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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte JOHN NGUYEN and FRANCO YUVIENCO

Appeal 2016-006295
Application 13/935,266
Technology Center 3600

Before ALLEN R. MACDONALD, JEREMY J. CURCURI, and
NABEEL U. KHAN, *Administrative Patent Judges*.

CURCURI, *Administrative Patent Judge*.

DECISION ON APPEAL

Appellants appeal under 35 U.S.C. § 134(a) from the Examiner's rejection of claims 1–21. Final Act. 1. We have jurisdiction under 35 U.S.C. § 6(b).

Claims 1–21 are rejected under 35 U.S.C. § 101 as directed to non-statutory subject matter. Final Act. 7–9.

Claims 1–4, 6–14, and 16–21 are rejected under 35 U.S.C. § 103 as obvious over Chanda (US 8,438,052 B1; May 7, 2013) and Linden (US 6,266,649 B1; Jul. 24, 2001). Final Act. 9–29.

Claims 5 and 15 are rejected under 35 U.S.C. § 103 as obvious over Chanda, Linden, and Orazi (US 2012/0240244 A1; Sep. 20, 2012). Final Act. 29–31.

We affirm.

STATEMENT OF THE CASE

Appellants’ invention relates to “dynamic primary product bundles.”

Abstract. Claim 1 is illustrative and reproduced below:

1. A method comprising:
 - receiving, by a dynamic product bundler system, a request to download a requested primary product from a requestor device;
 - creating a first static element in a product array that represents the requested primary product;
 - retrieving other primary product data, the other primary product data representing another primary product, the another primary product associated with the requested primary product;
 - creating a second static element in the product array that represents the another primary product;
 - creating conditions for the another primary product, the conditions being based on the another primary product data and required to be met before the another primary product is presented to a requestor through the requestor device;
 - creating a dynamic primary product bundle from the product array and the conditions for the another primary product, the dynamic primary product bundle including the first static element in the product array that represents the primary product, the second static element in the product array that represents the another primary product and the conditions for the another primary product, products presented to a requestor as part of the dynamic primary product bundle capable of dynamically changing at runtime;
 - sending the dynamic primary product bundle to the requestor device.

ANALYSIS

THE NON-STATUTORY SUBJECT MATTER REJECTION OF CLAIMS 1–21

Contentions

The Examiner finds claims 1–21 are directed to a judicial exception without significantly more. Final Act. 7–8. In particular, the Examiner finds

The claimed invention is directed to a judicial exception (i.e., a law of nature, a natural phenomenon, or an abstract idea) without significantly more. Claim(s) 1–21 are directed to a product recommendation dynamic[] bundling system for use by a consumer. The steps for creating a bundle of products to advertise to a consumer is a fundamental economic principle and therefore an abstract idea. The claim(s) does/do not include additional elements that are sufficient to amount to significantly more than the judicial exception because Claim 1 is directed to an abstract idea with additional generic computer elements (i.e., the dynamic bundling system implemented on a generic computer as described in **Paragraph 0027 of the specification** and claim 1). The generically recited bundling system implemented on a computer system plus the steps reciting the process for creating the bundle of products does not add a meaningful limitation to the abstract idea because they would be routine in any computer implementation.

Final Act. 7–8; *see also* Ans. 2–5.

Appellants contend claims 1–21 are not directed to an abstract idea. *See* App. Br. 7–10; *see also* Reply Br. 2–5.

For example, Appellants argue:

i.

The Examiner does not provide any support for the characterization of dynamic product bundles being an abstract idea, and the fundamental economic principle of advertising does not include dynamic product bundling. Moreover, the record fails to identify any evidence that anyone in the history of

advertising managed to create dynamic product bundles as claimed, so the creation of dynamic product bundles as claimed is significantly more than the alleged “fundamental economic principle.”

App. Br. 9–10; *see also* Reply Br. 2–5.

ii. “With respect to the current pending claims, the human mind would be incapable of generating product bundles and during runtime dynamically changing which products are presented to the user.” App. Br. 10.

