



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

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
11/201,554	08/11/2005	Timothy Lee	79900-798990	4882
66945	7590	06/04/2018	EXAMINER	
KILPATRICK TOWNSEND & STOCKTON LLP/VISA Mailstop: IP Docketing - 22 1100 Peachtree Street Suite 2800 Atlanta, GA 30309			DEGA, MURALI K	
			ART UNIT	PAPER NUMBER
			3696	
			NOTIFICATION DATE	DELIVERY MODE
			06/04/2018	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):

ipefiling@kilpatricktownsend.com
KTSDocketing2@kilpatrick.foundationip.com

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte TIMOTHY LEE, CHRISTIAN AABYE,
and DOUGLAS FISHER¹

Appeal 2016-006147²
Application 11/201,554
Technology Center 3600

Before CAROLYN D. THOMAS, KARA L. SZPONDOWSKI, and
SHARON FENICK, *Administrative Patent Judges*.

FENICK, *Administrative Patent Judge*.

DECISION ON APPEAL

¹ Appellants indicate the real party in interest is Visa International Service Association. Appeal Brief 3.

² Our Decision references Appellants' Appeal Brief ("Appeal Br.," filed Sept. 24, 2015) and Reply Brief ("Reply Br.," filed May 24, 2016), and the Examiner's Answer ("Answer," mailed March 25, 2016) and Final Office Action ("Final Action," mailed March 24, 2015).

STATEMENT OF THE CASE

Appellants appeal under 35 U.S.C. § 134(a) from a Final Rejection of claims 21–33 and 35–39. App. Br. 7, 15, 21. Claims 1–20, 34, and 40 are canceled. App. Br. 24, 28, 29. We have jurisdiction under 35 U.S.C. § 6(b)(1). We AFFIRM.

Representative Claims

Representative claims 21 and 25 under appeal read as follows
(emphasis added):

21. A method performed in a network that includes a user system apparatus having a connected data port to which a powered financial transaction card is in communication, wherein the powered financial transaction card has a one-time passcode generator, and wherein the user system apparatus is in operable communication over the network with a communication network apparatus that is in operable communication over the network with a service provider system apparatus, a method comprising a plurality of steps each being performed by hardware executing software, wherein the steps include:

transmitting, using the user system apparatus, a personal assurance message to the service provider system apparatus via the communication network apparatus, wherein the personal assurance message is stored by the service provider system apparatus and associated with an account maintained by the service provider system apparatus and used to validate the service provider system apparatus during a plurality of subsequent transactions initiated by the user system apparatus;

sending, by the user system apparatus, a request to initiate a transaction to the service provider system apparatus;

receiving, by the user system apparatus, in response to the request to initiate the transaction, a request from the service provider system apparatus for a one-time passcode and an account identifier;

receiving from the connected data port, using the user system apparatus, the onetime passcode generated by the one-time passcode generator on the powered financial transaction card;

transmitting using the user system apparatus, the account identifier for the account and the one-time passcode to the service provider system apparatus via the communication network apparatus, wherein the service provider system apparatus determines whether the one-time passcode is valid;

receiving, by the user system apparatus, in response to a determination that the one-time passcode is valid by the service provider system apparatus, the personal assurance message from the service provider system via the communication network apparatus;

rendering, using the system apparatus, the personal assurance message for observation by the user of the user system apparatus;

receiving, in response to the personal assurance message previously transmitted to the service provider system apparatus, a password at the user system apparatus; and

transmitting, using the system apparatus, the password to the service provider system apparatus via the communication network apparatus, wherein the service provider system determines whether the password is valid and performs the transaction following a determination that the password is valid.

25. The method as defined in Claim 21, wherein *the one-time passcode comprises a passcode generated based on a number representing a count of successfully completed transactions using the account identifier.*

References

Wang et al. ("Wang")	US 2002/0023215 A1	Feb. 21, 2002
Bonalle et al. ("Bonalle")	US 2005/0077349 A1	Apr. 14, 2005
Bagley	US 2006/0080545 A1	Apr. 13, 2006
Gasparini et al. ("Gasparini")	US 7,100,049 B2	Aug. 29, 2006
Lu	US 2006/0294023 A1	Dec. 28, 2006

Rejections

1. The Examiner rejected claims 21–33 and 35–39 under 35 U.S.C. § 101 “because the claimed invention is directed to non-statutory subject matter.” Final Action 2–4.³

2. The Examiner rejected claims 21, 22, 24, 26, 27, 29–33, and 35–38⁴ under 35 U.S.C. § 103(a)⁵ as unpatentable over a combination of Lu, Bagley, Wang, and Gasparini. Final Action 5–14.

