



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.
12/982,396 12/30/2010 Jeffrey L. Hirka J47004.020069 8286

131313 7590 12/04/2017
JPMorgan Chase / Goodwin Procter
901 New York Avenue, NW
Washington, DC 20001

Table with 1 column: EXAMINER

BARTLEY, KENNETH

Table with 2 columns: ART UNIT, PAPER NUMBER

3693

Table with 2 columns: NOTIFICATION DATE, DELIVERY MODE

12/04/2017

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):

- patentdc@goodwinprocter.com
fmckeon@goodwinprocter.com
alpha-kpetewama@goodwinprocter.com

UNITED STATES PATENT AND TRADEMARK OFFICE

---

BEFORE THE PATENT TRIAL AND APPEAL BOARD

---

*Ex parte* JEFFREY L. HIRKA, DEBRA C. FELLNER, STEVEN FOX, and  
LEE KNACKSTEDT

---

Appeal 2016-004414  
Application 12/982,396<sup>1</sup>  
Technology Center 3600

---

Before, MURRIEL E. CRAWFORD, JOSEPH A. FISCHETTI, and  
BIBHU R. MOHANTY, *Administrative Patent Judges*.

FISCHETTI, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Appellants seek our review under 35 U.S.C. § 134 of the Examiner's final rejection of claims 11-20, 23-34, 37 and 38. We have jurisdiction under 35 U.S.C. § 6(b).

---

<sup>1</sup> Appellants identify JPMorgan Chase Bank as the real party in interest.  
Br. 2.

## SUMMARY OF DECISION

We AFFIRM.

### THE INVENTION

Appellants claim a multipurpose card having the attributes of a credit card, a debit card and a stored value card. (Spec. ¶2).

Claim 11 reproduced below, is representative of the subject matter on appeal.

11. A computer-implemented method for processing a transaction originating with a payment card associated with multiple accounts, the method comprising:

storing, in a computer memory remote from a point-of-sale device, selection criteria associated with the payment card, wherein the selection criteria predefine an applicable transaction process based on one or more data regarding a transaction, each predefined transaction process causing a card transaction initiated with the payment card to be processed as at least one of a credit card transaction, a debit card transaction, and a stored value card transaction, and wherein the selection criteria further comprises rules for dynamically selecting a processing route for transaction data to authorize the card transaction;

receiving transaction data over a network from the point-of-sale device, the transaction data comprising one or more data regarding the transaction;

Appeal 2016-004414  
Application 12/982,396

determining whether any user selection information is included with the transaction data, and defaulting to the use of the stored selection criteria if no user selection information is present;

identifying, using computer processing components remote from the point-of-sale device, an applicable transaction process based on a comparison of the selection criteria stored in the memory to the one or more data regarding the transaction, wherein the applicable transaction process comprises one of a debit card transaction, a credit card transaction, and a stored value card transaction;

identifying, using said computer processing components, a compatible and desirable processing route for at least a portion of the transaction data based on the selection criteria; and

processing the transaction with a processing system by using the applicable transaction process and routing at least the portion of the transaction data along the identified processing route for transaction authorization,

wherein the selection criteria includes both merchant rules and cardholder rules and the method further comprises arbitrating conflicts between the merchant rules and the cardholder rules.

#### THE REJECTION

The following rejection is before us for review.

Claims 11-20, 23-34, 37, and 38 are rejected under 35 U.S.C. § 101.

## ANALYSIS

### 35 U.S.C. § 101 REJECTION

Claims 11-20, 23-34, 37 and 38 are rejected under 35 U.S.C. § 101 as directed to non-statutory subject matter.

The Appellants argued claims 11-20, 23-34, 37 and 38 as a group (Appeal Br. 10), and we select claim 1 as representative. (Appeal Br. 13). The remaining claims stand or fall with claim 1. *See* 37 C.F.R. § 41.37(c)(1)(iv) (2015).

Independent claim 11 recites, in pertinent part:

storing, in a memory remote from a point-of-sale device, selection criteria associated with the payment card, wherein the selection criteria predefine an applicable transaction process based on one or more data regarding a transaction, each predefined transaction process causing a card transaction initiated with the payment card to be processed as at least one of a credit card transaction, a debit card transaction, and a stored value card transaction, and wherein the selection criteria further comprises rules for dynamically selecting a processing route for transaction data to authorize the card transaction;

receiving transaction data over a network from the point-of-sale device, the transaction data comprising one or more data regarding the transaction;

Appeal 2016-004414  
Application 12/982,396

determining whether any user selection information is included with the transaction data, and defaulting to the use of the stored selection criteria if no user selection information is present;

identifying, remote from the point-of-sale device, an applicable transaction process based on a comparison of the selection criteria stored in the memory to the one or more data regarding the transaction, wherein the applicable transaction process comprises one of a debit card transaction, a credit card transaction, and a stored value card transaction;

identifying, a compatible and desirable processing route for at least a portion of the transaction data based on the selection criteria; and processing the transaction with a processing system by using the applicable transaction process and routing at least the portion of the transaction data along the identified processing route for transaction authorization,

wherein the selection criteria includes both merchant rules and cardholder rules and the method further comprises arbitrating conflicts between the merchant rules and the cardholder rules.

