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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte NAHUM RAND and VINEET JOSHI

Appeal 2017–004011
Application 12/130,698
Technology Center 3600

Before MURRIEL E. CRAWFORD, ANTON W. FETTING, and
PHILIP J. HOFFMANN, *Administrative Patent Judges*.

FETTING, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE¹

Nahum Rand and Vineet Joshi (Appellants) seek review under 35 U.S.C. § 134 of a final rejection of claims 1–3, 7, 9–16, and 22–24, the only claims pending in the application on appeal. We have jurisdiction over the appeal pursuant to 35 U.S.C. § 6(b).

¹ Our decision will make reference to the Appellants’ Appeal Brief (“App. Br.,” filed August 15, 2016) and Reply Brief (“Reply Br.,” filed January 6, 2017), and the Examiner’s Answer (“Ans.,” mailed November 29, 2016) and Final Action (“Final Act.,” mailed April 21, 2016).

The Appellants invented monetization of website generated sales at brick and mortar locations. Specification para. 2.

An understanding of the invention can be derived from a reading of exemplary claim 16, which is reproduced below (bracketed matter and some paragraphing added).

16. A method for monetizing website interactions, the method comprising:

[1] storing on a storage medium a business establishment profile for each of a plurality of business establishments wherein each business establishment profile includes a business establishment location and product information for goods offered at each business establishment;

[2] maintaining a financial database wherein said financial database includes merchant financial transactional data and individual financial transactional data;

[3] conducting on a computing device an inquiry for goods in a desired geographic location;

[4] returning to the computing device for display on a display device a plurality of business establishments matching the inquiry; and

[5] generating a token associating each of the plurality of business establishments with the inquiry, said token being correlated with the financial database.

Claims 1–3, 7, 9–16, and 22–24 stand rejected under 35 U.S.C. § 101 as directed to a judicial exception without significantly more.

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.

ANALYSIS

Method claim 16 recites storing business profiles, maintaining a financial transaction database, conducting an inquiry, retrieving and displaying results from the inquiry, and generating data in the form of a token that is given some meaning. Thus, claim 16 recites storing, retrieving, analyzing, displaying, and generating data. None of the limitations recite implementation details for any of these steps, but instead recite functional results to be achieved by any and all possible means. Data storage, retrieval, analysis, displaying, and generation are all generic, conventional data processing operations to the point that they are themselves concepts awaiting implementation details. The sequence of data storing-retrieving-analyzing-displaying-generating is equally generic and conventional. The ordering of the steps is therefore ordinary and conventional. The remaining claims merely describe process parameters, with no implementation details.

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 Intl, 134 S. Ct. 2347, 2355 (2014) (citing *Mayo Collaborative Services v. Prometheus Laboratories, Inc.*, 566 U.S. 66 (2012)).

To perform this test, we must first determine whether the claims at issue are directed to a patent-ineligible concept. The Examiner finds the claims are directed to series of steps instructing how to correlate a website inquiry for goods with a financial transaction, which is a fundamental economic practice. Final Act. 10.

Although the Court in *Alice* made a determination as to what the claims were directed, we find that this case’s claims themselves and the Specification provide enough information to inform one as to what they are directed.

The preamble to claim 16 recites that it is a method for monetizing website interactions. The steps in claim 16 result in generating a token associating each of a plurality of business establishments with an inquiry, the token being correlated with a financial database. The Specification at paragraph 2 recites that the invention relates to monetization of website generated sales at brick and mortar locations. Thus, all this evidence shows that claim 16 is directed to correlating a website inquiry for goods with a

financial transaction, i.e., sales analysis. This is consistent with the Examiner's finding.

It follows from prior Supreme Court cases, and *Bilski* (*Bilski v Kappos*, 561 U.S. 593 (2010)) in particular, that the claims at issue here are directed to an abstract idea. Like the risk hedging in *Bilski*, the concept of sales analysis is a fundamental economic practice long prevalent in our system of commerce. The use of sales analysis is also a building block of ingenuity in financial analysis. Thus, sales analysis, like hedging, is an “abstract idea” beyond the scope of § 101. *See Alice Corp. Pty. Ltd.* at 2356.

As in *Alice Corp. Pty. Ltd.*, we need not labor to delimit the precise contours of the “abstract ideas” category in this case. It is enough to recognize that there is no meaningful distinction in the level of abstraction between the concept of risk hedging in *Bilski* and the concept of sales analysis at issue here. Both are squarely within the realm of “abstract ideas” as the Court has used that term. *See Alice Corp. Pty. Ltd.* at 2357.

