UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
12/177,479	07/22/2008	Anil Malhotra	1365.131US1	4504

21186 7590 03/22/2018		EXAMINER
SCHWEGMAN LUNDBERG & WOESSNER, P.A.		CRANFORD, MICHAEL D
P.O. BOX 2938		
MINNEAPOLIS, MN 55402		

ART UNIT	PAPER NUMBER
3694	

NOTIFICATION DATE	DELIVERY MODE
03/22/2018	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):

uspto@slwip.com
SLW@blackhillsip.com

UNITED STATES PATENT AND TRADEMARK OFFICE

_____

BEFORE THE PATENT TRIAL AND APPEAL BOARD

_____

Ex parte ANIL MALHOTRA

_____

Appeal 2016-006113[1]
Application 12/177,479[2]
Technology Center 3600

_____

Before ST. JOHN COURTENAY III, ELENI MANTIS MERCADER, and JOHN D. HAMANN, *Administrative Patent Judges*.

HAMANN, *Administrative Patent Judge*.

DECISION ON APPEAL

Appellant files this appeal under 35 U.S.C. § 134(a) from the Examiner's Non-Final Rejection of claims 1–13 and 16–19. We have jurisdiction under 35 U.S.C. § 6(b).

We affirm.

_____

[1] Our decision relies upon Appellant's Appeal Brief ("App. Br.," filed Oct. 8, 2015) and Reply Brief ("Reply Br.," filed May 31, 2016); Examiner's Answer ("Ans.," mailed Apr. 7, 2016); Non-Final Action ("Non-Final Act.," mailed Apr. 8, 2015); and the Specification ("Spec.," filed July 22, 2008).
[2] According to Appellant, the real party in interest is Bango.net Limited. App. Br. 2.

THE CLAIMED INVENTION

Appellant's claimed invention relates to "mobile communication device transaction control systems, in particular to method and apparatus for computer systems to enable a user of a mobile device such as a mobile phone to select a billing method for a transaction to acquire an item of content." Spec. 1. Claim 1 is illustrative of subject matter on appeal and is reproduced below.

> 1. A computer-implemented method of providing a selectable payment method to a mobile device for use in an electronic transaction, the method being implemented by a computer comprising a processor, the method comprising:
>
> implementing, using said processor, electronic operations on a meta-payment server, said meta-payment server communicating with a plurality of billing servers for a plurality of payment providers, a plurality of content providers, and one or more phone networks each having a plurality of users associated with respective mobile devices, the electronic operations comprising:
>
> logging content provider data from one or more of said content providers, said content provider data comprising a content provider identification, and content item metadata for a plurality of items of content, said content item metadata comprising a resource location address for a link to be displayed by said content provider on a content provider mobile web site for access by a mobile device to obtain a said item of content, price data associated with said item of content, and a content item identifier identifying said item of content;
>
> logging phone network data from said phone network, said phone network data comprising at least a user identification number of a user associated with said mobile device;
>
> storing in a data store a list of available payment methods pertaining to different billing servers each having payment method data defining allowed types of content for which a payment using the payment method may be made and a maximum transaction value;

generating an account or identifying an existing account for said user using said user identification number, said account comprising, in an account data store, a transaction history for said user, wherein said transaction history comprises data defining previous successful and unsuccessful payments made by said user and said payment method for each said payment;

receiving a content provider request from a content provider or from a content provider via a user request, said content provider request comprising a request for said meta-payment server to serve a list of payment methods pertaining to said different billing servers to said mobile device in response to said content provider receiving a request from said mobile device to purchase a said item of content by activation of said link, said item of content being identified by a said content item identifier provided with said content provider request;

reading said content item metadata for said identified item of content;

reading a recent portion of said transaction history data for said user from said account data store;

said meta-payment server further identifying a selection from said available payment methods pertaining to said different billing servers, said selection comprising a plurality of said available payment methods pertaining to said different billing servers for said mobile device to pay for said item of content, said meta-payment server identifying said selection by filtering said available payment methods pertaining to said different billing servers using said portion of said transaction history and said content item metadata for said item of content in association with said payment method data; and

electronically transmitting from said meta-payment server to said mobile device via said phone network of said mobile device, as a mobile web page, said identified selection of a plurality of available payment methods pertaining to said different billing servers as a set of links each of said links activating a respective said payment method, together with a price of said item of content such that by selecting a said link the mobile device is able to pay by the selected payment method, wherein said identified selection of a plurality of available payment methods sent to said mobile device is ranked

3

according to a likelihood of a successful payment being completed.

