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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte KIMBERLY DUNWOODY¹

Appeal 2017-001092
Application 14/225,440
Technology Center 3600

Before ROBERT E. NAPPI, LARRY J. HUME, and SCOTT E. BAIN,
Administrative Patent Judges.

HUME, *Administrative Patent Judge.*

DECISION ON APPEAL

This is a decision on appeal under 35 U.S.C. § 134(a) of the Final Rejection of claims 1, 3, 4, 8, 10–12, 15, 17, and 18, which are all claims pending in the application. Appellant has canceled claims 2, 5–7, 9, 13, 14, 16, 19, and 20. We have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.

¹ According to Appellant, the real party in interest is Western Union Company. Br. 2.

STATEMENT OF THE CASE²

The Invention

Appellant's disclosed embodiments and claimed "invention relate[] generally to money transfers. More specifically, the invention relates to money transfers utilizing smart phone technology." Spec. ¶ 2 ("BACKGROUND OF THE INVENTION").

Exemplary Claim

Claim 1, reproduced below, is representative of the subject matter on appeal (*emphasis* added to prior-art contested limitations):

1. A method of implementing collaborative funds transfer, the method comprising:

receiving, by a host computer system, from a charitable organization a collaborative funds transfer request for a relief effort to be sourced through a collaborative environment, wherein funding for the collaborative funds transfer request originate from users within the collaborative environment;

verifying, by the host computer system, the authenticity of the charitable organization as a legitimate charity and verifying compliance with government regulations by comparing operational details of the charitable organization with a government database holding information regarding legitimate charitable organizations;

receiving, by the charitable organization, funds provided to the entity via the collaborative environment, wherein the

² Our Decision relies upon Appellant's Appeal Brief ("Br.," filed Dec. 29, 2015); Examiner's Answer ("Ans.," mailed May 27, 2016); Final Office Action ("Final Act.," mailed July 29, 2015); and the original Specification ("Spec.," filed Mar. 26, 2014) (claiming benefit of US 9,659,293 B2, filed May 15, 2013 (Appl. No. 13/894,436)). We note Appellant did not file a Reply Brief in response to the factual findings and legal conclusions in the Examiner's Answer.

collaborative environment provides an interface between the charitable organization and the funding of the collaborative funds transfer request for the relief effort by users of the collaborative environment;

identifying that services necessary to process the collaborative funds transfer request are offered within the collaborative environment;

monitoring communications regarding the funds transfer within the collaborative environment to determine that the funding of the collaborative funds transfer request are for legitimate charitable purposes; and

transferring, funds from the users funding the collaborative funds transfer request, by the host computer, to an account controlled by the charitable organization and associated with a user account of the charitable organization for the collaborative environment.

Prior Art

The Examiner relies upon the following prior art as evidence in rejecting the claims on appeal:

Fasciano US 7,620,636 B2 Nov. 17, 2009

Rejections on Appeal

R1. Claims 1, 3, 4, 8, 10–12, 15, 17, and 18 stand rejected under 35 U.S.C. § 101 as being directed to patent-ineligible subject matter. Final Act. 2.³

³ The Examiner states "the claimed invention is directed to non-statutory subject matter." Final Act. 2 (emphasis omitted). We find patent-ineligibility under § 101 to be a more accurate characterization of the rejection.

R2. Claims 1, 3, 4, 8, 10–12, 15, 17, and 18 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Fasciano in view of the Examiner's taking of Official Notice. Final Act. 8.

CLAIM GROUPING

Based on Appellant's arguments (Br. 5–13), we decide the appeal of both Rejections R1 and R2 of claims 1, 3, 4, 8, 10–12, 15, 17, and 18 on the basis of representative claim 1.⁴

ISSUES AND ANALYSIS

In reaching this decision, we consider all evidence presented and all arguments actually made by Appellant. To the extent Appellant has not advanced separate, substantive arguments for particular claims, or other issues, such arguments are waived. 37 C.F.R. § 41.37(c)(1)(iv).

We disagree with Appellant's arguments with respect to claims 1, 3, 4, 8, 10–12, 15, 17, and 18 and, unless otherwise noted, we incorporate by reference herein and adopt as our own: (1) the findings and reasons set forth by the Examiner in the action from which this appeal is taken, and (2) the reasons and rebuttals set forth in the Examiner's Answer in response to Appellant's arguments. We highlight and address specific findings and arguments regarding claim 1 for emphasis as follows.

