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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte PHILIP SCOTT LYREN

Appeal 2016-008571
Application 13/736,960
Technology Center 3600

Before JOHN A. JEFFERY, BRUCE R. WINSOR, and
JUSTIN BUSCH, *Administrative Patent Judges*.

WINSOR, *Administrative Patent Judge*.

DECISION ON APPEAL

Pursuant to 35 U.S.C. § 134(a), Appellant¹ appeals from the Examiner's final decision to reject claims 1–20, which constitute all the claims pending in this application. We have jurisdiction under 35 U.S.C. § 6(b).

We affirm and designate new grounds of rejection pursuant to 37 C.F.R. § 41.50(b) (2015).

¹ Appellant identifies the real party in interest as Four Mile Bay LLC. Br. 2.

STATEMENT OF THE CASE

Appellant's disclosed invention relates to generating a customized advertisement that is unique to a user. Spec., Abstract. Claim 1, which is illustrative, reads as follows:

1. A method executed by a computer system to generate and display a customized video, comprising:

determining, by a user intention determiner in the computer system and based on information in a user profile of a user, a product that the user expressed an interest in purchasing;

obtaining, by an advertisement customizer in the computer system, a template video that is an advertisement for the product that the user expressed the interest in purchasing;

negotiating, by a user agent of the user in the computer system and with a merchant that sells the product, a price for the product;

modifying, by the advertisement customizer in the computer system, the template video to include the price negotiated by the user agent of the user and personal information about the user to generate a customized advertisement video that is unique to the user; and

presenting, on a display of a handheld portable electronic device of the user, the customized advertisement video that includes the price negotiated by the user agent of the user and the personal information about the user.

Claims 1–20 stand rejected under 35 U.S.C. § 112, first paragraph,² as failing to comply with the enablement requirement and the written description requirement. *See* Final Act. 2–6.

² All rejections are under the provisions of 35 U.S.C. in effect before the effective date of the Leahy-Smith America Invents Act of 2011 (AIA). *See, e.g.,* Final Act. 2 n.1.

Claims 1–20 stand rejected under 35 U.S.C. § 101 as being directed to ineligible subject matter. *See* Final Act. 6–8.

Claims 1 and 15 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Chockalingam et al. (US 2009/0037279 A1, published Feb. 5, 2009) and Jain (US 7,991,645 B2, published Aug. 2, 2011). *See* Final Act. 9–12.

Claims 2, 8, 13, and 17 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Chockalingam, Jain, and Maislos et al. (US 2007/0186165 A1, published Aug. 9, 2007). *See* Final Act. 12–15.

Claims 3, 6, 10, 11, and 19 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Chockalingam, Jain, Maislos, and Official Notice. *See* Final Act. 15–16.

Claims 4, 7, 16, and 20 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Chockalingam, Jain, and Svendsen et al. (US 2012/0123830 A1, published May 17, 2012). *See* Final Act. 16–19.³

Claims 9 and 14⁴ stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Chockalingam, Jain, Maislos, and Svendsen. *See* Final Act. 19–20.

³ In the header for the rejection of claim 14 (Final Act. 16), the Examiner mistakenly omits Maislos, which is relied upon in rejecting the base claim 8 (*id.* at 12–14). For purposes of our review, we include Maislos in the rejection and list claim 14 with claim 9, which was rejected over the same combination of art. We treat the Examiner’s omission as a typographical or ministerial error.

⁴ *See supra* n.3.

Claims 5 and 18 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Chockalingam, Jain, and Small et al. (US 2012/0072936 A1, published Mar. 22, 2012). *See* Final Act. 20–21.

Claim 12 stands rejected under 35 U.S.C. § 103(a) as being unpatentable over Chockalingam, Jain, Maislos, and Small. *See* Final Act. 21–22.

Rather than repeat the arguments here, we refer to the Brief (“Br.” filed Jan. 14, 2016) for Appellant’s positions; the Final Office Action (“Final Act.” mailed July 15, 2015) and Examiner’s Answer (“Ans.” mailed June 14, 2016) for the reasoning, findings, and conclusions of the Examiner; and the Specification (“Spec.” filed Jan. 9, 2013). Only those arguments actually made by Appellant have been considered in this decision. Arguments that Appellant did not make in the Brief have not been considered and are deemed to be waived. *See* 37 C.F.R. § 41.37(c)(1)(iv).

ANALYSIS

REJECTION UNDER 35 U.S.C. § 112, FIRST PARAGRAPH

Written Description

The Examiner finds claim 1’s user intention determiner, advertisement customizer, and user agent (the “three elements”) “are all implemented inside a computer, and therefore all require artificial intelligence [(AI)] at some level.” Final Act. 5. According to the Examiner, the three elements require extensive implementation details “subject of cutting edge research, e.g.,] natural language processing and autonomous software agents exhibiting intelligent behavior.” *Id.* The Examiner concludes, “one skilled in the art would not be persuaded that Applicant

possessed the invention” because “it is not readily apparent how to make a device [to] analyze natural language.” *Id.* at 5–6.

