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| APPLICATION NO. | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO. | CONFIRMATION NO. |
|--|-------------|----------------------|----------------------|------------------|
| 12/596,564 | 03/08/2010 | Nobuyuki Nonaka | LUP20120013US | 2764 |
| 66390 | 7590 | 07/17/2018 | EXAMINER | |
| LEX IP MEISTER, PLLC 5180 PARKSTONE DRIVE, SUITE 175 CHANTILLY, VA 20151 | | | CHAKRAVARTI, ARUNAVA | |
| | | | ART UNIT | PAPER NUMBER |
| | | | 3693 | |
| | | | MAIL DATE | DELIVERY MODE |
| | | | 07/17/2018 | PAPER |

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte NOBUYUKI NONAKA

Appeal 2017-004621
Application 12/596,564
Technology Center 3600

Before JUSTIN BUSCH, CATHERINE SHIANG, and
STEVEN M. AMUNDSON, *Administrative Patent Judges*.

AMUNDSON, *Administrative Patent Judge*.

DECISION ON APPEAL

Appellant¹ seeks our review under 35 U.S.C. § 134(a) from rejections of claims 1–10, 13, 14, 16, 17, and 19–30, i.e., all pending claims. Because the claims have been twice rejected, we have jurisdiction under 35 U.S.C. §§ 6(b) and 134(a). *See Ex parte Lemoine*, 46 USPQ2d 1420, 1423 (BPAI 1994) (precedential).

We affirm.

¹ Appellant identifies the real party in interest as Universal Entertainment Corporation. App. Br. 3.

STATEMENT OF THE CASE

The Invention

According to the Specification, the invention “relates to . . . an electronic settlement system, an electronic settlement server, a negotiable-value providing apparatus, a mobile communication terminal, and an electronic settlement method which enable electronic settlement corresponding to cash settlement.” Spec. ¶ 1, Abstract.²

Exemplary Claim

Independent claim 1 exemplifies the claims at issue and reads as follows (with formatting and reference characters added for clarity):

1. An electronic settlement system comprising
an electronic settlement server,
a mobile communication terminal capable of
communicating with the electronic settlement server, and
a negotiable-value providing apparatus capable of
communicating with the electronic settlement server and the
mobile communication terminal,
the electronic settlement server including a database unit
storing a negotiable-value providing apparatus table having a
plurality of records that correspond to a plurality of negotiable-
value providing apparatuses, each record storing equipment
identification information of a corresponding negotiable-value
providing apparatus,

² This decision uses the following abbreviations: “Spec.” for the Specification, filed March 8, 2010; “Non-Final Act.” for the Non-Final Office Action, mailed June 24, 2016; “App. Br.” for the Appeal Brief, filed October 17, 2016; “Ans.” for the Examiner’s Answer, mailed November 28, 2016; and “Reply Br.” for the Reply Brief, filed January 23, 2017.

wherein: the mobile communication terminal [A] acquires, from a negotiable-value providing apparatus, equipment identification information identifying the negotiable-value providing apparatus when the negotiable-value providing apparatus is required to provide a user with a tangible negotiable value by the user, [B] generates a settlement request message containing [1] user identification information identifying the user of the mobile communication terminal, [2] a transfer amount corresponding to consideration for provision of the negotiable value, and [3] the equipment identification information, and [C] directly transmits the settlement request message to the electronic settlement server,

the transfer amount [2(a)] being input from the mobile communication terminal by the user or [2(b)] being input by moving the mobile communication terminal close to the negotiable-value providing apparatus,

wherein a value of the transfer amount [2(b)] being input by moving the mobile communication terminal close to the negotiable-value providing apparatus is determined by

[2(b)(i)] a payment amount specified for the negotiable-value providing apparatus or

[2(b)(ii)] a payment amount determined by the equipment identification information of the negotiable-value providing apparatus,

according to a result of a check of a credit status of the user identified based on the user identification information, the electronic settlement server

[D] transmits, to the negotiable-value providing apparatus identified based on the equipment identification information, a provision instruction message instructing the negotiable-value providing apparatus to provide the tangible negotiable value corresponding to the transfer amount, and

[E] transmits a transfer request message requesting a transfer of an amount corresponding to the transfer amount from the user's account to a predetermined account, and

upon receiving the provision instruction message from the electronic settlement server, the negotiable-value providing apparatus provides the user with the tangible negotiable value corresponding to the transfer amount that is transferred from the user's account,

wherein the mobile communication terminal transmits the settlement request message to the electronic settlement server to prevent records of the user identification information and settlement information from remaining in a hall including the negotiable-value providing apparatus.

