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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte TOD DEBIE and MICHAEL BURGER

Appeal 2016-005862
Application 12/349,455
Technology Center 3600

Before ANTON W. FETTING, BIBHU R. MOHANTY, and
TARA L. HUTCHINGS, *Administrative Patent Judges*.

FETTING, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE¹

Tod DeBie and Michael Burger (Appellants) seek review under 35 U.S.C. § 134 of a final rejection of claims 1–17 and 19–23, 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 November 6, 2015) and Reply Brief (“Reply Br.,” filed May 16, 2016), and the Examiner’s Answer (“Ans.,” mailed March 16, 2016), and Final Action (“Final Act.,” mailed November 19, 2014).

The Appellants invented a way of detecting the existence of a credit report. Specification para. 1.

An understanding of the invention can be derived from a reading of exemplary claim 10, which is reproduced below (bracketed matter, some paragraphing, and underlining added).

10. A method comprising:

under control of a hardware computing device configured with specific computer executable instructions:

[1] storing, in a data storage system,

enrollment data associated with a consumer for a service that requires existence of a credit report;

[2] receiving, via computer network,

an indication from one or more credit bureau computing devices that a credit report of the consumer is not available;

[3] in response to receiving an initial indication that the credit report of the consumer is not available,

periodically transmitting, via computer network, an electronic request for the credit report of the consumer to the one or more credit bureau computing devices;

and

[4] in response to receiving a subsequent indication that the credit report of the consumer is available in response to one of the periodic electronic requests for the credit report of the consumer,

automatically continuing enrollment of the consumer in the service using the stored enrollment data and without further input from the consumer;

[5] wherein the method is performed by one or more computing devices utilizing one or more processors.

Claims 1–17 and 19–23 stand rejected under 35 U.S.C. § 101 as directed to non–statutory subject matter.

ISSUE

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

Method claim 10 recites storing enrollment data, receiving an indication, continually sending requests until the request is fulfilled, and then continuing enrollment activity. Thus, claim 10 collects data, and continues to collect data until some other data is provided, and once provided, sends some indication to continue some activity. None of the limitations recite implementation details for any of these steps, but instead recite functional results to be achieved by any and all possible means. Data reception, analysis and modification, and transmission are all generic, conventional data processing operations to the point they are themselves concepts awaiting implementation details. The sequence of data reception-analysis-transmission is equally generic and conventional. The ordering of the steps is therefore ordinary and conventional. The remaining claims merely describe data received and transmitted, and when this occurs, with no implementation details.

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 enrollment in a credit monitoring service. Final Act. 2.

Although the Court in *Alice* made a determination 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 10 does not recite what it is directed to, but the steps in claim 10 result in continuing enrollment in a credit report service.² The Specification at paragraph 1 recites that the invention relates to detecting the existence of a credit report. Thus, all this evidence shows that claim 10 is directed to enrolling a consumer in a credit reporting service, i.e., credit monitoring.

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 credit monitoring is a fundamental economic practice long prevalent in our system of commerce. The use of credit monitoring is also a building block of human ingenuity in finance. Thus, credit monitoring, like hedging, is an “abstract idea” beyond the scope of § 101. *See Alice*, 134 S. Ct. at 2356.

As in *Alice*, 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 credit monitoring at issue here. Both are squarely within the realm of “abstract ideas” as the Court has used that term. *See Alice*, 134 S. Ct. at 2357.

² To enroll is “to enter or register in a roll, list, or record.” American Heritage Dictionary. <https://www.ahdictionary.com/word/search.html?q=enroll>

Further, 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 607, 611 (Fed. Cir. 2016); *FairWarning IP, LLC v. Iatric Sys., Inc.*, 839 F.3d 1089, 1093–94 (Fed. Cir. 2016). Claim 10, unlike the claims found non-abstract in prior cases, uses generic computer technology to perform data retrieval, analysis, and transmission 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 10 is directed to the abstract idea of receiving, analyzing, and transmitting data.

The remaining claims merely describe data received and transmitted, and when this occurs. 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 “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.”

