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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
13/477,811	05/22/2012	Lucy M. Zhao	70481.563 (P1518US1)	1099
132906	7590	06/18/2018	EXAMINER	
Haynes & Boone, LLP (70481) 2323 Victory Ave. #700 Dallas, TX 75219			AIRAPETIAN, MILA	
			ART UNIT	PAPER NUMBER
			3625	
			NOTIFICATION DATE	DELIVERY MODE
			06/18/2018	ELECTRONIC

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

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte LUCY M. ZHAO

Appeal 2017-003102
Application 13/477,811
Technology Center 3600

Before MAHSHID D. SAADAT, ALLEN R. MacDONALD, and
JOHN P. PINKERTON, *Administrative Patent Judges*.

SAADAT, *Administrative Patent Judge*.

DECISION ON APPEAL

Appellant¹ appeals under 35 U.S.C. § 134(a) from the Examiner's Final Rejection of claims 1–21. We have jurisdiction under 35 U.S.C. § 6(b).

We affirm.

¹ According to Appellant, the real party in interest is PayPal, Inc. (App. Br. 2).

STATEMENT OF THE CASE

Appellant's disclosure describes a method and system for providing a user with a previous shopping list that was used at a location where the user is presently shopping. Spec. 1:9–10. Exemplary claim 8 under appeal reads as follows:

8. A method comprising:

storing, in a memory, account information for a user, the account information including a list of shopping locations for the user and a list of products previously purchased at each of the shopping locations;

receiving a request from the user launching a mobile app from a user device;

detecting, electronically by a Global Positioning System (GPS) device included with the user device of the user, a location of the user device of the user;

determining, electronically by one or more processor(s), a present shopping location of the user based on the location of the user device of the user;

receiving, electronically by the processor(s) from the user device via an electronic communication network, a communication from the user including a request for a list of products previously purchased related to the present shopping location;

accessing, electronically by the processor(s), the account information of the user;

finding, electronically by the processor(s), the present shopping location from the list of shopping locations;

retrieving, electronically by the processor(s), the list of products previously purchased at the present shopping location;

retrieving, electronically by the processors(s), prices of a list of products previously purchased at another shopping location different from the present shopping location; and

communicating, electronically by the processor(s) via the electronic communication network, the list of products previously purchased related to the present shopping location along with the prices of the list of products previously purchased at the another shopping location to the user device of the user to be displayed at the user device.

REJECTION

Claims 1–21 stand rejected under 35 U.S.C. § 101 as not being directed to patent-eligible subject matter. *See* Final Act. 5–6.

PRINCIPLES OF LAW

The Supreme Court has set forth “a framework for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of those concepts.” *Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 134 S. Ct. 2347, 2355 (2014) (citing *Mayo Collaborative Services v. Prometheus Labs., Inc.*, 132 S. Ct. 1289, 1294 (2012)). According to this framework, a determination is made to consider whether the claims at issue are directed to one of those concepts (i.e., laws of nature, natural phenomena, and abstract ideas). *See id.* If so, a further determination must be made to 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. *Id.*

ANALYSIS

We have reviewed the Examiner's rejections in light of Appellant's arguments (Appeal Brief) that the Examiner has erred. We are unpersuaded by Appellant's contentions and concur with the findings and conclusions reached by the Examiner as explained below.

Independent claims 1, 8, and 15 recite a system, a method, and a computer program product for location-based shopping, and are, therefore, directed to one of the four statutory categories of patentability enumerated by 35 U.S.C. § 101 (process, machine, manufacture, or composition of matter). *See* Final Act. 5. Applying the first part of the *Alice* analysis, the Examiner finds the claims are directed to the abstract idea of location-based shopping (“a method of organizing human activities involving mathematical correlations”). *See id.*; *see also* Ans. 3–4. Applying the second part of the *Alice* analysis, the Examiner finds the additional elements or combination of elements in the claim other than the abstract idea itself amount to no more than the application of the abstract idea on a generic computer. *See* Final Act. 6; *see also* Ans. 4–5. The Examiner made similar findings regarding dependent claims 2–7, 9–14, and 16–21. *See* Final Act. 5–6; *see also* Ans. 4–5.

According to the first step of the *Alice* analysis, we must determine “whether the claims at issue are directed to one of those patent-ineligible concepts,” including abstract ideas. *Alice*, 134 S. Ct. at 2355. In performing this determination, we ask whether the focus of the claims is on a specific asserted improvement in computer capabilities or, instead, on a process that qualifies as an “abstract idea” for which computers are invoked merely as a

tool. *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1335–36 (Fed. Cir. 2016) (citing *Alice*, 134 S. Ct. at 2358–59).

