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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* DAVID KLEMM, PURVI JATIN GANDHI,  
STEFANIA DEL TOSTO, MICHAEL J. COWEN,  
VLADIMIR RYMCHUK, BENSAM JOYSON,  
STEPHEN ELDER, and JAMES GALLAGHER

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Appeal 2017-003472  
Application 14/152,225<sup>1</sup>  
Technology Center 3600

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Before ANTON W. FETTING, PHILIP J. HOFFMANN, and  
TARA L. HUTCHINGS, *Administrative Patent Judges*.

FETTING, *Administrative Patent Judge*.

DECISION ON APPEAL

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<sup>1</sup> According to Appellants, the real party in interest is MasterCard International Incorporated. Appeal Br. 2.

STATEMENT OF THE CASE<sup>2</sup>

David Klemm, Purvi Jatin Gandhi, Stefania Del Tosto, Michael J. Cowen, Vladimir Rymchuk, Bensam Joyson, Stephen Elder, and James Gallagher (Appellants) seek review under 35 U.S.C. § 134 of a final rejection of claims 1–20, the only claims pending in the application on appeal. We have jurisdiction over the appeal pursuant to 35 U.S.C. § 6(b).

The Appellants invented a way of scoring of payment transactions as part of a social game. Specification paragraph 1.

An understanding of the invention can be derived from a reading of exemplary claim 1, which is reproduced below (bracketed matter and some paragraphing added).

1. A computer-implemented method for facilitating a social game based upon scoring a payment transaction via a processing server, comprising:

[1] receiving,

electronically and from a plurality of consumers,  
registration information,

wherein the registration information comprises  
consumer registration data;

[2] storing,

in a consumer database,  
a plurality of consumer profiles based upon the received  
consumer registration data,

wherein each consumer profile includes data  
related to a consumer of the plurality of consumers

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<sup>2</sup> Our Decision will make reference to the Appellants' Appeal Brief ("App. Br.," filed April 14, 2016) and Reply Brief ("Reply Br.," filed December 19, 2016), and the Examiner's Answer ("Ans.," mailed October 21, 2016), and Final Action ("Final Act.," mailed November 20, 2015).

including at least a consumer identifier, contact information, and a team identifier;

[3] storing,

in a merchant database,

a plurality of merchant profiles,

wherein each merchant profile includes data related to a merchant including at least a merchant identifier and a plurality of team scores;

[4] receiving,

by a receiving device and from a merchant device associated with one of the plurality of merchant profiles,

an authorization request for a payment transaction,

wherein the authorization request includes at least a consumer identification, a merchant identification, and transaction data;

[5] identifying,

by a processing device and in the consumer database,

a specific consumer profile

where the included consumer identifier corresponds to the consumer identification;

[6] identifying,

by a processing device and in the merchant database,

a specific merchant profile

where the included merchant identifier corresponds to the merchant identification;

[7] identifying,

by the processing device,

a transaction score for the payment transaction using one or more scoring rules, based on the transaction data;

[8] updating,

by the processing device and in the specific merchant profile,

a team score of the plurality of team scores corresponding to the team identifier included in the specific consumer profile based on the transaction score;

and

[9] transmitting,

by a transmitting device and to a consumer device, a notification to the consumer related to the specific consumer profile,

wherein the consumer device to which the notification is transmitted is determined based on the included contact information

and

wherein the notification is based upon at least some of the identifying and updating steps.

The Examiner relies upon the following prior art:

Walker	US 6,128,599	Oct. 3, 2000
Hernblad	US 2004/0054592 A1	Mar. 18, 2004
Crinon	US 2012/0196646 A1	Aug. 2, 2012

Claims 1–20 stand rejected under 35 U.S.C. § 101 as directed to a judicial exception without significantly more.

Claims 1–17 and 19 stand rejected under 35 U.S.C. § 103(a) as unpatentable over Walker and Hernblad.

Claims 18 and 20 stand rejected under 35 U.S.C. § 103(a) as unpatentable over Walker, Hernblad, and Crinon.

## ISSUES

The issues of eligible subject matter turn primarily on whether the claims recite more than abstract conceptual advice of what a computer is to provide without implementation details.

The issues of obviousness turn primarily on whether the art applied describes the claim limitations.

## FACTS PERTINENT TO THE ISSUES

The following enumerated Findings of Fact (FF) are believed to be supported by a preponderance of the evidence.