Our Review

A patent may be obtained for “any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof.” 35 U.S.C. § 101. The Supreme Court has held that this provision contains an important implicit exception: laws 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); *Gottschalk v. Benson*, 409 U.S. 63, 67 (1972) (“Phenomena of nature, though just discovered, mental processes, and abstract intellectual concepts are not patentable, as they are the basic tools of scientific and technological work”). Notwithstanding that a law of nature or an abstract idea, by itself, is not patentable, the application of these concepts may be deserving of patent protection. *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66, 71–72 (2012). In *Mayo*, the Court stated that “to transform an unpatentable law of nature into a patent-eligible *application* of such a law, one must do more than simply state the law of nature while adding the words ‘apply it.’” *Mayo*, 566 U.S. at 72 (internal citation omitted).

In *Alice*, the Supreme Court reaffirmed the framework set forth previously in *Mayo* “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 the analysis is to “determine whether the claims at issue are directed to one of those patent-ineligible concepts.” *Id.* If the claims are directed to a patent-ineligible concept, then the second step in the analysis is to consider the elements of the claims “individually and ‘as an ordered combination’” to determine whether there are additional elements that “‘transform the nature of the claim’ into a patent-eligible application.” *Id.* (quoting *Mayo*, 566 U.S. at 79, 78). In other words, the second step is to “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.’” *Id.* (brackets in original) (quoting *Mayo*, 566 U.S. at 72–73). “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].’” *Id.* at 2357 (brackets in original) (quoting *Mayo*, 566 U.S. at 77–78). The prohibition against patenting an abstract idea “cannot be circumvented by attempting to limit the use of the formula to a particular technological environment or adding ‘insignificant post-solution activity.’” *Bilski v. Kappos*, 561 U.S. 593, 610–11 (2010) (internal citation and quotation marks omitted). The Court in *Alice* noted that “[s]imply appending conventional steps, specified at a high level of generality,’ was not ‘*enough*’ [in *Mayo*] to supply the ‘inventive concept.’” *Alice*, 134 S. Ct. at 2357 (quoting *Mayo*, 566 U.S. at 82–83, 77–78, 72–73).

Step one: Are the claims at issue directed to a patent-ineligible concept?

Claim 1 is a method claim related to the basic concept of product recommendations and bundled products. Claim 1 is a method claim comprising multiple steps, each of which could, aside from nominal recitations of a generic “requestor device” providing the request and receiving the product bundle and a “dynamic product bundler system” receiving the request, be performed in the human mind or by a human using pen and paper. In particular, the steps could be performed by a person reviewing a request for a primary product and presenting products to the requestor, for example, on paper listing in writing the various products and associated conditions.

Because all the method steps of claim 1 can either be performed by human thought alone, or by a human using pen and paper, claim 1 is directed to a patent-ineligible abstract idea. *See CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1372–73 (Fed. Cir. 2011) (“[U]npatentable mental processes” include “steps [that] can be performed in the human mind, or by a human using a pen and paper.”). Further, we note the claims primarily involve receiving data (receiving the request, retrieving other primary product data), analyzing the data (various creating steps, including creating the dynamic primary product bundle), and outputting results (sending the dynamic primary product bundle to the requestor device). Such claims have been found to be within the realm of abstract ideas. *See, e.g., Elec. Power Grp. LLC 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”).

Independent claims 11 and 21 recite limitations similar to those discussed with respect to claim 1. Thus, claims 11 and 21 are also directed to a patent-ineligible abstract idea.

Step two: Is there something else in the claims that ensures they are directed to significantly more than a patent-ineligible concept?

Because claims 1, 11, and 21 are directed to an abstract idea, the question to be settled next, according to *Alice*, is whether claims 1, 11, and 21 recite an element, or combination of elements, that is enough to ensure that the claim is directed to significantly more than the abstract idea.

Claim 1 is a method claim, which includes “a dynamic product bundler system” and “a requestor device. Claim 11 is a corresponding system claim including “a primary product datastore” and “a dynamic product bundler system.” Claim 21 is a corresponding system claim including various means-plus-function elements.