Further, claims involving data collection, analysis, and display are directed to an abstract idea. *Elec. Power Grp. v. Alstom S.A.*, 830 F.3d 1350, 1353 (Fed. Cir. 2016) (holding that “collecting information, analyzing it, and displaying certain results of the collection and analysis” are “a familiar class of claims ‘directed to’ a patent ineligible concept”); *see also 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 16, unlike the claims found non-abstract in prior cases, uses generic computer technology to perform data storage, retrieval, analysis, displaying, and generation 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 16 is directed to the abstract idea of storing, retrieving, analyzing, displaying, and generating data.

The remaining claims merely describe process parameters. We conclude that the claims at issue are directed to a patent-ineligible concept.

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 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 “implement[t]” an abstract idea “on . . . a computer,” that addition cannot impart patent eligibility. This conclusion accords with the preemption concern that undergirds our §101 jurisprudence. Given the ubiquity of computers, wholly generic computer implementation is not generally the sort of “additional feature[e]” that provides any “practical assurance that the process is more than a drafting effort designed to monopolize the [abstract idea] itself.”

Alice Corp. Pty. Ltd., 134 S. Ct. at 2358 (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 Corp. Pty. Ltd.*, 134 S. Ct. at 2359. They do not.

Taking the claim elements separately, the function performed by the computer at each step of the process is purely conventional. Using a computer to store, retrieve, analyze, display, and generate data amounts to electronic data query and retrieval—one of the most basic functions of a computer. All of these computer functions are well-understood, routine, and conventional activities previously known to the industry. *See Elec. Power Grp. v. Alstom S.A., supra.* Also see *In re Katz Interactive Call Processing Patent Litigation*, 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”). 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 America Inc. v. InvestPic LLC*, 898 F.3d 1161, 1168 (Fed. Cir. 2018).

Considered as an ordered combination, the computer components of Appellants’ method add nothing that is not already present when the steps are considered separately. The sequence of data storing-retrieving-analyzing-displaying-generating is equally generic and conventional or otherwise held to be abstract. *See Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 715 (Fed. Cir. 2014) (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 Communications, 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.

Viewed as a whole, Appellants' method claims simply recite the concept of sales analysis as performed by a generic computer. To be sure, the claims recite doing so by advising one to respond to a sales query with a data token that then is imparted meaning in the human mind. But this is no more than abstract conceptual advice on the parameters for such sales analysis and the generic computer processes necessary to process those parameters, and do not recite any particular implementation.

The method claims do not, for example, purport to improve the functioning of the computer itself. Nor do they effect an improvement in any other technology or technical field. The 18 pages of specification do not bulge with disclosure, but only spell out different generic equipment² and parameters that might be applied using this concept and the particular steps such conventional processing would entail based on the concept of sales analysis under different scenarios. They do not describe any particular improvement in the manner a computer functions. Instead, the claims at issue amount to nothing significantly more than an instruction to apply the abstract idea of sales analysis using some unspecified, generic computer.

² The Specification describes the computer as a personal computer, personal data assistant, cellular telephone, or any other device capable of interfacing with a wide area network such as the Internet. Spec. para. 22.

Under our precedents, that is not enough to transform an abstract idea into a patent-eligible invention. *See Alice Corp. Pty. Ltd.* at 2360.

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 Corp. Pty. Ltd. at 2360.

We are not persuaded by Appellants’ argument that

The current rejection does exactly what the CAFC warns against: Rather than analyzing the claims as a whole, in light of the specification to determine whether the invention improves the functioning of a computer or of an existing technological process or of a technological field, the rejection overgeneralizes the claims, then uses that overgeneralization to dismissively declare the invention “abstract”, effectively bypassing a true step one analysis and proceeding directly to step two. On the contrary, the use of a token as claimed—a specific implementation to solve a long-felt problem—improves the technological process correlating two otherwise disparate events to present a solution to a problem. Ironically, use of this token was recognized during examination as a novel feature of the claimed invention, yet this innovation was immediately dismissed in its generalization as an abstract idea.

App. Br. 16. As we determined *supra*, the claims as a whole recite primitive conventional computer operations that result in creating a data token representing some correlation discernable only in the human mind. But

interpretation of data³ is in the mind of the beholder and given no patentable weight. *See In re Bernhart*, 417 F.2d 1395, 1399 (CCPA 1969).