⁴ "Notwithstanding any other provision of this paragraph, the failure of appellant to separately argue claims which appellant has grouped together shall constitute a waiver of any argument that the Board must consider the patentability of any grouped claim separately." 37 C.F.R. § 41.37(c)(1)(iv). In addition, when Appellant does not separately argue the patentability of dependent claims, the claims stand or fall with the claims from which they depend. *In re King*, 801 F.2d 1324, 1325 (Fed. Cir. 1986).

1. § 101 Rejection R1 of Claims 1, 3, 4, 8, 10–12, 15, 17, and 18

Issue 1

Appellant argues (Br. 5–13) the Examiner's rejection of claim 1 under 35 U.S.C. § 101 as being directed to patent-ineligible subject matter is in error. These contentions present us with the following issue:

Under our governing case law concerning 35 U.S.C. § 101, did the Examiner err in concluding claim 1 is directed to a judicial exception, i.e., an abstract idea, without significantly more, and thus, is patent-ineligible under § 101?

Analysis

Alice Framework

Section 101 provides that anyone who "invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof" may obtain a patent. 35 U.S.C. § 101. The Supreme Court has repeatedly emphasized that patent protection should not extend to claims that monopolize "the basic tools of scientific and technological work." *Gottschalk v. Benson*, 409 U.S. 63, 67 (1972); *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66, 71 (2012); *Alice Corp. Pty. Ltd. v. CLS Bank Int'l*, 134 S. Ct. 2347, 2354 (2014). Accordingly, laws of nature, natural phenomena, and abstract ideas are not patent-eligible subject matter. *Alice*, 134 S. Ct. at 2354.

The Supreme Court's two-part *Mayo/Alice* framework guides us in distinguishing between patent claims that impermissibly claim the "building blocks of human ingenuity" and those that "integrate the building blocks into something more." *Id.* (internal quotation marks, citation, and bracketing

omitted). First, we "determine whether the claims at issue are directed to . . . [a] patent-ineligible concept[]." *Id.* at 2355. If so, we "examine the elements of the claim to determine whether it contains an 'inventive concept' sufficient to 'transform' the claimed abstract idea into a patent-eligible application." *Id.* at 2357 (quoting *Mayo*, 566 U.S. at 72, 79). While the two steps of the *Alice* framework are related, the "Supreme Court's formulation makes clear that the first-stage filter is a meaningful one, sometimes ending the § 101 inquiry." *Elec. Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350, 1353 (Fed. Cir. 2016). We note the Supreme Court "has not established a definitive rule to determine what constitutes an 'abstract idea'" for the purposes of step one. *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1334 (Fed. Cir. 2016) (citing *Alice*, 134 S. Ct at 2357).

Our reviewing court, however, has held claims ineligible as directed to an abstract idea when they merely collect electronic information, display information, or embody mental processes that could be performed by humans. *Elec. Power Grp.*, 830 F.3d at 1353–54 (collecting cases). At the same time, "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. Abstract ideas may include, but are not limited to, fundamental economic practices, methods of organizing human activities, an idea of itself, and mathematical formulas or relationships. *Alice* 134 S. Ct. at 2355–57. Under this guidance we must, therefore, ensure at step one that we articulate what the claims are directed to with enough specificity to ensure the step one inquiry is meaningful. *Id.* at 2354 ("[W]e tread carefully in construing this exclusionary principle lest it swallow all of patent law.").

Under the "abstract idea" step we must evaluate "the 'focus of the claimed advance over the prior art' to determine if the claim's 'character as a whole' is directed to excluded subject matter." *Affinity Labs of Texas, LLC v. DIRECTV, LLC*, 838 F.3d 1253, 1257 (Fed. Cir. 2016) (internal citation omitted). If the claims are not directed to a patent-ineligible concept, the inquiry ends. *See Visual Memory LLC v. NVIDIA Corp.*, 867 F.3d 1253, 1262 (Fed. Cir. 2017). If the concept is directed to a patent-ineligible concept, we proceed to the "inventive concept" step. For that second step we must "look with more specificity at what the claim elements add, in order to determine 'whether they identify an "inventive concept" in the application of the ineligible subject matter' to which the claim is directed." *Affinity Labs*, 838 F.3d at 1258 (quoting *Elec. Power Grp.*, 830 F.3d at 1353).

