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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte ESWAR PRIYADARSHAN, KENLEY SUN,
DAN MARIUS GRIGOROVICI, RAVIKIRAN CHITTARI,
JAYASURYA VADREVVU, IRFAN MOHAMMED, and OMAR ABDALA

Appeal 2016-003392
Application 12/854,811
Technology Center 3600

Before CYNTHIA L. MURPHY, BRUCE T. WIEDER, and
MATTHEW S. MEYERS, *Administrative Patent Judges*.

WIEDER, *Administrative Patent Judge*.

DECISION ON APPEAL

This is a decision on appeal under 35 U.S.C. § 134 from the Examiner's final rejection of claims 1–3, 5, 7–11, 13–19, and 21–29. We have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.

CLAIMED SUBJECT MATTER

Appellants' claimed invention "relates to electronic content delivery and more specifically to intelligent targeting of invitational content to a user based on user characteristics." (Spec. ¶ 1.)

Claims 1, 9, and 17 are the independent claims on appeal. Claim 1 is illustrative. It recites:

1. A computer-implemented method comprising:
 - receiving a request for invitational content for an identified user;
 - determining a collection of targeted segments assigned to the identified user;
 - determining one or more system goals for the collection of targeted segments, the one or more system goals including one or more campaign goals, each campaign goal specifying one or more targeted segments and a target objective;
 - ordering, via a processor, the collection of targeted segments by:
 - identifying different orderings of the collection of targeted segments, the different orderings comprising a plurality of different sequences of targeted segments assigned to the identified user for targeting the identified user, each of the plurality of different sequences comprising a different ordering of targeted segments;
 - predicting a respective performance of each of the different orderings, wherein the respective performance of each of the different orderings is predicted with respect to a goal from the one or more system goals; and
 - based on the respective performance of each of the different orderings, selecting one of the different orderings of the collection of targeted segments to yield an ordering of targeted segments, the ordering of targeted segments having a highest likelihood of meeting the one or more system goals with respect to other orderings from the different orderings; and
 - selecting specific invitational content for targeting the user based on the ordering of targeted segments.

REJECTION¹

Claims 1–3, 5, 7–11, 13–19, and 21–29 are rejected under 35 U.S.C. § 101 as directed to non-statutory subject matter.

ANALYSIS

In 2014, the Supreme Court decided *Alice Corp. Pty. Ltd. v. CLS Bank Int'l*, 134 S. Ct. 2347 (2014). *Alice* applies a two-part framework, earlier set out in *Mayo Collaborative Servs. v. Prometheus Labs., 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*, 134 S. Ct. at 2355.

Under the two-part framework, it must first be determined if “the claims at issue are directed to a patent-ineligible concept.” *Id.* If the claims are determined to be directed to a patent-ineligible concept, then the second part of the framework is applied to determine if “the elements of the claim . . . contain[] an ‘inventive concept’ sufficient to ‘transform’ the claimed abstract idea into a patent-eligible application.” *Id.* at 2357 (citing *Mayo*, 566 U.S. at 72–73, 79).

With regard to part one of the *Alice* framework, the Examiner determines that the claims are directed to “the abstract idea of selecting invitational content (e.g. advertisements) targeting [a] user.” (Final Action 6.)

¹ The rejection of claims 1–3, 5, 7–11, 13–19, and 21–29 under 35 U.S.C. § 103(a) was withdrawn. (Answer 2.)

Appellants disagree and argue “that this rejection is improper because it is based on an overly broad and improper characterization of the claims which ignores the actual limitations in the claims.” (Appeal Br. 14.)

Under part one of the *Alice* framework, we “look at the ‘focus of the claimed advance over the prior art’ to determine if the claim’s ‘character as a whole’ is directed to excluded subject matter.” *Affinity Labs of Texas, LLC v. DIRECTV, LLC*, 838 F.3d 1253, 1257 (Fed. Cir. 2016) (quoting *Elec. Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350, 1353 (Fed. Cir. 2016)). Thus, although we consider the claim as a whole, the “directed to” inquiry focuses on the claim’s “character as a whole.”