³ We select claim 21 as representative. Separate patentability under § 101 is not argued for claims 22–33 and 35–39. Except for our ultimate decision, the § 101 rejection of claims 22–33 and 35–39 is not discussed further herein.

⁴ While the enumeration of claims covered in the heading of this rejection includes claims 23, 25, 28 and 39, these claims are addressed separately at Final Action 15–16.

⁵ We select claim 21 as representative. Except for our ultimate decision, we do not discuss further herein the § 103(a) rejection of claims 22, 24, 26, 27, 29–33, and 35–38.

3. The Examiner rejected claims 23, 25, 28 and 39 under 35 U.S.C. § 103(a)⁶ as unpatentable over a combination of Lu, Bagley, Wang, Gasparini,⁷ and Bonalle. Final Action 15–16.

Issues on Appeal

- I. Did the Examiner err in rejecting claim 21 as being directed to non-statutory subject matter?
- II. Did the Examiner err in finding that limitations of claim 21 concerning “personal assurance message” are taught or suggested in the combination of Lu, Bagley, Wang, and Gasparini?
- III. Did the Examiner err in combining Lu, Bagley, Wang, and Gasparini, in the rejection of claim 21?
- IV. Did the Examiner err in finding that the limitations of claim 25 concerning “a passcode generated based on a number representing a count of successfully completed transactions using [an] account identifier,” are taught or suggest in the combination of Lu, Bagley, Wang, Gasparini, and Bonalle?

⁶ From these claims, Appellants argue only the patentability of claims 25 and 39. Appeal Br. 21–22. We select claim 25 as representative. Except for our ultimate decision, we do not discuss further herein the § 103(a) rejection of claim 39.

⁷ While the heading of this rejection does not mention Gasparini, it appears that this rejection is based on the rejection of claim 21, as acknowledged by Appellants. Appeal Br. 21.

ANALYSIS

We have reviewed the Examiner's rejections in light of Appellants' arguments (Appeal Brief and Reply Brief) that the Examiner has erred.

I. Did the Examiner err in rejecting claim 21 as being directed to non-statutory subject matter?

A. *Section 101*

Under 35 U.S.C. § 101, a patent may be obtained for “any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof.” The Supreme Court has “long held that this provision contains an important implicit exception: Laws of nature, natural phenomena, and abstract ideas are not patentable.” *Alice Corp. 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, 2116 (2013)). The Supreme Court in *Alice* reiterated the two-step framework previously set forth in *Mayo Collaborative Services v. Prometheus Laboratories, Inc.*, 132 S. Ct. 1289, 1300 (2012), “for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of these concepts.” *Alice*, 134 S. Ct. at 2355. The first step in that analysis is to “determine whether the claims at issue are directed to one of those patent-ineligible concepts,” such as an abstract idea. *Id.* For example, a fundamental economic practice is an abstract idea.

[In *Bilski v. Kappos*, 561 U.S. 593, 130 S.Ct. 3218, 177 L.Ed.2d 792 (2010)], the Court grounded its conclusion that all of the claims at issue were abstract ideas in the understanding that risk hedging was a “fundamental economic practice.”

Alice, 134 S. Ct. at 2357 (citations omitted).

The Court acknowledged in *Mayo* that “all inventions at some level embody, use, reflect, rest upon, or apply laws of nature, natural phenomena, or abstract ideas.” *Mayo*, 132 S. Ct. at 1293. We, therefore, look to whether the claims focus on a specific means or method that improves the relevant technology or are instead directed to a result or effect that itself is the abstract idea and merely invoke generic processes and machinery. *See Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1336 (Fed. Cir. 2016). If the claims are not directed to an abstract idea, the inquiry ends. Otherwise, the inquiry proceeds to the second step where the elements of the claims are considered “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*, 132 S. Ct. at 1298, 1297).

