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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte RUPA MANKAD, MAHANTESH MUKARTIHAL,
and RAMIRO MUNOZ

Appeal 2017-002920
Application 13/965,664¹
Technology Center 3600

Before JOHN A. EVANS, LARRY J. HUME, and CARL L. SILVERMAN,
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 1–8, 11–14, 16, 18, and 20–22, which are all claims pending in the application. Appellants have canceled claims 9, 10, 15, 17, and 19. We have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.

¹ According to Appellants, the real party in interest is Citibank, N.A. Br. 3.

STATEMENT OF THE CASE²

The Invention

Appellants' disclosed embodiments and claimed invention "relate[] generally to the field of transactional risk management, and more particularly to methods and systems for assessing and managing transactional risk." Spec. ¶ 1.

Exemplary Claim

Claim 1, reproduced below, is representative of the subject matter on appeal:

1. A method for managing transactional risk, comprising:

receiving, using a processor coupled to memory, payment transaction information by a financial institution for executing a payment by the financial institution for a customer of the financial institution to a payee;

assessing, using the processor, the payment transaction information by the financial institution before executing the payment for the customer of the financial institution to the payee for a predetermined level of risk based at least in part on a payment transaction history of the customer of the financial institution;

providing, using the processor, a report of the predetermined level of risk by the financial institution to the customer of the financial institution before executing the

² Our decision relies upon Appellants' Appeal Brief ("Br.," filed Jan. 11, 2016); Examiner's Answer ("Ans.," mailed June 29, 2016); Final Office Action ("Final Act.," mailed Aug. 4, 2015); and the original Specification ("Spec.," filed Aug. 13, 2013). We note Appellants did not file a Reply Brief in response to the factual findings and legal conclusions in the Examiner's Answer.

payment for the customer of the financial institution to the payee;

receiving, using the processor, a decision by the financial institution from the customer of the financial institution for approval or denial of executing the payment for the customer of the financial institution to the payee before executing the payment by the financial institution; and

executing, using the processor, the payment by the financial institution for the customer of the financial institution to the payee according to predefined processing instructions of the customer of the financial institution if a decision approving execution of the payment is received by the financial institution from the customer of the financial institution and declining execution of the payment if a decision denying execution of the payment is received by the financial institution from the customer of the financial institution.

Rejection on Appeal

Claims 1–8, 14, 15, 18, and 23–30 stand rejected under 35 U.S.C. § 101 as being directed to patent-ineligible subject matter. Final Act. 5.

CLAIM GROUPING

Based on Appellants' arguments (Br. 8–18), we decide the appeal of the patent-ineligible subject matter rejection of claims 1–8, 14, 15, 18, and 23–30 on the basis of representative claim 1.³

³ "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 Appellants do 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).

ISSUE

Appellants argue (*id.*) 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

In reaching this decision, we consider all evidence presented and all arguments actually made by Appellants. To the extent Appellants have 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 Appellants' arguments with respect to claim 1 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 Appellants' arguments. We highlight and address specific findings and arguments regarding claim 1 for emphasis as follows.

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 Corp.*, 134 S. Ct. at 2354.

The Supreme Court's two-part *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." *Alice Corp.*, 134 S. Ct. at 2354 (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). Although 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).

In *Enfish*, our reviewing court held claims directed to a self-referential logical model for a computer database patent-eligible under step one of *Alice*. *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1330 (Fed.

Cir. 2016). The disclosed technique enabled faster searching and more effective storage of data than previous methods. *Id.* at 1333. The court found the claims directed to "a specific improvement to the way computers operate, embodied in the self-referential table" (*id.* at 1336), and explained that the claims are "not simply directed to *any* form of storing tabular data, but instead are specifically directed to a *self-referential table* for a computer database" that functions differently than conventional databases. *Id.* at 1337.

In *McRO*, the claims were not held to be abstract because they recited a "specific . . . improvement in computer animation" using "unconventional rules that relate[d] sub-sequences of phonemes, timings, and morph weight sets." *McRO, Inc. v. Bandai Namco Games Am. Inc.*, 837 F.3d 1299, 1302–03, 1307–08, 1314–15 (Fed. Cir. 2016). In *McRO*, "the incorporation of the claimed rules, not the use of the computer," improved an existing technological process. *Id.* at 1314.