Alice Step 1 — Abstract Idea

Our reviewing court has held claims ineligible as being directed to an abstract idea when they merely collect electronic information, display information, or embody mental processes that could be performed by humans. *Elec. Power Grp.*, 830 F.3d at 1353–54 (collecting cases). At the same time, "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. Under this guidance we must, therefore, ensure at step one that we articulate what the claims are directed to with enough specificity to ensure the step one inquiry is meaningful. *Alice*, 134 S. Ct. at 2354 ("[W]e tread carefully in construing this exclusionary principle lest it swallow all of patent law.").

Appellant asserts "the Supreme Court, in applying the first step of the two part analysis, conflates patent eligibility with obviousness or

anticipation." Br. 6.⁵ Further, "in order for a claim to require analysis under the second part of the Alice test, it is not enough that the claim merely involve, relate to, or 'recite' an abstract idea — the claim must be directed to the abstract idea. A claim can 'recite' or contain an abstract idea without being directed to that abstract idea." *Id.* at 8. Appellant also alleges the Examiner has oversimplified the claimed subject matter because "the claims recite far more than simply transferring funds from one entity to another," and the "claims recite specific mechanisms for implementing collaborative funds transfer." *Id.*

In response, the Examiner concludes "[t]he pending claims are directed to (describe) a concept of transferring funds from one entity to another entity. This concept is described . . . in independent claims 1, 8 and 15." Final Act. 4. The claimed steps

correspond to concepts of data gathering (steps 1 and 3), comparing the received data to stored data (steps 2 and 4), and fundamental economic practice (step 5), each of these concepts held by courts as an abstract idea. Hence, the claim is directed to an abstract idea in collaborative funds transfer.

Ans. 4.

⁵ We disagree with Appellant's assessment that the Supreme Court has conflated patent-eligibility under § 101 with prior art considerations relevant to §§ 102 or 103. The Supreme Court guides, "[t]he 'novelty' of any element or steps in a process, or even of the process itself, is of no relevance in determining whether the subject matter of a claim falls within the § 101 categories of possibly patentable subject matter." *Diamond v. Diehr*, 450 U.S. 175, 188–89 (1981). Our reviewing court further indicates that "[e]ven assuming" that a particular claimed feature was novel does not "avoid the problem of abstractness." *Affinity Labs*, 838 F.3d at 1263.

We also find the Examiner's position in the Answer is consistent with the Final Action, in which the Examiner concluded:

Claims 1, 3-4, 8, 10-12, 15 and 17-18, in steps 1-5 as outlined herein are directed to (or describes or sets forth a concept of) transferring funds from one entity (or account) to another entity (or account) which is established and fundamental economic practice. Transferring funds from one entity to another, including via charitable donations by monetary payments from donor's accounts (e.g. transfer from pay checks of a donor) to an account of a designated charitable organization is old practice.

Final Act. 5.

Under the "abstract idea" step we must evaluate "the 'focus of the claimed advance over the prior art' to determine if the claim's 'character as a whole' is directed to excluded subject matter." *Affinity Labs*, 838 F.3d at 1257 (citation omitted).

Turning to the claimed invention, claim 1 recites: "A method of implementing collaborative funds transfer." Claim 1 (preamble). Method claim 1's limitations also require the steps of:

- (a) "receiving . . . a . . . funds transfer request";
- (b) "verifying . . . authenticity of the charitable organization . . . and verifying compliance with . . . regulations by comparing . . . details . . . with a . . . database";
- (c) "receiving . . . funds . . . via the collaborative environment";
- (d) "identifying that services necessary to process the collaborative funds transfer request are offered within the collaborative environment";
- (e) "monitoring communications regarding the funds transfer within the collaborative environment to determine that

the funding of the collaborative funds transfer request are for legitimate charitable purposes; and"

(f) "transferring, funds . . . to an account controlled by the charitable organization and associated with a user account of the charitable organization for the collaborative environment."

