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EXAMINER

CAMPEN, KELLY SCAGGS

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte GEOFFREY STIFF, MATHHEW SHARPE, and
LANDIS WILLIAM ATKINSON III

Appeal 2017-004296
Application 14/450,580
Technology Center 3600

Before JOHN A. JEFFERY, JUSTIN BUSCH, and JOHN P. PINKERTON,
Administrative Patent Judges.

JEFFERY, *Administrative Patent Judge.*

DECISION ON APPEAL

Appellants¹ appeal under 35 U.S.C. § 134(a) from the Examiner's decision to reject claims 55–70. We have jurisdiction under 35 U.S.C. § 6(b). We affirm.

STATEMENT OF THE CASE

Appellants' invention provides a user with guaranteed minimum retirement income payments using a defined benefit account inside of a defined contribution plan. *See generally* Abstract; Spec. 1. Claim 55 is representative:

¹ Appellants identify the real party in interest as Genworth Holdings, Inc. App. Br. 1.

55. A computer processing system that provides, via an interactive electronic interface, a user with a defined benefit, based on a retirement income factor that indicates the guaranteed minimum periodic income that the user will receive regardless of how long the user lives and the potential for an increase in the periodic income based on excess investment performance, over the retirement income factor, of designated defined benefit investment options, the computer processing system comprising:

a database that stores investment data and data used to calculate the retirement income factor;

a computer processor coupled to the database and programmed to: receive a contribution and accumulate value over a period of time by investing the contribution or any portion(s) thereof in any number of select investment option(s), and

the accumulated value, or any portion(s) thereof, being capable of at least one selected from the group consisting of:

(a) being withdrawn at any time, and

(b) being paid out after a predetermined period of time;

and

the computer processor constituted by a tangibly embodied programmed computer processor, within the computer processing system, which communicates with the user via a communication network; and

wherein the selected investment options comprise investment products and at least one designated defined benefit investment option processor that is programmed to:

receive, via an electronic input, at least one investment payment from the computer processor, the investment payment comprising at least one of the contribution and/or the accumulated value, or any portion(s) thereof,

transmit, via an electronic transmission, a guaranteed minimum income payment after the accumulation period of time, the guaranteed minimum income payment being based on the retirement income factor, and

increase the income payment for life for excess performance over the retirement income factor of the designated defined benefit investment option.

THE REJECTION²

The Examiner rejected claims 55–70 under 35 U.S.C. § 101 as directed to ineligible subject matter. Ans. 2–7.³

FINDINGS AND CONTENTIONS

The Examiner finds that the claimed invention is directed to an abstract idea, namely financial calculation of a retirement investment. Ans. 2–6. According to the Examiner, the claimed elements do not add significantly more to the abstract idea to render the claimed invention patent-eligible. Ans. 6–7.

Appellants argue that the claims are not directed to an abstract idea, but rather address a business challenge that is particular to a computer processor that provides, among other things, a defined benefit based on a retirement income factor that indicates the guaranteed minimum periodic income the user will receive regardless of how long the user lives and the potential for an increase in periodic income based on excess investment performance. App. Br. 6–8. According to Appellants, not only is the claimed invention necessarily rooted in computer technology, but it is impossible to implement the claimed invention without a computer. App.

² Because the Examiner withdrew a double patenting rejection (Ans. 7), that rejection is not before us.

³ Throughout this opinion, we refer to (1) the Appeal Brief filed August 3, 2016 (“App. Br.”); (2) the Examiner’s Answer mailed November 16, 2016 (“Ans.”); and (3) the Reply Brief filed January 17, 2017 (“Reply Br.”).

Br. 8–9. Appellants add that the claims contain meaningful limitations that represent sufficiently inventive concepts that are tied to a specific calculating process and system. App. Br. 10–12.

