



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
13/247,456	09/28/2011	Margaret Helen Green	2043.937US1	5165
49845	7590	04/20/2018	EXAMINER	
SCHWEGMAN LUNDBERG & WOESSNER/EBAY P.O. BOX 2938 MINNEAPOLIS, MN 55402			SHUI, MING	
			ART UNIT	PAPER NUMBER
			3684	
			NOTIFICATION DATE	DELIVERY MODE
			04/20/2018	ELECTRONIC

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

USPTO@SLWIP.COM
SLW@blackhillsip.com

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte MARGARET HELEN GREEN

Appeal 2017-001313
Application 13/247,456¹
Technology Center 3600

Before CARL W. WHITEHEAD JR., NABEEL U. KHAN, and
AMBER L. HAGY, *Administrative Patent Judges*.

KHAN, *Administrative Patent Judge*.

DECISION ON APPEAL

Appellant appeal under 35 U.S.C. § 134(a) from the Final Rejection of
claims 1, 2, 4, 6–9, and 11–20. We have jurisdiction under 35 U.S.C. § 6(b).

We affirm.

¹ Appellant identifies eBay Inc. as the real party in interest. App. Br. 2.

STATEMENT OF THE CASE

THE INVENTION

According to Appellant, the invention relates to “systems and methods of offering a collection for sale.” Spec. ¶ 2.

Exemplary independent claim 1 is reproduced below.

1. A publishing system comprising:

one or more hardware processors; and

one or more modules incorporated into the publishing system, the one or more modules implemented by the one or more hardware processors of the publishing system, the one or more modules to specially-configure the publishing system to perform operations comprising:

receiving a description of a collection and descriptions of items in the collection from a device of a seller;

based on receiving the description of the collection and the descriptions of the items in the collection, causing a publishing of a description of an offer for sale of the collection as a whole, according to a first offering type, in user interfaces of one or more devices of one or more potential buyers, the description of the sale of the collection as a whole including a reserve price for the collection as a whole and a bias price for the collection as a whole, the bias price being an amount of money the seller is willing to lose by selling the collection as a whole rather than as individual items;

causing a publishing of descriptions of offers for sale of the items in the collection as individual items, according to a second offering type, concurrently with the description of the offer for sale of the collection as a whole in the user interfaces of the one or more devices of the one or more potential buyers;

based on a conclusion of an offering period for the collection as a whole and the items, comparing a sum of bids for the items to a bid for the collection as a whole and the bias price, the bids for the items and the bid for the collection as a whole

being received from the one or more devices of the one or more potential buyers;

determining that the collection is sold as a whole based on the comparison of the sum of the bids for the items to the bid for the collection as a whole and the bias price; and

based on the determining that the collection is sold as a whole, causing a presentation related to the determining that the collection is sold as a whole in the user interfaces of the one or more devices of the one or more potential buyers.

REJECTION

Claims 1, 2, 4, 6–9, and 11–20 stand rejected under 35 U.S.C. § 101 as directed to a judicial exception to statutory subject matter. Final Act. 4–6.

DISCUSSION

Under 35 U.S.C. § 101, a patent may be obtained for “any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof.” The Supreme Court has “long held that this provision contains an important implicit exception: Laws of nature, natural phenomena, and abstract ideas are not patentable.” *Alice Corp. v. CLS Bank Int’l*, 134 S. Ct. 2347, 2354 (2014) (quoting *Ass’n for Molecular Pathology v. Myriad Genetics, Inc.*, 569 U.S. 576, 589 (2013)). The Supreme Court in *Alice* reiterated the two-step framework previously set forth in *Mayo Collaborative Services v. Prometheus Laboratories, Inc.*, 566 U.S. 66 (2012), “for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of those concepts.” *Alice*, 134 S. Ct. at 2355. The first step in that analysis is to “determine whether the claims at issue are directed to one of those patent-ineligible concepts,” such as an abstract idea. The Court acknowledged in *Mayo* that “all inventions at some level embody, use,

reflect, rest upon, or apply laws of nature, natural phenomena, or abstract ideas.” *Mayo*, 566 U.S. at 71. We, therefore, look to whether the claims focus on a specific means or method that improves the relevant technology or are instead directed to a result or effect that itself is the abstract idea and merely invoke generic processes and machinery. *See Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1335–36 (Fed. Cir. 2016). If the claims are not directed to an abstract idea, the inquiry ends. Otherwise, the inquiry proceeds to the second step where the elements of the claims are considered “individually and ‘as an ordered combination,’ to determine whether the additional elements ‘transform the nature of the claim’ into a patent-eligible application.” *Alice*, 134 S. Ct. at 2355 (quoting *Mayo*, 566 U.S. at 78–79).

STEP ONE OF ALICE/MAYO FRAMEWORK

Findings and Contentions

Under the first step of the *Alice/Mayo* framework, the Examiner finds “the claims are directed to the judicial exception of shopping/conducting auctions which is considered to be an abstract idea inasmuch as such activity is considered both a fundamental economic practice and a method of organizing human activity.” Final Act. 4. The Examiner notes that fundamental economic practices have been recognized as unpatentable subject matter by the Supreme Court in *Alice* and in *Bilski v. Kappos*, 561 U.S. 593 (2010). Ans. 3.