Under step one, we agree with the Examiner that the inventions claimed in each of independent claims 1, 8, and 15 are directed to an abstract idea, i.e., transferring funds from one account to another, which we also conclude is a fundamental economic practice or, alternatively, a method of organizing human activity. *See* Ans. 3.⁶

We agree with the Examiner because, as the Specification discloses, "[t]his invention relates generally to money transfers. More specifically, the invention relates to money transfers utilizing smart phone technology." Spec. ¶ 2.⁷ We find this type of activity, i.e., transferring money between

⁶ Merely combining several abstract ideas does not render the combination any less abstract. *RecogniCorp, LLC v. Nintendo Co.*, 855 F.3d 1322, 1327 (Fed. Cir. 2017) ("Adding one abstract idea (math) to another abstract idea . . . does not render the claim non-abstract."); *see also FairWarning IP, LLC v. Iatric Sys., Inc.*, 839 F.3d 1089, 1093–94 (Fed. Cir. 2016) (determining the pending claims were directed to a combination of abstract ideas).

⁷ *See also* Spec. 17 ("Abstract"):

A method of implementing collaborative funds transfer includes receiving, by a host computer system, from an entity a collaborative funds transfer request for a relief effort to be executed within a collaborative environment. The methods further includes verifying, by the host computer system, validity of the entity, receiving funds provided to the entity via the collaborative environment, reviewing services offered within the collaborative environment, reviewing communications regarding the funds transfer within the

accounts, includes longstanding conduct that existed well before the advent of computers and the Internet, and could be carried out by a human with pen and paper. *See CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1375 (Fed. Cir. 2011) ("That purely mental processes can be unpatentable, even when performed by a computer, was precisely the holding of the Supreme Court in *Gottschalk v. Benson*.").⁸

Our reviewing court has previously held other patent claims ineligible for reciting similar abstract concepts. For example, while the Supreme Court has enhanced the § 101 analysis since *CyberSource* in cases like *Mayo* and *Alice*, they continue to "treat[] analyzing information by steps people go through in their minds, or by mathematical algorithms, without more, as essentially mental processes within the abstract-idea category." *Synopsys, Inc. v. Mentor Graphics Corp.*, 839 F.3d 1138, 1146–47 (Fed. Cir. 2016) (alteration in original) (quoting *Elec. Power Grp.*, 830 F.3d at 1354).

In addition, our reviewing court has concluded that abstract ideas include the concepts of collecting data, recognizing certain data within the collected data set, and storing the data in memory. *Content Extraction & Transmission LLC v. Wells Fargo Bank, N.A.*, 776 F.3d 1343, 1347 (Fed. Cir. 2014). Additionally, the collection of information and analysis of information (e.g., recognizing certain data within the dataset) are also abstract ideas. *Elec. Power Grp.*, 830 F.3d at 1353–54 (collecting information and "analyzing information by steps people go through in their

collaborative environment, and transferring the funds to the entity.

⁸ *CyberSource* further guides that "a method that can be performed by human thought alone is merely an abstract idea and is not patent-eligible under § 101." *CyberSource*, 654 F.3d at 1373.

minds, or by mathematical algorithms, without more, [are] essentially mental processes within the abstract-idea category"). Similarly, "collecting, displaying, and manipulating data" is an abstract idea. *Intellectual Ventures I LLC v. Capital One Fin. Corp.*, 850 F.3d 1332, 1340 (Fed. Cir. 2017). Further, a process that employs mathematical algorithms to manipulate existing information to generate additional information is abstract. *Digitech Image Techs., LLC v. Elec. for Imaging, Inc.*, 758 F.3d 1344, 1351 (Fed. Cir. 2014). Also, more recently, our reviewing court has also concluded that acts of parsing, comparing, storing, and editing data are abstract ideas. *Berkheimer v. HP Inc.*, 881 F.3d 1360, 1367 (Fed. Cir. 2018).

Appellant argues against the Examiner's conclusion of abstractness

at least because the claims recite far more than simply transferring funds from one entity to another. This is an extreme oversimplification of the claimed subject matter. The present claims recite specific mechanisms for implementing collaborative funds transfer by, for example, monitoring communications regarding the funds transfer within the collaborative environment to determine that the funding of the collaborative funds transfer request are for legitimate charitable purposes. This is an insufficient analysis as required by the relevant law.

Br. 8–9. We disagree.

We disagree because, while we find the "specific mechanisms" or technology implemented in the claimed invention may be useful to solve a *business* problem, we also find the additional elements are not a technological solution to a technological problem, or a solution to a problem introduced by the technology itself. *See Alice Step 2* analysis, *infra*.

Appellant further argues:

the Office has failed to present a prima facie case of obviousness with regard to the independent claims, as well as multiple dependent claims, which shows that the Office has not presented any adequate evidence illustrating that the claimed methods are actually "well-established" if no art can be located to anticipate or render obvious the claimed recitations.