App. Br. 20–21 (Claims App'x).

The Prior Art Supporting the Rejections on Appeal

As evidence of unpatentability under 35 U.S.C. § 103(a), the Examiner relies on the following prior art:

| | | |
|------------------------------|--------------------|----------------|
| Anderson et al. ("Anderson") | US 6,021,202 | Feb. 1, 2000 |
| Walker et al. ("Walker") | US 2003/0027635 A1 | Feb. 6, 2003 |
| Rowe | US 2003/0171145 A1 | Sept. 11, 2003 |
| Asa | US 2008/0128483 A1 | June 5, 2008 |

The Rejections on Appeal

Claims 1, 2, 6, 7, 13, 16, 17, and 19–30 stand rejected under 35 U.S.C. § 101 as directed to patent-ineligible subject matter. Non-Final Act. 2–3.

Claims 1, 2, 6, 7, 13, 16, 17, 19–22, and 28–30 stand rejected under 35 U.S.C. § 103(a) as unpatentable over Rowe, Asa, and Walker. Non-Final Act. 4–9.

Claims 3–5, 8–10, 14, and 23–27 stand rejected under 35 U.S.C. § 103(a) as unpatentable over Rowe, Asa, Walker, and Anderson. Non-Final Act. 9–14.

ANALYSIS

We have reviewed the rejections of claims 1–10, 13, 14, 16, 17, and 19–30 in light of Appellant’s arguments that the Examiner erred. For the reasons explained below, we concur with the Examiner’s conclusions concerning ineligibility under § 101 and unpatentability under § 103(a). We adopt the Examiner’s findings and reasoning in the Non-Final Office Action (Non-Final Act. 2–17) and Answer (Ans. 2–13). We add the following to address and emphasize specific findings and arguments.

The § 101 Rejection of Claims 1, 2, 6, 7, 13, 16, 17, and 19–30

INTRODUCTION

The Patent Act defines patent-eligible subject matter broadly: “Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.” 35 U.S.C. § 101. In *Mayo Collaborative Services v. Prometheus Laboratories, Inc.*, 566 U.S. 66, 70 (2012), and *Alice Corp. v. CLS Bank International*, 134 S. Ct. 2347, 2354 (2014), the Supreme Court explained that § 101 “contains an important implicit exception” for laws of nature, natural phenomena, and abstract ideas. In *Mayo* and *Alice*, the Court set forth a two-step analytical framework for evaluating patent-eligible subject matter. *Alice*, 134 S. Ct. at 2355, 2357. First, “determine whether the claims at issue are directed to” a patent-ineligible concept, such

as an abstract idea. *Id.* at 2355. If so, “consider the elements of each claim both individually and ‘as an ordered combination’ to determine whether the additional elements” add enough to transform the “nature of the claim” into “significantly more” than a patent-ineligible concept. *Id.* at 2355, 2357 (quoting *Mayo*, 566 U.S. at 79); see *Affinity Labs of Tex., LLC v. DIRECTV, LLC*, 838 F.3d 1253, 1257 (Fed. Cir. 2016).

Step one in the *Mayo/Alice* framework involves looking at the “focus” of the claims at issue and their “character as a whole.” *Elec. Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350, 1353 (Fed. Cir. 2016); *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1335 (Fed. Cir. 2016). Step two involves the search for an “inventive concept.” *Alice*, 134 S. Ct. at 2355; *Elec. Power Grp.*, 830 F.3d at 1353. An “inventive concept” requires more than “well-understood, routine, conventional activity already engaged in” by the relevant community. *Rapid Litig. Mgmt. Ltd. v. CellzDirect, Inc.*, 827 F.3d 1042, 1047 (Fed. Cir. 2016) (quoting *Mayo*, 566 U.S. at 79–80). But “an inventive concept can be found in the non-conventional and non-generic arrangement of known, conventional pieces.” *BASCOM Global Internet Servs., Inc. v. AT&T Mobility LLC*, 827 F.3d 1341, 1350 (Fed. Cir. 2016). Under step two, “an inventive concept must be evident in the claims.” *RecogniCorp, LLC v. Nintendo Co.*, 855 F.3d 1322, 1327 (Fed. Cir. 2017).