Appellants further contend that the claims recite significantly more than an abstract idea by solving a unique and computer-centric problem with a claimed solution necessarily rooted in computer technology, where the recited computer processor is integral to the claimed invention. App. Br. 12–18; Reply Br. 2–6. Appellants add that the record lacks evidence that the combination of claim elements is well-understood, routine, or conventional in the field. App. Br. 14–15; Reply Br. 4.

ISSUE

Has the Examiner erred in rejecting claims 55–70 by concluding that they are directed to ineligible subject matter under § 101? This issue turns on whether the claimed invention is directed to a patent-ineligible abstract idea and, if so, whether the recited elements—considered individually and as an ordered combination—transform the nature of the claims into a patent-eligible application of that abstract idea.

ANALYSIS

To determine whether claims are patent eligible under 35 U.S.C. § 101, we apply the Supreme Court’s two-step test articulated in *Alice Corp. Pty. Ltd. v. CLS Bank International*, 134 S. Ct. 2347 (2014). First, we determine whether the claims are directed to a patent-ineligible concept: laws of nature, natural phenomena, and abstract ideas. *Id.* at 2354–55. If so, we then proceed to the second step and examine the claim’s elements—both

individually and as an ordered combination—to determine whether the claim contains an “inventive concept” sufficient to transform the claimed abstract idea into a patent-eligible application. *Id.* at 2357.

Alice Step One

Applying *Alice* step one, we agree with the Examiner that the claimed invention is directed to an abstract idea, namely financial calculation of a retirement investment. Ans. 2, 7–8. Independent claim 55 recites, in pertinent part, an interactive electronic interface that provides a user with a defined benefit based on a “retirement income factor”⁴ that indicates the guaranteed minimum periodic income the user will receive regardless of how long the user lives and the potential for an increase in periodic income based on excess investment performance, over the retirement income factor, of designated defined investment options. According to the Specification, the retirement income factor may be determined, calculated, or based on various factors including, for example, savings commencement date, selected payout plan, product features and expenses, the participant’s age or gender, retirement date, etc. Spec. 36:28–39:3.

The recited system also includes (1) a database that stores investment data and data used to calculate the retirement income factor, and (2) a computer processor coupled to the database and programmed to (a) receive a

⁴ According to Appellants’ Specification, a retirement income factor times the amount saved may comprise the guaranteed minimum retirement income payment(s) received by an employee at retirement. Spec. 34:15–16. In the example shown in Figure 13, the retirement income factor is 15.1234% and is used to calculate an accrued minimum retirement income of \$3,781. *See* Spec. 36:26–37:8.

contribution, and (b) accumulate value over a time period by investing the contribution or any portion(s) thereof in any number of select investment option(s), where the accumulated value can be withdrawn at any time and/or paid out after a predetermined time period.

Claim 55 further recites that the selected investment options comprise investment products and at least one designated defined benefit investment option processor programmed to (1) receive at least one investment payment comprising the contribution and/or the accumulated value from a computer processor, (2) transmit a guaranteed minimum income payment after the accumulation time period, where the payment is based on the retirement income factor, and (3) increase the income payment for life for excess performance over the retirement income factor for the designated benefit investment option.

In essence, the claimed invention calculates a particular retirement benefit for a user based on certain investments, and provides payments based on that calculation. Despite Appellants' arguments to the contrary (App. Br. 6–12), we agree with the Examiner that claim 55 is directed to an abstract idea, namely financial calculation of a retirement investment, which is a fundamental economic and business practice. *See* Ans. 2–6. Such fundamental economic and business practices are often held to be abstract. *See, e.g., Alice*, 134 S. Ct. at 2356 (holding the concept of intermediated settlement is an abstract idea directed to a “fundamental economic practice long prevalent in our system of commerce”) (citation omitted); *see also buySAFE Inc. v. Google, Inc.*, 765 F.3d 1350, 1353–54 (Fed. Cir. 2014) (citing cases where contractual relations at issue constituted fundamental economic practices, and noting that forming or manipulating economic

relations may involve an abstract idea); *Content Extraction & Transmission LLC v. Wells Fargo Bank, Nat'l Ass'n*, 776 F.3d 1343, 1347 (Fed. Cir. 2014) (explaining that claims directed to “the mere formation and manipulation of economic relations” and “the performance of certain financial transactions” have been held to involve abstract ideas).

