



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

Table with 5 columns: APPLICATION NO., FILING DATE, FIRST NAMED INVENTOR, ATTORNEY DOCKET NO., CONFIRMATION NO. Includes application details for Allen Cueli and examiner information for KING JR., JOSEPH W.

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):

- ipefiling@kilpatricktownsend.com
EDurrell@kilpatricktownsend.com
KTSDocketing2@kilpatrick.foundationip.com

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte ALLEN CUELI, ORI ARINZE, and LORI VAN DELOO

Appeal 2017-002197
Application 14/012,752¹
Technology Center 3600

Before ALLEN R. MacDONALD, NABEEL U. KHAN, and
AMBER L. HAGY, *Administrative Patent Judges*.

KHAN, *Administrative Patent Judge*.

DECISION ON APPEAL

Appellants appeal under 35 U.S.C. § 134(a) from the Final Rejection of claims 1, 2, 5–9, 12–14, and 21–27. We have jurisdiction under 35 U.S.C. § 6(b).

We affirm.

¹ Appellants identify Visa International Service Association as the real party in interest. App. Br. 2.

STATEMENT OF THE CASE

THE INVENTION

According to Appellants, the invention relates to “systems and methods that allow for spending control.” Spec. ¶ 2. “More specifically, embodiments of the invention pertain to providing methods for creating a hold on an amount of a user’s available credit balance based on a savings goal, comparing spending benchmarks against other users having similar demographic characteristics, and converting a previously completed transaction to an installment plan.” Spec. ¶ 4.

Exemplary independent claim 1 is reproduced below.

1. A method, comprising:

receiving, by an issuer computer and from a communication device, a hold request message requesting to hold at least a portion of a user’s available credit card balance, wherein the hold is based at least in part on a savings goal amount created by the user via a user interface on the communication device;

placing, by the issuer computer, the hold on the user’s available credit card balance based at least in part on the savings goal amount, wherein the hold renders the portion of the user’s available credit card balance unusable for payment transactions;

sending, to the communication device and by the issuer computer, a hold response message indicating that the hold on the user's available credit card balance was placed; and

releasing, by the issuer computer, the hold on the user’s available credit card balance upon the occurrence of an event, wherein the release renders the portion of the user’s available credit card balance usable for payment transactions and the event comprises an initiation of a purchase transaction by an authorized merchant or an initiation of a purchase transaction for a predefined amount.

REJECTION

Claims 1, 2, 5–9, 12–14, and 21–27 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. Pty. Ltd. 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

Under the first step of the *Alice/Mayo* framework, the Examiner finds “the claims are essentially directed to the concept of placing a hold on a credit card account based on a savings goal – an abstract idea which would fall within the universe of ineligible subject matter envisioned by courts as being an exception to patentability, e.g., a fundamental economic activity (abstract idea)” Final Act. 5.

Appellants argue “[a] *prima facie* case of patent ineligibility has not been established, since the Examiner has failed to establish that the abstract idea is ‘similar to at least one concept that the courts have identified as an abstract idea.’” App. Br. 9. Appellants further argue “the Examiner has oversimplified the claims and has failed to consider the claims as a whole in light of the specification when conducting the ‘directed to’ inquiry.” *Id.* at 7. The claims, according to Appellants, “are not simply ‘placing a hold on a credit card account based on a savings goal.’” *Id.* at 9. Appellants argue the Specification discloses a method that “improves the way a communication device may transmit and receive messages to issuer computers and is a way to make sure that issuer computers respond to events in real-time.” *Id.* at 8. Appellants also stress that the claimed invention’s “novelty and inventiveness should be appreciated. Conventional methods, networks, and

systems used in prior art do not possess the account management capability and responsiveness of the present claims.” *Id.* at 8.

We are unpersuaded by Appellants’ arguments. Initially, we disagree the Examiner has failed to present a *prima facie* case of patent ineligibility. To the extent Appellants suggest 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, Appellants are 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 Appellants to respond meaningfully.

We turn 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, LLC 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)).

Claim 1 recites receiving a request from a user's communication device to hold a portion of the user's available credit card balance based on the user's savings goal, placing the hold on the user's credit card rendering a portion of the user's available credit card balance unusable, sending to the user's device a response message indicating the hold was placed, and releasing the hold on the user's credit card balance with the initiation of a purchase transaction by an authorized merchant or an initiation of a purchase transaction for a predefined amount.

It is evident the claims are directed to placing a hold on user's credit card based on the user's savings goal and releasing the hold under certain circumstances. We, therefore, agree with the Examiner's characterization of the claims as being "directed to the concept of placing a hold on a credit card account based on a savings goal" (Final Act. 5) and that, as such, they are directed to a fundamental economic practice. Accordingly, we disagree the Examiner has incorrectly identified the abstract idea by oversimplifying the claims or failing to consider the claims as a whole.

We also disagree with Appellants that the claimed invention “improves the way a communication device may transmit and receive messages to issuer computers.” Regarding the claimed messages, claim 1 recites only receiving a hold request message and sending a hold response message by an issuer computer. Nothing in the claim indicates an improvement to the issuer computer itself or the user’s communication device. Rather, these computers and devices are used in their routine and conventional manner in performing the steps of the claimed method.

