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UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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*Ex parte* KATIA WEBER, CRISTINA GOELLNER,
and NEWTON H. SAKO

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Appeal 2017-002335
Application 12/999,705
Technology Center 3600

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Before BRADLEY W. BAUMEISTER, KARA L. SZPONDOWSKI, and MICHAEL M. BARRY, *Administrative Patent Judges*.

SZPONDOWSKI, *Administrative Patent Judge*.

DECISION ON APPEAL

Appellants[1] appeal under 35 U.S.C. § 134(a) from the Examiner's Final Rejection of claims 1–17, 19, 20, and 23–25, constituting all claims pending in the current application. We have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.

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[1] According to Appellants, "[t]he real party in interest in this patent application is Visa International Service Association" (App. Br. 3).

STATEMENT OF THE CASE

Appellants' invention is directed to a system and method for providing enhanced transaction data, for example, line item details, associated with financial transactions. Spec. ¶¶ 2, 7. Claim 1, reproduced below, is representative of the claimed subject matter:

> 1. A system for processing a financial transaction conducted by an employee using an employer provided financial presentation device which is presentable to merchants, the system comprising:
>
> a memory;
>
> a processor coupled to the memory; and
>
> a processing module executed by the processor, the processing module:
>
> before the financial transaction is authorized by an issuer of the financial presentation device:
>
> processes an authorization request from a merchant computer for approval of the financial transaction,
>
> wherein the authorization request is received during a transaction authorization process, and
>
> wherein the authorization request includes financial transaction data for the financial transaction and related enhanced data containing line item details of the financial transaction;
>
> stores the financial transaction data and the related enhanced data in the memory; and
>
> transmits the stored financial transaction data and the related enhanced data to a reporting computer so as to

> make both the financial transaction data and the related enhanced data available for access by the employer, wherein the reporting computer receives the stored financial transaction data together with the related enhanced data such that the reporting computer is not required to match the stored financial transaction data to the related enhanced data; and
>
> transmits the authorization request to a financial transaction facilitator, wherein the financial transaction facilitator receives the authorization request including the financial transaction data and the related enhanced data, removes the related enhanced data from the authorization request, and transmits an authorization request message including the financial transaction data but without the related enhanced data to the issuer of the financial presentation device.

## REJECTIONS

Claims 1–17, 19, 20, and 23–25 stand rejected under 35 U.S.C. § 101 as directed to a nonstatutory subject matter. Ans. 4.

## ANALYSIS

*Alice Corp. Pty. Ltd. v. CLS Bank International*, 134 S. Ct. 2347 (2014), identifies a two-step framework for determining whether claimed subject matter is judicially excepted from patent eligibility under 35 U.S.C. § 101. In the first step, "[w]e must first determine whether the claims at issue are directed to a patent-ineligible concept." *Alice*, 134 S. Ct. at 2355. The Examiner determines the claims are directed to the abstract idea of processing a transaction, which is a fundamental economic concept. Final Act. 3 *see also* Ans. 4 (similarly determining the claims are directed to the

abstract idea of "a financial transaction conducted by an employee"). Appellants argue the Examiner oversimplifies the analysis because

> the focus of the claims and the invention is not just on merely processing a transaction, but is instead on how to provide different types of information (e.g., basic transaction data and enhanced data) in a coordinated and timely manner such that the requirements of reconciliation and matching of the different types of data can be avoided.

App. Br. 8–9 (citing Spec. ¶ 6). According to Appellants, "the claims are not merely directed to processing a transaction, but are instead directed to coordinated and timely reporting of different types of information." App. Br. 9 (citing Spec. ¶ 9); *see also* Reply Br. 2 ("the focus of the claims and the invention is on . . . providing different types of information (e.g., basic transaction data and enhanced data) in a coordinated and timely manner . . .").

We are not persuaded the claims are directed to patent eligible subject matter. The claims describe receiving an authorization request, including financial transaction data and enhanced data, storing the financial transaction data and related enhanced data, transmitting the financial transaction data and related enhanced data to a reporting computer, transmitting the authorization request to a financial transaction facilitator, and transmitting an authorization request message including the financial transaction data. We agree with the Examiner the claims are directed to the abstract idea of processing a transaction, which is a fundamental economic concept. *E.g.*, claim 1 ("[a] system for processing a financial transaction . . ."); claim 11 ("[a] method of processing a financial transaction . . .").

