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UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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*Ex parte* JONATHAN R. POWELL

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Appeal 2016-008498<sup>1</sup>  
Application 13/953,016<sup>2</sup>  
Technology Center 3600

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Before JOSEPH A. FISCHETTI, MICHAEL R. ZECHER, and  
TARA L. HUTCHINGS, *Administrative Patent Judges*.

HUTCHINGS, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Appellant appeals under 35 U.S.C. § 134(a) from the Examiner’s final rejection of claims 1–24. We have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.

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<sup>1</sup> Our Decision references Appellant’s Appeal Brief (“Br.,” filed February 16, 2016) and Specification (“Spec.,” filed July 29, 2013), and the Examiner’s Answer (“Ans.,” mailed June 30, 2016) and Final Office Action (“Final Act.,” mailed June 16, 2015).

<sup>2</sup> Appellant identifies MasterCard International Incorporated as the real party in interest. Br. 2.

### CLAIMED INVENTION

Appellant describes that the claimed invention generally relates to financial services and, more particularly, to enabling an immediate online credit return refund transaction. Spec. ¶ 1.

Claims 1, 7, and 13 are the independent claims on appeal. Claim 1, reproduced below, is illustrative of the claimed subject matter:

1. An online return payment card network method comprising:
  - receiving from a merchant or acquirer, via a network interface, a credit reversal message, the credit reversal message containing an account number for the reversal transaction and original purchase transaction details with a merchant;
  - verifying, with an issuer of an account associated with the account number via the network interface, that the account is in good standing;
  - comparing, with a processor, certain details in the credit reversal message and the original purchase transaction details stored by the payment card network; [and]
  - sending, via the network interface, a credit reversal to the issuer when the account is verified in good standing, and certain details in the credit reversal message and the payment card network's original purchase transaction details match or are otherwise accepted.

### REJECTIONS

Claims 1–24 are rejected under 35 U.S.C. § 101 as directed to patent-ineligible subject matter (i.e., they are directed to a judicial exception without significantly more).

Claims 1–3, 7–9, 13–15, 21, and 24 are rejected under 35 U.S.C. § 103 as unpatentable over Kumamoto (US 2003/0163424 A1, pub. Aug. 28, 2003) and Rowen (US 2011/0238510 A1, pub. Sept. 29, 2011).

Claims 4, 10, 16, 22, and 23 are rejected under 35 U.S.C. § 103 as unpatentable over Kumamoto, Rowen, and Katz (US 2010/0161457 A1, pub. June 24, 2010).

Claims 5, 6, 11, 12, 17, and 18 are rejected under 35 U.S.C. § 103 as unpatentable over Kumamoto, Rowen, Katz, and Starr (US 7,428,988 B1, iss. Sept. 30, 2008).

Claim 19 is rejected under 35 U.S.C. § 103 as unpatentable over Kumamoto, Rowen, and McGlinn (US 2002/0152134 A1, pub. Oct. 17, 2002).

Claim 20 is rejected under 35 U.S.C. § 103 as unpatentable over Kumamoto, Rowen, and Starr.

## ANALYSIS

### *Patent-Ineligible Subject Matter*

Under 35 U.S.C. § 101, an invention is patent-eligible if it claims a “new and useful process, machine, manufacture, or composition of matter.” 35 U.S.C. § 101. The Supreme Court, however, has long interpreted § 101 to include an implicit exception: “[l]aws of nature, natural phenomena, and abstract ideas” are not patentable. *See, e.g., Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 134 S. Ct. 2347, 2354 (2014).

The Supreme Court, in *Alice*, reiterated the two-step framework previously set forth in *Mayo Collaborative Services v. Prometheus Laboratories, Inc.*, 566 U.S. 66 (2012), “for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of those 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.” *Id.* If the claims are not

directed to a patent-ineligible concept, e.g., 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 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).

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*, 566 U.S. at 71. Therefore, the U.S. Court of Appeals for the Federal Circuit has instructed that claims are to be considered in their entirety to determine “whether their character as a whole is directed to excluded subject matter.” *McRO, Inc. v. Bandai Namco Games Am., Inc.*, 837 F.3d 1299, 1312 (Fed. Cir. 2016) (quoting *Internet Patents Corp. v. Active Network, Inc.*, 790 F.3d 1343, 1346 (Fed. Cir. 2015)).

