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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte CHRISTOPHER PHILLIPS and MATTHEW WHITBOURNE

Appeal 2016–003674
Application 13/479,446
Technology Center 3600

Before ANTON W. FETTING, KENNETH G. SCHOPFER, and
TARA L. HUTCHINGS, *Administrative Patent Judges*.
FETTING, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE¹

Christopher Phillips and Matthew Whitbourne (Appellants) seek review under 35 U.S.C. § 1349(a) of a final rejection of claims 1–20, the only claims pending in the application on appeal. We have jurisdiction over the appeal pursuant to 35 U.S.C. § 6(b).

¹ Our decision will make reference to the Appellants’ Appeal Brief (“App. Br.,” filed August 26, 2015) and Reply Brief (“Reply Br.,” filed February 25, 2016), and the Examiner’s Answer (“Ans.,” mailed December 31, 2015), and Final Action (“Final Act.,” mailed March 26, 2015).

The Appellants invented methods, devices, and computer program products are provided wherein advertisements for a web page may be evaluated, characterized, managed or displayed. Specification para. 3.

An understanding of the invention can be derived from a reading of exemplary claim 1, which is reproduced below (bracketed matter and some paragraphing added).

1. A method for managing the display of an advertisement on a web page with respect to a portion of web page content, said method comprising the steps of:

[1] at a computer, determining the display size of web page content to be rendered on a world wide web page;

[2] at a computer, assigning a priority to advertisements in a set of a plurality of advertisements,

one or more of the advertisements in the set for display on a world wide web page in association with said web page content,

each of said advertisements in said set having a display size;

[3] in association with assembling advertisements to be rendered with web page content and to be rendered for display on a given world wide web page,

said advertisements being considered by a computer in sequence based on their assigned priority;

[4] considering advertisements
including determining the difference between
said display size of said portion of web page
content
and
the cumulative display size
of a plurality of considered advertisements
for display on a world wide web page;

and

[5] if the display size of the next advertisement in sequence for
selection exceeds said difference

then omitting said next advertisement and considering the
subsequent advertisement in sequence for display on a
world wide web page.

Claims 1–20 stand rejected under 35 U.S.C. § 101 as directed to non–
statutory subject matter.

ISSUES

The issues of eligible subject matter turn primarily on whether the claims
recite more than abstract conceptual advice of what a computer is to provide
without implementation details.

ANALYSIS

The Supreme Court

set forth a framework for distinguishing patents that claim laws
of nature, natural phenomena, and abstract ideas from those that
claim patent-eligible applications of those concepts. First, []
determine whether the claims at issue are directed to one of

those patent-ineligible concepts. [] If so, we then ask, “[w]hat else is there in the claims before us? [] To answer that question, [] consider the elements of each claim both individually and “as an ordered combination” to determine whether the additional elements “transform the nature of the claim” into a patent-eligible application. [The Court] described step two of this analysis 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 Corp., Pty. Ltd. v CLS Bank Intl, 134 S.Ct. 2347, 2355 (2014) (citing *Mayo Collaborative Services v. Prometheus Laboratories, Inc.*, 566 U.S. 66 (2012)).

To perform this test, we must first determine whether the claims at issue are directed to a patent-ineligible concept. The Examiner finds the claims directed to comparing new and stored information and using rules to identify options. Final Act. 4.

While the Court in *Alice* made a direct finding as to what the claims were directed to, we find that this case’s claims themselves and the Specification provide enough information to inform one as to what they are directed to.

The preamble to claim 1 recites that it is a method for managing the display of an advertisement on a web page with respect to a portion of web page content. The steps in claim 1 result in considering advertisements for display (but not then displaying them). The Specification at paragraph 3 recites that the invention relates to methods, devices, and computer program products are provided wherein advertisements for a web page may be evaluated, characterized, managed or displayed. Thus, all this evidence shows that claim 1 is directed to selecting advertisements, i.e. advertising.

It follows from prior Supreme Court cases, and *Bilski* (*Bilski v Kappos*, 561 U.S. 593 (2010)) in particular, that the claims at issue here are directed to an abstract idea. Like the risk hedging in *Bilski*, the concept of advertising is a fundamental business practice long prevalent in our system of commerce. The use of advertising is also a building block of marketing. Thus, advertising, like hedging, is an “abstract idea” beyond the scope of §101. *See Alice Corp. Pty. Ltd.* at 2356.