Br. 9.

We disagree with Appellant because, unlike an evidence-based rejection under 35 USC § 102 and/or 35 USC § 103, the courts consider the determination of whether a claim is eligible (which involves identifying whether an exception such as an abstract idea is being claimed) to be a question of law. *See, e.g., In re Roslin Institute*, 750 F.3d 1333, 1335 (Fed. Cir. 2014); *Accenture Global Services, GmbH v. Guidewire Software, Inc.*, 728 F.3d 1336, 1340–41 (Fed. Cir. 2013); *Fort Properties, Inc. v. Am. Master Lease LLC*, 671 F.3d 1317, 1320 (Fed. Cir. 2012); *CyberSource*, 654 F.3d at 1369; *SiRF Tech., Inc. v. Int'l Trade Comm'n*, 601 F.3d 1319, 1331 (Fed. Cir. 2010); *In re Ferguson*, 558 F.3d 1359, 1363 (Fed. Cir. 2009); *In re Bilski*, 545 F.3d 943, 951 (Fed. Cir. 2008) (*en banc*), affirmed by *Bilski v. Kappos*, 561 U.S. 593 (2010). Accordingly, courts do not rely on evidence that a claimed concept is a judicial exception, and in most cases resolve the ultimate legal conclusion on eligibility without making any factual findings.

Appellant also argues their "claims pose no risk of pre-emption of any fundamental business practice or abstract idea, and are therefore patent-eligible." Br. 9. We disagree. Appellant's argument that the claims do not preempt all methods of verified funds transfers do not make them any less abstract. *See buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1355 (Fed. Cir. 2014) (collecting cases); *Accenture*, 728 F.3d at 1345; *Ariosa Diagnostics, Inc. v. Sequenom, Inc.*, 788 F.3d 1371, 1379 (Fed. Cir. 2015) ("While

preemption may signal patent ineligible subject matter, the absence of complete preemption does not demonstrate patent eligibility").

Further, Appellant's reliance on *DDR*⁹ (Br. 11) in the *Step 1* abstract idea analysis is misplaced as the recited claims do not improve the computer. In *DDR*, the claims at issue involved, *inter alia*, "web pages displays [with] at least one active link associated with a commerce object associated with a buying opportunity of a selected one of a plurality of merchants" (claims 1 and 19 of US 7,818,399). *DDR*, 773 F.3d at 1249. The Federal Circuit found the claims in *DDR* to be patent-eligible under step one of the *Mayo/Alice* test because "the claimed solution is necessarily rooted in computer technology in order to overcome a problem specifically arising in the realm of computer networks." *Id.* at 1257. Specifically, the Federal Circuit found the claims addressed the "challenge of retaining control over the attention of the customer in the context of the Internet." *Id.* at 1258. We find the rejected claims are dissimilar to *DDR*'s web page with an active link, and the Specification does not support the view that the computer related claim elements are unconventional. *See Spec.* ¶¶ 39–46.

Therefore, in agreement with the Examiner, we conclude claim 1 involves nothing more than verifying and transferring funds between accounts — an abstract idea. *See Elec. Power Grp.*, 830 F.3d at 1354.¹⁰ Accordingly, on this record, and under step one of *Alice*, we agree with the Examiner's conclusion the claims are directed to an abstract idea.

⁹ *See DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245 (Fed. Cir. 2014).

¹⁰ Merely automating previously manual processing by using computers does not qualify as an eligibility-rejection-defeating improvement. *Credit Acceptance Corp. v. Westlake Servs.*, 859 F.3d 1044 (Fed. Cir. 2017).

Alice Step 2 —Inventive Concept

If the claims are directed to a patent-ineligible concept, as we conclude above, we proceed to the "inventive concept" step. For that step we must "look with more specificity at what the claim elements add, in order to determine 'whether they identify an "inventive concept" in the application of the ineligible subject matter' to which the claim is directed." *Affinity Labs*, 838 F.3d at 1258 (quoting *Elec. Power Grp.*, 830 F.3d at 1353).