The Specification provides evidence as to what the invention is directed. In this case, the Specification discloses that a goal of the claimed invention is “to derive a complete set of quality user characteristic data. The library of user characteristics is used to identify and place the user into one or more targeted segments, which are associated with content to be delivered to the users in the targeted segments.” (Spec. ¶ 15.) Claim 1 recites “receiving a request for . . . content,” “determining a collection of targeted segments,” “determining one or more . . . goals for the collection of targeted segments,” ordering . . . the collection of targeted segments by: identifying different orderings of the collection of targeted segments,” “predicting a respective performance of each of the different orderings,” “and based on the respective performance of each of the different orderings, selecting one of the different orderings,” “and selecting specific invitational content for targeting the user.” In view of the above, we agree with the Examiner that the claim is directed to “the abstract idea of selecting invitational content (e.g. advertisements) targeting [a] user.” (See Final Action 6.) Moreover,

the Federal Circuit has recognized that tailoring content such as advertisements “based on information known about the customer . . . is an abstract idea.” *Intellectual Ventures I LLC v. Capital One Bank (USA)*, 792 F.3d 1363, 1369 (Fed. Cir. 2015).

Appellants further argue that the Examiner “fails to establish a *prima facie* rejection under *Alice*. (Appeal Br. 15.) We disagree.

[T]he PTO carries its procedural burden of establishing a *prima facie* case when its rejection satisfies 35 U.S.C. § 132, in “notify[ing] the applicant . . . [by] stating the reasons for [its] rejection, or objection or requirement, together with such information and references as may be useful in judging of the propriety of continuing the prosecution of [the] application.” 35 U.S.C. § 132. That section “is violated when a rejection is so uninformative that it prevents the applicant from recognizing and seeking to counter the grounds for rejection.” *Chester v. Miller*, 906 F.2d 1574, 1578 (Fed.Cir.1990).

In re Jung, 637 F.3d 1356, 1362 (Fed. Cir. 2011). Here, the Examiner analyzes the claims using the two-part *Alice* framework and clearly articulates the reasons why the claims are not statutory under § 101. (*See* Final Action 5–8; *see also* Answer 3–5.)

Part two of the *Alice* framework has been described “as a search for an ‘“inventive concept” ’ –*i.e.*, 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*, 134 S. Ct. at 2355 (citing *Mayo*, 566 U.S. at 72–73).

The introduction of a computer into the claims does not alter the analysis at step two.

[T]he mere recitation of a generic computer cannot transform a patent-ineligible abstract idea into a patent-eligible invention. Stating an abstract idea “while adding the words ‘apply it’ ” is not enough for patent eligibility. Nor is limiting the use of an abstract idea “ ‘to a particular technological environment.’ ” Stating an abstract idea while adding the words “apply it with a computer” simply combines those two steps, with the same deficient result. Thus, if 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. This conclusion accords with the preemption concern that undergirds our § 101 jurisprudence. Given the ubiquity of computers, wholly generic computer implementation is not generally the sort of “additional featur[e]” that provides any “practical assurance that the process is more than a drafting effort designed to monopolize the [abstract idea] itself.”

Id. at 2358 (citations omitted).

“[T]he relevant question is whether the claims here do more than simply instruct the practitioner to implement the abstract idea . . . on a generic computer.” *Id.* at 2359. They do not. Claim 1 relates to a computer implemented method for selecting content (e.g., advertisements) targeting a user by receiving data (a request), analyzing data (determining targeted segments and goals), ordering data (the targeted segments), and selecting data (based on the ordering of segments).

Additionally, the Examiner finds that “the method steps of claim 1 do not improve another technology or technical field, [and] do not improve the functioning of the computer itself.” (Final Action 6.) Appellants argue, for the first time in the Reply Brief, that “[t]he claims improve the communications between a computer and a user by better targeting the digital content provided by the computer to the user. Like *DDR*, which provides a website designed to have a specific look and feel in order to

better target users with digital content, the present claims can better target users with digital content.” (Reply Br. 14.) Appellants’ argument is not responsive to a new argument raised in the Examiner’s Answer and Appellants do not show good cause as to why this argument was not raised in the Appeal Brief. Therefore, we need not consider this new argument. *See* 37 C.F.R. § 41.41(b)(2).