As in *Alice Corp. Pty. Ltd.*, we need not labor to delimit the precise contours of the “abstract ideas” category in this case. It is enough to recognize that there is no meaningful distinction in the level of abstraction between the concept of risk hedging in *Bilski* and the concept of advertising at issue here. Both are squarely within the realm of “abstract ideas” as the Court has used that term. *See Alice Corp. Pty. Ltd.* at 2357.

Further, claims involving data collection, analysis, and display often are directed to an abstract idea. *Elec. Power Grp. 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). Claim 1, unlike the claims found non-abstract in prior cases, uses generic computer technology to perform data analysis and sequencing and does not recite an improvement to a particular computer technology. *See, e.g., McRO, Inc. v. Bandai Namco Games Am. Inc.*, 837 F.3d 1299, 1314–15 (Fed. Cir. 2016) (finding claims not abstract because they “focused on a

specific asserted improvement in computer animation”). As such, claim 1 is directed to the abstract idea of analyzing and sequencing data.

The remaining claims merely describe sequencing parameters. We conclude that the claims at issue are directed to a patent-ineligible concept.

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

the 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 “implement[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 feature[e]” that provides any “practical assurance that the process is more than a drafting effort designed to monopolize the [abstract idea] itself.”

Alice Corp. Pty. Ltd., 134 S.Ct. 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.” *Alice Corp. Pty. Ltd.*, 134 S.Ct. at 2359. They do not.

Taking the claim elements separately, the function performed by the computer at each step of the process is purely conventional. Using a

computer to determine display size, assign priority, and analyzing such data amounts to electronic data sequencing—one of the most basic functions of a computer. All of these computer functions are well-understood, routine, conventional activities previously known to the industry. 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. Viewed as a whole, Appellants' method claims simply recite the concept of advertising as performed by a generic computer. To be sure, the claims recite doing so by advising one to determine the size of some display, sequence similar data according to size, and analyze the data in relation to available total size capacity. But this is no more than abstract conceptual advice on the parameters for such advertising and the generic computer processes necessary to process those parameters, and do not recite any particular implementation.

The method claims do not, for example, purport to improve the functioning of the computer itself. Nor do they effect an improvement in any other technology or technical field. The 7+ pages of Specification do not bulge with disclosure, but only spell out different generic equipment and parameters that might be applied using this concept and the particular steps such conventional processing would entail based on the concept of advertising under different scenarios. They do not describe any particular improvement in the manner a computer functions. Instead, the claims at issue amount to nothing significantly more than an instruction to apply the

abstract idea of advertising using some unspecified, generic computer. Under our precedents, that is not enough to transform an abstract idea into a patent-eligible invention. *See Alice Corp. Pty. Ltd.* 134 S.Ct. at 2360.

As to the structural claims, they

are no different from the method claims in substance. The method claims recite the abstract idea implemented on a generic computer; the system claims recite a handful of generic computer components configured to implement the same idea. This Court has long “warn[ed] ... against” interpreting § 101 “in ways that make patent eligibility ‘depend simply on the draftsman’s art.’

Alice Corp. Pty. Ltd. at 2360.

We are not persuaded by Appellants' argument that

the claims have an inextricable tie to a computer scheme and networked computers serving to render web pages using the www of the Internet. More than calculations, more than look ups and more than comparisons are being performed as the claims provide for the rendering a web page, which must use a computer, must involve a computer network, and cannot be performed without them. Given that it is impossible to render a web page without a computer, and given the explicit recitation of a computer or computer readable medium in the claims, the considerations and processes required by the claims as a whole place the claims squarely within 35 U.S.C. §101.

App. Br. 6–7. The claims do not render web pages, but only determine content that could be used for web pages. Even were the claims to recite rendering web pages, the claims recite no implementation details. Thus, the claims are abstract conceptual advice as to how to select content, and if they also recited rendering the content, the claims would only contain advice to do so. When claims like those here are “directed to an abstract idea” and

“merely requir[e] generic computer implementation,” they “do[] not move into [§] 101 eligibility territory.” *buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1354 (Fed. Cir. 2014) (internal quotation marks and citation omitted); *see Intellectual Ventures I LLC v. Capital One Bank (USA)*, 792 F.3d 1363, 1367 (Fed. Cir. 2015).