Furthermore, it is well settled that collecting information is within the realm of abstract ideas—even when the information is limited to particular content. *Elec. Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350, 1353 (Fed. Cir. 2016). It is also well settled that 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. *Id.* at 1354. And merely presenting the results of abstract processes of collecting and analyzing information, without more (such as identifying a particular tool for presentation), is abstract as an ancillary part of such collection and analysis. *Id.*

Similar to the claims at issue in *Electric Power*, the claimed invention here gathers, manipulates, analyzes, and presents information of a specified content, but does not use any particular inventive technology for performing those functions. That the information pertains to investments, benefits, and other financial data is of no consequence because collecting and analyzing such information does not make the collection and analysis non-abstract. *See SAP America, Inc. v. Investpic, LLC*, 890 F.3d 1016, 1021 (Fed. Cir. 2018).

Appellants' reliance on *DDR Holdings, LLC v. Hotels.Com, L.P.*, 773 F.3d 1245 (Fed. Cir. 2014) on pages 8 and 9 of the Appeal Brief is unavailing. In *DDR*, instead of a computer network operating in its normal,

expected manner by sending a website visitor to a third-party website apparently connected with a clicked advertisement, the claimed invention generated and directed the visitor to a hybrid page that presented (1) product information from the third party and (2) visual “look and feel” elements from the host website. *DDR*, 773 F.3d at 1258–59. Given this particular Internet-based solution, the court held that the claimed invention did not merely use the Internet to perform a business practice known from the pre-Internet world, but rather was necessarily rooted in computer technology to overcome a problem specifically arising in computer networks. *Id.* at 1257.

That is not the case here. As noted previously, Appellants’ claimed invention, in essence, calculates a particular retirement benefit for a user based on certain investments, and provides payments based on that calculation. In short, this computer-based functionality is directed to a fundamental business practice, namely financial calculation of a retirement investment—an abstract idea. As in *SAP America*, the claims here are not directed to specific improvements in the way computers and networks carry out their basic functions, but rather an improved financial analysis. *See SAP America*, 890 F.3d at 1022; *see also In re Chorna*, 656 F. App’x 1016, 1022 (Fed. Cir. 2016) (unpublished) (holding ineligible claims directed to financial instruments valued using an allocation formula, traded, and cleared as directed to an abstract idea). That the Specification indicates that off-the-shelf computer technology is usable to carry out the analysis on pages 18 and 19 of the Specification only bolsters the notion that the claimed invention does not focus on an improvement in computers as tools, but rather certain independently abstract ideas that use computers as tools. *See SAP America*, 890 F.3d at 1022 (quoting *Elec. Power*, 830 F.3d at 1354).

Alice Step Two

Nor do the recited elements—considered individually and as an ordered combination—transform the nature of claim 55 into a patent-eligible application of the abstract idea to ensure that the claim amounts to significantly more than that idea. *See Alice*, 134 S. Ct. at 2357.

That the recited system includes an interactive electronic interface and various processors, including a programmed computer processor coupled to a database and that communicates with the user via a communication network, does not change our conclusion. As the Examiner indicates, the claimed invention merely uses generic computing components to perform the recited abstract idea. Ans. 10–16; *see Mortgage Grader Inc. v. First Choice Loan Services, Inc.*, 811 F.3d 1314, 1324–25 (Fed. Cir. 2016) (noting that components such an “interface,” “network,” and “database” are generic computer components that do not satisfy the inventive concept requirement); *see also Intellectual Ventures I LLC v. Capital One Bank (USA)*, 792 F.3d 1363, 1370 (Fed. Cir. 2015) (“[T]he interactive interface limitation is a generic computer element”); *buySAFE*, 765 F.3d at 1355 (“That a computer receives and sends the information over a network—with no further specification—is not even arguably inventive.”). Indeed, these generic computing components merely do that which can be performed mentally or with a pen and paper—exclusive functions ineligible for patent protection under § 101. *See CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1372 (Fed. Cir. 2011).