Appellant argues the Final Office Action provides no evidence or reasons to support the conclusion that the claims correspond to an abstract idea and simply makes the conclusory statement that the claims are “directed to the abstract idea of location-based shopping which is a method of organizing human activities involving mathematical correlations.” *See* App. Br. 9–11 (citing Final Act. 5). Appellant additionally argues the claims are not directed to an abstract idea because the claimed system is not merely a generic computer that performs conventional steps of a mathematical correlation. *See* App. Br. 11. Instead, Appellant argues that the claimed system is specifically configured to perform specific operations, including determining a present location of a user and communicating, to the user, a list of products previously purchased and related to the present location and prices of the products at another location. *See id.* Appellant further argues the claims are directed to a solution necessarily rooted in computer technology to overcome a problem specifically arising in the realm of computer networks, similar to the claims at issue in *DDR Holdings, LLC v. Hotels.com*, 773 F.3d 1245, 1257 (Fed. Cir. 2014), which were also held to be patent-eligible. *See* App. Br. 12.

We are not persuaded by Appellant’s arguments. Considering the recited elements of the claims in light of Appellants’ Specification, we agree with the Examiner’s finding that the claims are directed to an abstract idea of location-based shopping. *See* Final Act. 5–6; *see also* Ans. 3–4. In particular, we find the claim elements recite steps for storing, accessing, communicating, and displaying location-based shopping information (i.e.,

list of products previously purchased at the present shopping location and prices of a list of products previously purchased at another shopping location different from the present shopping location). Based on the recited elements, the claims are directed to storing, analyzing, communicating, and displaying location-based shopping information, which is an idea of itself and which is similar to abstract ideas previously identified by the courts. *See e.g., Elec. Power Grp LLC v. Alstom S.A.*, 830 F.3d 1350, 1353–54 (Fed. Cir. 2016) (holding that claims involving collecting and analyzing information and displaying results of the collection and analysis are drawn to an unpatentable abstract idea). Further, the recited claim elements could occur outside the context of computer technology (*e.g.*, the storing, analyzing, communicating and displaying of the location-based shopping information can be implemented using pen and paper), and thus, constitute a mental process, which is another form of an abstract idea. *See* Ans. 4.

Appellant’s argument that the Examiner provided no evidentiary support that the claims are directed to an abstract idea is unpersuasive. As discussed above, the Examiner has shown that the claims are similar to claims that the courts have previously identified as being directed to abstract ideas. Thus, the Examiner did not err in finding the claims are directed to an abstract idea.

We also disagree with Appellant’s argument that the claims are similar to the claims in *DDR* because the claims are necessarily rooted in computer technology to overcome a problem specifically arising in the realm of computer networks. Appellant characterizes the problem to be solved as comparison shopping and the related solution in the form of presenting to a user at a shopping location, through a computer network, products at the

shopping location and prices of the products offered at another shopping location. *See* App. Br. 12. Appellant further characterizes the solution as allowing a user to virtually be present at two different locations at the same time, which overcomes the problem that it is impossible for the user to physically be at two different locations at the same time. *Id.* However, Appellant’s characterization of the claimed solution is not commensurate with the scope of the claims, as the claims recites that “prices of a list of products previously purchased at another shopping location different from the present shopping location,” and thus, the prices are limited to prices of products *previously purchased by the user at the other shopping location*. Claim 1. Thus, the claimed solution is merely a computer-implementation of a manual process. For example, using a pen and paper, the user could write down the prices of products previously purchased at the other location and analyze the written-down prices at the current location. Thus, consistent with the Examiner’s findings, the claims attempt to overcome a problem that arises in a business context, rather than an Internet-centric context, using a generic computer, and therefore, the claims are not necessarily rooted in computer technology. *See* Ans. 6.

Because we conclude that the claims are directed to an abstract idea, we turn to the next step of the *Alice* analysis. In step two, as previously discussed, we consider the elements of the claims “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).

Here, Appellant argues the Final Office Action has failed to satisfy the burden for a *prima facie* case that the claims do not recite substantially more

than an abstract idea. *See* App. Br. 14. Appellant further argues, even assuming *arguendo* that the claims are directed to an abstract idea, the claims recite computer components that, in combination, perform non-generic functions that amount to significantly more than an abstract idea. *See* App. Br. 14–15. Appellant additionally argues the claims amount to significantly more than an abstract idea when all claims features are considered, either individually or in an ordered combination, as evidenced by the fact that the claims recite limitations not seen in the cited prior art. *See* App. Br. 15–16. Furthermore, Appellant argues the claims are analogous to patent-eligible claims as indicated by various subject-matter eligibility guidelines issued by the Patent and Trademark Office (“Office”), and as indicated by the Patent Trial and Appeal Board (“Board”) in *Ex Parte Scott*, Appeal 2012-009834 (March 12, 2015). *See* App. Br. 16–19.

We are not persuaded that the Examiner erred. Considering the recited elements of the claims in light of Appellant’s Specification, we agree with the Examiner’s findings that the claims merely recite a generic system (e.g., a system comprising a memory and processors, a user device for launching a mobile app, a Global Positioning System (GPS) for detecting a location of a user, and an electronic communication network for receiving and communicating information) for carrying out the abstract idea (i.e., location-based shopping). *See* Ans. 4–5. We further agree with the Examiner’s findings that, taking the elements of the claims both individually and as a combination, the computer components of the generic system perform purely generic computer functions. *See id.* Therefore, considering the elements of the claims both individually and in combination, we

conclude there are no additional elements that transform the nature of the claims into a patent-eligible application. *See Alice*, 134 S. Ct. at 2355.