However, our reviewing court 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 Tex., 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

The Examiner concludes the claims "are directed to receiving transaction information from a customer, assessing a level of risk, sending a report of level of risk and then potentially executing the transaction. This is considered to be an abstract idea inasmuch as such activity is considered a fundamental economic practice." Final Act. 5. Further, "the invention is nothing more than human and mental steps aided by a computer . . . [and thus], it is nonstatutory." Ans. 5.

Appellant generally contends the § 101 rejection of claim 1 "lacks evidence, articulated reasoning and analysis . . . to establish a basis for alleging that the claims are directed to an abstract idea." Br. 8. More specifically, Appellant argues "the Examiner must provide documentary

evidence to support a conclusion that the claims are directed to a judicial exception. Br. 9. "As to the role of evidence, the Examiner must cite authoritative documentary evidence, such as textbooks or similar publications to support a conclusion that a claim recites a judicial exception or that certain practices are well known, conventional or routine." *Id.*

"[T]he Examiner's allegation that applicants' claimed invention is an 'abstract idea' is in direct conflict with the clear reasoning of the Court in *Alice Corp.* To establish that an idea is abstract, the Examiner must show that the idea is 'fundamental' in the sense of being 'long-standing' and 'prevalent,' following the statements of the Supreme Court in *Alice Corp.*" Br. 10.

Appellants' argument concerning the absence of evidence supporting the § 101 rejection also does not persuade us of Examiner error. "Patent eligibility under § 101 presents an issue of law." *Accenture Glob. Servs., GmbH v. Guidewire Software, Inc.*, 728 F.3d 1336, 1340 (Fed. Cir. 2013). There is no requirement that an examiner cite evidentiary support to conclude that a claim is directed to a patent-ineligible concept, such as an abstract idea.

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. *Rapid Litig. Mgmt. v. CellzDirect*, 827 F.3d 1042, 1047, 119 USPQ2d 1370, 1372 (Fed. Cir. 2016); *OIP Techs. v. Amazon.com*, 788 F.3d 1359, 1362, 115 USPQ2d 1090, 1092 (Fed. Cir. 2015); *DDR Holdings v. Hotels.com*, 773 F.3d 1245, 1255, 113 USPQ2d 1097, 1104 (Fed. Cir. 2014); *In re Roslin Institute (Edinburgh)*, 750 F.3d 1333, 1335, 110 USPQ2d 1668, 1670 (Fed. Cir. 2014); *In re Bilski*, 545 F.3d 943, 951, 88 USPQ2d 1385, 1388 (Fed. Cir. 2008) (*en banc*), *aff'd by Bilski v. Kappos*, 561 U.S. 593, 95 USPQ2d 1001 (2010). Thus, the court does not require "evidence" that a claimed concept is a

judicial exception, and generally decides the legal conclusion of eligibility without resolving any factual issues. *FairWarning IP, LLC v. Iatric Sys.*, 839 F.3d 1089, 1097, 120 USPQ2d 1293, 1298 (Fed. Cir. 2016) (citing *Genetic Techs. Ltd. v. Merial LLC*, 818 F.3d 1369, 1373, 118 USPQ2d 1541, 1544 (Fed. Cir. 2016)); *OIP Techs.*, 788 F.3d at 1362, 115 USPQ2d at 1092; *Content Extraction & Transmission LLC v. Wells Fargo Bank, N.A.*, 776 F.3d 1343, 1349, 113 USPQ2d 1354, 1359 (Fed. Cir. 2014).

MPEP § 2106.07(a) (III).

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 for managing transactional risk." Claim 1 (preamble). Method claim 1's limitations also require the steps of:

- (a) "receiving . . . payment transaction information . . .";
- (b) "assessing . . . the payment transaction . . . before executing the payment . . . for a predetermined level of risk based at least in part on a payment transaction history of the customer . . . ;"
- (c) "providing . . . a report of the predetermined level of risk . . . before executing the payment";
- (d) "receiving . . . a decision by the financial institution . . . for approval or denial of executing the payment . . . before executing the payment . . . ;" and
- (e) executing . . . the payment . . . to the payee according to . . . instructions . . . if a decision approving execution of the payment is received . . . and declining execution of the payment if a decision denying execution of the payment is received."