Even assuming, without deciding, that the recited components add efficiency, any speed increase comes from the capabilities of the generic

computer components—not the recited process itself. *See FairWarning IP, LLC v. Iatric Systems, Inc.*, 839 F.3d 1089, 1095 (Fed. Cir. 2016) (citing *Bancorp Services, LLC v. Sun Life Assurance Co. of Canada (U.S.)*, 687 F.3d 1266, 1278 (Fed. Cir. 2012) (“[T]he fact that the required calculations could be performed more efficiently via a computer does not materially alter the patent eligibility of the claimed subject matter.”)). Like the claims in *FairWarning*, the focus of claim 55 is not on an improvement in computer processors as tools, but on certain independently abstract ideas that use generic computing components as tools. *See FairWarning*, 839 F.3d at 1095 (citations and quotation marks omitted).

In short, merely reciting these generic computing components cannot transform a patent-ineligible abstract idea into a patent-eligible invention. *Id.* at 2358. In other words, merely reciting an abstract idea while adding the words “apply it with a computer” does not render an abstract idea non-abstract: there must be more. *See Alice*, 134 S. Ct. at 2359. Nor does the claimed invention improve the computer processor’s functionality or efficiency, or otherwise change the way the processor functions. *Cf. Enfish LLC v. Microsoft Corp.*, 822 F.3d 1327, 1335 (Fed. Cir. 2016).

Despite Appellants’ arguments to the contrary (App. Br. 11; Reply Br. 4), the fact that the Examiner did not also reject the claims as anticipated or obvious under 35 U.S.C. §§ 102 and 103 is irrelevant to the Examiner’s eligibility rejection under 35 U.S.C. § 101. Although the second step in the *Alice* test is a search for an “inventive concept,” the analysis is not directed to novelty or nonobviousness, but rather searches for elements sufficient to ensure that the claimed invention is directed to more than a patent ineligible concept, such as an abstract idea. *See Alice*, 134 S. Ct. at 2355.

“Groundbreaking, innovative, or even brilliant discovery does not by itself satisfy the § 101 inquiry.” *Ass’n for Molecular Pathology v. Myriad Genetics, Inc.*, 569 U.S. 576, 591 (2013); *see also Diamond v. Diehr*, 450 U.S. 175, 188–89 (1981) (“The ‘novelty’ of any element or steps in a process, or even of the process itself, is of no relevance in determining whether the subject matter of a claim falls within the § 101 categories of possibly patentable subject matter.”); *Affinity Labs of Texas, LLC v. DIRECTV, LLC*, 838 F.3d 1253, 1263 n.3 (Fed. Cir. 2016) (noting that an eligibility finding does not turn on the novelty of using a user-downloadable application for the particular purpose recited in the claims).

Lastly, we find unavailing Appellants’ contention that the claims do not pre-empt the field of defined benefit investments. App. Br. 10–11. Where, as here, the claims cover a patent-ineligible concept, pre-emption concerns “are fully addressed and made moot” by an analysis under the *Alice* framework. *See Ariosa Diagnostics, Inc. v. Sequenom, Inc.*, 788 F.3d 1371, 1379 (Fed. Cir. 2015).

For the foregoing reasons, then, the recited elements—considered both individually and as an ordered combination—do not contain an inventive concept sufficient to transform the claimed abstract idea into a patent-eligible application. Therefore, we are not persuaded that the Examiner erred in rejecting claim 55, and claims 56–70 not argued separately with particularity.

CONCLUSION

The Examiner did not err in rejecting claims 55–70 under § 101.

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Application 14/450,580

DECISION

We affirm the Examiner's decision to reject claims 55–70.

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