B. *Examiner’s Rejection - Alice/Mayo - Steps 1 and 2*

Applying step 1 of the *Alice/Mayo* analysis, the Examiner determines claim 21 is directed to an abstract idea because:

[Claims 21–33 and 35–39] are directed towards facilitating a financial transaction through mutual authentication using a passcode.

Final Action 3; 16–17. In the Answer, the Examiner further determines:

The claims recite use of a financial transaction card, exchange of information in the form of messages for user and provider authentication purposes for successful completion of a transaction, such as performance of financial transactions (buySAFE[, Inc. v. Google, Inc., 765 F.3d 1350, 1354 (Fed. Cir. 2014)]) and mitigating risk (*Bilski*), using computers

Answer 2.

Applying step 2 of the *Alice/Mayo* analysis, the Examiner concludes “[t]he claims do not amount to significantly more than the abstract idea itself”:

The claims merely amount to the application or instructions to apply the abstract idea (i.e. facilitating a financial transaction) using computers, and is considered to amount to nothing more than requiring generic computer systems (e.g. a computer system comprising a generic database; a generic element for providing a network based communications; a generic element for receiving and transmitting information; and a generic element to allow the parties to complete a transaction after authentication) to merely carry out the abstract idea itself. As such, the claims, when considered as a whole, are nothing more than the instruction to implement the abstract idea (i.e. facilitating a financial transaction) in a particular, albeit well-understood, routine and conventional technological environment.

Final Action 4; *see also* Answer 4.

C. Appellants’ Arguments and Our Findings and Conclusions

1.

Appellants contend the Examiner erred in rejecting claim 21 as directed to non-statutory subject matter because “were the present claims directed to no more than an abstract idea, then evidence of such should have been cited,” and absent such evidence, “the Examiner in the current case has failed to meet the burden of showing that the claims are directed to abstract subject matter.” Appeal Br. 7–8; Reply Br. 2–3. Appellants note the non-precedential decision of *PNC Bank v. Secure Access, LLC*, CBM 2014-00100, Paper 10, slip op. at 21 (PTAB Sept. 9, 2014).

In the Reply Brief, Appellants make certain arguments regarding the *prima facie* case presented by the Examiner. Reply Br. 2–5. While Appellants indicate that this is in response to Examiner’s disagreement with

Appellants' assertion regarding the *prima facie* case, citing page 2 of the Answer, we find no relevant disagreement there, and note that many of the arguments in this section are newly raised. To the extent such arguments relate to issues raised in the Appeal Brief or Answer we address them herein; to the extent they do not, these arguments are waived as untimely. *See* 37 C.F.R. § 41.41(b)(2).

PNC Bank is a non-precedential decision of the Board and is not binding on the USPTO, including both the Board and examiners. "Every Board opinion is, by default, a routine opinion until it is designated as precedential or informative" and that such "routine opinion[s] [are] not binding authority." PTAB Standard Operating Procedure 2, Rev. 9, § VI(A). Accordingly, *PNC Bank* is not binding on the Examiner or this panel. The Examiner cites earlier cases for analogous situations in which an abstract idea was found. Answer 2; *see Amdocs (Israel) Ltd. v. Openet Telecom, Inc.*, 841 F.3d 1288, 1294 (Fed. Cir. 2016) ("Instead of a definition [for what an 'abstract idea' encompasses], then, the decisional mechanism courts now apply is to examine earlier cases in which a similar or parallel descriptive nature can be seen--what prior cases were about, and which way they were decided.").

We agree that mutual authentication for a financial transaction is a "long-familiar commercial transaction" (*buySAFE*, 765 F.3d 1355) and that the cases cited by the Examiner support the Examiner's position.

2.

With respect to the second step of *Alice/Mayo*, Appellants additionally argue, that "the specificity of the claims gives sufficient form to the

invention that it should not be considered abstract.” Appeal Br. 8–9, 11–14. Appellants argue that “the claims contain significantly more than an abstract idea” by being “directed to a specific method of authenticating a user to a web provider.” Appeal Br. 9.