Here, in rejecting the pending claims under 35 U.S.C. § 101, the Examiner determined that the claims are directed to “a series of steps instructing how to handl[e] credit returns of products or services,” the series of steps including “receiving,” “verifying,” “comparing,” and “sending.” Final Act. 6 (emphasis omitted). The Examiner determined that instructing how to handle credit returns is similar to concepts that the courts have found to be directed to an abstract idea, such a fundamental economic practice and a method of organizing human activities. *Id.* The Examiner also determined that the claims only recite generic computer elements and, therefore, they do not include additional elements that are sufficient to amount to significantly more than the judicial exception. *Id.* at 6–7.

Appellant argues that the § 101 rejection cannot be sustained because the Examiner mischaracterizes and overgeneralizes the claimed subject matter. Br. 7. In particular, Appellant asserts that the claimed invention is not directed to an abstract idea of handing credit returns of goods and services, but instead is directed to “a very technical method and system for enabling an immediate online credit refund transaction, by the payment card network apparatus.” *Id.*; *see also id.* at 8–10 (arguing “[t]he claims are not ‘directed toward’ an abstract idea”). Appellant contends that “the claimed invention solves the technical limitation of the conventional return process.” *Id.* (emphasis omitted); *see also id.* at 9 (explaining that the conventional return process prevents the instantaneous return of a customer’s credit).

Yet, the question at step one is not whether the claimed invention is technical. Instead, at step one, we consider whether the “focus of the claims” is on a “specific asserted improvement in computer capabilities . . . , or, instead, on a process that qualifies as an ‘abstract idea’ for which computers are invoked merely as a tool.” *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1336 (Fed. Cir. 2016). Here, claim 1 recites a method for processing a credit reversal associated with a payment card that includes four steps: (1) receiving a credit reversal message; (2) verifying that the account is in good standing; (3) comparing details in the credit reversal message and original purchase transaction; and (4) sending a credit reversal when the account is in good standing and the details are acceptable. Claims 7 and 13 are apparatus and computer-readable storage medium claims, respectively, that recite language similar to claim 1.

Appellant’s Specification makes clear that the claims focus on improving a process for card returns that conventionally relied upon batch

processing. For example, the Background section of Appellant’s Specification provides that card returns are processed in a batch submission process, which “results in cardholders typically waiting days for a return credit to post to their account balance.” Spec. ¶ 3. Because of the delay, cardholders approaching their credit limit cannot make additional purchases while waiting for the credit return to post. *Id.* ¶ 4. “[C]ardholder inquiries on purchase returns are the single most prevalent customer service issue.” *Id.* To address this business problem, Appellant’s claimed invention seeks to enable an “immediate online credit refund transaction.” *Id.* ¶ 15. Whether labeled as a fundamental, long-prevalent practice or a well-established method of organizing human activity, processing card returns qualifies as an abstract idea. *See also CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1372–73 (Fed. Cir. 2011) (holding that a claim whose “steps can be performed in the human mind, or by a human using a pen and paper” is directed to an “unpatentable mental process[.]”); *Berkheimer v. HP, Inc.*, 890 F.3d 1369, 1373 (Fed. Cir. 2018) (“[p]atent law does not protect claims to an ‘asserted advance in the realm of abstract ideas . . . no matter how groundbreaking the advance.’”) (citation omitted).

Appellant argues that the pending claims are analogous to subject matter presented in the Office’s January 2015 Guidance,<sup>3</sup> Example 2, which is modeled after the claims in *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245 (Fed. Cir. 2014). Br. 9. Specifically, Appellant asserts that the claims are “useful for ‘handling credit returns of products or services,’ [but]

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<sup>3</sup> *See* Examples: Abstract Ideas (Jan. 2015) (available at [https://www.uspto.gov/sites/default/files/documents/abstract\\_idea\\_examples.pdf](https://www.uspto.gov/sites/default/files/documents/abstract_idea_examples.pdf)) (hereinafter “*Jan. 2015 Examples*”)

they are not solely directed to such an objective” because they overcome a problem with the conventional return process in which instantaneous return of a customer’s credit was prevented. *Id.* Appellant additionally contends that the claims are like those in *DDR Holdings*, because the claims “neither recite a mathematical algorithm nor a fundamental or longstanding commercial practice.” Br. 10 (“[t]here is nothing fundamental about a method of immediately processing a credit reversal”).