Appellant argues, “[t]he originally filed specification includes sixty-five (65) pages that describe in much detail the computer system and example methods. . . . These sixty-five pages reasonably convey to persons skilled in the art that the inventor had possession of the claimed subject matter.” Br. 16. Appellant further argues the claims do not recite AI, nor does the Specification teach that AI is necessary to implement the claims. *Id.* at 18.

We find Appellant has the better position. The Specification must reasonably convey to an artisan of ordinary skill that Appellant had possession of the claimed invention at the time the application was filed. *See Vasudevan Software, Inc. v. MicroStrategy, Inc.*, 782 F.3d 671, 682 (Fed. Cir. 2015) (citing *Ariad Pharm., Inc. v. Eli Lilly & Co.*, 598 F.3d 1336, 1351 (Fed. Cir. 2010) (en banc)); *see also* MANUAL OF PATENT EXAMINING PROCEDURE (MPEP) § 2161.01 (9th Ed. Rev. 08.2017, Jan. 2018) (citing *Vasudevan*). “The written description requirement is not met if the specification merely describes a desired result.” *Vasudevan*, 782 F.3d at 682 (internal quotation marks and citation omitted). The Specification must explain, for example, *how* Appellant intended to achieve the claimed function to satisfy the written description requirement. *Id.* at 683.

At the outset, we note that, to the extent Appellant argues that the Specification’s length alone is somehow indicative that Appellant had possession of the three elements, we disagree. Here, we look instead to Appellant’s explanation of the claimed subject matter from the Summary of Claimed Subject Matter section of the Brief. *See* Br. 4. Appellant’s

Specification discloses a computer system's electronic device including the three elements. Spec. 46:5–10; Fig. 15. In particular, the electronic device's user intention determiner “can perform functions such as those described in connection with Figures 2 and 9” (Spec. 46:18–19), and the advertisement customizer “can perform functions such as those described in connection with Figures 4, 5, 6, 9, and 14” (*id.* at 46:20–21). The electronic device's “‘user agent’ is software that acts on behalf of a user. User agents include, but are not limited to, one or more of intelligent agents (agents that use learning, reasoning and/or artificial intelligence [AI]), . . . mobile agents (agents that move execution to different processors) . . .” *Id.* at 49:5–11.

Here, an artisan of ordinary skill would be able to discern from these disclosures *how* Appellant intended to achieve the claimed functions of the three elements. Thus, the Examiner has not carried the burden of providing a sufficient reason why one of ordinary skill in the art would not consider the Specification adequate to satisfy 35 U.S.C. § 112, first paragraph's written description requirement, and we do not sustain the Examiner's rejection of claims 1–20 for failing to meet the written description requirement. Because this argument is dispositive regarding our reversing the written description rejection of these claims, we need not address Appellant's other arguments regarding the written description rejection.

Enablement

The enablement requirement requires that the Specification teach those in the art to make and use the invention without “undue experimentation.” *In re Wands*, 858 F.2d 731, 737 (Fed. Cir. 1988). Facts that should be considered in determining whether a specification is enabling, or if it would require undue experimentation to practice the invention

include: (1) the quantity of experimentation necessary to practice the invention, (2) the amount of direction or guidance presented, (3) the presence or absence of working examples, (4) the nature of the invention, (5) the state of the prior art, (6) the relative skill of those in the art, (7) the predictability or unpredictability of the art, and (8) the breadth of the claims. *Id.*

The Examiner finds that the claims do not comply with the enablement requirement for reasons similar to those underlying the Examiner’s written description rejection. *Compare* Final Act. 3, *with id.* at 5–6. The Examiner further compares the independent claims to each of the *Wands* factors (*id.* at 3–5), and concludes that “undue experimentation would be required to realize this invention” (*id.* at 5).

Breadth of the Claims

Appellant argues, with respect to the *Wands* factor relating to the breadth of the claims, “[t]he claims do not recite . . . [AI] or . . . [AI] agents. The specification does not require example embodiments to include . . . [AI] or . . . [AI] agents.” Br. 10 (emphasis omitted). In response, the Examiner finds the Specification makes clear that the claims encompass AI because the description of agents includes AI. Ans. 10.