Our reviewing courts have often identified abstract ideas by referring to earlier precedent, e.g., by comparing a claimed concept to the concepts previously identified as abstract ideas by the courts. *Amdocs (Israel), Ltd. v. Openet Telecom, Inc.*, 841 F.3d 1288, 1294 (Fed. Cir. 2016); *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1334 (Fed. Cir. 2016). For example, in *Alice*, the Supreme Court identified the claimed systems and methods as describing the concept of intermediated settlement, and then compared this concept to the risk hedging concept identified as an abstract idea in *Bilski*. Because this comparison revealed "no meaningful distinction between the concept of risk hedging in *Bilski* and the concept of intermediated settlement at issue here", the Court concluded that the concept of intermediated settlement was an abstract idea. *Alice*, 134 S. Ct. at 2356-57. Similarly, the Federal Circuit in *Amdocs* compared the claims at issue with "eligible and ineligible claims of a similar nature from past cases" as part of its eligibility analysis. 841 F.3d at 1295-1300.

Under step one, we agree with the Examiner that the invention claimed in independent claim 1 is directed to an abstract idea, i.e., managing payment transaction risk, which we also conclude is a fundamental economic practice or, alternatively, can be considered either a method of organizing human activity or an idea of itself. *See* Ans. 6 ("In this case, there is no dispute as to what is being claimed, only whether what is being claimed is abstract or not. The claim receives transaction information, determines a level of risk for the customer, and then decides whether or not to allow the transaction. The examiner maintains that this is a simple,

fundamental economic practice using routine functions well-known and understood in this area.").⁴

As the Specification discloses, "[t]he present invention relates generally to the field of transactional risk management, and more particularly to methods and systems for assessing and managing transactional risk." Spec. ¶ 1.⁵ We find this type of activity, i.e., managing payment transaction risk, for example, 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*.").⁶

⁴ We acknowledge there can be considerable overlap in the classification of an abstract idea. For example, mitigating payment transaction risk can be analogized to mitigating settlement risk as in *Alice*, which either can be considered a fundamental economic practice or a method of organizing human activity. Additionally, comparing data to determine a risk level as in *PerkinElmer, Inc. v. Intema Ltd.*, 496 Fed. Appx. 65 (Fed. Cir. 2012) (non-precedential) can be considered an abstract idea as "an idea of itself."

⁵ *See also* Spec. 18 ("Abstract"):

Methods and systems for managing transactional risk involve, for example, receiving and assessing, using a processor coupled to memory, entity payment transaction information for a predetermined level of risk based at least in part on a payment transaction history of the entity. Likewise using the processor, a report of the predetermined level of risk may be generated, and the payment transaction may be processed for the entity according to predefined processing instructions of the entity.

⁶ *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.

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*, the Federal Circuit continues 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*, 830 F.3d at 1353–54 (collecting information and "analyzing information by steps people go through in their 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). Also, collecting and comparing known information has been determined to be an abstract idea. *Classen Immunotherapies, Inc. v. Biogen IDEC*, 659 F.3d 1057, 1067 (Fed. Cir. 2011) ("Claim 1 of the #283 patent states the idea of collecting and comparing known information"). 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).

Appellants suggest claim 1 is patent-eligible because its practice does not preempt or tie up practice by others. Br. 15–16. We disagree with Appellants' argument. See *buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1355 (Fed. Cir. 2014) (collecting cases); *Accenture Global Servs., GmbH v. Guidewire Software, Inc.*, 728 F.3d 1336, 1345 (Fed. Cir. 2013); *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, in *Intellectual Ventures I*, similar at least in some respects to the claims before us on appeal, tailoring content based on information about the user has also been determined as being directed to an abstract idea and, thus, patent-ineligible.

