” or “processor,” used to perform the claimed method, which is not enough to confer subject matter eligibility. *See Alice Corp.*, 134 S. Ct. at 2358 (“[I]f a patent’s recitation of a computer amounts to a mere instruction to ‘implemen[t]’ an abstract idea ‘on . . . a computer,’ that addition cannot impart patent eligibility.”) (internal citations omitted).

Finally, we are not persuaded of Examiner error to the extent Appellants maintain that the claimed invention is patent-eligible, i.e., that the claims amount to “significantly more” than an abstract idea, and/or that the recited functions are not “well-understood” and “conventional” because the claims are allegedly novel and/or non-obvious in view of the prior art (Reh’g. Reply 2).

A finding of novelty or non-obviousness does not automatically lead to the conclusion that the claimed subject matter is patent-eligible. Although the second step in the *Mayo/Alice* framework is termed a search for an “inventive concept,” the analysis is not an evaluation of novelty or non-obviousness, but rather, a search for “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.’” *Alice Corp.*, 134 S. Ct. at 2355. “Groundbreaking, innovative, or even brilliant discovery does not by itself satisfy the § 101 inquiry.” *Ass’n. for Molecular Pathology v. Myriad Genetics, Inc.*, 569 U.S. 576, 591 (2013). A novel and

Appeal 2015-005876
Application 13/366,426

non-obvious claim directed to a purely abstract idea is, nonetheless, patent-ineligible. *See Mayo*, 566 U.S. at 90. *See also Diamond v. Diehr*, 450 U.S. 175, 188–89 (1981) (“The ‘novelty’ of any element or steps in a process, or even of the process itself, is of no relevance in determining whether the subject matter of a claim falls within the § 101 categories of possibly patentable subject matter.”).

We are not persuaded on the present record that the Examiner erred in rejecting claims 1–19 under 35 U.S.C. § 101. Therefore, we modify the Decision such that the rejection of claims 1–19 under 35 U.S.C. § 101 is sustained.

GRANTED