REJECTIONS ON APPEAL

(1)   The Examiner rejected claims 1–13 and 16–19 under 35 U.S.C. § 101 as being directed to patent ineligible subject matter.

(2)   The Examiner rejected claims 1–13 and 16–19 under 35 U.S.C. § 103(a) as being unpatentable over the combination of Wang et al. (US 2009/0299820 A1; published Dec. 3, 2009) (hereinafter "Wang"), Gonzalez (US 2007/0005795 A1; published Jan. 4, 2007), and Munoz et al. (US 2002/0198819 A1; published Dec. 26, 2002) (hereinafter "Munoz").

ANALYSIS

We have reviewed the Examiner's rejections in light of Appellant's contentions that the Examiner erred. We address specific findings and arguments below.

(1)   *Arguments relating to § 101 rejection*

Appellant contends the Examiner improperly rejected claims 1–13 and 16–19 under 35 U.S.C. § 101. *See* App. Br. 11–20; Reply Br. 1–4. Appellant argues the rejected claims as a group. Thus, we decide the appeal of the § 101 rejection on the basis of representative claim 1, and refer to the rejected claims collectively herein as "the claims." *See* 37 C.F.R. § 41.37(c)(1)(iv); *In re King*, 801 F.2d 1324, 1325 (Fed. Cir. 1986).

According to Appellant, the claims do not concern an abstract idea, and even if they did, the claims would be patent eligible because the claims amount to significantly more than an abstract idea. *See* App. Br. 11–20; Reply Br. 1–4. We find Appellant's arguments unpersuasive.

Section 101 of the Patent Act provides that "[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 explained that this provision is subject to a long-standing, implicit exception: "[l]aws of nature, natural phenomena, and abstract ideas are not patentable." *Alice Corp. Pty. v. CLS Bank Int'l*, 134 S. Ct. 2347, 2354 (2014). The Court has set forth a two-part inquiry to determine whether this exception applies. First, we must determine if the claim at issue is 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 must consider the elements of the 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 (quotation marks omitted) (quoting *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66, 72 (2012)).

(i)   *Abstract idea*

We first consider whether the Examiner properly concluded the claims are directed to one or more abstract ideas. The Examiner finds the claims are directed to the abstract idea of bill payment, which (i) "could be done by a human analog (*i.e.*, by hand or by merely thinking)," and (ii) employs "'well-understood, routine conventional activit[ies],' either by requiring conventional computer activities or routine data-gathering steps." Ans. 22. More specifically, the Examiner finds the claims "are directed to the abstract idea of bill payment (a fundamental economic practice), comparing new and stored information and using rules to identify options

5

. . ., and using categories to organize, store, and transmit information." Non-Final Act. 5; Ans. 23.

Appellant argues the claims are not directed to an abstract idea. App. Br. 11–13; Reply Br. 1–3. Appellant argues the Examiner fails to explain why the claims are directed to "'bill payment' or 'performing a money transfer,' which are examiner-written phrases that are not actually recited in any of the rejected claims . . . . Lacking any explanation, . . . the Examiner errs in failing to provide sufficient notice for Appellant to effectively respond to these rejections." App. Br. 12.

Appellant has not persuaded us that the Examiner errs. The Federal Circuit has explained that the abstract-idea inquiry requires "looking at the 'focus' of the claims, their 'character as a whole,'" to determine if the claims are directed to an abstract idea. *Elec. Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350, 1353 (Fed. Cir. 2016). We agree with the Examiner that the claims are directed to the abstract idea of bill payment (i.e., performing a money transfer) and such is a fundamental economic practice. *See Smartflash LLC v. Apple Inc.*, 2016-1059, 2017 WL 786431, at *4 (Fed. Cir. Mar. 1, 2017) (citing *Alice*, 134 S. Ct. at 2356–57) (finding that "conditioning and controlling access to data based on payment" was a fundamental economic practice, and hence an abstract idea); *buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1353–55 (Fed. Cir. 2014) (finding that long-familiar arrangements involving contractual relations (e.g., transaction performance guaranty) are abstract ideas).