Alice, 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*, 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 provide, receive, transmit and display data amounts to electronic data query and retrieval—one of the most basic functions of a computer. The limitation of continuing enrollment is no more than adding a name to an enrollment data list. 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 credit monitoring as performed by a generic

computer. To be sure, the claims recite doing so by advising one to continually check for credit reports and let one know when one exists and then enter one's name on a list. But this is no more than abstract conceptual advice on the parameters for such credit monitoring 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 22 pages of the Specification 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 credit monitoring 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 credit monitoring using some unspecified, generic computer. Under our precedents, that is not enough to transform an abstract idea into a patent-eligible invention. *See Alice*, 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, 134 S. Ct. at 2360.

We are not persuaded by Appellants' argument that the rejection mischaracterizes the claimed invention. App. Br. 11–12. Appellants argue that the Examiner fails to demonstrate an understanding of the “detailed system, method, and non-transitory computer readable medium recited in the claims that achieve particular, articulated purposes.” *Id.* at 12. Thus, this is a conclusory argument. As we find *supra*, the intrinsic evidence supports the Examiner's finding as to what the claims are directed to.

We are not persuaded by Appellants' argument that the rejection fails to explain how the alleged abstract idea is recited in the claims and why it is considered an exception. App. Br. 12–13. The argument only recounts the number of lines of text, limitations, and modules, and is again conclusory. As we find *supra*, the intrinsic evidence supports the Examiner's finding as to what the claims are directed to and why it is considered an exception.

We are not persuaded by Appellants' argument that when considered as a whole, the claims are not directed to an abstract idea. App. Br. 13–15. Focusing on claim 1 as representative, Appellants contend that the claims recite a unique and novel implementation of a variety of solutions and computer technologies to accomplish particular and specific goals. *Id.* “[A] claim for a *new* abstract idea is still an abstract idea. The search for a § 101 inventive concept is thus distinct from demonstrating § 102 novelty.” *Synopsys, Inc. v. Mentor Graphics Corporation*, 839 F.3d 1138, 1151 (Fed. Cir. 2016). Beyond that, the computer technologies present in the claims are conventional data processing steps of receiving, analyzing, and transmitting data.

We are not persuaded by Appellants’ argument that the claims are not directed to a fundamental economic practice. App. Br. 15–16. Few practices are more fundamental than credit monitoring. The advice recited for doing so may include further limitations such as checking for credit reports, but “[w]e do not agree . . . that the addition of merely novel or non-routine components to the claimed idea necessarily turns an abstraction into something concrete. In any event, any novelty in implementation of the idea is a factor to be considered only in the second step of the *Alice* analysis.” *Ultramerical, Inc. v. Hulu, LLC*, 772 F.3d 709, 715 (Fed. Cir. 2014).

We are not persuaded by Appellants’ argument that the claimed invention is similar to examples that are not directed to abstract ideas. App. Br. 16–19. Appellants contend that because the claims recite the use of computer modules, they are inextricably tied to, and rooted in, computer technology. *Id.* The recited modules do not impart any specific structure, but are generic modules for some recited function devoid of implementation details.

Because the claims are directed to an abstract idea, the claims must include an “inventive concept” in order to be patent-eligible. No such inventive concept is present here. Instead, the claims “add” only generic computer components such as an “interface,” “network,” and “database.” These generic computer components do not satisfy the inventive concept requirement. *Mortgage Grader, Inc. v. First Choice Loan Services Inc.*, 811 F.3d 1314, 1324–1325 (Fed. Cir. 2016) (internal citations and quotation marks omitted).

We are not persuaded by Appellants’ argument that the claims do not preempt others from using the abstract idea. App. Br. 19–20. “Where a

patent's claims are deemed only to disclose patent ineligible subject matter under the *Mayo* [*Alice*] 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).

We are not persuaded by Appellants' argument that the claims recite additional elements that amount to significantly more than any alleged abstract idea. App. Br. 21–25. Appellants take each claim limitation and state that it is something other than what is known and well understood and that it is not routine or conventional. Yet, Appellants do not explain why this is so, and each such limitation is a form of data reception, analysis, or transmission. Again, these are the most basic, primitive operations in data processing.

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). Reply Br. 5–6. 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.” *DDR Holdings*, 773 F.3d 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 714). 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 the 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 reading, receiving, analyzing, and transmitting data. This is precisely the type of activity found ineligible in *Ultramercial*.

CONCLUSIONS OF LAW

The rejection of claims 1–17 and 19–23 under 35 U.S.C. § 101 as directed to non–statutory subject matter is proper.

DECISION

The rejection of claims 1–17 and 19–23 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