### Facts Related to the Prior Art

#### Walker

01. Walker is directed to promoting the use of financial accounts. More particularly, Walker relates to a method and system which facilitates generating, communicating and managing a customized reward offer presented to a group of account holders to benefit an affinity group sponsor. Walker 1:16–21.
02. Walker describes a method and system to define, manage and evaluate group reward offers which are customized based on specific criteria of affiliated account holders and presented to an affinity group sponsor. Accordingly, affiliated account holders may be induced to exhibit behavior desired by an account issuer. Walker 2:40–45.
03. Walker promoting the use of a financial account which enables a credit card issuer to tailor targets and rewards based on affinity group characteristics. Walker 3:11–14.

04. Walker describes accessing transaction data associated with a financial account controlled by a member of an affinity group by determining aggregate performance data based on the transaction data and determining a performance target based on the aggregate performance data. The aggregate performance data describes activity of the member accounts. Walker 2:52–59.
05. Walker describes processing a reward for a sponsor of an affinity group based on at least one affiliated financial account by retrieving performance target data, including a group performance target, associated with the affinity group and aggregating member transaction data to determine an aggregated performance value. Walker 2:60–67.
06. Walker describes a storage device that stores a database of account, target and reward data, including an affinity group table; a card holder account table; a group target/reward table; and a transaction table. The tables comprise at least a portion of the database stored by storage device. Walker 5:17–23.
07. Walker describes transaction table 600. Each record of transaction table 600 represents a transaction between a credit card holder and a merchant. Transaction table 600 includes the following seven fields: transaction ID field 608; account ID field 610; merchant ID field 612; transaction amount field 614; date field 616; time field 618; and credit card authorization number 622. Walker 8:23–30, Figure 6.

Hernblad

08. Hernblad is directed to enhancing food order placement, processing, and payment, and improving the overall customer experience at restaurants and other food service establishments, and in particular, a system including thin, touch-screen terminals and mobile devices that connect wirelessly to one or more servers, and allow customers to independently place and pay for food-related orders quickly and efficiently. Hernblad, para. 1.
09. Hernblad not only handles order placement and payment settlement, but also order fulfillment, and includes additional features, such as a multi-lingual interface, automated seating, pre-ordering, customer reward points, and dynamic selling or promotion of unwanted inventory. Hernblad, para. 43.

#### ANALYSIS

*Claims 1–20 rejected under 35 U.S.C. § 101 as directed to a judicial exception without significantly more*

#### STEP 1<sup>3</sup>

Claim 1, as a method claim, nominally recites one of the enumerated categories of eligible subject matter in 35 U.S.C. § 101. The issue before us is whether the claims is directed to a judicial exception without significantly more.

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<sup>3</sup> For continuity of analysis, we adopt the steps nomenclature from 2019 Revised Patent Subject Matter Eligibility Guidance, 84 FR 50 (Jan. 7, 2019).

STEP 2

The Supreme Court

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. First, . . . determine whether the claims at issue are directed to one of those patent-ineligible concepts. If so, we then ask, “[w]hat else is there in the claims before us? To answer that question, . . . 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. [The Court] described step two of this analysis as a 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.”

*Alice Corp. Pty. Ltd. v CLS Bank Int’l*, 573 U.S. 208, 217–18 (2014) (citations omitted) (citing *Mayo Collaborative Services v. Prometheus Laboratories, Inc.*, 566 U.S. 66 (2012)). To perform this test, we must first determine what the claims are directed to. This begins by determining whether the claims recite one of the judicial exceptions (a law of nature, a natural phenomenon, or an abstract idea) (“Step 2A Prong 1”). Then, if the claims recite a judicial exception, determining whether the claims at issue are directed to the recited judicial exception, or whether the recited judicial exception is integrated into a practical application of that exception (“Step 2A Prong 2”). If the claims are directed to a judicial exception, then finally determining whether the claims provide an inventive concept because the additional elements recited in the claims provide significantly more than the recited judicial exception (“Step 2B”).

STEP 2A Prong 1

Method claim 1 recites receiving registration data, storing consumer and merchant profiles, receiving data representing transaction authorization, identifying consumer and merchant profiles and a transaction score, updating a team score, and transmitting a notification. Identifying data is a rudimentary form of generic data analysis. Updating data is a form of modifying data. Thus, claim 1 recites receiving, analyzing, modifying, and transmitting data. None of the limitations recite technological implementation details for any of these steps, but instead recite only functional results to be achieved by any and all possible means.