Further, Appellants' description of the claims as "directed to coordinated and timely reporting of different types of information" (App.

Br. 9) further supports that the claims are directed to an abstract idea as the claims recite the financial transaction data and related enhanced data are received, stored, and transmitted to a reporting computer, activities that fall squarely within the realm of abstract ideas. *See, e.g.*, *In re Salwan*, 681 F. App'x 938, 941 (Fed. Cir. 2017) (affirming the rejection under § 101 of claims directed to "storing, communicating, transferring, and reporting patient health information," noting that "while these concepts may be directed to practical concepts, they are fundamental economic and conventional business practices"); *Electric Power Group, LLC v. Alstom S.A.*, 830 F.3d 1350, 1353–54 (Fed. Cir. 2016) ("we have treated collecting information, including when limited to particular content (which does not change its character as information), as within the realm of abstract ideas"); *Content Extraction and Transmission LLC v. Wells Fargo Bank, Nat. Ass'n*, 776 F.3d 1343, 1347 (Fed. Cir. 2014) ("[t]he concept of data collection, recognition, and storage is undisputedly well-known"); *Cyberfone Systems, LLC v. CNN Interactive Grp, Inc.*, 558 F. App'x 988, 992 (Fed. Cir. 2014) (nonprecedential) ("using categories to organize, store, and transmit information is well-established"). "Adding one abstract idea . . . to another abstract idea . . . does not render the claim non-abstract." *RecogniCorp, LLC v. Nintendo Co.*, 855 F.3d 1322, 1327 (Fed. Cir. 2017).

In the second step of the *Alice* analysis, 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, 78–79 (2012)). In other words, the second step is to "search for an 'inventive concept' – i.e.,

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.'" *Id.* (alteration in original) (quoting *Mayo*, 566 U.S. at 72–73).

The Examiner determines the claims amount to no more than mere instructions to implement the idea on a computer, and recitation of generic computer structure (e.g., processor, memory, user specific computers) that perform generic computer functions that are well-understood, routine, and conventional activities. Final Act. 4; *see also* Ans. 9–10.

Appellants argue the claims provide improvements to the functioning of the computer, namely, that "the claims recite techniques to provide financial transaction data and enhanced data to a reporting computer in a coordinated and timely manner such that the reporting computer is not required to match the different types of data" by "transmitting the financial transaction data and the enhanced data together to the reporting computer as part of the authorization process." App. Br. 10. According to Appellants, because the reporting computer is not required to perform matching of the different types of data, this "reduces the processing load at the reporting computer, and thus improves the functioning of the reporting computer." App. Br. 10. Appellants argue conventional systems do not perform such features and "a claim can still be patent eligible, even if all the claimed steps or functions can be performed by a generic computer." App. Br. 11–12.

We are not persuaded. The claims do not focus on an improvement in the functioning of a computer, but instead, focus on the abstract idea (e.g., receiving, storing, and transmitting data) that uses generic computing elements. *See Electric Power*, 830 F.3d at 1354 (explaining that claims

directed to computerized collecting, analyzing, and displaying information were different from the claims in *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327 (Fed. Cir. 2016): "the focus of the claims is not on such an improvement in computers as tools, but on certain independently abstract ideas that use computers as tools"). The claims recite a memory, processor, processing module, and reporting computer, i.e., generic components.

Indeed, Appellants have not directed our attention to anything in the Specification that shows, nor can we find, any specialized computer hardware is required. *See* Spec. ¶¶ 25–27. Nor have Appellants persuasively argued why the functions performed in the claims – receiving, storing, and transmitting data – are not routine, conventional, and well-known functions of a generic computer. *See buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1355 (Fed. Cir. 2014) ("[t]hat a computer receives and sends the information over a network—with no further specification—is not even arguably inventive"); *In re TLI Communications LLC Patent Litigation*, 823 F.3d 607, 614 (Fed. Cir. 2016) (server that receives data, extracts classification information from the received data, and stores the digital images is insufficient to add an inventive concept). The computers in *Alice* were receiving, storing, and sending information over networks connecting the intermediary to the other institutions involved, and the Court found the claimed role of the computers insufficient. 134 S. Ct. at 2359–60; s*ee also CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1370 (Fed. Cir. 2011) (use of Internet to verify credit card transaction does not add enough to the abstract idea of verifying the transaction).