These various claimed hardware components are generic, purely conventional computer elements. Thus, the claims do no more than require generic computer elements to perform generic computer functions, rather than improve computer capabilities. There is no indication that the computers used in the invention are anything other than general purpose computers running conventional operating systems and being programmed using conventional techniques. *See* Spec ¶ 27 (“The computer-readable medium 112, the dynamic product bundler system 116 and the other systems and computer-readable mediums described in this paper can be implemented

through computer systems, engines or a plurality of any combination of computer systems and engines.”).

Appending various combinations of conventional elements to an abstract idea is not enough to transform the idea into a patent-eligible invention. *See Alice*, 134 S. Ct. at 2358 (“[T]he mere recitation of a generic computer cannot transform a patent-ineligible abstract idea into a patent-eligible invention.”).

Further, we are not persuaded of error on the part of the Examiner by Appellants’ argument (i) that the claims are not directed to an abstract idea because we have determined that the claims are directed to the abstract idea of product recommendations and bundled products, including method steps that could be performed by human thought alone, or by a human using pen and paper, which has been found to be an abstract idea. *See CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1372–73 (Fed. Cir. 2011). As well, we note the claims primarily involve receiving data, analyzing the data, and outputting results, which has also been found to be an abstract idea. *See, e.g., Elec. Power Grp. LLC v. Alstom S.A.*, 830 F.3d 1350, 1353 (Fed. Cir. 2016).

Still further, we are also not persuaded of error on the part of the Examiner by Appellants’ argument (ii) because we find the human mind is capable of performing the recited “creating” steps, and of changing which products are presented to the user. In addition, the steps could be performed by a person reviewing a request for a primary product and presenting products to the requestor, for example, on paper listing in writing the various products and associated conditions. There is no indication that the

computers used in the invention to implement these method steps are anything other than general purpose computers. *See* Spec. ¶ 27.

We, therefore, sustain the Examiner’s non-statutory subject matter rejection of claim 1, 11, and 21. We also sustain the Examiner’s non-statutory subject matter rejections of claims 2–10 and 12–20, which are not separately argued with particularity.

THE OBVIOUSNESS REJECTION OF CLAIMS 1–4, 6–14, AND 16–21 OVER

CHANDA AND LINDEN

Contentions

The Examiner finds Chanda and Linden teach all limitations of claim 1. Final Act. 9–12; *see also* Ans. 5–7. In particular, the Examiner finds Linden teaches “products presented to a requestor as part of the dynamic primary product bundle capable of dynamically changing at runtime” as recited in claim 1. *See* Final Act. 11–12 (citing Linden col. 16, ll. 5–15).

The Examiner reasons

it would have been obvious to one of ordinary skill in the art before the effective filing date of the claimed invention to modify Chanda to include products presented to a requestor as part of the dynamic primary product bundle capable of dynamically changing at runtime, as taught in Linden, in order to provide real time recommendations at check out.

Final Act. 12 (citing Linden col. 16, ll. 5–15).

Appellants present the following principal arguments:

i.

Chanda teaches price, categorization, manufacturer, and/or other attributes of the items to determine whether to include the products together in **creating a bundle**. Chanda is silent as to conditions that are required to be met **before a product is**

displayed as part of a product bundle **after** the product bundle has been created.

App. Br. 13; *see also* Reply Br. 8–10.

ii. “Linden does not relate to product bundles. Linden teaches recommending products that are not already included in a product bundle.”

App. Br. 15; *see also* Reply Br. 6–8.

Our Review

We review the appealed rejections for error based upon the issues identified by Appellants, and in light of the arguments and evidence produced thereon. *Ex parte Frye*, 94 USPQ2d 1072, 1075 (BPAI 2010) (precedential).

The test for obviousness is not whether the features of a secondary reference may be bodily incorporated into the structure of the primary reference; nor is it that the claimed invention must be expressly suggested in any one or all of the references. Rather, the test is what the combined teachings of the references would have suggested to those of ordinary skill in the art.