From this we see that claim 1 does not recite the judicial exceptions of either natural phenomena or laws of nature. The next issue is whether it recites the judicial exception of an abstract idea. To answer this, we next determine whether it recites one of the concepts the Courts have held to be lacking practical application, *viz.* mathematical concepts,<sup>4</sup> certain methods of organizing human interactions,<sup>5</sup> including fundamental economic practices and business activities, or mental processes.<sup>6</sup>

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<sup>4</sup> See, e.g., *Gottschalk v. Benson*, 409 U.S. 63, 71–72 (1972); *Bilski v. Kappos*, 561 U.S. 593, 611 (2010); *Mackay Radio & Telegraph Co. v. Radio Corp. of Am.*, 306 U.S. 86, 94 (1939); *SAP Am., Inc. v. InvestPic, LLC*, 898 F.3d 1161, 1163 (Fed. Cir. 2018).

<sup>5</sup> See, e.g., *Bilski*, 561 U.S. at 628; *Alice*, 573 U.S. at 219–20; *Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 715 (Fed. Cir. 2014); *Smart Sys. Innovations, LLC v. Chicago Transit Authority*, 873 F.3d 1364, 1383 (Fed. Cir. 2017); *In re Marco Guldenaar Holding B.V.*, 911 F.3d 1157 (Fed. Cir. 2018).

<sup>6</sup> See, e.g., *Gottschalk*, 409 U.S. at 67; *CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1371–72 (Fed. Cir. 2011); *Intellectual Ventures I LLC v. Symantec Corp.*, 838 F.3d 1307, 1318 (Fed. Cir. 2016).

The Examiner determines the claims to be directed to computing scores (Final Act. 2), and to comparing and organizing information for transmission. Ans. 2.

The preamble to claim 1 recites that it is a method for facilitating a social game based upon scoring a payment transaction via a processing server. The steps in claim 1 result in computing scores and transmitting notifications absent any technological mechanism other than a conventional computer for doing so.

As to the specific limitations, limitations 1–4 recite data gathering steps of data reception and storage. Limitation 9 recites insignificant post solution data transmission. Limitations 5–8 recite identifying and updating data which is no more than generic analyzing and modifying of customer, merchant, and score data, which advise one to apply generic functions to get to these results. Limitations 7–9 are the only steps reciting performing what the claim produces, and recite performing score identification and updating and notifying a consumer, which is simply computing scores and letting a consumer know the results of at least some of limitations 5–8. To advocate computing scores and letting a consumer know is conceptual advice for results to be obtained and not technological operations.

The Specification at paragraph 1 describes the invention as relating to scoring of payment transactions as part of a social game. Although both the Specification and the claim 1 preamble refer to a social game, the body of claim 1 does not refer further to a game as such. The closest the body text comes is the identification of scores based on unspecified rules. Thus, the recitation of a game is construed to refer to the identification of scores in the body of the claim and no more. Therefore, all this intrinsic evidence shows

that claim 1 is directed to scoring commercial transactions for the purpose of notifying a customer of something, i.e., a marketing promotion. This is consistent with the Examiner's determination.

The concept of marketing promotion is a fundamental business practice long prevalent in our system of commerce. The use of marketing promotion is also a building block of ingenuity in marketing. Thus, marketing promotion is an example of a conceptual idea subject to the Supreme Court's "concern that patent law not inhibit further discovery by improperly tying up the future use of 'these building blocks of human ingenuity.'" *See Alice*, 573 U.S. at 216 (citations omitted). Claim 1 recites the idea of performing various conceptual steps generically resulting in the marketing promotion. As we determined earlier, none of these steps recite specific technological implementation details, but instead get to this result by advising one to score a transaction for both a consumer and some team and notify the consumer based on profile and transaction data. Thus, claim 1 is directed to marketing promotion, which is a fundamental business practice.

This in turn is an example of commercial or legal interactions as a certain method of organizing human interactions because marketing promotions are activities by organizational members to induce consumers to interact in commerce. The concept of marketing promotion as advised to be done by scoring a transaction for both a consumer and some team and notifying the consumer based on profile and transaction data is a way of promoting consumer transactions by providing some psychological benefit from such notification based on transaction scores. The steps recited in

claim 1 are part of abstract conceptual advice for coming up with such scores.

Our reviewing court has found claims to be directed to abstract ideas when they recited similar subject matter. *Ultramarcial*, 772 F.3d at 715 (advertising); *CyberSource Corp.*, 654 F.3d at 1375 (detecting credit-card fraud based on past transactions).