We have considered Appellant’s arguments, but we conclude Appellant has not provided persuasive evidence or arguments that the claim elements, either individually or as a combination, improve the functionality of a computer or any other technology, or otherwise recite an inventive concept that transforms the nature of the claims into something significantly more than the aforementioned abstract idea. In particular, Appellant alleges the claim features facilitate electronic transactions between a user and a merchant which reduces transaction overhead, but this alleged improvement is merely an improvement to a manual process via the implementation of the process on a generic computer system. Further, Appellant’s argument that the claims recite limitations not seen in the cited prior art is not persuasive, as the argument conflates the novelty and non-obviousness tests under 35 U.S.C. §§ 102, 103 with the patent-eligibility test under 35 U.S.C. § 101. *See Ans. 7.*

Regarding Appellant’s argument that the claims are similar to the claims in Example 4 of the Office’s 2014 Interim Guidance on Subject Matter Eligibility (“2014 Guidance”), the 2014 Guidance is not binding on this panel. But even assuming *arguendo* that the 2014 Guidance is binding, the claims in Example 4 of the 2014 Guidance are different than the claims at issue in the present appeal. In Example 4 of the 2014 Guidance, the claims were directed to a mathematical algorithm utilized by a GPS device to improve the global positioning service provided by the GPS device. *See* 2014 Guidance, Examples: Abstract Ideas at 12–13. In the present claims, the abstract idea of location-based shopping (*i.e.*, the storing, analyzing,

communicating, and displaying of location-based shopping information) does not improve the global positioning service provided by the recited GPS device, or otherwise improve the recited GPS device. Instead, the process recited in the claim merely utilizes the conventional functionality of the GPS device to determine user location information.

With respect to Appellant’s argument that the claims are similar to the claims in Example 21 of the Office’s July 2015 Update on the Interim Eligibility Guidance (“2015 Guidance Update”), once again, the 2015 Guidance Update is not binding on this panel. But even assuming *arguendo* that the 2015 Guidance Update is binding, the claims in Example 21 of the 2015 Guidance Update are also different than the present claims. In Example 21 of the 2015 Guidance Update, the claimed invention addressed an Internet-centric challenge of alerting a subscriber with time sensitive information when a subscriber’s computer is offline by transmitting an alert over a wireless communication channel to activate a stock view application, which in turn causes an alert to display and enables a connection of a remote subscriber computer to a data source over the Internet when the remote subscriber computer comes online. *See* 2015 Guidance Update Appendix 1: Examples at 3–5. Thus, the claims in that example solve an Internet-centric problem with a claimed solution that is necessarily rooted in computer technology. In contrast, the present claims are merely directed to an attempt to overcome a problem (*i.e.*, providing a location-based shopping list of products) that arises in a business context and does not necessarily involve computer-related technology.

Regarding Appellant’s argument that the claims are similar to the claims in *Ex Parte Scott*, this decision has not been identified as a

precedential decision by the Board and thus, is not binding on the panel. However, even assuming *arguendo* that the decision is binding, the claims in *Ex Parte Scott* are different from the present claims. In *Ex Parte Scott*, the panel determined the claims amount to more than an abstract idea because the claims recited a specific way of displaying information (*i.e.*, receiving a first user input and a second user input simultaneously on a surface of a user interface, processing the first user input and the second user input to determine a change in a trend of operational data, and displaying a graphical representation of the trend in the user interface). *See Ex Parte Scott* at 6. In contrast, the present claims fail to recite a specific way of displaying a list of products and prices retrieved from account information stored in a memory.

Appellant additionally argues the claims do not tie up patent-ineligible subject matter. *See* App. Br. 13. This argument is not persuasive either, as the Federal Circuit has made clear that “the absence of complete preemption does not demonstrate patent eligibility” of a claim. *Ariosa Diagnostics, Inc. v. Sequenom, Inc.*, 788 F.3d 1371, 1379 (Fed. Cir. 2015); *see also* Ans. 7.

Appellant also argues the Examiner’s rejection in the Final Office Action failed to present a *prima facie* case that the dependent claims are not patent-eligible or to provide sufficient analysis with respect to the additional claim elements recited in the dependent claims. *See* App. Br. 20. We are not persuaded by this argument either. The Examiner’s findings that the claimed invention is directed to an abstract idea and does not amount to significantly more than the abstract idea, applies to all of the claims including the dependent claims. *See* Final Act. 5–6.

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Therefore, we are not persuaded the Examiner erred in finding claims 1–21 recite patent-ineligible subject matter. Accordingly, we sustain the rejection of claims 1–21 under 35 U.S.C. 101.

DECISION

We affirm the Examiner’s rejection of claims 1–21 under 35 U.S.C. § 101.

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