In applying step two of the *Alice* analysis, our reviewing court guides we must "determine whether the claims do significantly more than simply describe [the] abstract method" and, thus, transform the abstract idea into patentable subject matter. *Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 715 (Fed. Cir. 2014). We look to see whether there are any "additional features" in the claims that constitute an "inventive concept," thereby rendering the claims eligible for patenting even if they are directed to an abstract idea. *Alice*, 134 S. Ct. at 2357. Those "additional features" must be more than "well-understood, routine, conventional activity." *Mayo*, 566 U.S. at 79.

The Examiner concludes:

The limitations of the subject claims do not transform the abstract idea into patent-eligible subject matter because the claims simply instruct the practitioner to implement the abstract idea on a generic computer (e.g. the host computer in the method claims 1 and 3-4) with routine, conventional activity (receiving, reviewing, verifying, identifying and transferring as described in claim are routine and conventional steps that any generic computer is capable of performing). None of individual steps in claims 1, 3-4, 8, 10-12, 15 and 17-18 transform the nature of the claim into patent-eligible subject matter. The

claimed sequence of steps comprises only conventional steps, specified at a high level of generality (e.g. extra-solution activities of receiving data, verifying the validity, identifying services necessary to process the funds transfer request and transferring funds) which is insufficient to supply an "inventive concept."

Final Act. 6.

In response, Appellant contends:

Appellant[] disagree[s] that the claimed methods are performed on generic computers as alleged. To the contrary, Appellant[] submit[s] that particular, non-generic, machines/computers are necessary to implement the systems and methods of the claims especially from the financial server side of the operations. For example, a server capable of implementing the systems and methods must include specialized programming for determining the claimed [sic], which a generic computer cannot perform. Moreover, the system must also be able to monitor communications regarding the funds transfer within the collaborative environment to determine that the funding of the collaborative funds transfer request are for legitimate charitable purposes, which is not a standard receiving, computing, or calculating operation. Off-the-shelf generic computers are not capable of performing such functions, much less concurrently during a period of intense heavy transaction load as may be necessary in such an industry during peak trading and trending hours.

Combined, these aspects are not typical of generic computers, and thus only particularized computers are capable of performing these methods, thereby providing yet another reason the claims overcome any analysis of patentable subject matter.

Br. 10.

Evaluating representative claim 1 under step 2 of the *Alice* analysis, we agree with the Examiner that it lacks an inventive concept that

transforms the abstract idea of making verified money transfers into a patent-eligible application of that abstract idea. *See* Ans. 6.

We agree because, as the Examiner concludes when considering the claims as a whole, and in response to Appellant's arguments (similar to the Final Action):

The limitations of the subject claims do not transform the abstract idea into patent-eligible subject matter because the claims simply instruct the practitioner to implement the abstract idea on a generic computer (e.g. the host computer in the method claims 1 and 3-4) with routine, conventional activity (receiving, reviewing, verifying, identifying and transferring as described in claim are routine and conventional steps that any generic computer is capable of performing). None of individual steps in claims 1, 3-4, 8, 10-12, 15 and 17-18 transform the nature of the claim into patent-eligible subject matter. The claimed sequence of steps comprises only conventional steps, specified at a high level of generality (e.g. extra-solution activities of receiving data, verifying the validity, identifying services necessary to process the funds transfer request and transferring funds) which is insufficient to supply an "inventive concept." Indeed, the steps of receiving, verifying, identifying and transferring do not add anything to the concept of funds transfer and have no practical significance to the underlying abstract idea.

Id.

As evidence of the conventional nature of the claimed network components and processes, we note the disclosure in Appellant's Specification at paragraphs 39 through 46. For example:

The computer system 700 is shown comprising hardware elements that can be electrically coupled via a bus 705 (or may otherwise be in communication, as appropriate). The hardware elements can include one or more processors 710, including, without limitation, one or more general-purpose processors

and/or one or more special-purpose processors (such as digital signal processing chips, graphics acceleration chips, and/or the like); one or more input devices 715, which can include, without limitation, a mouse, a keyboard and/or the like; and one or more output devices 720, which can include, without limitation, a display device, a printer and/or the like.

Spec. ¶ 39.