Appellants argue that the claims are distinguished from the abstract idea because they are addressed to a “specific method of authenticating a user to a web provider.” Appeal Br. 9. Appellants add that “[n]one of the cited prior art references discloses the problems solved by embodiments of the invention or the solution to those problems” and the invention provides a “unique combination of advantages not present in conventional secured transaction methods.” Appeal Br. 13–14

In applying step two of the *Alice/Mayo* analysis, our reviewing court guides we must “determine whether the claims do significantly more than simply describe [the] abstract method” and thus transform the abstract idea into patentable subject matter. *Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 715 (Fed. Cir. 2014). We look to see whether there are any “additional features” in the claims that constitute an “inventive concept,” thereby rendering the claims eligible for patenting even if they are directed to an abstract idea. *Alice*, 134 S. Ct. at 2357. Those “additional features” must be more than “well-understood, routine, conventional activity.” *Mayo*, 566 U.S. at 79. “[U]nder the Mayo/Alice framework, a claim directed to a newly discovered law of nature (or natural phenomenon or abstract idea) cannot rely on the novelty of that discovery for the inventive concept necessary for patent eligibility.” *Genetic Techs. Ltd. v. Merial L.L.C.*, 818 F.3d 1369, 1376 (Fed. Cir. 2016). “[A] claim for a new abstract idea is still an abstract idea.”

Synopsys, Inc. v. Mentor Graphics Corp., 839 F.3d 1138, 1151 (Fed. Cir. 2016).

We are not convinced by Appellants' argument because our examination of the claims, as supported by the Examiner's findings, do not show that the claims contain an additional feature which is more than a well-understood, routine, conventional activity. For example, Appellants argue that the steps of "receiving, by the user system apparatus, in response to a determination that the one-time passcode is valid . . . , the personal assurance message from the service provider system" and "rendering, using the system apparatus, the personal assurance message for observation by the user of the user system apparatus," are not well-understood, routine and conventional. However, the Examiner finds, and we agree, that "[t]he elements of the instant claims" including "receiving a response" and "rendering display of information" are routine and conventional, and that the elements in combination do not offer substantially more than the sum of the functions of the elements." Answer 4, Final Action 3-4; e.g. *Electric Power Group LLC v. Alstom SA*, 830 F.3d 1350, 1355 (Fed. Cir. 2016) (claims directed to computerized collecting, analyzing, and displaying information "merely call for the performance of the claimed information collection, analysis, and display functions 'on a set of generic computer components' and display devices.")

Here, setting aside any questions of novelty or non-obviousness, we find the claimed steps amount to nothing more than mere instructions to implement the abstract idea on a computer, none of which add inventiveness because they merely require the application of conventional, well-known

analytical steps. See *Ultramercial*, 772 F.3d at 716 (“[T]he claimed sequence of steps comprises only ‘conventional steps, specified at a high level of generality,’ which is insufficient to supply an ‘inventive concept.’” (citing *Alice*, 134 S. Ct. at 2357)). In this regard, the Specification discloses the user system and service provider system in generic terms in which these systems include processors and communication interfaces to connect to the communication network, which is also described generically. ¶¶ 64–66. We agree with the Examiner that each limitation does no more than require a generic computer to perform generic computer functions, and that, when considered as a whole, are nothing more than the instruction to implement the facilitation of a financial transaction in a conventional technological environment.

3.

Appellants argue that the claims are subject to a streamlined eligibility analysis because they do not tie up any judicial exception and thus would qualify as eligible subject matter without a full analysis. Appeal Br. at 9–11. Appellants also argue that the claims are directed to “significantly more” than the abstract idea and are not obvious in view of the prior art. *Id.* at 11–14.

We are not persuaded by Appellants’ argument that the Examiner’s failed to properly apply the streamlined eligibility analysis.

As set forth in the Office’s “2014 Interim Guidance on Patent Subject Matter Eligibility,” 79 Fed. Reg. 74618 (Dec. 16, 2014), the streamlined analysis is an *optional* tool that an examiner may use at his or her discretion. The Guidance, thus, instructs that “[f]or purposes of efficiency in

examination, a streamlined eligibility analysis can be used.” *See* Interim Guidance, 79 Fed. Reg. at 74625 (emphasis added). The Guidance also instructs that “if there is doubt as to whether the applicant is effectively seeking coverage for a judicial exception itself, the full analysis should be conducted to determine whether the claim recites significantly more than the judicial exception.” *Id.* (emphasis added). The Examiner’s decision here to perform a full § 101 analysis was, in our view, a proper exercise of the Examiner’s discretion.