We find Appellant has the better position. “The enablement requirement is met if the description enables *any mode* of making and using the invention.” *Johns Hopkins Univ. v. Cellpro, Inc.*, 152 F.3d 1342, 1361 (Fed. Cir. 1998) (quoting *Engel Indus., Inc. v. Lockformer Co.*, 946 F.2d 1528, 1533 (Fed. Cir. 1991)) (emphasis added) (bracketing omitted). Appellant’s Specification discloses that only the user agent among the electronic device’s components uses AI, and that only one embodiment of

the user agent uses AI. Spec. 49:5–11. Thus, contrary to the Examiner’s findings (Final Act. 3; Ans. 10), we find the scope of enablement provided to one skilled in the art by the Specification’s non-AI embodiments is commensurate with the scope of protection sought by the claims. *See AK Steel Corp. v. Sollac*, 344 F.3d 1234, 1244 (Fed. Cir. 2003); *In re Moore*, 439 F.2d 1232, 1236 (CCPA 1971).

The Amount of Direction or Guidance Presented

Appellant argues, with respect to the *Wands* factor relating to the amount of direction or guidance presented, “[t]he originally filed specification includes sixty-five (65) pages that describe in much detail the computer system and example methods. The specification includes fifteen (15) drawings showing numerous example embodiments.” Br. 13. In response, the Examiner finds the black boxes illustrated to Figure 15 that represent advertisement customizer 1570, user intention determiner 1540, and user agent 1585 “are not the kind of disclosure that enables one of ordinary skill to make or find a ‘user agent,’ an ‘advertisement customizer,’ or a ‘user intention determiner.’” Ans. 12.

We again find Appellant has the better position. Although Appellant’s black boxes illustrated in Figure 15 may be short on functional detail, they do not stand alone, but must be read in conjunction with the functional description provided by the method diagrams of Figures 3–7, 9, 10, 13, and 14, the display screen diagrams of Figures 12 and 13, and the accompanying text. Under the enablement requirement of § 112, “[w]hen the challenged subject matter is a computer program that implements a claimed device or method, enablement is determined from the viewpoint of a skilled programmer using the knowledge and skill with which such a person

is charged.” *Northern Telecom, Inc. v. Datapoint Corp.*, 908 F.2d 931, 941 (Fed. Cir. 1990). The Examiner has not explained why the functional description in the Specification could not be implemented by an ordinarily skilled programmer without undue experimentation. Accordingly, in the context of the Specification as a whole, Appellant’s black boxes illustrated in Figure 15 that represent advertisement customizer 1570, user intention determiner 1540, and user agent 1585 are sufficient to meet the enabling requirement of 35 U.S.C. § 112, first paragraph. *See In re Knowlton*, 481 F.2d 1357, 1367 (CCPA 1973); *In re Comstock*, 481 F.2d 905, 909–10 (CCPA 1973).

Conclusion

It is not necessary that a court review all the *Wands* factors to find a disclosure enabling, as they are illustrative, not mandatory. *See Amgen, Inc. v. Chugai Pharm. Co.*, 927 F.2d 1200, 1213 (Fed. Cir. 1991). Rather, the rejection “should focus on those factors, reasons, and evidence that lead [to] the . . . [conclusion] that the specification fails to teach how to make and use the claimed invention without undue experimentation.” MPEP § 2164.04.

The Examiner’s findings regarding the remaining *Wands* factors depend upon an unfounded requirement that an AI embodiment of a user agent must be read into the claims as discussed above. *See, e.g.*, Ans. 11 (finding that, with respect to the *Wands* factor relating to the nature of the invention, “[t]he invention is in the nature of [AI] negotiating, advertising, and video editing agents” (emphasis omitted)). Thus, the Examiner has not provided sufficient reason to doubt the assertions made in the Specification, and we do not sustain the Examiner’s rejection of claims 1–20 under 35 U.S.C. § 112, first paragraph, for failure to comply with the enablement

requirement. Because this argument is dispositive regarding the Examiner’s non-enablement rejection of these claims, we need not address Appellant’s other arguments regarding non-enablement.

REJECTION UNDER 35 U.S.C. § 101

Patent eligibility is a question of law that is reviewable *de novo*. *Dealertrack, Inc. v. Huber*, 674 F.3d 1315, 1333 (Fed. Cir. 2012). To determine whether claims are patent eligible under § 101, we apply the Supreme Court’s two-step test articulated in *Alice Corp. Proprietary Ltd. v. CLS Bank International*, 134 S. Ct. 2347 (2014). First, we determine whether the claims are directed to a patent-ineligible concept: laws of nature, natural phenomena, and abstract ideas. *Id.* at 2354–55. If so, we then proceed to the second step and examine the claim’s elements—both individually and as an ordered combination—to determine whether the claim contains an “inventive concept” sufficient to transform the claimed abstract idea into a patent-eligible application. *Id.* at 2357 (internal quotation marks and citation omitted).

