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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte COREY FUGMAN, JASON RASKIN, DAVID DEN BOER, and
JOEL LEVIN

Appeal 2017-000763
Application 13/476,756
Technology Center 3600

Before MURRIEL E. CRAWFORD, KENNETH G. SCHOPFER, and
BRADLEY B. BAYAT, *Administrative Patent Judges*.

CRAWFORD, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Appellants seek our review under 35 U.S.C. § 134(a) of the Examiner's final decision rejecting claims 1, 3–13, 15 and 31–36. We have jurisdiction over the appeal under 35 U.S.C. § 6(b).

BACKGROUND

Appellants' invention is directed to a dynamic, location-based signage system and methods. Spec. 1

Claim 1 is illustrative:

1. A method for providing information about a product, the method comprising:
determining, by a dynamic signage device, coordinates based at least in part on a signal received by a Global Positioning System (GPS) receiver in the dynamic signage device;
sending, to a server, location information comprising at least the coordinates, wherein the server uses the location information to identify a product associated with the dynamic signage device;
obtaining, by the dynamic signage device, product information for a product associated with the dynamic signage device from the server;
displaying, by the dynamic signage device, a first screen of product information for a customer;
receiving, by the dynamic signage device, input from the customer in response to the first screen;
modifying, by the dynamic signage device, the displayed screen based on the received input; and
dynamically obtaining, by the dynamic signage device, updated product information from the server.

Appellants appeal the following rejection(s):

Claims 1, 3–13, 15, and 31–36 under 35 U.S.C. § 101(b) as being directed to patent ineligible subject matter.

Claims 1, 3–13, 15, and 31–36 under 35 U.S.C. § 103(a) as unpatentable over Zai et al., (US 2008/0284566 A1, published Nov. 20, 2008) in view of Franco et al. (US 2009/0012704 A1, published Jan. 8, 2009) and further view of McGill (US 2005/0284933 A1, published Dec. 29, 2005).

PRINCIPLES OF LAW

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 implicit exceptions: “[l]aws of nature, natural phenomena, and abstract ideas” are not patentable. *E.g.*, *Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 134 S. Ct. 2347, 2354 (2014).

In determining whether a claim falls within the excluded category of abstract ideas, we are guided in our analysis by the Supreme Court’s two-step framework, described in *Mayo* and *Alice*. *Id.* at 2355 (citing *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 132 S. Ct. 1289, 1296–97 (2012)). In accordance with that framework, we first determine whether the claim is “directed to” a patent-ineligible abstract idea. *See Alice*, 134 S. Ct. at 2356 (“On their face, the claims before us are drawn to the concept of intermediated settlement, *i.e.*, the use of a third party to mitigate settlement risk.”); *Bilski v. Kappos*, 561 U.S. 593, 611 (2010) (“Claims 1 and 4 in petitioners’ application explain the basic concept of hedging, or protecting against risk.”); *Diamond v. Diehr*, 450 U.S. 175, 184 (1981) (“Analyzing respondents’ claims according to the above statements from our cases, we think that a physical and chemical process for molding precision synthetic rubber products falls within the § 101 categories of possibly patentable subject matter.”); *Parker v. Flook*, 437 U.S. 584, 594–595 (1978) (“Respondent’s application simply provides a new and presumably better method for calculating alarm limit values.”); *Gottschalk v. Benson*, 409 U.S. 63, 64 (1972) (“They claimed a method for converting binary-coded decimal (BCD) numerals into pure binary numerals.”).

The patent-ineligible end of the spectrum includes fundamental economic practices, *Alice*, 134 S. Ct. at 2357; *Bilski*, 561 U.S. at 611; mathematical formulas, *Parker*, 437 U.S. at 594–95; and basic tools of

scientific and technological work, *Gottschalk*, 409 U.S. at 67. On the patent-eligible side of the spectrum are physical and chemical processes, such as curing rubber, *Diamond*, 450 U.S. at 184 n.7, “tanning, dyeing, making waterproof cloth, vulcanizing India rubber, smelting ores,” and a process for manufacturing flour, *Gottschalk*, 409 U.S. at 69.

In addition, the Federal Circuit has held that if a method can be performed by human thought alone, or by a human using pen and paper, it is merely an abstract idea and is not patent-eligible under § 101. *CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1373 (Fed. Cir. 2011) (“[A] method that can be performed by human thought alone is merely an abstract idea and is not patent-eligible under § 101.”).