Alternately, this is an example of concepts performed in the human mind as mental processes because the steps of receiving, analyzing, modifying, and transmitting data mimic human thought processes of observation, evaluation, judgment, and opinion, perhaps with paper and pencil, where the data interpretation is perceptible only in the human mind. *See In re TLI Commc'ns LLC Patent Litig.*, 823 F.3d 607, 611 (Fed. Cir. 2016); *FairWarning IP, LLC v. Iatric Sys., Inc.*, 839 F.3d 1089, 1093–94 (Fed. Cir. 2016). Claim 1, unlike the claims found non-abstract in prior cases, uses generic computer technology to perform data reception, analysis, modification, and transmission and does not recite an improvement to a particular computer technology. *See, e.g., McRO, Inc. v. Bandai Namco Games Am. Inc.*, 837 F.3d 1299, 1314–15 (Fed. Cir. 2016) (Finding claims not abstract because they “focused on a specific asserted improvement in computer animation.”). As such, claim 1 is directed to the abstract idea of receiving, analyzing, modifying, and transmitting data, and not a technological implementation or application of that idea.

Alternately, this is an example of a mathematical concept because the steps of identifying individual and team scores perform a mathematical algorithm. The remaining steps are mere data gathering and incidental post processing steps.

From this we conclude that at least to this degree, claim 1 is directed to the abstract idea of marketing promotion by advising one to score a transaction for both a consumer and some team and notify the consumer based on profile and transaction data.

STEP 2A Prong 2

The next issue is whether claim 1 not only recites, but is more precisely directed to this concept itself or whether it is instead directed to some technological implementation or application of, or improvement to, this concept i.e. integrated into a practical application.<sup>7</sup>

At the same time, we tread carefully in construing this exclusionary principle lest it swallow all of patent law. At some level, “all inventions . . . embody, use, reflect, rest upon, or apply laws of nature, natural phenomena, or abstract ideas.” Thus, an invention is not rendered ineligible for patent simply because it involves an abstract concept. “[A]pplication[s]” of such concepts “ ‘to a new and useful end,’ ” we have said, remain eligible for patent protection. Accordingly, in applying the § 101 exception, we must distinguish between patents that claim the “ ‘buildin[g] block[s]’ ” of human ingenuity and those that integrate the building blocks into something more.

*Alice*, 573 U.S. at 217 (citations omitted).

The introduction of a computer into the claims does not alter the analysis at *Mayo* step two.

[T]he mere recitation of a generic computer cannot transform a patent-ineligible abstract idea into a patent-eligible invention. Stating an abstract idea “while adding the words ‘apply it’ ” is not enough for patent eligibility. Nor is limiting the use of an abstract idea “ ‘to a particular technological environment.’ ” Stating an abstract idea while adding the words “apply it with a

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<sup>7</sup> See, e.g., *Alice*, 573 U.S. at 223, discussing *Diamond v. Diehr*, 450 U.S. 175 (1981).

computer” simply combines those two steps, with the same deficient result. Thus, if a patent’s recitation of a computer amounts to a mere instruction to “implemen[t]” an abstract idea “on . . . a computer,” that addition cannot impart patent eligibility. This conclusion accords with the pre-emption concern that undergirds our § 101 jurisprudence. Given the ubiquity of computers, wholly generic computer implementation is not generally the sort of “additional featur[e]” that provides any “practical assurance that the process is more than a drafting effort designed to monopolize the [abstract idea] itself.”

*Alice*, 573 U.S. at 223–24 (citations omitted).

“[T]he relevant question is whether the claims here do more than simply instruct the practitioner to implement the abstract idea . . . on a generic computer.” *Alice*, 573 U.S. at 225. They do not.

Taking the claim elements separately, the function performed by the computer at each step of the process is purely functional, devoid of implementation details. Steps 1–4 are pure data gathering steps. Limitations describing the nature of the data do not alter this. Step 9 is insignificant post solution activity, such as storing, transmitting, or displaying the results. Steps 5–8 recite generic computer processing expressed in functional terms to be performed by any and all possible means and so present no more than abstract conceptual advice. All purported inventive aspects reside in how the data is interpreted and the results desired, and not in how the process physically enforces such a data interpretation or in how the processing technologically achieves those results.