Prima Facie Case

Appellant contends that the Examiner failed to establish a prima facie case to reject claims 8–20 under 35 U.S.C. § 101 because the Examiner failed to follow the two-step test articulated in *Alice*. Br. 25. According to Appellant, “the Examiner merely makes a conclusory statement that computer readable media and system claims are invalid because they merely recite generic computer components.” *Id.*

We are not persuaded of error. Our reviewing court held that, during prosecution, the Examiner is governed by 35 U.S.C. § 132, which requires notification to an applicant of the reasons for a rejection with “such

information and references as may be useful in judging of the propriety of continuing the prosecution of [the] application.” *In re Jung*, 637 F.3d 1356, 1362 (Fed. Cir. 2011) (quoting *Chester v. Miller*, 906 F.2d 1574, 1578 (1990) (§ 132 “is violated when a rejection is so uninformative that it prevents the applicant from recognizing and seeking to counter the grounds for rejection”). Here, the Examiner identifies independent claim 1, a method, as being “[r]epresentative of the claimed invention.” Final Act. 6. That is, the Examiner identifies independent claim 1 as being representative of claims 2–20. We find the Examiner’s rejection satisfies the initial burden of production by identifying claim 1 as being (1) “directed to determining the expressed interests of a user, negotiating to meet those needs, and presenting a customized advertisement matching the interest” under *Alice* step one (Final Act. 7); and (2) not applied in an eligible manner under *Alice* step two (*id.*). Although the Examiner’s finding that independent claims 8 and 15 place the abstract idea in a particular technological context (*id.* at 8), the Examiner’s finding is merely an additional finding that supplements the findings made regarding representative claim 1.

Thus, we conclude the Examiner explained the rejection of claims 8–20 under 35 U.S.C. § 101 in sufficient detail to permit Appellant to respond meaningfully. Accordingly, we find that the Examiner set forth a *prima facie* case of ineligibility for claims 8–20.

Alice Step One

According to *Alice* step one, “[w]e must first determine whether the claims at issue are *directed to* a patent-ineligible concept,” such as an abstract idea. *Alice*, 134 S. Ct. at 2355 (emphasis added). Appellant argues claim 1 is not directed to an abstract idea of a fundamental economic

practice because “[claim] 1 is directed to a method executed by a computer system to generate and display a customized video.” Br. 23.

The dispute implicates the “directed to” inquiry. “[T]he ‘directed to’ inquiry applies a stage-one filter to claims, considered in light of the specification, based on whether ‘their character as a whole is directed to excluded subject matter.’” *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1335 (Fed. Cir. 2016) (quoting *Internet Patents Corp. v. Active Network, Inc.*, 790 F.3d 1343, 1346 (Fed. Cir. 2015)). The court in *Enfish* put the question as being “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*, 822 F.3d at 1335–36. The court found that the “plain focus of the claims” there was on “an improvement to computer functionality itself, not on economic or other tasks for which a computer is used in its ordinary capacity.” *Id.* at 1336.

Claim 1 recites four key method-steps executed by a computer system—(a) determining a product a user expressed an interest in purchasing, (b) obtaining a template video that is an advertisement for the product, (c) negotiating a price for the product, and (d) generating a customized advertisement video by modifying the template video to include the price negotiated. Claim 1 further recites presenting the customized advertisement video. A plain reading of the claim suggests that the claimed invention is directed to, as a whole, customizing advertisements in response to a user’s interest in a product. Moreover, the Specification provides evidence that supports the notion that the invention pertains to customizing advertisements. As the Specification explains, a goal of the claimed

invention is to create an advertisement that effectively reaches a target audience. Spec. 1:8–10. Appellant’s invention achieves the goal by customizing advertisements in response to a user’s interest in a product. *Id.* at 5:4–7.

Customizing an advertisement is an age-old economic activity. For example, sales representatives are eager to provide customized information for a particular product once they see that a customer shows visual interest in the particular product. In one typical scenario, a car salesman, after seeing a potential customer visually looking at a particular car, obtains a corresponding specification sheet of the car that includes the car’s base price. Once the car salesman and potential customer negotiate a price for the car, the car salesman modifies the specification sheet to include the customer’s name and the negotiated price which, in turn, is presented to the potential customer.

In short, customizing advertisements in response to a user’s observed interest in a product is an economic activity and, therefore, an abstract idea. That the recited method of claim 1 is executed by a computer system is of no material consequence here. *See Enfish*, 822 F.3d at 1335–36, 1338 (citing *OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1362–63 (Fed. Cir. 2015)).

Thus, for the above reasons, we are unpersuaded the Examiner erred in concluding the claims are directed to an abstract idea.

Alice Step Two

Turning to the second step of the *Alice* analysis, because we find that claim 1 is directed to an abstract idea, we “consider the elements of each claim both individually and ‘as an ordered combination’ to determine

whether the additional elements ‘transform the nature of the claim’ into a patent-eligible application.” *Alice*, 134 S. Ct. at 2355 (quoting *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66, 79, 78 (2012)). The claim differs from the abstract idea in that the claim recites using the method on a computer and using a video advertisement in the method.