Claims involving data collection, analysis, and display, without more, are directed to an abstract idea. *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”); *see also In re TLI Comma ‘ns LLC Patent Litig.*, , 611 (Fed. Cir. 2016); *FairWarning IP, LLC v. Iatric Sys., Inc.*, 839 F.3d 1089, 1093–94 (Fed. Cir. 2016); *Content Extraction & Transmission LLC v. Wells Fargo Bank, Nat'l Ass'n*, 776 F.3d 1343, 1345 (Fed. Cir. 2014). Claims that use generic computer technology to perform data collection, analysis, and display and do not recite an improvement to a particular computer technology are also directed to an abstract idea. *See, e.g., McRO, Inc. v. Bandai Namco Games Am. Inc.*, 837 F.3d 1299, 1314–15 (Fed. Cir. 2016) (finding claims not abstract because they “focused on a specific asserted improvement in computer animation”).

If the claim is “directed to” a patent-ineligible abstract idea, we then consider the elements of the claim—both individually and as an ordered combination—to assess whether the additional elements transform the nature of the claim into a patent-eligible application of the abstract idea. *Alice*, 134 S. Ct. at 2355. This is a search for an “inventive concept”—an element or combination of elements sufficient to ensure that the claim amounts to “significantly more” than the abstract idea itself. *Id.*

ANALYSIS

Rejection under 35 U.S.C. §101

The Examiner determines that the claims are directed to displaying information and are similar to the claims found abstract in *Content Extraction*, which were directed to collecting data, recognizing certain data within the collected data set, and storing that recognized data in a memory. *See Content Extraction*, 116 F.3d at 1345 (Fed. Cir. 2014). Final. Act. 2.

The Examiner finds that the other elements in addition to the abstract idea undertake their roles in performance of their activities according to their generic functionalities which are well-understood, routine and conventional and thus do not amount to significantly more than the abstract idea. Final Act. 3.

We are not persuaded of error on the part of the Examiner by Appellants’ argument that the Examiner oversimplified the claims. Appellants argue that the claims are directed to a detailed set of actions whereby the product information that is displayed is identified based on an analysis of determining where a dynamic signage device is located and identifying a product based on the location. However, these steps that the

Appellants argue relate to a detailed set of actions are nonetheless steps involving the collection, analysis, and display of data and as such are part of the abstract idea identified by the Examiner.

We are also not persuaded of error on the part of the Examiner by Appellants argument that the Examiner has not pointed to any case where a similar concept has been found to be an abstract idea because, as we stated above, the Examiner did point to *Content* as including similar concepts.

Appellants argument that the claims are similar to those in cases in which the claims were found patent eligible because the claims address a technical problem of how to enable a physical signage device to display information about nearby products is not persuasive because claim 1 does not relate to the technical mechanism a physical signage device uses to display information. In this regard, while claim 1 recites that the dynamic signage device displays a first screen of product information, nothing is recited related to how this display is performed.

We are not persuaded of error on the part of the Examiner by Appellants argument that the recited claim elements add unconventional steps that confine the claim to a particular useful application. The fact that the claims have a useful or practical application is not enough to transform the collection, analysis, and display abstract idea to which claim 1 is directed into a patent-eligible inventive concept. *Cf. CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1371 (Fed. Cir. 2011) (“The Court [in *Parker v. Flook*, 437 U.S. 584 (1978)] rejected the notion that the recitation of a practical application for the calculation could alone make the invention patentable.”).

To the extent Appellants are arguing that the limitations of claim 1 necessarily amount to “significantly more” than an abstract idea because the claimed apparatus is unconventional and therefore patentable over the prior art, Appellants misapprehend the controlling precedent. Although the second step in the *Alice/Mayo* framework is termed a search for an “inventive concept,” the analysis is not an evaluation of novelty or non-obviousness, but rather, a search for “an element or combination of elements that is sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [ineligible concept] itself.” *Alice*, 134 S. Ct. at 2355. A novel and nonobvious claim directed to a purely abstract idea is, nonetheless, patent-ineligible. *See Mayo*, 566 U.S. 89–91 (2012).