Moreover, we are unpersuaded by Appellant's argument that the Examiner fails to sufficiently provide rationale and explain the findings of an abstract idea. *See* Final Act. 5; Ans. 22–23 (providing findings regarding the claims being directed to an abstract idea). It is only "when a rejection is

so uninformative that it prevents the applicant from recognizing and seeking to counter the grounds for rejection" that the prima facie burden has not been met and the rejection violates the minimal requirements of 35 U.S.C. § 132(a). *Chester v. Miller*, 906 F.2d 1574, 1578 (Fed. Cir. 1990).

(ii)   Inventive concept

We next consider whether the Examiner correctly concluded the claims do not include 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*, 134 S. Ct. at 2355 (quotation marks omitted) (quoting *Mayo, Inc.*, 566 U.S. at 72–73). The Examiner finds the claims "merely recite 'well-understood, routine conventional activi[ies]'" that require only "conventional computer activities or routine data-gathering steps." Ans. 22.

Furthermore, the Examiner finds the claims recite generic computer components (e.g., a server, a phone network, mobile devices, and non-transitory computer readable medium) performing their basic functions of storing, retrieving, and processing data. Non-Final Act. 6. The Examiner also finds the claims' "limitations are merely instructions to implement the abstract idea on a computer and require no more than a generic computer to perform generic computer functions that are well-understood, routine and conventional activities previously known to the industry." Non-Final Act. 6–7. The Examiner finds, at best, the claims are simply an attempt to limit the abstract idea to a particular technological environment (i.e., using a mobile device to select a billing method for a transaction to acquire an item) and do not set forth a solution to a network centric problem. Ans. 25.

Appellant contends that the claims add significantly more to the abstract idea, and Appellant provides a variety of arguments in support

thereof. App. Br. 14–20; Reply Br. 3–4. For example, Appellant argues the claims' limitations "are not well-known, routine, or conventional in the art as evidenced by their [purported] allowability over the cited references." App. Br. 19. Appellant also argues that "the Examiner fails to address massive portions of the claims by sweeping away all of the elements of the claims under . . . umbrella statement[s]." App. Br. 16.

In addition, Appellant relies on the *Diehr* and *DDR Holdings* decisions to argue that the claims amount to significantly more than the abstract idea because (i) the claims address a problem "specific to the unknowable nature of internet-based commerce" by "providing links to payment methods ranked according to a likelihood of a successful completion", and (ii) integrate a computer throughout the process to provide "a unique selectable payment method on a computer," which also makes the computer "specially programmed." App. Br. 17–19 (citing *Diamond v. Diehr*, 450 U.S. 175, 192 (1981)) (arguing that the present claims are "part of a process as a whole" like in *Diehr*) and *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245. 1259 (Fed. Cir. 2014) (arguing the present claims also "are inextricably rooted in computer technology" like in *DDR Holdings*).

We agree with the Examiner that the claims do not amount to significantly more than the abstract idea. Appellant fails to refute sufficiently the Examiner's finding, with which we agree, that the claims perform functions "that are well-understood, routine, and conventional activities previously known to the industry," rather than being an inventive concept. *See Ultramercial*, 772 F.3d 709, 716 (Fed. Cir. 2014) (quotation marks omitted) (quoting *Alice*, 134 S. Ct. at 2357) (finding using known elements to perform "conventional steps, specified at a high level of

Appeal 2016-006113
Application 12/177,479

generality, which is insufficient to supply an inventive concept"). Rather than explaining why the claimed subject matter is purportedly unconventional, Appellant argues it must be unconventional because it is not found in the prior art. We do not find such an argument persuasive. Furthermore, a finding of novelty or nonobviousness does not necessarily lead to the conclusion that subject matter is patentable eligible. "Groundbreaking, innovative, or even brilliant discovery does not by itself satisfy the § 101 inquiry." *Ass'n for Molecular Pathology v. Myriad Genetics, Inc.*, 133 S. Ct. 2107, 2117 (2013). We also find that the Examiner sufficiently addresses (Non-Final Act. 6–7; Ans. 22–25), the claim limitations, individually, and as an ordered whole.