“[T]he mere recitation of a generic computer cannot transform a patent-ineligible abstract idea into a patent-eligible invention.” *Id.* at 2358. The computer functions must be more than well-understood, routine, and conventional activities previously known to the industry. *Id.* at 2359 (quoting *Mayo*, 566 U.S. at 73).

Appellant argues the computer system of claim 1 that generates and displays a customized video is an improvement in the technical field of generating videos. Br. 24. We disagree. The claimed customized video can be any video modified in any way—the claims are not directed to the details of *how* the video is modified, but rather to the result of modifying the video. Our reviewing court has observed that “[i]n applying the principles emerging from the developing body of law on abstract ideas under section 101, . . . claims that are ‘so result-focused, so functional, as to effectively cover any solution to an identified problem’ are frequently held ineligible under section 101.” *Affinity Labs of Texas, LLC v. DirecTV, LLC*, 838 F.3d 1253, 1265 (Fed. Cir. 2016) (quoting *Elec. Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350, 1356 (Fed. Cir. 2016); *Cf. DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245, 1258 (2014) (finding the claims “specify how interactions with the Internet are manipulated to yield a desired result—a result that overrides the routine and conventional sequence of events ordinarily triggered by the click of a hyperlink”). Therefore, Appellant’s

claim 1 is not directed to any improvement in the field of generating videos, but rather merely recites that a modified video is to be generated and displayed. Further, Appellant’s claim 1 “simply instruct[s] the practitioner to implement the abstract idea with routine, conventional activity.”

Ultramercial, Inc. v. Hulu, LLC, 772 F.3d 709, 715 (2014). Here, as in *Alice*, the claims “do not . . . purport to improve the functioning of the computer itself or effect an improvement in any other technology or technical field.” *Alice*, 134 S. Ct. at 2351. Thus, “the claims at issue amount to ‘nothing significantly more’ than an instruction to apply the abstract idea . . . using some unspecified, generic computer.” *Id.* at 2360 (quoting *Mayo*, 566 U.S. at 79).

Accordingly, we are not persuaded the Examiner erred in rejecting the claims as directed to ineligible subject matter under 35 U.S.C. § 101.

REJECTIONS UNDER 35 U.S.C. § 103(a)

Claims 1, 2, 5, 7, 8, and 12–18

We begin by noting the Examiner’s obviousness rejection relies principally on Chockalingam to teach many of the recited elements of claim 1. Final Act. 9–10. Of particular note, the Examiner finds Chockalingam discloses obtaining a template video that is an advertisement for a product a user expressed an interest in purchasing. *Id.* (citing Chockalingam ¶¶ 26, 32). The Examiner further finds that, although Chockalingam discloses (1) generating a customized advertisement by modifying the template video to include the user’s personal information, and (2) presenting the customized advertisement video on a handheld portable electronic device’s display, Chockalingam does not teach the template video including a negotiated price of the product by a user agent of the user and a merchant that sells the

product. *Id.* at 10 (additionally citing Chockalingam ¶¶ 6, 27, 31, 34). The Examiner, however, cites Jain for teaching this feature in concluding that the claim would have been obvious. *Id.* (citing Jain 6:1–6; 8:37–39).

Appellant asserts Chockalingam discloses a personalized advertisement including a price discount promotion such as a coupon, but argues Chockalingam does not teach or suggest that a personalized advertisement can include a customized price or a price particular to the user, let alone a price negotiated by a user agent of the user. Br. 30–31 (citing Chockalingam ¶¶ 4, 5, 17, 18, 31; Fig. 3). Moreover, Appellant asserts Jain discloses online actions involving proxy buyers and proxy sellers negotiating a price for a product, but argues Jain’s negotiated price is not included in an advertisement for the product. *Id.* at 31 (citing Jain 2:27–40; 4:48–49; 5:42–46, 54–58; 7:13–14; 9:40–45; 10:64–11:3; 12:23–29);

Appellant’s arguments are not persuasive at least because Appellant considers the teachings of Chockalingam and Jain in isolation and Appellant’s arguments fail to specifically rebut the Examiner’s ultimate legal conclusion of obviousness that is based on *the combination* of Chockalingam and Jain. Non-obviousness cannot be established by attacking references individually where, as here, the ground of unpatentability is based upon the teachings of a combination of references. *In re Keller*, 642 F.2d 413, 426 (CCPA 1981). Rather, the test for obviousness is whether the *combination* of references, taken as a whole, would have suggested the patentee’s invention to a person having ordinary skill in the art. *In re Merck & Co., Inc.*, 800 F.2d 1091, 1097 (Fed. Cir. 1986).