Yet, Appellant cannot reasonably deny that credit return processing is a longstanding practice in our system of commerce, nor that the recited steps (e.g., “receiving,” “verifying,” “comparing,” and “sending”) can be performed by a human. Unlike the situation in *DDR Holdings*, Appellant’s claimed invention is not “necessarily rooted in computer technology in order to overcome a problem specifically arising in the realm of computer networks.” *DDR Holdings*, 773 F.3d at 1257. Instead, Appellant’s claims address a problem arising in the realm of the abstract — credit return processing. Also unlike the situation in *DDR Holdings*, there is no indication that Appellant’s claims change the routine, conventional functioning of computer networks. *See id.* (determining that the claims changed the routine, conventional functioning of Internet hyperlink protocol). Instead, Appellant’s claimed invention improves upon conventional processing for credit returns — processing that is itself abstract — to avoid the use of batch credit return submission and, thereby, avoid its associated delays.

Appellant argues that “the claims require implementation by computing devices as they are dependent upon data files associated with computing systems indicative of a payment network.” Br. 9. Appellant

further argues that “the present claims are not useful outside of the computer-implemented environment to which they are directed and require particular programming and specified communication between multiple computer devices to be carried out.” *Id.* at 10. Yet, “after *Alice*, there can remain no doubt: recitation of generic computer limitations does not make an otherwise ineligible claim patent-eligible.” *DDR Holdings*, 773 F.3d at 1256. Moreover, limiting the use of an abstract idea to a particular technological environment is not enough to impart patent eligibility. *Alice*, 134 S. Ct. at 2350.

Appellant asserts that, even if the claims are directed to an abstract idea, they include additional limitations, “such as using a processing server having a microprocessor and network interface,” and “the physical actions of receiving and transmitting data from the system.” Br. 11. Yet, these limitations, whether considered individually or as an ordered combination, do not supply even an arguably inventive concept that ensures the patent amounts to significantly more than a patent upon the ineligible concept itself. *See Elec. Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350, 1355 (Fed. Cir. 2016) (“invocations of computers and networks that are not even arguably inventive are ‘insufficient to pass the test of an inventive concept in the application’ of an abstract idea”) (citation omitted); *see also id.* (“selecting information, by content or source, for collection, analysis, and display does nothing significant to differentiate a process from ordinary mental processes, whose implicit exclusion from § 101 undergirds the information-based category of abstract ideas”).

Appellant argues that the claims are akin to Example 21 because the recitations “facilitate a new manner in which data can be distributed via

methods and systems *rooted in computer technology.*” Br. 11 (citing the Office’s July 2015 Guidance,<sup>4</sup> Example 21). Example 21 describes a hypothetical claim 1 as patent-ineligible, and a hypothetical claim 2 as patent-eligible. July 2015 Guidance 2–3. Appellant does not specify which claim(s) from Example 21 the present claims allegedly resemble. *See* Br. 11 (“the present claims are similar to . . . Example 21”). But we treat the argument as seeking to analogize the present claims to Example 21’s claim 2. *See* July 2015 Guidance 4–5.

We do not agree with Appellant that claim 2 of Example 21 is analogous to the present claims. Claim 2 “recites a series of acts for distributing stock quotes to selected remote devices.” July 2015 Guidance 4. Applying the first step of the *Alice* analysis, the Office’s July 2015 Guidance determines that steps of comparing and organizing data are a mental process, similar to other concepts held by the courts to be abstract. *Id.* Turning to the second step, the Office’s July 2015 Guidance explains that some of the additional limitations (e.g., storing subscriber preferences and transmitting an alert), viewed individually, do not amount to significantly more than the abstract idea. *Id.* However, when viewed as an ordered combination, the claimed invention “amounts to significantly more than [the abstract idea of] organizing and comparing data” because it “addresses the Internet-centric challenge of alerting a subscriber with time sensitive information when the subscriber’s computer is offline.” *Id.* Specifically, it transmits an alert over a wireless communication channel to activate the stock viewer application,

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<sup>4</sup> *See* July 2015 Update Appendix 1: Examples (available at <https://www.uspto.gov/sites/default/files/documents/ieg-july-2015-app1.pdf>).

thereby causing the alert to display and enabling the subscriber's computer to connect to the data source over the Internet when the remote subscriber's computer comes online. *Id.* We are not persuaded that the present claims address any comparable Internet-centric challenge. Instead, the claims more closely resemble patent-ineligible claim 1 of Example 21, which recites steps similar to those in claim 2 (e.g., receives, filters, generates, formats, and transmits) but does not provide the stock viewer application. *Id.* at 2–3. The Office's July 2015 Guidance describes claim 1 at step 2 as being directed to a mental process (i.e., an abstract idea) that does not recite additional limitations that impose meaningful limits thereon. *Id.* at 3–4.

