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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte PATRICK J. O’SULLIVAN, HEMA SRIKANTH, and
CAROL S. ZIMMET

Appeal 2016-004517
Application 12/023,161¹
Technology Center 3600

Before ELENI MANTIS MERCADER, SCOTT E. BAIN, and
JASON M. REPKO, *Administrative Patent Judges*.

BAIN, *Administrative Patent Judge*.

DECISION ON APPEAL

Appellants appeal under 35 U.S.C. § 134(a) from the Examiner’s Final Rejection of claims 1–10 and 12–21, which constitute all claims pending in the application. Claim 11 has been cancelled. We have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.

¹ Appellants identify the real party in interest as International Business Machines Corporation. App. Br. 3.

STATEMENT OF THE CASE

The Claimed Invention

The claimed invention relates to managing “relationships” in an organizational structure (such as an organizational chart of a corporation) for budgeting and cost purposes, including tracking of “dotted line” (ancillary) relationships as well as “direct-report” relationships. Spec. ¶¶ 1–6. Claims 1, 10, and 16 are independent. Claim 1 is illustrative of the invention and the subject matter of the appeal, and reads as follows:

1. An automated system for managing ancillary relationships in an organization comprising:
 - one or more processors and one or more computer-readable, tangible storage devices;
 - a social network graph, stored in the one or more computer-readable storage devices, configured to graphically illustrate a plurality of relationships between members of an organization, wherein a classification of a relationship within the plurality of relationships comprises at least direct and ancillary relationships;
 - a directory services data store of the one or more computer-readable storage devices, said directory services data store being configured to contain at least one directory services tree representing information illustrated in the social network graph, wherein the at least one directory services tree stores the plurality of relationships of the social network graph in a standardized format; and
 - an ancillary relationship coordinator, comprising program instructions of the one or more storage devices, said program instructions executing on the one or more processors to:
 - monitor interactions between members to determine a plurality of ancillary relationships that are not administrative relationships and are not defined in organizational structure;

process and manage the identified plurality of ancillary working relationships, wherein the plurality of ancillary relationships are incorporated into the social network graph and the at least one directory services tree, wherein direct relationships are administrative relationships between members of the organization.

App. Br. 51 (Claims App.).

The Rejections on Appeal

Claims 1–10 and 12–21 are rejected under 35 U.S.C. § 101 as directed to ineligible subject matter. Final Act. 14–15.

Claims 1–10 and 12–21 are rejected under pre-AIA 35 U.S.C. § 112, first paragraph as failing to comply with the written description requirement. Final Act. 15–22.

Claims 1–10 and 12–21 are rejected under pre-AIA 35 U.S.C. § 112, second paragraph as being indefinite. Final Act. 22–23.

Claims 1–5, 7, 9, 10, and 12–21 stand rejected under pre-AIA 35 U.S.C. § 103(a) as being unpatentable over Darr (US 2007/0226248 A1; Sept. 27, 2007) and Chandra (US 2007/0021994 A1; Jan. 25, 2007). Final Act. 24–30, 31–38.

Claims 6 and 8 stand rejected under pre-AIA 35 U.S.C. § 103(a) as being unpatentable over Darr, Chandra, and the Examiner's Official Notice. Final Act. 30, 38–39.

ANALYSIS

We have reviewed the Examiner's rejections in light of Appellants' arguments presented in this appeal. Arguments which Appellants could have made but did not make in the Briefs are deemed to be waived. *See* 37 C.F.R. § 41.37(c)(1)(iv). On the record before us, we are not persuaded

the Examiner erred. We adopt as our own the findings and reasons set forth in the rejections from which the appeal is taken and in the Examiner's Answer, and provide the following for highlighting and emphasis.

Rejection Under 35 U.S.C. § 101

Appellants argue the Examiner erred in rejecting the claims as directed to ineligible subject matter, namely, the abstract idea of “analyzing relationships in an organization.” App. Br. 46; Ans. 55; *see also* Final Act. 14 (claims directed to a “method of organizing human activity, specifically, “management of ancillary relationships in an organization”). Appellants argue the claims are not abstract because they require a “special purpose computer programmed to perform the disclosed algorithm,” and further argue the claims recite “meaningful limitation[s]” transforming the alleged abstract idea into patentable subject matter. App. Br. 46–50. We disagree.

Section 101 of the Patent Act provides “[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.” 35 U.S.C. § 101. The Supreme Court has long held that this provision contains an implicit exception: “[l]aws of nature, natural phenomena, and abstract ideas are not patentable.” *Alice Corp. Pty. Ltd. v. CLS Bank Int'l*, 134 S. Ct. 2347, 2354 (2014) (quoting *Ass'n for Molecular Pathology v. Myriad Genetics, Inc.*, 133 S. Ct. 2107 (2013)). The Court has set forth a two-part inquiry to determine whether this exception applies. First, we must “determine whether the claims at issue are directed to one of those patent-ineligible concepts.” *Alice*, 134 S. Ct. at 2355. Second, if the claim is directed to one of those patent-ineligible concepts, we 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.” *Alice*, 134 S. Ct. at 2355 (quoting *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 132 S. Ct. 1289, 1297 (2012)). Put differently, we must search the claims for an “inventive concept,” that is, “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 (quoting *Mayo*, 132 S. Ct. at 1294).