Regarding Appellants’ argument that the claims “are not obvious in view of the prior art” we stress that while “novelty in implementation of the idea is a *factor* to be considered . . . in the second step of the *Alice* analysis” (*Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 715 (Fed. Cir. 2014) (emphasis added)), “the addition of merely novel or non-routine components to the claimed idea [does not] necessarily turn[] an abstraction into something concrete” (*Ultramercial, Inc.*, 772 F.3d at 715). “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)). “[P]atent-eligibility does not turn on ease of execution or obviousness of application. Those are questions that are examined under separate provisions of the Patent Act.” *Rapid Litig. Mgmt. Ltd. v. CellzDirect, Inc.*, 827 F.3d 1042, 1052 (Fed. Cir. 2016) (citing *Mayo*, 132 S. Ct. at 1304). Thus, merely because the claims may or may not be obvious in view of prior art does not overcome a § 101 rejection. Stated differently, an abstract idea does not transform into an inventive concept just because the prior art does not disclose or suggest it.

4.

Appellants argue that the claims, like those in *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245 (Fed. Cir. 2014) and *Enfish, LLC v. Microsoft Corp.*, 822 F. 3d 1327 (Fed. Cir. 2016) are necessarily rooted in computer technology in order to overcome a problem arising in the realm of computer technology, as “the problem to be solved relates to authenticating users and a service provider computer in a computing environment” and “claim 21 recites a number of components in a distributed system including a user system apparatus, a service provider apparatus, and a one-time passcode generator. Appeal Br. 14; Reply Br. 3–5.

We do not agree that the claims here address a problem rooted in computer technology as outlined in *DDR*, nor do they seek to improve any type of computer capabilities, such as the “self-referential table for a computer database” outlined in *Enfish*. Consistent with the Examiner’s finding that “the claims do not move beyond a general link of the use of an abstract idea to a particular technological environment” (Final Rejection 4), we find the claims to be closer to those distinguished in *DDR* as patent-ineligible abstract ideas – “in substance . . . directed to nothing more than the performance of an abstract business practice on the Internet or using a

conventional computer. Such claims are not patent-eligible.” *DDR*, 773 F.3d at 1256.

Conclusion regarding 35 U.S.C. § 101 Rejection

We are not persuaded, on the present record, that the Examiner erred in rejecting claims 21–33 and 35–39 under 35 U.S.C. § 101. Therefore, we sustain the Examiner's rejection.

II. Did the Examiner err in finding that limitations of claim 21 concerning “personal assurance message” are taught or suggested in the combination of Lu, Bagley, Wang, and Gasparini?

Claim 21 includes the step of “*transmitting, using the user system apparatus, a personal assurance message to the service provider system apparatus via the communication network apparatus, wherein the personal assurance message is stored by the service provider system apparatus and associated with an account maintained by the service provider system apparatus and used to validate the service provider system apparatus during a plurality of subsequent transactions initiated by the user system apparatus.*”

The Examiner finds that Bagley, in combination with Lu and Wang, teaches this step with the claim’s personal assurance message mapped to Bagley’s client moniker. Final Action 5–7 (citing, *inter alia*, Bagley ¶¶ 18, 21, 23). Bagley discloses a system including a client (user), service provider, and authentication service. Bagley ¶ 18. Initially, the authentication service receives from the client a personal moniker which is known only to the user. *Id.* This client moniker is “a proxy password used to obtain a one-time password” from the authentication server, when the user

wishes to access a service provider. *Id.* The service provider separately communicates with the authentication server, and thus can authenticate the one-time password when the client presents it. *Id.*

The personal assurance message also appears in Appellants' Claim 21's steps of "*receiving, by the user system apparatus, in response to a determination that the one-time passcode is valid by the service provider system apparatus, the personal assurance message from the service provider system via the communication network apparatus*" and "*rendering, using the system apparatus, the personal assurance message for observation by the user of the user system apparatus.*"

The Examiner finds that the receipt and display of a personal assurance message is taught by Lu's display of a login page to the user. Final Action 10–12 (citing Lu ¶ 77). The Examiner further finds that "authenticating the user by the web server and sending the user customization information to the user so that the user can authenticate the web site" is taught by Gasparini. Final Action 11, 17–18 (citing Gasparini 7:18–67, 8:1–37).