Appx. 1-2.

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

Appeal 2016-004414  
Application 12/982,396

“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 Int’l*, 134 S. Ct. 2347, 2355 (2014) (citing *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66, 72–73 (2012)).

To perform this test, we must first determine whether the claims at issue are directed to a patent-ineligible concept.

Although 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 steps in claim 1 result in processing a transaction with a processing system by using the applicable transaction process and routing at least the portion of the transaction data along the identified processing route for transaction authorization, wherein the selection criteria includes both merchant rules and cardholder rules and the method further comprises arbitrating conflicts between the merchant rules and the cardholder rules. The Specification at paragraph 2 recites: “The present invention relates generally to financial account cards such as credit cards, debit cards and stored value cards. More specifically, the invention includes a multipurpose

Appeal 2016-004414  
Application 12/982,396

card having the attributes of a credit card, a debit card and a stored value card.” Thus, all this evidence shows that claim 11 is directed to a financial payment instrument account that accesses multiple accounts to effect payment from one of the multiple accounts. It follows from prior Supreme Court cases, and *Gottschalk v. Benson*, 409 U.S. 63 (1972) in particular, that the claims at issue here are directed to an abstract idea. Insuring payment to a merchant for services rendered and/or goods received from a merchant using a payor-directed desired source of payment is a fundamental economic practice. The patent-ineligible end of the 35 U.S.C. § 101 spectrum includes fundamental economic practices. *See Alice Corp. Pty. Ltd.*, 134 S. Ct. at 2355–1257. Thus, providing financial account cards that access multiple accounts is an “abstract idea” beyond the scope of § 101.

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 an intermediated settlement in *Alice* and the concept of providing a financial payment instrument that accesses multiple accounts to effect payment from one of the multiple accounts. Both are squarely within the realm of “abstract ideas” as the Court has used that term. That the claims do not preempt all forms of the abstraction or may be limited to financial account cards, does not make them any less abstract. *See OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1360–61 (Fed. Cir. 2015).



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 (alterations in original) (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 transfer funds, i.e., take in data, compute a result, and return the result to a user amounts to electronic data query and retrieval—some of the most basic functions of a computer. All of these computer functions are

Appeal 2016-004414  
Application 12/982,396

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 claims simply recite the concept of a financial payment instrument that accesses multiple accounts to effect payment from one of the multiple accounts. The 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 instructions to provide a financial payment instrument that accesses multiple accounts to effect payment from at least one of the multiple accounts. 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.*, 134 S. Ct. at 2360 (alterations in original).

Appeal 2016-004414  
Application 12/982,396

Appellants argue,

Such detailed process steps involve a myriad of practical, non-abstract elements such as payment cards, a point-of-sale device and related memory storage, a communication network connecting the point-of-sale device to an authorization server, its identification/selection of ‘an applicable transaction process’ and ‘processing routing,’ and the resulting processing and routing of transaction data (including conflicts arbitration between merchant and cardholder rules). The claimed process achieves ‘a new and useful end’ of allowing one payment card to flexibly function as different types of cards such as a credit card, a debit card, or a stored value card.

(Appeal Br. 12).

We disagree with Appellants. While 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 implicit exceptions: “[l]aws of nature, natural phenomena, and abstract ideas” are not patentable. *E.g., Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 134 S. Ct. 2347, 2354 (2014). As found supra, we find the claims are directed to the abstract idea of a financial account card that accesses multiple accounts. We find that the claims are not directed to a new type of bankcard, nor do the claims provide a method for processing data that improves existing technological processes. Instead, we find that the claims are directed to a financial payment instrument that accesses multiple accounts to effect payment from one of the multiple accounts.

Appeal 2016-004414  
Application 12/982,396

Appellants remaining arguments are addressed in our analysis above and are deemed unpersuasive for the reasons given respectively therein above.

CONCLUSIONS OF LAW

We conclude the Examiner did not err in rejecting claims 11-20, 23-34, 37 and 38 under 35 U.S.C. § 101.

DECISION

The decision of the Examiner to reject claims 11-20, 23-34, 37 and 38 is affirmed.

AFFIRMED