We also are not persuaded of Examiner error by Appellant's argument regarding preemption. Br. 12–13. There is no dispute that the Supreme Court has described “the concern that drives [the exclusion of abstract ideas from patent eligible subject matter] as one of pre-emption.” *Alice*, 134 S. Ct. at 2354. But characterizing preemption as a driving concern for patent eligibility is not the same as characterizing preemption as the sole test for patent eligibility. “The Supreme Court has made clear that the principle of preemption is the basis for the judicial exceptions to patentability” and “[f]or this reason, questions on preemption are inherent in and resolved by the § 101 analysis.” *Ariosa Diagnostics, Inc. v. Sequenom, Inc.*, 788 F.3d 1371, 1379 (Fed. Cir. 2015) (citing *Alice*, 134 S. Ct. at 2354). “[P]reemption may signal patent ineligible subject matter, [but] the absence of complete preemption does not demonstrate patent eligibility.” *Id.*

Appellant argues that the claims are inextricably tied to “a computer-implemented environment in order to overcome a problem that has arisen in in refunding payment card transactions,” analogous to the claims in *DDR*

*Holdings.* Br. 14–16. However, we see no parallel to the claims at issue in *DDR Holdings* for the reasons described above. Moreover, limiting the use of the abstract idea to a particular technological environment (e.g., a computer-implemented environment) is insufficient to transform an otherwise patent-ineligible abstract idea into patent-eligible subject matter. *See Alice*, 134 S. Ct. at 2358; *see also Elec. Power Grp.*, 830 F.3d at 1355 (“the claims’ invocation of computers, networks, and displays does not transform the claimed subject matter into patent-eligible applications”).

Appellant also argues that the claims “require specific programming, [and] the resulting computer would be a *specific purpose* computer” that provides “*improved* functionality over a ‘generic’ computer.” Br. 17 (citing *In re Alappat*, 33 F.3d 1526, 1543 (Fed. Cir. 1994)). However, in *EON Corp. v. AT&T Mobility LLC*, 785 F.3d 616 (Fed. Cir. 2015), the Federal Circuit explicitly noted that “*Alappat* has been superseded by *Bilski* and *Alice Corp.*” *Id.* at 623 (citations omitted). Here, there is no indication that the claims require more than generic computer limitations. And, as the Supreme Court made clear in *Alice*, the recitation of generic computer limitations is not enough to transform an otherwise patent-ineligible abstract idea into a patentable invention. *See Alice*, 134 S. Ct. at 2358.

Appellant argues that the present claims improve existing technologies in that they “store, receive, identify, compare, and additionally store *very specific and sensitive information in a very specific manner in a hardware-based system* that has not been done before in the industry,” analogous to the claims at issue in *Diamond v. Diehr*, 450 U.S. 175 (1981). Br. 18. Yet, the claims in *Diehr* were directed to a process for curing synthetic rubber, and recited a series of steps (e.g., the loading of a mold

with raw, uncured rubber, closing the mold, constantly determining the mold temperature, constantly recalculating the cure time, and automatically opening the press at the proper time) that, together, provided a significant and novel practical application of the well-known Arrhenius equation and transformed uncured synthetic rubber into a new state or thing. *See Diehr*, 450 U.S. at 184–87. Here, we find nothing in the claims analogous to controlling a physical process that involves the transformation of an article into a different state or thing, like the rubber molding process in *Diehr*.

Moreover, to the extent that Appellant argues that the Examiner erred in determining that the claims do not require “significantly more” than the abstract idea, because the limitations have not been done in industry, Appellant misconstrues the law. It is not enough for subject-matter eligibility that the claimed techniques be novel and non-obvious in light of prior art. *SAP America, Inc. v. Investpic LLC*, 898 F.3d 1161, 1163 (Fed. Cir. 2018); *see also Mayo*, 566 U.S. at 90. Much like the claims at issue in *SAP*, the claims here are ineligible because their innovation is in ineligible subject matter. *Id.* (“No matter how much of an advance in the finance field the claims recite, the advance lies entirely in the realm of abstract ideas, with no plausibly alleged innovation in the non-abstract application realm.”); *see also Synopsys, Inc. v. Mentor Graphics Corp.*, 839 F.3d 1138, 1151 (Fed. Cir. 2016) (“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”). Appellant has not identified, and we do not find, any plausible alleged innovation in the non-abstract realm.