At step one of the *Alice* framework, it is often useful to determine the breadth of the claims in order to determine whether the claims extend to cover a "fundamental . . . practice long prevalent in our system" *Alice*, 134 S. Ct. at 2356. As noted, the claim relates to customizing information based on (1) information known about the user and (2) navigation data [T]ailoring is "a fundamental . . . practice long prevalent in our system" *Id.* There is no dispute that newspaper inserts had often been tailored based on information known about the customer—for example, a newspaper might advertise based on the customer's location. Providing this minimal tailoring—e.g.,

providing different newspaper inserts based upon the location of the individual—is an abstract idea.

Intellectual Ventures I LLC v. Capital One Bank (USA), 792 F.3d 1363, 1369 (Fed. Cir. 2015).

Therefore, in agreement with the Examiner, we conclude claim 1 involves nothing more than identifying, collecting, storing, comparing, and generating data — an abstract idea. *See Elec. Power Grp.*, 830 F.3d at 1354.⁷

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.

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

⁷ 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).

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.

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 managing payment transaction risk into a patent-eligible application of that abstract idea. *See* Final Act. 6.⁸

We note the patent eligibility inquiry may contain underlying issues of fact. *Mortg. Grader, Inc. v. First Choice Loan Servs. Inc.*, 811 F.3d 1314, 1325 (Fed. Cir. 2016). In particular, "[t]he question of whether a claim element or combination of elements is well-understood, routine and

⁸ The Examiner concludes:

The elements of the instant process, when taken alone, each execute in a manner routinely and conventionally expected of these elements. The elements of the instant process, when taken in combination, together do not offer substantially more than the sum of the functions of the elements when each is taken alone. That is, the elements involved in the recited process undertake their roles in performance of their activities according to their generic functionalities which are well-understood, routine and conventional. The elements together execute in routinely and conventionally accepted coordinated manners and interact with their partner elements to achieve an overall outcome which, similarly, is merely the combined and coordinated execution of generic computer functionalities which are well-understood, routine and conventional activities previously known to the industry.

Final Act. 6.

conventional to a skilled artisan in the relevant field is a question of fact." *Berkheimer*, 881 F.3d at 1368.

As evidence of the conventional nature of the claimed network components and processes, we note the Examiner's citation to Appellant's Specification in paragraphs 19, 23–24, and 35–38. For example:

Physical computer hardware machines employed in embodiments of the invention comprise, for example, input/output devices, motherboards, processors, logic circuits, memory, data storage, hard drives, network connections, monitors, and power supplies. Such physical computer hardware machines include, for example, user machines and server machines that may be coupled to one another via a network, such as a local area network, a wide area network, or a global network through telecommunications channels which may include wired or wireless devices and systems.

Spec. ¶19.

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.⁹

⁹ 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).

Further, Appellants' reliance on *DDR* (Br. 15) 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" (claim 1 of US 7,818,399). The Federal Circuit found the claims in *DDR* to be patent-eligible under step one of the *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." *DDR Holdings*, 773 F.3d 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. ¶¶ 19, 23–24, and 35–38.

With respect to the Step 2 analysis, we agree with the Examiner because, as in *Alice*, the recitation of a "method for managing transactional risk" using a "processor" and a "memory" (claim 1) is simply not enough to transform the patent-ineligible abstract idea here into a patent-eligible invention. *See Alice*, 134 S. Ct. at 2357 ("[C]laims, which merely require generic computer implementation, fail to transform [an] abstract idea into a patent-eligible invention.").¹⁰

¹⁰ Appellant merely alleges "the claimed invention provides a significant improvement to the function of a firm's processors by providing entities' processors access via web portal, for example, to internal processing engines, rules engines, risk engines, and alerting engines to generate risk warnings, notices and alerts." Br. 15. We note Appellants' arguments are not

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 2–8, 14, 15, 18, and 23–30, not argued separately, and which fall therewith. *See* Claim Grouping, *supra*.

CONCLUSION

The Examiner did not err with respect to the patent-ineligible subject matter of claims 1–8, 14, 15, 18, and 23–30 under 35 U.S.C. § 101, and we sustain the rejection.

DECISION

We affirm the Examiner's decision rejecting claims 1–8, 14, 15, 18, and 23–30.

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

commensurate with the scope of the claims, which do not recite such limitations.