Viewed as a whole, Appellants’ claim 1 simply recites the concept of marketing promotion as performed by a generic computer. To be sure, claim 1 recites doing so by advising one to score a transaction for both a consumer and some team, and notify the consumer based on profile and

transaction data. But this is no more than abstract conceptual advice on the parameters for such marketing promotion and the generic computer processes necessary to process those parameters, and do not recite any particular implementation.

The claim 1 does not, for example, purport to improve the functioning of the computer itself. Nor does it affect an improvement in any other technology or technical field. The Specification spells out different generic equipment<sup>8</sup> and parameters that might be applied using this concept and the particular steps such conventional processing would entail based on the concept of marketing promotion under different scenarios. It does not describe any particular improvement in the manner a computer functions. Instead, claim 1 at issue amounts to nothing significantly more than an instruction to apply the abstract idea of marketing promotion by advising one to score a transaction for both a consumer and some team and notify the consumer based on profile and transaction data using some unspecified, generic computer. Under our precedents, that is not enough to transform an abstract idea into a patent-eligible invention. *See Alice*, 573 U.S. at 225–26.

None of the limitations reflects an improvement in the functioning of a computer, or an improvement to other technology or technical field, applies or uses a judicial exception to effect a particular treatment or prophylaxis for a disease or medical condition, implements a judicial exception with, or uses a judicial exception in conjunction with, a particular machine or manufacture that is integral to the claim, effects a transformation or reduction of a particular article to a different state or thing, or applies or

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<sup>8</sup> The Specification describes a general purpose processor device. Spec., para. 80.

uses the judicial exception in some other meaningful way beyond generally linking the use of the judicial exception to a particular technological environment, such that the claim as a whole is more than a drafting effort designed to monopolize the exception.

We conclude that claim 1 is directed to advising one to score a transaction for both a consumer and some team and notify the consumer based on profile and transaction data to achieve the functional result of marketing promotion as distinguished from a technological improvement for achieving or applying that result. The claim does not integrate the judicial exception into a practical application.

#### STEP 2B

The next issue is whether claim 1 provides an inventive concept because the additional elements recited in the claim provides significantly more than the recited judicial exception. Taking the claim elements separately, the function performed by the computer at each step of the process is purely conventional. Using a computer for receiving, analyzing, modifying, and transmitting data amounts to electronic data query and retrieval—one of the most basic functions of a computer. All of these computer functions are generic, routine, conventional computer activities that are performed only for their conventional uses. *See Elec. Power Grp. v. Alstom S.A.*, 830 F.3d 1350, 1353 (Fed. Cir. 2016); *see also In re Katz Interactive Call Processing Patent Litig.*, 639 F.3d 1303, 1316 (Fed. Cir. 2011) (“Absent a possible narrower construction of the terms ‘processing,’ ‘receiving,’ and ‘storing,’ . . . those functions can be achieved by any general purpose computer without special programming.”). None of these activities are used in some unconventional manner nor do any produce some

unexpected result. Appellants do not contend they invented any of these activities. In short, each step does no more than require a generic computer to perform generic computer functions. As to the data operated upon, “even if a process of collecting and analyzing information is ‘limited to particular content’ or a particular ‘source,’ that limitation does not make the collection and analysis other than abstract.” *SAP Am., Inc. v. InvestPic LLC*, 898 F.3d 1161, 1168 (Fed. Cir. 2018).

Considered as an ordered combination, the computer components of Appellants’ claim 1 add nothing that is not already present when the steps are considered separately. The sequence of data reception-analysis-modification-transmission is equally generic and conventional or otherwise held to be abstract. *See Ultramercial*, 772 F.3d at 715 (sequence of receiving, selecting, offering for exchange, display, allowing access, and receiving payment recited an abstraction); *Inventor Holdings, LLC v. Bed Bath & Beyond, Inc.*, 876 F.3d 1372, 1378 (Fed. Cir. 2017) (sequence of data retrieval, analysis, modification, generation, display, and transmission); *Two-Way Media Ltd. v. Comcast Cable Commc’ns, LLC*, 874 F.3d 1329, 1339 (Fed. Cir. 2017) (sequence of processing, routing, controlling, and monitoring). The ordering of the steps is, therefore, ordinary and conventional.

We conclude that claim 1 does not provide an inventive concept because the additional elements recited in the claim do not provide significantly more than the recited judicial exception.

### REMAINING CLAIMS

The remaining method claims merely describe process parameters. We conclude that the method claims at issue are directed to a patent-ineligible concept itself, and not to the practical application of that concept.