In view of the foregoing, Appellant does not apprise us of error in the Examiner’s determination that independent claims 1–24 are patent-

ineligible. Accordingly, we sustain the Examiner's rejection of claims 1–24 under 35 U.S.C. § 101.

*Obviousness*

*Independent Claims 1, 7, and 13, and Dependent Claims 2, 3, 8, 9, 14, 15, 20, 21, and 24*

We are not persuaded by Appellant's argument that Kumamoto and Rowen do not teach or suggest "sending, via the network interface, a credit reversal to the issuer when the account is verified in good standing, and certain details in the credit reversal message and the payment card network's original purchase transaction details match or are otherwise accepted," as recited in claim 1, and similarly recited in claims 7 and 13. Br. 19–20. The Examiner maintains that the combined teachings of Kumamoto and Rowen account for the argued limitation. Final Act. 8 (citing Kumamoto ¶¶ 27–28, Rowen ¶ 104); *see also* Ans. 7–8. Specifically, the Examiner determines that Kumamoto teaches sending a credit reversal to the issuer when certain details in the credit card reversal message and the payment card network's original purchase transaction details match or are otherwise accepted. *Id.* (finding Kumamoto ¶¶ 27–28 teaches matching the transaction data, comparing a refund amount to a transaction amount, and generating electronic money data corresponding to the refund amount). The Examiner acknowledges that Kumamoto does not describe verifying the account is in good standing, and relies on Rowen for this teaching. *Id.* at 8.

Rowen provides a conventional payment card industry process for authorizing card purchases. Rowen ¶ 82, Fig. 1. The process includes, in part, a merchant system transmitting an authorization request, which includes purchase transaction data and payment card data, to the payment card processor. *Id.* ¶ 100. The payment card processor separates the

authorization request data into purchase transaction data and payment card data, and formats each for use in the payment card issuer's account verification and fraud screening process data. *Id.* ¶ 103. Payment card data is used to verify that the card account is in good standing, and the amount of purchase is compared to the payment card account's purchasing capacity to verify whether the transaction can be approved from an account standpoint. *Id.* ¶ 104.

Appellant argues that Rowen teaches verifying whether a payment account is in good standing as a step when authorizing a payment transaction, not as a step during refund processing. Br. 20; *see also id.* (“Rowen does not address the concept of a reversal at all” and, thus, “fails to disclose or suggest sending a credit reversal to the issuer when the account is verified in good standing”). Yet, Kumamoto is relied on for a credit reversal processing. *See* Final Act. 8 (citing Kumamoto ¶¶ 27–28). Rowen is relied on for additional information that is verified during an authorization process — namely, account standing and whether a card transaction can be approved from an account standpoint. *Id.* (citing Rowen ¶ 104). Although Rowen's verification occurs during authorization of a payment transaction instead of a refund transaction, one of ordinary skill in the art would appreciate that determining whether a card transaction can be approved from an account standpoint (e.g., the account is open) is a relevant consideration for both a purchase transaction and a refund transaction.

Appellant argues that the Examiner relies on impermissible hindsight reasoning to reject the claims over the combined teachings of Kumamoto and Rowen. Br. 20–21. Specifically, Appellant contends that “[t]he *references themselves* must provide some teaching whereby the applicant's

combination would have been obvious,” and Kumamoto and Rowen do not provide any such teaching or motivation as to why one of ordinary skill in the art would have combined Kumamoto’s system to generate electronic money data with Rowen’s purchase authorization method. Br. 21 (citing *In re Gorman*, 933 F.2d 982 (Fed. Cir. 1991)). Yet, the Supreme Court made clear in *KSR* that, when considering obviousness, “the analysis need not seek out precise teachings directed to the specific subject matter of the challenged claim, for a court can take account of the inferences and creative steps that a person of ordinary skill in the art would employ.” *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 418 (2007). In our view, the Examiner’s proposed modification of Kumamoto’s credit reversal process to further verify whether a transaction can be approved from an account standpoint, as disclosed Rowen, before sending a credit reversal to the issuer is no more than a combination of prior art elements according to their established functions, and yields a predictable result. *See id.* at 416 (“[t]he combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results”).