However, even considering this argument, we are not persuaded of error. Appellants attempt to analogize the claimed invention to the claims in *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245 (Fed. Cir. 2014). (Reply Br. 14.) But unlike the present claims, the claims in *DDR Holdings* “specify how interactions with the Internet are manipulated to yield a desired result — *a result that overrides the routine and conventional sequence of events ordinarily triggered by the click of a hyperlink.*” *DDR Holdings*, 773 F.3d at 1258 (emphasis added). In other words, the invention claimed in *DDR Holdings* does more than “simply instruct the practitioner to implement the abstract idea with routine, conventional activity.” *See Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 715 (Fed. Cir. 2014); *see also DDR Holdings*, 773 F.3d at 1259. In this case, “better targeting . . . content . . . to the user” (Reply Br. 14), is “nothing more than the performance of an abstract business practice . . . using a conventional computer. Such claims are not patent-eligible.” *DDR Holdings*, 773 F.3d at 1256.

Appellants also argue that the claim “limitations narrow the claims significantly and eliminate any potential issues of pre-emption.” (Appeal Br. 16.) We are not persuaded of error. Preemption is not a separate test.

To be clear, the proper focus is not preemption *per se*, for some measure of preemption is intrinsic in the statutory right granted with every patent to exclude competitors, for a limited time, from practicing the claimed invention. *See* 35 U.S.C. § 154. Rather, the animating concern is that claims should not be coextensive with a natural law, natural phenomenon, or abstract idea; a patent-eligible claim must include one or more substantive limitations that, in the words of the Supreme Court, add “significantly more” to the basic principle, with the result that the claim covers significantly *less*. *See Mayo* 132 S. Ct. at 1294 [566 U.S. at 72–73].

CLS Bank Int’l v. Alice Corp. Pty. Ltd., 717 F.3d 1269, 1281 (Fed. Cir. 2013), *aff’d*, 134 S. Ct. 2347 (2014) (Lourie, J., concurring). Moreover, “[w]here a patent’s claims are deemed only to disclose patent ineligible subject matter under the *Mayo* framework, as they are in this case, preemption concerns are fully addressed and made moot.” *Ariosa Diagnostics, Inc. v. Sequenom, Inc.*, 788 F.3d 1371, 1379 (Fed. Cir. 2015). In other words, “preemption may signal patent ineligible subject matter, [but] the absence of complete preemption does not demonstrate patent eligibility.” *Id.*

Taking the claim elements separately, the function performed by the computer at each step is purely conventional. Using a computer to receive, analyze, order, and select data are basic computer functions. Moreover, the Specification discloses that the invention can be implemented using generic computer components. (*See, e.g.*, Spec. ¶ 241.) In short, each step does no more than require a generic computer to perform generic computer functions.

Considered as an ordered combination, the computer components of Appellants’ method add nothing that is not already present when the steps

are considered separately. For example, the claims do not, as discussed above, purport to improve the functioning of the computer itself. Nor do they effect an improvement in any other technology or technical field. Instead, the claims at issue amount to nothing significantly more than an instruction to apply the abstract idea of receiving, analyzing, ordering, and selecting data using a generic computer. That is not enough to transform an abstract idea into a patent-eligible invention. *See Alice*, 134 S. Ct. at 2360.

In view of the above, we are not persuaded that that Examiner erred in rejecting claim 1 under § 101. Independent claims 9 and 17, and dependent claims 2, 3, 5, 7, 8, 10, 11, 13–16, 18, 19, and 21–29 are not separately argued and fall with claim 1. *See* 37 C.F.R. § 41.37(c)(1)(iv).

DECISION

The Examiner's rejection of claims 1–3, 5, 7–11, 13–19, and 21–29 under 35 U.S.C. § 101 is affirmed.

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