Regarding step one of the *Alice* analysis, we agree with the Examiner’s conclusion that the claims are directed to a “method of organizing human activity.” Final Act. 14. Although Appellants characterize the Examiner’s ineligible subject matter rejection as “boilerplate,” App. Br. 43, the Examiner’s rejection specifically identifies the abstract idea – “managing ancillary relationships in an organization” – and points to the supporting language in claim 1. Final Act. 14; Ans. 55–56. As the Examiner finds, claim 1 is directed merely to “monitoring interactions between employees to categorize those interaction as direct or ancillary [e.g., so called “dotted line” interactions].” Ans. 56. Appellants do not persuasively rebut the foregoing findings but, instead, focus their argument on the second step of *Alice*.

In the second step of our analysis under *Alice*, we must examine the elements of the claim to determine whether it contains an “inventive concept” sufficient to “transform” the claimed abstract idea into a patent-eligible application. A claim that recites an abstract idea must include “additional features” to ensure “that the [claim] is more than a drafting effort designed to monopolize the [abstract idea].”

Alice Corp., 134 S. Ct. at 2357 (internal citations omitted). Appellants contend the recitation (in claim 1) of a “social network graph” and “monitoring interactions between members” constitute “meaningful limitation[s] beyond the abstract idea of ‘management of ancillary relationships of an organization,’” thus rendering claim 1 allowable. App. Br. 47. As the Examiner concludes, however, comparing information about relationships (e.g., by a graph) and monitoring (collecting) information about relationships are simply part of the abstract idea of “determining the type of relationships.” Ans. 57. These steps are performed by a standard processor and storage elements, the use of which “do not alone transform an otherwise abstract idea into patent-eligible subject matter.” *FairWarning IP, LLC, v. Iatric Sys., Inc.*, 839 F.3d 1089, 1096 (Fed. Cir. 2016) (citing *DDR Holdings, LLC, v. Hotels.com, L.P.*, 773 F.3d 1245, 1256 (Fed. Cir. 2014)); Ans. 3.

Similarly, we discern no error in the Examiner’s conclusions that “synthesizing data,” “capturing data,” and “updating” data, as recited in the dependent claims, do not amount to significantly more than the above-identified abstract ideas. Ans. 59–63; *see, e.g., 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”); *In re TLI Commc’ns LLC Patent Litig.*, 823 F.3d 607, 611 (Fed. Cir. 2016).

Accordingly, we sustain the rejection of claims 1–10 and 12–21 as directed to ineligible subject matter.

Rejections Under 35 U.S.C. § 112

Appellants argue the Examiner erred in finding “an ancillary relationship coordinator,” as recited in claim 1, fails to comply with the written description requirement.² Specifically, Appellants argue the Examiner “fails to address or define a claim scope” and is “asserting, without evidence or explanation that additional details are needed within the claims.” App. Br. 39–40. Appellants further argue the Examiner is “conflating” the standards of written description and enablement. App. Br. 40. We, however, are not persuaded of error.

As the Examiner finds, the claimed “ancillary relationship coordinator” is represented as a “block” in Appellants’ block diagrams of Figures 1 and 2, but is not otherwise described. Ans. 44–46. Appellants’ Specification “fails to explain how this coordinator works or what the [necessary] algorithm consists of.” Ans. 47. Although various paragraphs of the Specification describe the *results* of the ancillary relationship coordinator, the Specification does not describe “how” the coordinator identifies relationships nor the algorithm or “rules” for accomplishing what Appellants claim. Ans. 48. The ancillary relationship coordinator remains, in effect, a black box in Appellants’ Specification.

For the reasons set forth by the Examiner, we agree Appellants have not shown possession of the claimed subject matter at the time of the invention, nor “fully set forth the claimed invention” such as by “diagrams, formulas, etc.” *Enzo Biochem, Inc. v. Gen-Probe Inc.*, 323 F.3d 956, 969 (Fed. Cir. 2002); *see also In re Kaslow*, 707 F.2d 1366, 1375 (Fed. Cir.

² Independent claims 10 and 16 recite similar elements, and are not argued separately for purposes of the section 112 rejections.

1983) (written description requirement is satisfied if “the disclosure of the application as originally filed reasonably conveys to an artisan that the inventor *had possession at that time of the . . . claimed subject matter.*”) (emphasis added). Accordingly, we discern no error in the Examiner’s rejection of the claims as failing to satisfy the written description requirement.

Appellants also argue the Examiner erred in rejecting the claims as indefinite. App. Br. 42. Appellants contend the “metes and bounds” of the claimed “ancillary relationship coordinator” are clear, and then simply refer to the arguments regarding error in the written description rejection. *Id.* We disagree.