Lu teaches a login screen presented to a user, and that upon such display, the user enters a shared association secret ("SAS"). Lu ¶ 77; *see also id.* ¶ 75. Gasparini indicates that customization information can be sent to a user for display in a web page, so the user can determine the authenticity of the web page. Gasparini 7:65–8:18, 8:27–33.

Appellants argue that the transmission step including the transmission of a personal assurance message *from* the user is only found by the Examiner to be taught by Begley's client moniker, and that the client moniker in

Begley is used only for a user to identify itself to another computer (in Begley, the authentication server). Appeal Br. 15–16; Reply Br. 6. We agree that this is the case in Begley; however, we find that the combination of Begley with Gasparini teaches or suggests the claimed features of information (personal assurance message) transmitted by a user being subsequently received by a user system apparatus and rendered for observation by the user as a personal assurance message. Gasparini teaches that customization information selected by the user in an initial registration process and stored with the user identifier is received by the user “to authenticate the website, and withhold providing information or using the web site if the customization is missing or different from the customization information the user selected or provided.” Gasparini 8:29–33. The Examiner finds that Gasparini would be used “so that the user can proceed with entering the confidential information without any risk of fake websites stealing the confidential information.” Final Action 11.

Appellants argue that Gasparini does not use a one time passcode, and thus the personal assurance message in Gasparini is not received “in response to receipt of the onetime passcode,” as in claim 21. Appeal Br. 18. However, the one time password teachings of Lu are used in combination with the teachings of Gasparini (and Begley and Wang) in the rejection of the claim, so the absence of a feature in Gasparini, found by the Examiner elsewhere in the combination, is not error.

Appellants further argue that Begley’s use of the moniker constitutes a teaching away from the use of transmitted user information as a personal assurance message. Appeal Br. 15–16. We do not agree. A prior art

reference is said to teach away from an invention “when a person of ordinary skill, upon reading the reference, would be discouraged from following the path set out in the reference, or would be led in a direction divergent from the path that was taken by the applicant.” *In re Gurley*, 27 F.3d 551, 553 (Fed. Cir. 1994); *Para-Ordnance Mfg, Inc. v. SGS Imps. Int’l., Inc.*, 73 F.3d 1085, 1090 (Fed Cir. 1995) (a warning against use of an element, rather than omission of mention of the element, is required to find teaching away). “We will not read into a reference a teaching away from a process where no such language exists.” *DyStar Textilfarben GmbH & Co. Deutschland KG v. C.H. Patrick Co.*, 464 F.3d 1356, 1364 (Fed. Cir. 2006).

Thus, we do not conclude, after considering Appellants’ arguments on this point, that the Examiner erred in finding that the applied combination of prior art teaches or suggests the steps of the claim relating to a personal assurance message.

III. Did the Examiner err in combining Lu, Bagley, Wang, and Gasparini, in the rejection of claim 21?

Appellants argue that the combination of references cited by the examiner would result in an inoperative system. Appeal Br. 19–20.

Specifically, Appellants argue that “Lu uses random one time passcodes generated by a secure device for each transaction so that information does not have to be stored centrally,” while Wang teaches a central database with identification data and account data for a user. *Id.*;

Reply Br. 6–7. Thus, Appellants argue such a combination would be inoperable and teach away from the combination.

The Examiner finds that it would be obvious to one of ordinary skill “to have combined the systems of Lu and Wang and Gasparini to develop a safe online financial transaction processing system that includes use of customization information by the web server, which is known only to the user, for web server to authenticate itself to the user, so that the user can proceed with entering the confidential information without any risk of fake websites stealing the confidential information.” Final Action 11.