Initially, Appellant argues the Examiner has not established a *prima facie* case that the claims are directed to unpatentable subject matter. App. Br. 11–24. For example, citing USPTO Guidance on Patent Subject Matter Eligibility, Appellant argues the Examiner has not explained clearly and specifically why any of the rejected claims are allegedly directed to

“shopping/conducting auctions.” App. Br. 12. Therefore, according to Appellant, “the *Office Action* failed to provide sufficient notice for Appellant to effectively respond to these rejections.” App. Br. 12. Appellant also argues that “shopping/conducting auctions” is an Examiner-written phrase that abstracts the claim and omits limitations. App. Br. 13. Appellant argues the Examiner has not shown the alleged abstract idea is similar to at least one concept courts have identified as an abstract idea. App. Br. 15–18. Appellant alleges the Examiner did not consider the dependent claims separately under the *Alice/Mayo* two step test and dismissed them without analysis. App. Br. 14–15.

Appellant further argues the claims are not directed to a fundamental economic practice long prevalent in our system of commerce. App. Br. 25. For example, Appellant points to the fact that the Examiner withdrew the § 103 rejection as evidence that the claims are directed something new and therefore not to a practice that is long prevalent. App. Br. 25. Appellant further notes that several limitations require the use of computerized technology and are rooted in computer technology, such as publishing information about items for sale on client devices, and argues this is further evidence that the claims are not directed to practices that have been long prevalent. App. Br. 25.

Analysis

We are unpersuaded by Appellant’s arguments. With respect to Appellant’s arguments that the Examiner has failed to present a *prima facie* case, we disagree. To the extent Appellant suggests that USPTO Guidance (e.g. 2014 Interim Eligibility Guidance, July 2015 Update, or May 2016 Memorandum) requires particular steps be performed in specific ways to

establish that a claim is directed to an abstract idea, i.e., a “prima facie” case, Appellant is mistaken. Instead, 35 U.S.C. § 132 sets forth a more general notice requirement whereby the applicant is notified of the reasons for a rejection together with such information as may be useful in judging the propriety of continuing with prosecution of the application. Our reviewing court has explained:

[A]ll that is required of the [USPTO] to meet its prima facie burden of production is to set forth the statutory basis of the rejection and the reference or references relied upon in a sufficiently articulate and informative manner as to meet the notice requirement of § 132. As the statute itself instructs, the examiner must “notify the applicant,” “stating the reasons for such rejection,” “together with such information and references as may be useful in judging the propriety of continuing prosecution of his application.” 35 U.S.C. § 132.

In re Jung, 637 F.3d 1356, 1363 (Fed. Cir. 2011). We have reviewed the decision to reject the claims for patent-ineligibility articulated by the Examiner (*see* Final Act. 4–6; Ans. 2–7) and find it meets the notice requirements of 35 U.S.C. § 132. The Examiner has set forth the statutory basis for the rejection (a judicial exception to 35 U.S.C. § 101) and explained the rejection in sufficient detail to permit Appellant to respond meaningfully. As for the dependent claims, the Examiner notes they either add further definitions to terms used in claim 1 or recite modules the receive and process data for items to be sold. Final Act. 5–6. The Examiner concludes these dependent claims do not offer substantially more than the base claim from which they depend and hence the independent claim’s analysis applies to the dependent claims as well. Final Act. 5–6. This provides Appellant with sufficient notice to respond meaningfully to the Examiner’s rejection.

We turn next to the Examiner’s determination that the claims are directed to an abstract idea. “The ‘abstract idea’ step of the inquiry calls upon us to look at 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 v. DirectTV, LLC*, 838 F.3d 1253, 1257 (Fed. Cir. 2016) (quoting *Elec. Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350, 1353 (Fed. Cir. 2016)); *see also Enfish*, 822 F.3d at 1335 (“[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.’” (citation omitted)).

In this regard, the Specification explains that when an online seller wishes to sell a collection of items, the seller typically must decide whether to sell the collection as a whole, or as individual items, but may not want to make such a decision until more is learned about the value of the items or the value of the collection as a whole. Spec. ¶ 14. Thus, the invention allows the seller to publish a listing of the collection as a whole while simultaneously publishing separate listings describing the respective individual items in the collection. Spec. ¶ 15. When the sale ends, the system determines whether to sell the collection as a whole, or to sell the collection as individual items based on the bids received for the collection as a whole and for the individual items. Spec. ¶ 31.

Consistent with this description, claim 1 recites a publishing system that receives a description of a collection of items from a device of a seller, publishes a description of an offer for sale of the collection as a whole on certain user devices the description including a reserve price and a bias price, publishes descriptions of the items for sale in the collection as

individual items, determines whether to sell the collection as a whole or to sell as individual items based on the bids and the bias price, and if the collection is to be sold as whole, presenting the sale as a whole on user interfaces of devices of potential buyers.