Appellants' contention that "the use of a token as claimed—a specific implementation to solve a long-felt problem—improves the technological process correlating two otherwise disparate events to present a solution to a problem" is not commensurate with the scope of the claims as the claims only generate and do not recite any technological use of the tokens. As to novelty, "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 Corporation*, 839 F.3d 1138, 1151 (Fed. Cir. 2016).

We are not persuaded by Appellants' argument that the claims are supported by *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327 (Fed. Cir. 2016). The claims differ from those found patent eligible in *Enfish*, where the claims were "specifically directed to a *self-referential* table for a computer database." 822 F.3d 1327, 1337 (Fed. Cir. 2016). The claims thus were "directed to a specific improvement to the way computers operate" rather than an abstract idea implemented on a computer. *Id.* at 1336. Here, by contrast, the claims are not directed to an improvement in the way computers operate. Though the claims purport to improve the accuracy of correlating sales events, our reviewing court has held that speed and accuracy increases stemming from the ordinary capabilities of a

³ Data per se is an arbitrary string of binary digits dependent on encoding scheme, and has no intrinsic meaning unless imposed by some technological limitation.

general purpose computer “do[] not materially alter the patent eligibility of the claimed subject matter.” *Bancorp Servs., L.L.C. v. Sun Life Assurance Co. of Can. (U.S.)*, 687 F.3d 1266, 1278 (Fed. Cir. 2012). Instead, the claims are more analogous to those in *FairWarning*, 839 F.3d 1089 (Fed. Cir. 2016), wherein claims reciting “a few possible rules to analyze audit log data” were found directed to an abstract idea because they asked “the same questions (though perhaps phrased with different words) that humans in analogous situations detecting fraud have asked for decades.” 839 F.3d at 1094, 1095. Although Appellants contend that the recited token “associates not only the inquiry to the location of a retailer, but also ties the very individual who initiated the inquiry to the transaction conducted at the physical location at a specific point in time” (Reply Br., *id.*), the claims do not recite how such an association is technologically created, but only recite the result to be achieved by any and all means.

The patent, however, does not disclose any particular mechanism for wirelessly streaming content to a handheld device. The specification describes the function of streaming content to a wireless device, but not a specific means for performing that function. Claim 14, in turn, recites (1) a “media managing system” that maintains a library of content, (2) a “collection of instructions” that are “operable when executed” by a handheld wireless device to request streaming delivery of the content, and (3) a “network based delivery resource” that retrieves and streams the requested content to the handheld device. At that level of generality, the claims do no more than describe a desired function or outcome, without providing any limiting detail that confines the claim to a particular solution to an identified problem. The purely functional nature of the claim confirms that it is directed to an abstract idea, not to a concrete embodiment of that idea.

Affinity Labs of Texas, LLC v. Amazon.com Inc., 838 F.3d 1266, 1269 (2016).

We are not persuaded by Appellants' argument that

the claimed invention clearly delineates meaningful limits to improve data management, including specific predetermined geographical distances from specific locations of interest from particular inquiries, as well as predetermined periods of time from the instances when these inquiries were conducted, all by using a token. These limits are substantial significant "improvement[s] to computer functionality", because they significantly improve the computing processes involved by limiting (narrowing) the scope of the inquiries: Specifying stringent limits on the resultant transaction enables the assigned processes to bound their actions and process computational usage to correlate a specific query to a transaction taking place at a physical location, all within a defined region. Otherwise, inquiry scope would be unbounded and—without Appellant's invention—impossible.

Reply Br. 18. First, narrowing the criteria used in some association, like narrowing criteria in a query, is itself an abstract idea. Second, applying criteria to any data or process is applicable to both manual and automated processes, and is not unique to technological processes. Further, reducing processing time by simply reducing the amount of data processed is intuitive, abstract, commonplace, and a virtual tautology. Appellants' arguments are an admission that the very purpose of the token is to reduce the amount of data associated, and therefore processed.

CONCLUSIONS OF LAW

The rejection of claims 1–3, 7, 9–16, and 22–24 under 35 U.S.C. § 101 as directed to a judicial exception without significantly more is proper.

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DECISION

The rejection of claims 1–3, 7, 9–16, and 22–24 is affirmed.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 1.136(a)(1)(iv) (2011).

AFFIRMED