Finally, we are not persuaded by Appellants’ argument relying on the claim’s alleged novelty or non-obviousness. 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 (alteration in original) (quoting *Mayo*, 566 U.S. at 72–73). A novel and nonobvious claim directed to a purely abstract idea is, nonetheless, patent-ineligible. *See Mayo*, 566 U.S. at 90–91.

STEP TWO OF ALICE/MAYO FRAMEWORK

Under step two of the *Alice/Mayo* framework, the Examiner finds “the instant claims simply accomplish the process that implements the abstract idea via use of a general purpose computer and/or computer system and do not add *significantly more* to the claims than the abstract idea concept

simply being carried out by the computer and/or the computer system.”

Final Act. 6. The Examiner adds:

The elements of the instant process steps when taken in combination do not offer substantially more than the sum of the functions of the elements when each is taken alone. The claims as a whole, do not amount to significantly more than the abstract idea itself because the claims do not effect an improvement to another technology or technical field (e.g., the field of computer coding technology is not being improved); the claims do not amount to an improvement to the functioning of an electronic device itself which implements the abstract idea (e.g., the client device, general purpose computer, and/or computer system which implements the process are not made more efficient or technologically improved); the claims do not perform a transformation or reduction of a particular article to a different state or thing (i.e., the claims do not use the abstract idea in the claimed process to bring about a physical change. See, e.g., *Diamond v. Diehr*, 450 U.S. 175 (1981), where a physical change, and thus patentability, was imparted by the claimed process; *Contrast, Parker v. Flook*, 437 U.S. 584 (1978), where a physical change, and thus patentability, was not imparted by the claimed process); the claims do not add limitations beyond that which are well understood, routine and conventional in the field of practice (e.g., as evidenced by the cited prior art rejections below); and the claims do not move beyond a general link of the use of the abstract idea to a particular technological environment (e.g., simply claiming the use of a computer and/or computer system to implement the abstract idea).

Id. at 7–8.

In response, Appellants recite the claim limitations and argue these limitations “include[] many additional features that amount to significantly more than an abstract idea.” App. Br. 11. For the same reason, Appellants argue the claims do not preempt the abstract idea because they contain much

more than just the abstract idea as demonstrated by the identified limitations.
Id. at 12.

We are unpersuaded. As explained above, we agree with the Examiner’s finding that the claims as whole, including the limitations identified by Appellants, are directed to an abstract idea. By merely reciting the limitations of the claim, Appellants do not persuasively explain why the limitations amount to significantly more than an abstract idea. Further, “[w]hile 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). Moreover, “[w]here a patent’s claims are deemed only to disclose patent ineligible subject matter under the *Mayo* framework, as they are in this case, preemption concerns are fully addressed and made moot.” *Id.*; *see also, OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1362–63 (Fed. Cir. 2015), *cert. denied*, 136 S. Ct. 701 (2015).

Appellants further argue,

the recited claim elements clearly provide “improvements to another technology or technical field.” In particular, these recited elements improve the efficiency and reduce the complexity in account management by providing a user interface from which a user can define and edit savings goals, request a hold of a portion of the user’s credit balance based on the savings goals, and request release of the hold. Additionally, the hold can be released automatically in response to a variety of events such as the expiration of a predefined time period, an initiation of a transaction from a predetermined merchant, or an initiation of a transaction of a predetermined amount. Thus, the recited elements improve the flexibility and efficiency of account management.

App. Br. 13.

We disagree. Rather than improve another technology or technical field, the claims solve the financial problem of meeting a savings goal by limiting available credit. The hardware and software elements recited in the claims, such as an “issuer computer,” “communication device,” and “user interface” are generic computer elements that do not add significantly more to the claims. *See, e.g., Mortg. Grader, Inc. v. First Choice Loan Servs. Inc.*, 811 F.3d 1314, 1324–25 (Fed. Cir. 2016) (“[T]he claims ‘add’ only generic computer components such as an ‘interface,’ ‘network,’ and ‘database.’ These generic computer components do not satisfy the inventive concept requirement.”). Further, the fact that “the hold can be released automatically in response to a variety of events” (App. Br. 13), does not necessarily improve computer technology itself or another technical field. Instead, it is simply a further description of the abstract idea of placing a credit card on hold and releasing upon certain circumstances.

Finally, Appellants argue the recited claim limitations are not ‘well-understood, routine and conventional in the field.’ None of the previously cited prior art references, alone or in combination, teach or even suggests the recited claim elements. Therefore, the claim elements cannot be well-understood or routine in the field. In fact, these limitations help define the claims over the prior art, and are not encompassed by any alleged abstract idea that might have been identified by the Examiner.

App. Br. 14.

Appellants’ argument is unpersuasive for the reasons explained above, namely that novelty or non-obviousness over the prior art does not necessarily indicate the claims are directed to patentable subject matter, because even a novel abstract idea is still patent ineligible. *See Mayo*, 566 U.S. at 90–91.

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, 5–9, 12–14, and 21–27 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