It is irrelevant whether Chockalingam's modified template video includes a price negotiated by a user's user agent because the Examiner relies on Chockalingam only to teach modifying a template video to create a personalized video and modifying the template video to include personal information about the user. Nor is it relevant whether Jain's negotiated price of a product is included in an advertisement because the Examiner merely relies on Jain's negotiated price of the product. One of ordinary skill in the art would have recognized from the combined teachings that Jain's negotiated price could be added to Chockalingam's personal information when customizing the video. Thus, we agree with the Examiner in concluding *the combination* of Chockalingam and Jain teaches or suggests (1) modifying a template video (as taught by Chockalingam) to include a product's negotiated price (as taught by Jain) and a user's personal information (as taught by Chockalingam) to generate a customized advertisement video that is unique to the user (as taught by Chockalingam), and (2) presenting the customized advertisement video on a user's handheld portable electronic device display.

Thus, Appellant does not persuade us of error in the rejection of claim 1. Accordingly, we sustain the rejections of (1) independent claim 1; (2) independent claims 8 and 15, which are argued relying on the arguments made for claim 1 (*see* Br. 35–36); and (3) claims 2, 5, 7, 12–14, and 16–18, which depend, directly or indirectly, from claims 1, 8, and 15, respectively, and were not separately argued with particularity (*see id.* at 42, 44–45).

Claims 3, 10, and 19

We do not sustain the Examiner's obviousness rejection of claim 3, (Final Act. 15) which recites, in part, analyzing words of a user in a text

message exchange between the user and another person, and determining, based on analysis of words in the text message, a product the user expressed an interest in purchasing.

Appellant argues, among other things, that the Examiner's Official Notice is improper. Br. 38–39. According to Appellant, the Examiner did not take Official Notice of facts that are “capable of . . . instant and unquestionable demonstration as to defy dispute.” *Id.* at 39 (citing MPEP § 2144.03). We agree.

At the outset, we note a key aspect of the Examiner's rejection is the Examiner's taking of Official Notice that, “in light of the ability to analyze natural language spoken content, analyzing natural language type text would be *obvious*, and done to capture additional interpersonal interactive dat[a] for the same reasons.” Final Act. 15. Our emphasis underscores that the Examiner did not officially notice a *fact*, let alone a fact capable of instant and unquestionable demonstration, but instead officially noticed a *legal conclusion* of obviousness. The Examiner's taking of Official Notice is, therefore, problematic for that reason alone.

The Examiner provides Brandow et al. (US 6,064,957, issued May 16, 2000) as evidence to support an officially noticed fact that “systems that perform speech recognition routinely analyze the corresponding text.” Ans. 8 (citing Brandow 1:21–23). But even assuming Brandow is adequate documentary evidence to support the Examiner's officially noticed fact, the Examiner's officially noticed fact is not the subject matter of claim 3, including a determination, based on analysis of words in a text message, of a product a user expressed an interest in purchasing. Thus, we are constrained by this record to reverse.

Accordingly, we do not sustain the rejections of claim 3 and claims 10 and 19, which were rejected on substantially the same bases as claim 3. *See* Final Act. 15. Because this issue is dispositive regarding the Examiner’s rejection of these claims, we need not address Appellant’s other arguments.

Claim 4

We sustain the Examiner’s obviousness rejection of claim 4 (Final Act. 16–17), which recites, in pertinent part,

- [a] determining, by the computer system, a geographical location of the user;
- [b] retrieving, by the computer system, the template video *when* the user walks in a first direction from the geographical location; [and]
- [c] retrieving, by the computer system, a different template video *when* the user walks in a second direction from the geographical location of the user.

Br. 47 (Claims App.) (bracketed letter designations added for ease of reference and emphasis added).

In accord with our precedent, steps [b] and [c] of claim 4 need not be satisfied. *See Ex parte Schulhauser*, Appeal 2013-007847, 2016 WL 6277792 (PTAB Apr. 28, 2016) (precedential) (holding that in a method claim, a step reciting a condition precedent does not need to be performed if the condition precedent is not met); *see also* MPEP § 2111.04(II) (citing *Schulhauser*). Although the limitations at issue in *Schulhauser* were rendered conditional by the recitation of “if” (*see id.* at 6–8), we discern no meaningful distinction between the recitation of “if” and “when” in this context. Indeed, one dictionary definition of “when” is “in the event that: on condition that: IF.” MERRIAM-WEBSTER’S THIRD NEW INT’L DICTIONARY OF THE ENGLISH LANGUAGE 2602 (2002). Accordingly, we construe “when” to

be synonymous with “if” in this case; therefore, the term “when” in the context of claim 4 renders steps [b] and [c] conditional such that these steps need not be performed.

Turning to the rejection, Appellant does not dispute the Examiner’s reliance on Chockalingam to disclose step [a]. Final Act. 16. Given the Examiner’s undisputed findings, we see no error in the Examiner’s rejection of claim 4.