Notwithstanding Appellant's arguments cited above, we agree with the Examiner that the claim limitations may be broadly but reasonably construed as reciting conventional computer components and techniques, particularly in light of Appellant's Specification, as quoted above.¹¹

Thus, with respect to the Step 2 analysis, we agree with the Examiner because, as in *Alice*, the recitation of either a "[a] method of implementing collaborative funds transfer" utilizing a "host computer system" and "collaborative environment" (claim 1); a "system for implementing collaborative funds transfer" including "a memory device" and "a computer processor" (claim 8); or a "non-transitory computer-readable medium for implementing collaborative funds transfer having sets of instructions stored thereon" (claim 15) is simply not enough to transform the patent-ineligible abstract idea here into a patent-eligible invention. *See Alice*, 134 S. Ct. at

¹¹ During prosecution, claims must be given their broadest reasonable interpretation when reading claim language in light of the specification as it would be interpreted by one of ordinary skill in the art. *In re Am. Acad. of Sci. Tech. Ctr.*, 367 F.3d 1359, 1364 (Fed. Cir. 2004). Under this standard, we interpret claim terms using "the broadest reasonable meaning of the words in their ordinary usage as they would be understood by one of ordinary skill in the art, taking into account whatever enlightenment by way of definitions or otherwise that may be afforded by the written description contained in the applicant's specification." *In re Morris*, 127 F.3d 1048, 1054 (Fed. Cir. 1997).

2357 ("[C]laims, which merely require generic computer implementation, fail to transform [an] abstract idea into a patent-eligible invention.").

Our reviewing court has held, "the use of generic computer elements like a microprocessor or user interface do not alone transform an otherwise abstract idea into patent-eligible subject matter." *FairWarning IP v. Iatric Sys. Inc.*, 839 F.3d 1089, 1096 (Fed. Cir. 2016) (citing *DDR*, 773 F.3d at 1256).

Accordingly, based upon the findings above, on this record, we are not persuaded of error in the Examiner's conclusion that the appealed claims are directed to patent-ineligible subject matter. Therefore, we sustain the Examiner's § 101 rejection of independent claim 1, and grouped claims 3, 4, 8, 10–12, 15, 17, and 18, not argued separately, and which fall therewith. *See Claim Grouping, supra.*

2. § 103 Rejection R2 of Claims 1, 3, 4, 8, 10–12, 15, 17, and 18

Issue 2

Appellant argues (Br. 13) the Examiner's rejection of claim 1 under 35 U.S.C. § 103(a) as being obvious over Fasciano in view of the Examiner's taking of Official Notice is in error. These contentions present us with the following issue:

Did the Examiner err in finding the cited prior art teaches or suggests a "method of implementing collaborative funds transfer" that includes, *inter alia*, the step of "verifying, by the host computer system, the authenticity of the charitable organization as a legitimate charity and verifying compliance with government regulations by comparing operational details of the

charitable organization with a government database holding information regarding legitimate charitable organizations," as recited in claim 1?

Analysis

Appellant contends:

Fasciano fails to teach or suggest "verifying, by the host computer system, the authenticity of the charitable organization as a legitimate charity and verifying compliance with government regulations by comparing operational details of the charitable organization with a government database holding information regarding legitimate charitable organizations", as recited by claim 1 and similarly by claims 8 and 15.

Br. 13.

We disagree with Appellant's argument because it is not responsive to the actual rejection set forth by the Examiner. The Examiner took Official Notice of the contested limitation (*see* Final Act. 9; Ans. 8–9), and Appellant did not properly traverse or otherwise rebut the Examiner's taking of Official Notice in either the Appeal Brief or by filing a Reply Brief.

Therefore, based upon the findings above, on this record, we are not persuaded of error in the Examiner's reliance on the cited prior art and taking of Official Notice to teach or suggest the disputed limitation of claim 1, nor do we find error in the Examiner's resulting legal conclusion of obviousness. Therefore, we sustain the Examiner's obviousness rejection of independent claim 1, and grouped claims 3, 4, 8, 10–12, 15, 17, and 18 which fall therewith. *See* Claim Grouping, *supra*.

CONCLUSIONS

(1) The Examiner did not err with respect to patent-ineligible subject matter Rejection R1 of claims 1, 3, 4, 8, 10–12, 15, 17, and 18 under 35 U.S.C. § 101, and we sustain the rejection.

(2) The Examiner did not err with respect to obviousness Rejection R2 of claims 1, 3, 4, 8, 10–12, 15, 17, and 18 under 35 U.S.C. § 103(a) over the cited prior art of record, and we sustain the rejection.

DECISION

We affirm the Examiner's decision rejecting claims 1, 3, 4, 8, 10–12, 15, 17, and 18.

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). *See* 37 C.F.R. § 41.50(f).

AFFIRMED