If a claim is amenable to two or more plausible claim constructions, the Office is justified in requiring the applicant to more precisely define the metes and bounds of the invention by holding the claim unpatentable under pre-AIA 35 U.S.C. § 112, second paragraph, as indefinite. *See Ex parte Miyazaki*, 89 USPQ2d 1207, 1211–12 (BPAI 2008) (precedential); *Ex parte McAward*, Appeal 2015-006416, slip op. at 5–6 (PTAB Aug. 25, 2017) (precedential); *Halliburton Energy Servs., Inc. v. M-I LLC*, 514 F.3d 1244, 1255 (Fed. Cir. 2008) (“it is highly desirable that patent examiners demand that applicants” resolve any “ambiguity in the patent claims . . . during prosecution”). As discussed above, the Examiner finds the meaning of the claimed ancillary relationship coordinator unclear. Appellants’ reference to their argument regarding written description (which we found unpersuasive, for the reasons set forth above), App. Br. 42, and conclusory statement of Examiner error, are not persuasive. *See, e.g.*, 37 C.F.R. § 41.37(c)(1)(iv).

For the foregoing reasons, we sustain the rejection of claims 1–10 and 12–21 as indefinite under pre-AIA 35 U.S.C. § 112, second paragraph, and sustain the rejection of the same claims under pre-AIA 35 U.S.C. § 112, first paragraph as failing to comply with the written description requirement.

Rejections Under 35 U.S.C. § 103

Appellants argue the Examiner erred in rejecting independent claims 1, 10, and 16 because Darr and Chandra are not analogous art, because there is no rationale to combine the references, and because the claims require “automation, which is not present in the combination of Darr/Chandra.” App. Br. 19–21. For the reasons set forth in the Examiner’s detailed findings, however, we are not persuaded of error. Ans. 7–42.

As the Examiner finds, both Darr and Chandra are directed to understanding relationships in an organization, like Appellants’ claimed invention. Ans. 8–10, 20–21. The references are, therefore, pertinent to the problem with which Appellants’ invention is concerned, and also are in the same field of endeavor as the invention. *See In re Bigio*, 381 F.3d 1320, 1325 (Fed. Cir. 2004) (prior art is analogous if “from the same field of endeavor” or “reasonably pertinent to the particular problem with which the inventor is involved”). The Examiner thus did not err in finding the references are analogous art.

Regarding the Examiner’s rationale for combining the references, we discern no error in the finding that one of ordinary skill would recognize the benefit of applying Chandra’s analysis of relationship change to Darr’s relationship network. Final Act. 27; Ans. 12; *see also KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 421 (2007) (person of ordinary skill in the art is “a person of ordinary creativity”). Moreover, Appellants have not provided

persuasive evidence to show incorporating the features of Chandra into Darr's network would have been "uniquely challenging or difficult for one of ordinary skill in the art." *See Leapfrog Enters., Inc. v. Fisher-Price, Inc.*, 485 F.3d 1157, 1162 (Fed. Cir. 2007) (citing *KSR Int'l Co.*, 550 U.S. at 418–19).

Appellants argue the claimed system is distinct from the prior art because it is "automated." App. Br. 19–20. As the Examiner finds, however, Chandra and Darr also utilize automation (computer components and algorithms) in the relationship-analysis taught in those references. Ans. 19. Moreover, merely automating a known procedure does not render it nonobvious. *See, e.g., Leapfrog Enters.*, 485 F.3d at 1162 ("adaptation of an old idea or invention . . . using newer technology [such as computers] that is commonly available and understood in the art" is obvious). Appellants remaining arguments regarding the independent claims similarly are not persuasive of error.

Appellants argue dependent claims 4, 6, and 8 separately, contending the Examiner erred in taking Official Notice regarding the teachings of the cited references as applied to these claims. App. Br. 16–18. On the record before us, however, there is no indication Appellants explained during prosecution why any noticed fact or finding was not well known in the art. Ans. 11–14; *see also* MPEP § 2144.03(C) (9th ed. Rev. 07.2015, Nov. 2015) ("To adequately traverse . . . a finding, an applicant must specifically point out the supposed errors in the examiner's action, which would include stating why the noticed fact is not considered to be common knowledge or well-known in the art."); 37 C.F.R. § 1.111(b). Moreover, even in the appeal briefs, Appellants provide no evidentiary support for their argument.

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See In re Geisler, 116 F.3d 1465, 1470 (Fed. Cir. 1997) (mere attorney arguments and conclusory statements that are unsupported by factual evidence are entitled to little probative value); *see also In re De Blauwe*, 736 F.2d 699, 705 (Fed. Cir. 1984). We, therefore, are not persuaded the Examiner erred in rejecting dependent claims 4, 6, and 8.

Appellants do not argue the remaining dependent claims separately. Accordingly, we sustain the obviousness rejections of claims 1–10 and 12–21.

DECISION

We affirm the Examiner’s rejections of claims 1–10 and 12–21.

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). *See* 37 C.F.R. § 41.50(f).

AFFIRMED