Furthermore, we are unpersuaded by Appellant's reliance on *Diehr* and *DDR Holdings*. *DDR* Holdings addressed a technological problem specific to a particular technological environment by implementing a specific solution for that technological environment and different from the routine or conventional use for that environment. *Diehr* involved a transformative manufacturing process involving "constantly determining the temperature of the mold [and] constantly recalculating the appropriate cure time through the use of the [mathematical] formula." *See Diehr*, 450 U.S. at 187. Appellant has not provided persuasive evidence of any similar or sufficient transformative process.

Additionally, we find that the claims do not specify a special purpose computer (as Appellant argues the claims' limitations create), but rather describe routine and conventional steps to be carried out by the equivalent of a generic computer (i.e., "apply it with a computer"), and, thus, they fail to provide an inventive concept. *See Versata Dev. Grp., Inc. v. SAP Am., Inc.*, 793 F.3d 1306, 1332 (Fed. Cir. 2015) (quoting *Alice*, 134 S. Ct. at 2358)

9

(finding an inventive concept "requires more than simply stating an abstract idea while adding the words 'apply it' or 'apply it with a computer'"). The fact that a generic computer requires relevant programming does not mean that the claims before us on appeal "transform a general purpose computer into a specific machine." *Versata*, 793 F.3d at 1335.

For the above reasons, we sustain the Examiner's rejection of claims 1–13 and 16–19 under 35 U.S.C. § 101.

    (2)   *Arguments relating to § 103 rejections*

Appellant argues that the combination of Wang, Gonzalez, and Munoz fails to teach or suggest that the "available payment methods sent to said mobile device [are] ranked according to a likelihood of a successful payment being completed," as recited in independent claims 1 and 18, and similarly recited in independent claims 11 and 19. App. Br. 26–27. More specifically, Appellant argues that Munoz — the reference the Examiner relies upon for teaching this limitation — fails to teach the disputed limitation and instead teaches risk based pricing (i.e., FICO scores) for "determining whether or not an applicant is eligible for a financial product, i.e., it is not concerned with 'ranking' applicants." App. Br. 26 (citing Munoz ¶ 39).

The Examiner finds that the combination, and Munoz in particular, teaches the disputed limitation. Ans. 25; Non-Final Act. 12. More specifically, the Examiner finds that Munoz teaches or suggests "credit risk model[s,] 130 such as the models offered by Experian[,] may be used to generate a FICO score for a particular applicant. These credit risk models typically generate an assessment of an applicant's future risk of non-payment." Ans. 25 (citing Munoz ¶ 39); Non-Final Act. 12 (citing same).

We agree with Appellant's argument that the cited portions of Munoz fail to teach or suggest the disputed limitation. These portions of Munoz do not teach or suggest ranking, let alone ranking available payment methods. Munoz ¶ 39. Rather, Munoz teaches generating scores (e.g., FICO scores) using credit risk modeling to assess applicant's future risk of non-payment. *Id.* Hence, Munoz does not teach or suggest the disputed limitation.

Accordingly, we do not sustain the Examiner's § 103 rejection of independent claims 1, 11, 18, and 19, as well as claims 2–10, 12, 13, 16, and 17 as they depend, directly or indirectly, from one of these independent claims.

DECISION

We affirm the Examiner's decision rejecting claims 1–13 and 16–19 under 35 U.S.C. § 101.

We reverse the Examiner's decision rejecting claims 1–13 and 16–19 under 35 U.S.C. § 103(a).

Because we have affirmed at least one ground of rejection with respect to each claim on appeal, the Examiner's decision is affirmed. *See* 37 C.F.R. § 41.50(a)(1).

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)(iv).

AFFIRMED