Accordingly, Appellant does not persuade us of error in the rejection of claim 4 and we sustain the rejection of claim 4.

Claims 6 and 11

We sustain the Examiner’s obviousness rejection of claim 6. Final Act. 15–16. Our reviewing court has held that non-functional descriptive material cannot lend patentability to an invention that would have otherwise been unpatentable. *See In re Ngai*, 367 F.3d 1336, 1339 (Fed. Cir. 2004). *Cf. In re Gulack*, 703 F.2d 1381, 1385 (Fed. Cir. 1983) (when descriptive material is not functionally related to the substrate, the descriptive material will not distinguish the invention from the prior art in terms of patentability). The content of nonfunctional descriptive material is not entitled to weight in the patentability analysis. *Cf. In re Lowry*, 32 F.3d 1579, 1583 (Fed. Cir. 1994) (“Lowry does not claim merely the information content of a memory”).

Claim 6 recites, in pertinent part, (a) gathering, by a user agent and before presenting a product on a display to a user, *information* about the product that includes (1) availability of colors of the product, (2) availability of sizes of the product, (3) a geographical location of the product, and (4) whether the product is in stock at the geographical location (the “four field

descriptions (1)–(4)”; and (b) presenting, on a display of a handheld portable electronic device, the information about the product to the user gathered by the user agent. Our emphasis underscores the information as recited is just that, *information*. The information does not affect any step or alter any structure recited in the claim. Therefore, the “information” is non-functional descriptive material that does not distinguish the claim from the prior art in terms of patentability. *See Ngai*, 367 F.3d at 1339.

Here, this case is distinguished from *Lowry*, because in *Lowry* the claims were directed to data structures stored in memory that contained both information used by application programs and information regarding their physical interrelationships within a memory. *Lowry*, 32 F.3d at 1583. By contrast, the present invention is directed to the “gathering” step (a) and “presenting” step (b) identified above, where the only distinction over the prior art is the four field descriptions (1)–(4). Unlike in *Lowry*, we find that the four field descriptions (1)–(4) from claim 6 are descriptive and do not functionally relate to any structure of the claimed user agent or handheld portable electronic device. Rather, the four field descriptions (1)–(4) are analogous to printed matter in that they represent merely underlying data in a database. *See Lowry*, 32 F.3d at 1583. Accordingly, the four field descriptions (1)–(4) represent nonfunctional descriptive material that is entitled to no weight in the patentability analysis.

The Examiner finds Jain teaches steps (a) and (b) absent the four field descriptions (1)–(4) taken as Official Notice. Final Act. 16. Appellant does not dispute the Examiner’s reliance on Jain. Br. 39–41. Given the Examiner’s undisputed findings, we see no error in the Examiner’s rejection of claim 6.

Accordingly, Appellant does not persuade us of error in the rejection of claim 6 and we sustain the rejection of claim 6.

Claim 9

We sustain the Examiner's obviousness rejection of claim 9 (Final Act. 19–20), which recites, in pertinent part, retrieving a first template video based on a user walking in a first direction toward a first store, and retrieve a second template video based on the user walking in a second direction toward a second store.

The Examiner finds Svendsen discloses claim 9. Final Act. 19–20 (citing Svendsen ¶¶ 27, 37); Ans. 9. We agree with the Examiner's findings and adopt them as our own. Svendsen is generally directed to generating photo advertisements. Svendsen, Abstract. Svendsen's user performs a check-in by announcing the user is currently located within a particular check-in zone. *Id.* ¶¶ 27, 37; Fig. 4, step 1000. Svendsen's check-in zones are geographic areas corresponding to boundaries of "business establishments (e.g., restaurants, bars, gas stations, stores, or the like)." *Id.* ¶ 27. Svendsen, then, at least suggests a user *currently located* within a particular check-in zone, or store, occurs after the user walks in a direction toward the store. After the user performs a check-in at the check-in zone, the user retrieves a photo ad template. *Id.* ¶¶ 37, 50; Fig. 4, step 1008. Svendsen, then, at least suggests retrieving a template video *based on* the user walking in the direction toward the store. Svendsen discloses other multiple check-in zones (*id.* ¶¶ 29, 34, 37) and multiple photo ad templates (*id.* ¶¶ 29, 50, 51, 57; Figs. 2, 3A). Svendsen, then, at least suggests retrieving a *first* template video based on a user walking in a *first* direction

toward a *first* store, and retrieving a *second* template video based on the user walking in a *second* direction toward a *second* store.

Accordingly, Appellant does not persuade us of error in the rejection of claim 9 and we sustain the rejection of claim 9. Although the overall thrust of our analysis of claim 9 is the same as the Examiner's reasoning, we have provided additional explanation not provided by the Examiner. Accordingly, in the interest of giving Appellant a full and fair opportunity to respond, we designate our affirmance of claim 9 as a new ground of rejection.