Based on a review of the Specification and the claims as whole, as outlined above, it is evident the claims are directed to selling a collection of items and determining whether the collection should be sold as a whole or as individual items. Thus, we agree with the Examiner's characterization of the claims as being directed generally to "shopping/conducting auctions" (Final Act. 4) and that, as such, they are directed to a fundamental economic practice.

The claim limitations that Appellant argues the Examiner omits or ignores (*see* App. Br. 13–14) relate directly to selling the collection of items or to actions that facilitate the sale, such as receiving information about the items, publishing descriptions of the collection or of the individual items, or calculating whether to sell the collection as a whole or as individual items. These limitations do not change the character of the claims as a whole away from the abstract idea, and, if anything, reinforce the conclusion that the claims are directed to an abstract idea. The fact that some of the steps are performed using generic computer hardware does not change the analysis.

STEP TWO OF ALICE/MAYO FRAMEWORK

Findings and Contentions

Under step two of the *Alice/Mayo* framework, the Examiner finds "[t]he elements of the instant process, when taken alone, each execute in a manner routinely and conventionally expected of these elements." Final Act. 5. The Examiner adds that "[t]he computing device and apparatuses to

implement the process are generic computers with functionalities which are well-understood, routine and conventional activities previously known to the industry.” *Id.* Looking at the claim elements as an ordered combination, the Examiner finds “the elements involved . . . are well-understood, routine and conventional. The elements together execute in routinely and conventionally accepted coordinated manners and . . . is merely the combined and coordinated execution of generic computer functionalities which are well-understood, routine and conventional.” Final Act. 5.

Appellant analogizes the claimed method to a claim (claim 2) set forth in Appendix 1 of the “July 2015 Update on Subject Matter Eligibility,” 80 Fed. Reg. 45429 (July 30, 2015) (“Transmission of Stock Quote Data”) and argues the claims here “include meaningful limitations that add more than generally linking the use of the abstract idea (the general concept of shopping/conducting auctions) to the Internet, because they solve an Internet-centric problem with a claimed solution that is necessarily rooted in computer technology, similar to the additional elements in *DDR Holdings*.” App. Br. 21. Appellant also points to portions of the Specification describing the invention as directed to “***online auction systems and marketplaces***” that forms “***a network-based marketplace or publication system***” and is deployed using servers and client machines over the Internet as support for the argument that the claims are rooted in computer technology. App. Br. 21–22.

We disagree. As explained above, nearly all of the claim limitations, even when viewed individually, are directed to selling or auctioning a collection of items. The claims recite a few generic computer hardware elements, such as “hardware processors” or “modules,” but these are used in

their routine and conventional ways and therefore do not amount to significantly more than the abstract idea. *See DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245, 1256 (Fed. Cir. 2014) (recitation of generic computer elements does not make a claim directed to an abstract idea patent-eligible). The limitations involving publishing descriptions of the items, or of the ultimate sale on client devices, are directed simply to displaying information on a screen, and are akin to limitations the Federal Circuit has found do not add significantly more to an abstract idea. *Electric Power Group, LLC, v. Alstom*, 830 F.3d 1350, 1353 (Fed. Cir. 2016) (“The focus of the asserted claims . . . is on collecting information, analyzing it, and displaying certain results of the collection and analysis.”). Hence, contrary to Appellant’s assertion, the claims are not directed to an Internet-centric problem. The limitations highlighted by Appellant are simply a field of use attempting to limit the abstract idea to a particular technological environment, and do not add significantly more.

Appellant further argues “claim 1 clearly does not seek to tie up any judicial exception so that others cannot practice it” (App. Br. 23), the steps of the claim are specified at a low level of generality (App. Br. 27–28), and that the steps of the claim, such as the step of comparing the bids for the collection as whole to the bids for the individual items when the offering period ends, are not conventional (App. Br. 28–29).

These arguments are also unpersuasive. “While preemption may signal patent ineligible subject matter, the absence of complete preemption does not demonstrate patent eligibility.” *Ariosa Diagnostics, Inc. v. Sequenom, Inc.*, 788 F.3d 1371, 1379 (Fed. Cir. 2015). The limitations Appellant argues are written at a low level of generality, or that

Appeal 2017-001313
Application 13/247,456

are not conventional, are nonetheless directed to the abstract idea itself or add abstract steps to an already abstract idea. For example, the step of comparing bids to determine whether to sell the collection as a whole or to sell the items individually is based on abstract mathematical calculations and does not transform the claim to something more than the abstract idea.

“Adding one abstract idea (math) to another abstract idea (encoding and decoding) does not render the claim non-abstract.” *Recognicorp v. Nintendo*, 855 F.3d 1322, 1327 (Fed. Cir 2017).

CONCLUSION

Accordingly, we sustain the Examiner’s rejection of the claims under 35 U.S.C. § 101 as directed to a judicial exception to statutory subject matter.

DECISION

The Examiner’s rejection of claims 1, 2, 4, 6–9, and 11–20 is affirmed.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 41.50(f).

AFFIRMED