Appellant argues that “the Rowen reference actually teaches away from the claimed invention” because the verification is used for an approve/decline decision process and such verification is not needed by the issuer for a refund. Br. 21. Appellant’s argument is not persuasive at least because Appellant does not point to any passage in Rowen that criticizes, discredits, or otherwise discourages the verification of an account for a refund — which is required to establish a “teaching away.” *See In re Gurley*, 27 F.3d 551, 553 (Fed. Cir. 1994) (A teaching away occurs when a reference discourages one skilled in the art from following the claimed path,

or when the reference would lead one skilled in the art in a direction divergent from the path that was taken by the applicant.).

In view of the foregoing, we sustain the Examiner’s rejection under 35 U.S.C. § 103 of independent claims 1, 7, and 13, and dependent claims 2, 3, 8, 9, 14, 15, 21, and 24. We also sustain the Examiner’s rejection under 35 U.S.C. § 103 of dependent claim 20, which is not argued separately.

*Dependent Claims 4, 5, 6, 10–12, 16–18, 22, and 23*

Appellant argues that the Examiner erred in rejecting claims 4, 10, 16, 22, and 23 under 35 U.S.C. § 103 because Katz “deal[s] with a third entirely different type of process—a chargeback dispute template” (Br. 21 (citing Katz ¶¶ 28, 29, 52)), and “[n]o one of ordinary skill in the art would combine these three types of processes,” i.e., a refund process, an authorization process, and a chargeback dispute process (*id.*) (emphasis omitted). Appellant’s argument is not persuasive, because it does not address the rationale articulated by the Examiner for the proposed combination. Here, the Examiner modifies the combination of Kumamoto and Rowen with the teachings of Katz to include a list of services/products purchased in the transaction details (claims 4, 10, and 16) in order to incorporate the necessary information to dispute a charge; and to remove the authorization network trace identifier from the reversal clearing records (claim 22) and notify the issuer (claim 23) in order to ensure all disputed claims are properly addressed. *See* Final Act. 14–16. Apart from a naked assertion that Kumamote, Rowan, and Katz are directed to different types of processes, Appellant does not present any persuasive argument or technical

reasoning to explain why the motivation set forth by the Examiner is insufficient.

In view of the foregoing, we sustain the Examiner's rejection under 35 U.S.C. § 103 dependent claims 4, 10, 16, 22, and 23 . We also sustain the Examiner's rejection under 35 U.S.C. § 103 of dependent claims 5, 6, 11, 12, 17, and 18, which are not argued separately.

*Dependent claim 19*

Appellant argues that the Examiner erred in rejecting claim 19 under 35 U.S.C. § 103 because one of ordinary skill in the art would not be motivated to modify the combined teachings of Kumamoto and Rowen with McGlinn. Br. 22. Appellant asserts that Kumamoto and Rowen “are directed to methods of providing a refund and authorizing a payment, respectively,” whereas McGlinn teaches “a system and method for certifying the identity and legitimacy of web-sites of brick-and-mortar merchants.” *Id.* Appellant charges that “one of ordinary skill in the art would recognize that these references are directed to disparate processes that are not interchangeable,” and that the Examiner “is literally picking-and-choosing from disparate references using the claimed invention as a template.” Br. 22. We disagree.

In rejecting claim 19, the Examiner finds that the combination of Kumamoto and Rowen does not teach verifying that the merchant is certified to submit the credit reversal message. However, the Examiner finds that McGlinn teaches this limitation, and the Examiner determines that it would have been obvious to verify the merchant, as taught by McGlinn to “allow Internet consumers to identify trusted online merchants.” Final Act. 20 (citing McGlinn ¶¶ 17–18). Apart from a naked assertion that Kumamote,

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Rowan, and McGlinn are directed to different purposes or techniques, Appellant does not present any persuasive argument or technical reasoning to explain why the motivation set forth by the Examiner is insufficient.

In view of the foregoing, we sustain the Examiner's rejection under 35 U.S.C. § 103 of dependent claim 19.

#### DECISION

The Examiner's rejection of claims 1–24 under 35 U.S.C. § 101 is affirmed.

The Examiner's rejections of claims 1–24 under 35 U.S.C. § 103 are 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)(iv).

AFFIRMED