As to the structural claims, they are no different from the method claims in substance. The method claims recite the abstract idea implemented on a generic computer; the system claims recite a handful of generic computer components configured to implement the same idea. This Court has long “warn[ed] . . . against” interpreting § 101 “in ways that make patent eligibility “depend simply on the draftsman’s art.”

*Alice*, 573 U.S. at 226. As a corollary, the claims are not directed to any particular machine.

### LEGAL CONCLUSION

From these determinations we further determine that the claims do not recite an improvement to the functioning of the computer itself or to any other technology or technical field, a particular machine, a particular transformation, or other meaningful limitations. From this we conclude the claims are directed to the judicial exception of the abstract idea of marketing promotion, without significantly more.

### APPELLANTS’ ARGUMENTS

As to Appellants’ Appeal Brief arguments, we adopt the Examiner’s determinations and analysis from Final Action 2–4 and Answer 5–8 and reach similar legal conclusions. We now turn to the Reply Brief.

We are not persuaded by Appellants’ argument that the present claims are patent-eligible when considered *in light of the [S]pecification and as a whole*. Rather, Appellant[s] respectfully submit[] that the pending claims are inextricably

tied to the technical fields of information technology management, electronic transaction processing and analytics, electronic gaming and electronic social networking. Appellant[s] further submit[] that the claims provide technical solutions tied to these technical fields. In particular, the present claims recite methods and systems for facilitating a computer-implemented social game based upon authorization requests processed through a financial transaction network. The claims rely upon the technical features of a complex financial transaction network, which would be apparent to one skilled in the art upon reading the present claim language in light of Appellant[s] Specification. The claims provide for user updates (e.g., via a mobile application) which allow a user to participate in the social game and receive real-time data (e.g., from a gaming processor).

Reply Br. 2–3. The analysis, *supra*, is based on consideration of the claims in light of the Specification and as a whole. The only tie to the technical fields of information technology management, electronic transaction processing and analytics, electronic gaming and electronic social networking is the recitation of being performed on a computer. No technological implementation details are recited, and in particular no details that would be categorized in any of these fields. The only solution recited is abstract conceptual advice to score a transaction for both a consumer and some team, and notify the consumer based on profile and transaction data to achieve the functional result of marketing promotion, as distinguished from a technological improvement for achieving or applying that result. No complex financial network is recited in the claims. To provide for user updates is no more than to say providing for data gathering.

Appellants also attempt to analogize the claims to those involved in *McRO*. Reply Br. 5–6. In *McRO*, the court held that, although the processes were previously performed by humans, “the traditional process

and newly claimed method . . . produced . . . results in fundamentally different ways.” *FairWarning*, 839 F.3d at 1094 (differentiating the claims at issue from those in *McRO*). In *McRO*, “[i]t is the incorporation of the claimed rules, not the use of the computer, that improved the existing technological process,” because the prior process performed by humans “was driven by subjective determinations rather than specific, limited mathematical rules.” *McRO*, 837 F.3d at 1314 (internal quotation marks, citation, and alterations omitted). In contrast, the claims of the instant application merely implement an old practice of using decision criteria in making sales decisions in a new environment. Appellants have not argued that the claimed processes of selecting transactions and profiles apply rules of selection in a manner technologically different from those which humans used, albeit with less efficiency, before the invention was claimed. Merely pigeonholing the objects of decision-making to aid decision-making is both old and itself abstract. Computing a team score in addition to an individual score is equally conventional and notorious.

The claims in *McRO* were not directed to . . . “a specific asserted improvement in computer animation, i.e., the automatic use of rules of a particular type.” We explained that “the claimed improvement [was] allowing computers to produce ‘accurate and realistic lip synchronization and facial expressions in animated characters’ that previously could only be produced by human animators.” The claimed rules in *McRO* transformed a traditionally subjective process performed by human artists into a mathematically automated process executed on computers.

*FairWarning*, 839 F.3d at 1094 (citations omitted) (differentiating the claims at issue from those in *McRO*).

We are not persuaded by Appellants’ argument that

Appellant[s'] claims cannot be performed entirely in the human mind and are not directed to automating a process previously performed by humans. Instead, the appealed claims are directed to a novel social game facilitated by way of a particularly claimed method and system. The present claims recite methods and systems for facilitating a computer-implemented social game based upon authorization requests processed through a financial transaction network.

