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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte JOSHUA KOPELMAN,
CHRISTOPHER D. FRALIC,
and SRINIVAS BALIJEPALLI

Appeal 2016–004363
Application 14/015,724
Technology Center 3600

Before ANTON W. FETTING, MICHAEL W. KIM, and AMEE A. SHAH,
Administrative Patent Judges.

FETTING, *Administrative Patent Judge.*

DECISION ON APPEAL

STATEMENT OF THE CASE¹

Joshua Kopelman, Christopher D. Fralic, and Srinivas Balijepalli
(Appellants) seek review under 35 U.S.C. § 134 of a final rejection of claims

¹ Our decision will make reference to the Appellants’ Appeal Brief (“App. Br.,” filed October 6, 2015) and Reply Brief (“Reply Br.,” filed March 22, 2016), and the Examiner’s Answer (“Ans.,” mailed January 22, 2016), and Final Action (“Final Act.,” mailed April 6, 2015).

20–39, the only claims pending in the application on appeal. We have jurisdiction over the appeal pursuant to 35 U.S.C. § 6(b).

The Appellants invented a way of using a mobile device to list goods for sale in electronic commerce applications. Specification para. 2.

An understanding of the invention can be derived from a reading of exemplary claim 27, which is reproduced below (bracketed matter and some paragraphing added).

27. A computer-implemented method comprising:
storing product information received from a seller via a network in a product database, the product information relating to a good for sale;
presenting at least some of the product information in an electronic storefront;
receiving credentials from a user to identify a user account associated with the storefront, and allowing the user to log in to the user account;
receiving, via a portable wireless communication device, an inquiry from the logged-in user relating to an aspect of the good for sale, the inquiry including data usable to identify the good for sale;
and
based on an identification of the good, sending, via a network, for display in an interface of the portable wireless communication device, at least some of the information relating to the good for sale.

Claims 20–39 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 conventional data processing in providing product marketing information.

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.*, 132 S.Ct. 1289 (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 are directed to presenting information over the internet. Non-Final Action mailed August 20, 2014.²

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 27 does not recite what it is directed to, but the steps in claim 27 result in receiving data that might be used for (but not recited as actually performing) displaying information related to a good for sale. The Specification at paragraph 2 recites that the invention relates to listing goods for sale in electronic commerce applications. Thus, all this evidence shows that claim 27 is directed to displaying information related to goods for sale, i.e. product marketing. This is consistent with the Examiner's finding.

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*, we have no trouble finding that the concept of product marketing is a fundamental business practice long prevalent in our system of commerce. The use of product marketing is also a building block of marketing practice. Thus, product marketing, like hedging, is an "abstract idea" beyond the scope of §101. See *Alice Corp. Pty. Ltd.* at 2356.

² The Examiner does not repeat this in either the Final Action or Answer, but only responds to the Appellants' arguments.

Furthermore, claims involving data collection, analysis, and display 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 609, 611 (Fed. Cir. 2016); *FairWarning IP, LLC v. Iatric Sys., Inc.*, 839 F.3d 1089, 1093–94 (Fed. Cir. 2016). Claim 27, unlike the claims found non-abstract in prior cases, uses generic computer technology to perform data collection, analysis, and display 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 27 is directed to the abstract idea of receiving, storing, and displaying data.

The remaining claims merely describe informational characteristics, including some undefined characteristic for facilitating sale based on the product marketing. 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 store, receive, and display (which again is not actually recited in claim 27) data amounts to electronic data query and retrieval—one of the most basic functions of a computer. The limitation of “via a portable wireless communication device,” although not strictly related to a generic computer function, is still no more than abstract conceptual advice to use generic communication by the ubiquitous wireless network. 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 product marketing as performed by a generic

computer. 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. Instead, the claims at issue amount to nothing significantly more than an instruction to apply the abstract idea of product marketing 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.* 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 no evidence is provided that the claims are directed to an abstract idea. App. Br. 9–11. As we find *supra*, the record itself, especially the intrinsic record, provides adequate evidence that the claims are directed to product marketing, which itself is an abstract concept.

We are not persuaded by Appellants’ argument that the first part of the *Alice* test has to take into account all limitations. *Id.* Appellants conflate the two parts. The first part asks what the claims are directed to, rather than how they get there. It is the second part that then considers the limitations and the claims as a whole to see if there is more.

We are not persuaded by Appellants’ argument that because no court decision has opined on this particular set of claims, they are not directed to

abstract ideas. App. Br. 11–12. The *Alice* test is not constrained to only those examples on which courts have opined.

We are not persuaded by Appellants’ argument that the claims are not directed to a fundamental economic practice. App. Br. 13–14. Product marketing is as old as travelling salesmen hawking their wares. The claims do no more than use conventional technology to respond to the same queries such salespeople responded to for ages. No particular implementation showing a technological improvement is recited.

We are not persuaded by Appellants’ argument that the claims are not directed to organizing human activity. App. Br. 14–18. First, this finding is cumulative with the finding of being directed to fundamental economic practice. Second, product marketing is one of the older human activities. Third, both fundamental economic practices and organization of human activities have been cited by our reviewing courts only as examples of abstract conceptual advice. At bottom, these claims recite only abstract conceptual advice to be performed on a computer and do not recite implementations improving the underlying technology.

We are not persuaded by Appellants’ argument that the limitations are inventive. App. Br. 18–19. Merely because a concept is novel does not make that concept less more than an abstract concept. *See Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 715 (Fed. Cir. 2014) (“the addition of merely novel or non-routine components to the claimed idea [does not] necessarily turn[] an abstraction into something concrete.”). Again, Appellants do not recite any inventive implementation.

We are not persuaded by Appellants’ argument that the claims at issue do not merely state an abstract idea and add the words “apply it.” App. Br.

19–20. Appellants only contend that the limitations include more than presenting information. We agree, but the remaining limitations are also conventional data processing steps, with no particular implementation recited.

We are not persuaded by Appellants' argument that the claims at issue solve a technological problem in conventional industry practice. *App. Br.* 20–23. More specifically, Appellants 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 709 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*. Appellants’ claims recite storing, receiving, and displaying data. This is precisely the type of Internet activity found ineligible in *Ultramercial*.

We are not persuaded by Appellants’ argument that the claims do not run afoul of preemption (App. Br. 23), because Appellants do not link the assertion to the claims at hand. The similar argument on page 21 of the Appeal Brief is unpersuasive as it is entirely conclusory. In any event, that the claims do not preempt all forms of the abstraction or may be limited to the abstract idea in some setting do not make them any less abstract. *See OIP Technologies, Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1360–1361 (2015).

CONCLUSIONS OF LAW

The rejection of claims 20–39 under 35 U.S.C. § 101 as directed to non–statutory subject matter is proper.

DECISION

The rejection of claims 20–39 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). *See* 37 C.F.R. § 1.136(a)(1)(iv) (2011).

AFFIRMED