Claim 20

We sustain the Examiner's obviousness rejection of claim 20 (Final Act. 16–17), which recites a non-transitory computer readable storage medium storing instructions that causes a computer system to execute limitations similar to those in claim 6, including steps [a]–[c].

The broadest reasonable interpretation of a product claim with structure that performs a function that need only occur if a condition precedent is met, still requires structure for performing the function should the condition occur. *See Schulhauser* at 14–15. Therefore, our interpretation of product claim 20 differs from method claim 6 because the structure, namely the structure configured to perform the recited functions, is present in the system regardless of whether steps [b] and [c] are met and the function is actually performed.

As discussed above, Appellant does not dispute the Examiner's reliance on Chockalingam to disclose step [a]. Final Act. 16. The Examiner finds Svendsen discloses steps [b] and [c]. *Id.* (citing Svendsen ¶¶ 27, 37). We agree with the Examiner's findings and adopt them as our own.

Svendsen's user performs a check-in by announcing the user is currently located within a particular check-in zone. Svendsen ¶¶ 27, 37; Fig. 4, step 1000. Svendsen, then, at least suggests the user *currently located* within a particular check-in zone occurs when the user walks in a direction from outside the particular check-in zone. After the user performs a check-in at the check-in zone, the user retrieves a photo ad template. *Id.* ¶¶ 37, 50; Fig. 4, step 1008. Svendsen, then, at least suggests retrieving a template video *when* the user walks in a direction from outside the particular check-in zone. Svendsen discloses other multiple check-in zones (*id.* ¶¶ 29, 34, 37), and multiple photo ad templates (*id.* ¶¶ 29, 50, 51, 57; Figs. 2, 3A). Svendsen, then, at least suggests retrieving a *first* template video when the user walks in a *first* direction from outside the particular check-in zone, and retrieving a *different* template video when the user walks in a *second* direction from outside the particular check-in zone.

Accordingly, Appellant does not persuade us of error in the rejection of claim 20 and we sustain the rejection of claim 20. Although the overall thrust of our analysis of claim 20 is the same as the Examiner's reasoning, we have provided additional explanation not provided by the Examiner. Accordingly, in the interest of giving Appellant a full and fair opportunity to respond, we designate our affirmance of claim 20 as a new ground of rejection.

DECISION

The Examiner's decision to reject claims 1–20 under 35 U.S.C. § 112, first paragraph is reversed.

The Examiner's decision to reject claims 1–20 under 35 U.S.C. § 101 is affirmed.

The Examiner's decision to reject claim 3 under 35 U.S.C. § 103(a) is reversed.

The Examiner's decision to reject claims 1, 2, and 4–20 under 35 U.S.C. § 103(a) is affirmed, and the affirmance of the rejections of claims 9 and 20 is designated as new grounds of rejection within our authority under 37 C.F.R. § 41.50(b).

Regarding the affirmed rejection(s), 37 C.F.R. § 41.52(a)(1) provides “Appellant may file a single request for rehearing within two months from the date of the original decision of the Board.”

In addition to affirming the Examiner's rejection(s) of one or more claims, this decision contains new grounds of rejection pursuant to 37 C.F.R. § 41.50(b). Section 41.50(b) provides “[a] new ground of rejection pursuant to this paragraph shall not be considered final for judicial review.”

Section 41.50(b) also provides that Appellant, WITHIN TWO MONTHS FROM THE DATE OF THE DECISION, must exercise one of the following two options with respect to the new grounds of rejection to avoid termination of the appeal as to the rejected claims:

(1) *Reopen prosecution.* Submit an appropriate amendment of the claims so rejected or new Evidence relating to the claims so rejected, or both, and have the matter reconsidered by the examiner, in which event the prosecution will be remanded to the examiner. . . .

(2) *Request rehearing.* Request that the proceeding be reheard under § 41.52 by the Board upon the same Record. . . .

Should Appellant elect to prosecute further before the Examiner pursuant to 37 C.F.R. § 41.50(b)(1), in order to preserve the right to

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seek review under 35 U.S.C. §§ 141 or 145 with respect to the affirmed rejection, the effective date of the affirmance is deferred until conclusion of the prosecution before the Examiner unless, as a mere incident to the limited prosecution, the affirmed rejection is overcome.

If Appellant elects prosecution before the Examiner and this does not result in allowance of the application, abandonment or a second appeal, this case should be returned to the Patent Trial and Appeal Board for final action on the affirmed rejection, including any timely request for rehearing thereof.

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). *See* 37 C.F.R. §§ 41.50(f), 41.52(b).

AFFIRMED
37 C.F.R. § 41.50(b)