Reply Br. 6. Aside from the data gathering and transmission steps, which are both insignificant and conventional, the remaining steps identify data and scores, which can be done in the head or with paper and pencil for sufficiently elementary instances which would be within the scope of the claims as broadly recited. As to the novelty of a social game, again the only aspects of a game recited are computations of individual and team scores, which are also notorious and conventional. Beyond that, the novelty of an abstract idea is not a distinguishing issue. “[A] claim for a *new* abstract idea is still an abstract idea. The search for a § 101 inventive concept is thus distinct from demonstrating § 102 novelty.” *Synopsys, Inc. v. Mentor Graphics Corp.*, 839 F.3d 1138, 1151 (Fed. Cir. 2016).

We are not persuaded by Appellants’ argument that the claims require specialized computers. Reply Br. 6–7. As we determine in Footnote 8 *supra*, the Specification describes using a general purpose processor device.

We are not persuaded by Appellants’ argument that the Examiner analogizes pieces of Appellant[s'] claims to non-electronic methods (e.g., submitting paper forms for registration, comparing credit cards to numbers in a book, and searching a card catalogue for data). Appellant[s] respectfully submit[] the steps of Appellant[s'] claims, when considered as a whole, recite much more than merely submitting a form for registration and searching a database. Further, the claims *explicitly* recite, e.g., the registration information is received

electronically. The comparison of a credit card number to one in a book is not equivalent to the receipt of an authorization request (e.g., formatted according to electronic financial transaction protocol) from a merchant device. Similarly, searching a card catalogue for information does not provide for the identification of, e.g., merchant profiles, etc., the application of electronic rules to transaction data, the updating of a score or the transmission of a notification. Accordingly, Appellants respectfully submit that the Examiner's assertion that each of Appellant[s'] claim recitations can be performed by a human is inaccurate and demonstrates a failure to consider Appellant[s'] claims *as a whole in light of the [S]pecification* for what they fairly convey.

Reply Br. 8. To argue that the claims recite much more than merely submitting a form for registration and searching a database without explanation is conclusory. Whether information is received electronically does not patentably distinguish a claim from an abstract idea for the reasons we determine *supra*. Whether data is formatted according to electronic financial transaction protocol is not at issue because this is not recited in the claims. To the extent this may be implied with electronic transactions, this would then be no more than a contextual characterization of the data and not a technological solution recital.

We are not persuaded by Appellants' argument that [i]t is unclear how the Examiner believes that Appellant[s'] claimed method and system could be performed in the absence of an electronic payment network and devices capable of receiving and interpreting an authorization request such as those transmitted along payment rails of credit card processing networks according to electronic financial transaction protocols.

Reply Br. 9. Appellants are only contending that the claims are in some particular technological context, which does not patentably distinguish the

claims. “The Supreme Court and this court have repeatedly made clear that merely limiting the field of use of the abstract idea to a particular existing technological environment does not render the claims any less abstract.” *Affinity Labs of Texas, LLC v. DIRECTV, LLC*, 838 F.3d 1253, 1259 (Fed. Cir. 2016).

*Claims 1–17 and 19 rejected under 35 U.S.C. § 103(a)  
as unpatentable over Walker and Hernblad  
Claims 18 and 20 rejected under 35 U.S.C. § 103(a) as unpatentable  
over Walker, Hernblad, and Crinon*

The Examiner largely applies Walker, which describes conventional credit card transaction processing for credit cards associated with some entity such as a college for which an affinity group is formed. As Walker describes, such so called affinity cards were well known to the general public prior to the date of filing. Claim 1 steps 1–6 recite no more than conventional credit card processing, as one must register (step 1) to get a card, both card holder and merchant data must be stored in some database to process transactions (steps 2 and 3), such credit card transactions require authorization (step 4) and the transaction data must identify both the card holder and merchant, and thus their respective profiles, to process the transaction (steps 5 and 6). Walker determines performance target data towards rewards for each transaction, which corresponds to the recited transaction score (step 7). Walker aggregates this data for the affinity group, which corresponds to the recited team score (step 8). Walker describes communicating program information to the cardholders (step 9).