Appellants further argue that the asserted claims are akin to the claims found patent-eligible in *DDR Holdings, LLC v. Hotels.com, L.P.* 773 F.3d 1245 (Fed. Cir. 2014). In *DDR Holdings*, the Court evaluated the eligibility of claims “address[ing] the problem of retaining website visitors that, if adhering to the routine, conventional functioning of Internet hyperlink protocol, would be instantly transported away from a host’s website after ‘clicking’ on an advertisement and activating a hyperlink.” *Id.* at 1257. There, the Court found that the claims were patent eligible because they transformed the manner in which a hyperlink typically functions to resolve a problem that had no “pre-Internet analog.” *Id.* at 1258. The Court cautioned, however, “that not all claims purporting to address Internet-centric challenges are eligible for patent.” *Id.* For example, in *DDR Holdings* the Court distinguished the patent-eligible claims at issue from claims found patent-ineligible in *Ultramercial*. *See id.* at 1258–59 (citing *Ultramercial*, 772 F.3d at 715–16). As noted there, the *Ultramercial* claims were “directed to a specific method of advertising and content distribution that was previously unknown and never employed on the Internet before.” *Id.* at 1258 (quoting *Ultramercial*, 772 F.3d at 715–16). Nevertheless, those claims were patent ineligible because they “merely recite[d] the abstract idea of ‘offering media content in exchange for viewing an advertisement,’ along

with ‘routine additional steps such as updating an activity log, requiring a request from the consumer to view the ad, restrictions on public access, and use of the Internet.’” *Id.*

Appellants’ asserted claims are analogous to claims found ineligible in *Ultramercial* and distinct from claims found eligible in *DDR Holdings*. The ineligible claims in *Ultramercial* recited “providing [a] media product for sale at an Internet website;” “restricting general public access to said media product;” “receiving from the consumer a request to view [a] sponsor message;” and “if the sponsor message is an interactive message, presenting at least one query to the consumer and allowing said consumer access to said media product after receiving a response to said at least one query.” 772 F.3d at 712. Similarly, Appellants’ asserted claims recite analyzing and sequencing data. This is precisely the type of Internet activity found ineligible in *Ultramercial*.

We are not persuaded by Appellants' argument that

Each pending independent claim recites determining display size attributes of web page content for rendering on a www page. This includes determining the difference between the display size of a portion of web page content and the cumulative display size of a plurality of advertisements and is done in certain order in order to provide for improvements in web page rendering and display. Thus, an Internet centric problem employing www page rendering is at play in the claims.

App. Br. 7. The claims are directed to the age old problem of matching advertising copy to the space available. This predates the internet and is at least as old as newspaper advertising. In any event, whether a problem is Internet-centric is irrelevant. The issue is whether technology created the

problem and requires a technological solution. *See DDR Holdings*, 773 F.3d 1257–58. Advising one to match advertising copy size to available space is not a technological solution, but conceptual advice.

We are not persuaded by Appellants’ argument that the claims do not recite a general purpose computer. Reply Br. 7–8. Appellants present only a conclusory argument and present no evidence to support it. The claims recite no specific structure to implement the advice in the claims, and so recite only a programmed general purpose computer. Although a general purpose computer with specific programming becomes a special purpose computer, absent such implementation details concerning the program, the claim is advice to create such programming on a general purpose computer. The claim requires the functional results but does not sufficiently describe how to achieve these results in a non-abstract way. *See Affinity Labs of Tex., LLC v. DIRECTV, LLC*, 838 F.3d 1253, 1258–59 (Fed. Cir. 2016) (holding that claims were directed to an abstract idea where they claimed “the function of wirelessly communicating regional broadcast content to an out-of-region recipient, not a particular way of performing that function”).

The remaining arguments are variations on those supra.

CONCLUSIONS OF LAW

The rejection of claims 1–20 under 35 U.S.C. § 101 as directed to non-statutory subject matter is proper.

DECISION

The rejection of claims 1–20 is affirmed.

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No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 1.136(a)(1)(iv) (2011).

AFFIRMED