In re Keller, 642 F.2d 413, 425 (CCPA 1981).

Here, Chanda discloses “identifying bundles of three or more items to suggest to users.” Chanda Abstract. Thus, Chanda teaches a product bundle. The bundle in Chanda may contain multiple items, but the bundle appears to be a fixed bundle rather than a bundle that dynamically changes at runtime. *See* Chanda Abstract.

Turning to Linden, Linden discloses

The shopping cart recommendations service is preferably invoked automatically when the user displays the contents of a shopping cart that contains more than a threshold number (e.g., 1) of popular items. The service generates the recommendations

based exclusively on the current contents of the shopping cart. As a result, the recommendations tend to be highly correlated to the user's current shopping interests. In other implementations, the recommendations may also be based on other items that are deemed to be of current interest to the user, such as items in the recent shopping cart contents of the user and/or items recently viewed by the user.

Linden col. 16, ll. 5–15.

Thus, Linden teaches generating a recommendation based on items in a shopping cart. Further, the recommendation may be based on other items, such as recently viewed items or items recently in the shopping cart. The recommendation in Linden for a given shopping cart content may change, for example, as various items are viewed by the user but not placed in the shopping cart. That is, while the shopping cart contents in Linden remain fixed, the recommendations may change. Put another way, the recommendations are capable of dynamically changing at runtime. *See* Linden col. 16, ll. 5–15.

When Chanda's bundle is modified in light of the teachings of Linden, Chanda's bundle contents are capable of dynamically changing at runtime in the same way that Linden's recommendations are capable of dynamically changing at runtime.

The Examiner articulated a reason to combine the references that is rational on its face and supported by evidence drawn from the record. *See* Final Act. 12 (citing Linden col. 16, ll. 5–15). On the record before us, when reviewing the disclosures of Chanda and Linden, we are persuaded that Chanda and Linden teach the argued claim limitations.

In particular, Chanda and Linden teach “creating conditions for the another primary product, the conditions being based on the another primary

product data and required to be met before the another primary product is presented to a requestor through the requestor device” and further teach

creating a dynamic primary product bundle from the product array and the conditions for the another primary product, the dynamic primary product bundle including the first static element in the product array that represents the primary product, the second static element in the product array that represents the another primary product and the conditions for the another primary product, products presented to a requestor as part of the dynamic primary product bundle capable of dynamically changing at runtime

because Chanda’s bundle, when modified in light of the teachings of Linden, is capable of dynamically changing at runtime.

Regarding Appellants’ arguments (i) and (ii), both of these arguments do not persuade us of any Examiner error because the argued claim limitations are taught by the collective teachings of the references for reasons explained above. In reaching our decision, we recognize that the claim language requires the bundle to include a product together with conditions for its presentation. That said, Chanda and Linden teach a bundle composed of Chanda’s original bundle as well as *potential* recommended items; a particular potential recommended item is presented when the conditions are met for its presentation in accordance with Linden’s teachings.

We, therefore, sustain the Examiner’s rejection of claim 1.

For independent claims 11 and 21, Appellants present the same arguments as presented for claim 1. *See* App. Br. 15–23, Reply Br. 5–10. We, therefore, sustain the Examiner’s rejections of claims 11 and 21 for the same reasons discussed above when addressing claim 1. We also sustain the

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Examiner's rejections of claims 2–4, 6–10, and 12–20, which are not separately argued with particularity. *See* App. Br. 6, Reply Br. 2.

THE OBVIOUSNESS REJECTION OF CLAIMS 5 AND 15 OVER CHANDA, LINDEN,
AND ORAZI

Appellants do not present separate arguments for claims 5 and 15. *See* App. Br. 6, Reply Br. 2. We, therefore, sustain the Examiner's rejections of claims 5 and 15 for the same reasons discussed above when addressing claim 1.

ORDER

The Examiner's decision rejecting claims 1–21 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)(1).

AFFIRMED