We are not persuaded by Appellants’ argument that:

The various data entries of table 600 do not relate to a single cardholder or merchant. Appellant[s] respectfully submit[] that none of the cited portions of Walker teach or suggest

Appellant[s'] claim step of *receiving [ . . . ] an authorization request for a payment transaction*. It is additionally submitted that the skilled artisan would understand multiple types of transaction communications (e.g., related to batch processing, real-time processing, etc.) occur between a merchant point of sale device and a financial processing network. **Appellant[s] further respectfully submit[] that one skilled in the art would recognize the term “authorization request” to be a term of the art and would not find the portions of Walker cited by the Examiner to address Appellant[s'] “receiving” step to imply the receipt of an “authorization request.”** At least because Walker does not teach this “receiving” step of Appellant[s'] claim 1, Walker cannot provide for real-time updates or transmission of notifications, unlike the method and system of Appellant[s'] claims. For at least the above-stated reasons, it is respectfully submitted that Walker does not teach or suggest the “receiving [ . . . ] an authorization request for a payment transaction [ . . . ]” step of Appellant[s'] claim 1.

App. Br. 16. This is in response to the Examiner's finding that a table stores authorization numbers (Walker, ref. 622) for transactions in its table 600, shown in Figure 6 of Walker. First, again, conventional credit card processing is known to require authorizations, and the data identifying such authorizations are referred to as authorization numbers. Second, as table 600 is a transaction table, every record represents a discrete transaction which by its nature as a transaction between card holder and merchant refers to that single cardholder and merchant. Third, as credit card data is passed electronically between a merchant and the credit card network computers, the authorization number is necessarily received by some device.

We are not persuaded by Appellants' argument that “it is unclear from the Office Action how the food-ordering system of Hernblad and the affinity reward system of Walker can be combined in a logical manner.” App.

Br. 17. The Examiner only applies Hernblad to further evidence the known

practice of registration, which as we determine *supra*, is a necessary precursor to obtaining a credit card account with which to execute transactions. The Examiner applies Hernblad to show there was also known a transaction level registration operation, such as initiating a food order. The Examiner does not suggest combining Hernblad's system with Walker.

We are not persuaded by Appellants' argument that

neither Walker nor Hernblad, alone or in combination, teaches or suggests "a method for facilitating a social game based upon scoring a payment transaction via a processing server" nor does the Examiner make such an allegation. Appellant[s] further respectfully submit[] that the preamble of Appellant[s'] claim 1 must be considered at least for the context which it provides.

App. Br. 18 (emphasis omitted). We agree with the Examiner that the preamble phrase "for facilitating a social game" is a mere field of use and provides no structural or procedural effect upon the body of the claim. But even taking the phrase into account, as we do *supra*, in the context of the claim it means computing scores in limitations 7 and 8, and so Walker provides enough to describe such a game, played by cardholders, to earn awards for themselves and the affinity entity.

As to separately argued claims 3, 4, and 18, reciting the content of what is transmitted, such content is non-functional descriptive material. Our reviewing court has held that nonfunctional descriptive material cannot lend patentability to an invention that would have otherwise been anticipated by the prior art. *In re Ngai*, 367 F.3d 1336, 1339 (Fed. Cir. 2004); *Cf. In re Gulack*, 703 F.2d 1381, 1385 (Fed. Cir. 1983) (noting that when descriptive material is not functionally related to the substrate, the descriptive material will not distinguish the invention from the prior art in terms of patentability); *King Pharms., Inc. v. Eon Labs, Inc.*, 616 F.3d 1267, 1279 (Fed. Cir. 2010)

(“[T]he relevant question is whether ‘there exists any new and unobvious functional relationship between the printed matter and the substrate.’”)

(Citations omitted).

The rationale behind this lack of patentable weight is preventing the repeated patenting of essentially a known product by the mere inclusion of novel non-functional descriptive material. *King Pharms.*, 616 F.3d at 1279 (“The rationale behind this line of cases is preventing the indefinite patenting of known products by the simple inclusion of novel, yet functionally unrelated limitations.”); *Cf. Ngai*, 367 F.3d at 1339 (“If we were to adopt Ngai’s position, anyone could continue patenting a product indefinitely provided that they add a new instruction sheet to the product.”). Here, the process in no way depends on the actual mental interpretation of the transmitted content, and the mental interpretation of such data is not dependent on the process.

#### CONCLUSIONS OF LAW

The rejection of claims 1–20 under 35 U.S.C. § 101 as directed to a judicial exception without significantly more is proper.

The rejection of claims 1–17 and 19 under 35 U.S.C. § 103(a) as unpatentable over Walker and Hernblad is proper.

The rejection of claims 18 and 20 under 35 U.S.C. § 103(a) as unpatentable over Walker, Hernblad, and Crinon is proper.

#### DECISION

The rejection of claims 1–20 is affirmed.

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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. § 1.136(a)(1)(iv) (2011).

AFFIRMED