We disagree with Appellants that the claims are similar to those in *BASCOM Global Internet Services, Inc. v. AT&T Mobility LLC*, 827 F.3d

1341, 1349–52 (Fed. Cir. 2016), and *Amdocs (Israel) Ltd. v. Openet Telecom, Inc.*, 841 F.3d 1288, 1294 (Fed. Cir. 2016). *See* App. Br. 10–12; Reply Br. 3–5. Appellants' premise is that transmitting the financial data and related enhanced data together reduces the processing load at the reporting computer because the reporting computer is not required to match the different types of data. App. Br. 10; Reply Br. 3–4.

In *BASCOM*, the claims were generally directed to filtering content. 827 F.3d at 1348. Although the Court determined the claims recited generic computer, network, and Internet components that were not inventive by themselves, it found the ordered combination of the limitations provided the requisite inventive concept. *Id.* at 1349–50 ("[A]n inventive concept can be found in the non-conventional and non-generic arrangement of known, conventional pieces."). The patent in *BASCOM* extensively claimed and explained how a particular arrangement of elements was "a technical improvement over prior art ways of filtering such content." *Id.* at 1350 (E.g., "According to BASCOM, the inventive concept harnesses this technical feature of network technology in a filtering system by associating individual accounts with their own filtering scheme and elements while locating the filtering system on an ISP server.").

In *Amdocs*, the pertinent claim included language describing "computer code for using the accounting information with which the first network accounting record is correlated to *enhance* the first network accounting record." 841 F.3d at 1299 (emphasis added). The Court construed the term "enhance" as being dependent on the invention's distributed architecture, which was described in the Specification as a critical advancement over the prior art. *Id.* at 1300–1301. The Court,

accordingly, found "this claim entails an unconventional technological solution (enhancing data in a distributed fashion) to a technological problem (massive record flows which previously required massive databases)." *Id.* at 1301. Therefore, although generic computers were involved, "the claim's enhancing limitation necessarily requires that these generic components operate in an unconventional manner to achieve an improvement in computer functionality." *Id.* at 1300–1301.

In both *Amdocs* and *BASCOM*, there existed substantial argument and support from the Specification concerning the argued "inventive concept." Here, Appellants offer no persuasive evidence that the recited devices operate in any other than a conventional matter. *See, e.g.*, *See Intellectual Ventures I LLC v. Capital One Bank (USA)*, 792 F.3d 1363, 1370 (Fed. Cir. 2015) ("[M]erely adding computer functionality to increase the speed or efficiency of the process does not confer patent eligibility on an otherwise abstract idea."); *Bancorp Servs., L.L.C v. Sun Life Assurance Co. of Can. (U.S.)*, 687 F.3d 1266, 1278 (Fed. Cir. 2012) ("[T]he fact that the required calculations could be performed more efficiently via a computer does not materially alter the patent eligibility of the claimed subject matter."); *OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1363 (Fed. Cir. 2015) (relying on a computer to perform routine tasks more quickly or more accurately is insufficient to render a claim patent-eligible).

Appellants also argue "the Office Action acknowledges that the claims 'are found to be non-obvious over the prior art of record' . . . [so] it seems at a minimum, the claims would be considered 'new' when taking into account the claim as a whole and as an ordered combination." App. Br. 10–11. This argument is not persuasive. The second step in the *Alice*

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. at 89–90; *Parker v. Flook*, 437 U.S. 584, 588–95 (1978).

Accordingly, we are not persuaded the Examiner erred in rejecting claims 1–17, 19, 20, and 23–25 under 35 U.S.C. § 101 and, therefore, sustain the Examiner's rejection.

## DECISION

The Examiner's 35 U.S.C. § 101 rejection of claims 1–17, 19, 20, and 23–25 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)(1)(iv).

AFFIRMED