Lu teaches one time passcodes for authentication. However, a central database with identification and account data of a user is included in Lu and accessed after the one time password is used. Lu ¶¶ 63, 75–77, Fig. 9 (Remote Server 801a; “User Account”). Thus, Lu teaches information stored centrally, and we are not convinced that the proposed combination which “includes use of customization information by the web server [Remote Server 801a] to authenticate itself to the user” (Final Action 11) upon connection, after the use of a one time password, would be inoperable or is taught away from by Lu.

Appellants argue that there is no rational underpinning to combine Lu and Bagley because these references teach different verification methods, and thus, “the combination of Lu and Bagley in the described manner would result in a system that verifies a client twice. There is no indication that a client should be verified twice or that this provides any additional benefit.” Appeal Br. 20. The test for obviousness is not whether the features of one reference may be bodily incorporated into the structure of a second

reference. Instead, the test is what the combined teachings of those “references would have suggested to those of ordinary skill in the art.” *In re Keller*, 642 F.2d 413, 425 (CCPA 1981). *See also In re Sneed*, 710 F.2d 1544, 1550 (Fed. Cir. 1983) (“[I]t is not necessary that the inventions of the references be physically combinable to render obvious the invention under review.”) Appellants argue that there would be two verifications of the client if Lu and Bagley were combined, but only one verification would be substituted by one of ordinary skill.

Appellants additionally argue that the Examiner has not provided articulated reasoning with rational underpinning to support the legal conclusion of obviousness. Appeal Br. 18–19. However, aside from the arguments addressed above, Appellants do not address the reasoning provided by the Examiner. Final Action 5–7, 11, 14–18.

Thus, we do not conclude, after considering Appellants’ arguments on this point, that the Examiner erred in combining the prior art as in the rejection of claim 21.

Considering Appellants’ arguments, we are not persuaded, on the present record, that the Examiner erred in rejecting claim 21 under 35 U.S.C. § 103. Claim 21 was selected as representative of claims 22, 24, 26, 27, 29–33, and 35–38 (*see supra* n. 5) and no additional arguments were presented with respect to claims 23 and 28. Therefore, we sustain the Examiner's rejection of claims 21–24, 26, 27, 29–33, and 35–38.

IV. Did the Examiner err in finding that the limitations of claim 25 concerning “a passcode generated based on a number representing a count of successfully completed transactions using [an] account identifier,” are taught or suggest in the combination of Lu, Bagley, Wang, Gasparini, and Bonalle?

Appellants argue that the Examiner erred in finding that Bonalle teaches or suggests claim 25’s limitation that “the onetime passcode comprises a passcode generated based on a number representing a count of successfully completed transactions using the account identifier.” Appeal Br. 21–22.

The Examiner cites Bonalle’s disclosure that the number of times a secondary transaction number (STN) is used may be tracked with transaction information in an STN database updated to reflect this information via a card authorization system. Final Action 15–16; Answer 7–8.

We agree with Appellants that Bonalle’s tracking of transaction information does not indicate that this information is used in any way as a basis for a onetime passcode. *See* Appeal Br. 21–22. Thus, we agree that the Examiner erred in rejecting claim 25 and claim 39. *See supra* n. 6.

DECISION

We affirm the Examiner’s decision rejecting claims 21–33 and 35–39 under 35 U.S.C. § 101, as being directed to non-statutory subject matter.

We affirm the Examiner’s decision rejecting claims 21, 22, 24, 26, 27, 29–33, and 35–38 under 35 U.S.C. § 103(a) as unpatentable over a combination of Lu, Bagley, Wang, and Gasparini.

We affirm the Examiner's decision rejecting claims 21, 22, 24, 26, 27, 29–33, and 35–38 under 35 U.S.C. § 103(a) as unpatentable over a combination of Lu, Bagley, Wang, and Gasparini.

We affirm the Examiner's decision rejecting claims 23 and 28 under 35 U.S.C. § 103(a) as unpatentable over a combination of Lu, Bagley, Wang, Gasparini, and Bonalle.

We reverse the Examiner's decision rejecting claims 25 and 39 under 35 U.S.C. § 103(a) as unpatentable over a combination of Lu, Bagley, Wang, Gasparini, and Bonalle.

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). *See* 37 C.F.R. § 1.136(a)(1)(iv).

AFFIRMED