Appellants’ argument that the claims provide an improvement to a technical field and to the functioning of the device itself are unpersuasive because the improvements touted by the Appellants of identifying and communicating correct information do not relate to how the various devices used in the method are improved but rather relate to the collection, analysis, and display of data which is part of the abstract idea itself. In this regard, the Appellants do not establish that the signage device or server is improved in any way. The same can be said for the related argument that the communication of GPS signals and a server enables the signage device to display product information, i.e. this argument is not related to an improvement in the signage device or its connection to the server or use of GPS signals.

In regard to claims 8, and 31–36, the Appellants argue that the Examiner failed to assert that the claim features that a server is queried to

determine whether update product information is displayed when an effective time arrives are abstract. The Examiner included claims 8 and 31–36 in the discussion of the rejection of claim 1. Final Act. 2. Claim 8, for example, recites the steps of querying a server, receiving a reply from the server, and based on the reply, retrieving data from the server and analyzing the data to determine an effective time and displaying data. As such, like claim 1, claim 8 is directed to the collection, analysis, and display of data and is covered by the analysis of the Examiner found on pages 2–4 of the Final Action. Claims 31–36 are also directed to the collection, analysis, and display of data.

We find untimely Appellants’ argument in the Reply Brief which were raised by Appellants for the first time in the Reply Brief, and are not in response to a new issue brought up by the Examiner in the Answer.

Appellants are reminded that:

[T]he purpose of a reply brief is to ensure the Appellant the opportunity to have the last word on an issue raised by the Examiner. The reply brief enables the Appellant to address any new grounds of rejection the Examiner may have raised in the answer, or to address changes or developments in the law that may have occurred after the principal brief was filed. The reply brief is *not* an opportunity to make arguments that could have been made during prosecution, but were not. Nor is the reply brief an opportunity to make arguments that could have been made in the principal brief on appeal to rebut the Examiner’s rejections, but were not.

Giving cognizance to belated arguments in a reply would vitiate the force of the requirement in Board Rule 37(c)(1)(vii) that “[a]ny arguments or authorities not included in the brief... will be refused consideration by the Board, unless good cause is shown.” The reference in that section to the “reply brief filed pursuant to § 41.41” does not create a right for the Appellant to

raise an argument in the reply brief that could have been raised in the principal brief but was not. Rather, that reference merely puts Appellants on notice that arguments that could be made in the reply brief, but are not, are waived.

Ex parte Borden, 93 USPQ2d 1473, 1474 (BPAI 2010). We therefore consider Appellants' argument raised in the Reply Brief to be waived.

In view of the foregoing, we will sustain the Examiner's rejection of claim 1 and claims 3–11 dependent therefrom. We will also sustain the rejection as it is directed to claims 31–36. We will also sustain the rejection as it is directed to claims 12, 13 and 15 because the Appellants have not argued the separate patent eligibility of these claims.

Obviousness

We are not persuaded of error on the part of the Examiner by Appellants' argument that Zai does not disclose determining location based on a signal received by a GPS receiver because this argument is directed to the teachings of Zai alone. The rejection is not based on Zai alone but on the combined teachings of Zai, Franco and McGill. Nonobviousness cannot be established by attacking the references individually when the rejection is predicated upon a combination of prior art disclosures. *See In re Merck & Co. Inc.*, 800 F.2d 1091, 1097, 231 USPQ 375, 380 (Fed. Cir. 1986). In this regard, Franco is relied on for teaching determining coordinates based at least in part of a signal received by a GPS.

In view of the foregoing, we will sustain the Examiner's rejection of claim 1 and claims 5–11 dependent therefrom. We will also sustain the rejection as it is directed to claims 12, 13, and 15 because the Appellants have not argued the separate patentability of these claims.

We will not sustain the rejection as it is directed to claims 3, 4, 15, and 31–36 because we agree with the Appellants that the Examiner has not established that Zai discloses receiving by the dynamic storage device, input from the employee indicating a location of the dynamic signage device within the environment. The Examiner relies on paragraphs 42, 53, and 68 of Zai for teaching this subject matter. We find that although these portions of Zai do disclose that the location of the dynamic signage device can be seen on the interface of the dynamic signage device, the Examiner has not directed our attention to a portion of the Zai reference that discloses that the location is received by the device from the input of the employee.

DECISION

We affirm the Examiner’s § 101 rejection.

We also affirm the Examiner’s § 103 rejection of claims 1, 5–11, 12, 13, and 15.

We will not affirm the Examiner’s §103 rejection of claims 3, 4, 15, and 31–36.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 1.136(a)(1) (2009).

ORDER

AFFIRMED