MAYO/ALICE STEP ONE

The Examiner determines that the claims at issue are directed to an abstract idea, i.e., “a) requesting, using a mobile terminal, negotiable value from an electronic settlement server; b) performing [sic] credit check for an identified user; [and] c) transferring negotiable value from the negotiable value providing apparatus to the user account.” Non-Final Act. 3; see

Ans. 9. The Examiner explains that the abstract idea constitutes fundamental economic practices, methods of organizing human activity, and/or a mathematical relationship/formula. Non-Final Act. 3; *see* Ans. 9. In addition, the Examiner determines that the dependent claims extend the abstract idea “to include document management, signature verification, etc., which comprise economic practices, and/or methods of organizing human activities.” Non-Final Act. 3; *see* Ans. 9.

Appellant disputes the Examiner’s determination that the claims are directed to a patent-ineligible abstract idea. *See* App. Br. 13–15; Reply Br. 8–11. Appellant argues that claim 1 is not directed to an abstract idea but instead “directed to the electronic settlement system for outputting a tangible non-abstract outcome in response to the physical movement of the mobile communication terminal.” App. Br. 13–14. Appellant also argues that the Examiner ignored “meaningful limitations” in claim 1 when identifying the abstract idea. *Id.* at 13.

Appellant’s arguments do not persuade us of Examiner error. When identifying the abstract idea, the Examiner accurately assesses the “focus” of the claims and their “character as a whole.” *See* Non-Final Act. 3; Ans. 9; *see also Elec. Power Grp.*, 830 F.3d at 1353. That claim 1 specifies a user receives “tangible negotiable value” corresponding to a “transfer amount” does not alter its abstract character as a whole.

The Specification defines “negotiable value” as “anything that can be bought with money” including “tangible” objects and “intangible” things, e.g., credit data and/or debit data. Spec. ¶¶ 52, 58, 180. Claim 1 covers the collection and manipulation of data. App. Br. 20–21 (Claims App’x). The Federal Circuit has ruled that claims covering the collection and

manipulation of data were directed to abstract ideas. *See, e.g., SAP Am., Inc. v. InvestPic, LLC*, 890 F.3d 1016, 1019–22 (Fed. Cir. 2018); *Credit Acceptance Corp. v. Westlake Servs.*, 859 F.3d 1044, 1047, 1054–56 & n.6 (Fed. Cir. 2017); *Intellectual Ventures I LLC v. Capital One Fin. Corp.*, 850 F.3d 1332, 1339–41 (Fed. Cir. 2017); *Elec. Power Grp.*, 830 F.3d at 1351–54; *OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1361–63 (Fed. Cir. 2015).

That claim 1 requires some “physical” activity to generate a “transfer amount” does not render it non-abstract. According to claim 1, a user may input a “transfer amount” manually from a “mobile communication terminal” or the “transfer amount” may result from the user moving the “mobile communication terminal” close to a “negotiable-value providing apparatus.” App. Br. 20 (Claims App’x). Data receipt resulting from some “physical” activity, e.g., manual input, does not render a claim non-abstract. *See, e.g., Smart Sys. Innovations, LLC v. Chi. Transit Auth.*, 873 F.3d 1364, 1368–69, 1371–73 (Fed. Cir. 2017); *OIP Techs.*, 788 F.3d at 1361–63; *buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1351–52, 1354–55 (Fed. Cir. 2014).

In addition, “not every claim that recites concrete, tangible components escapes the reach of the abstract-idea inquiry.” *In re TLI Comm’ns LLC Patent Litig.*, 823 F.3d 607, 611 (Fed. Cir. 2016). Simply implementing an abstract idea using a “physical” machine does not impart patent eligibility. *See Mayo*, 566 U.S. at 84. In *Alice*, for example, “[a]ll of the claims [we]re implemented using a computer.” 134 S. Ct. at 2353, 2360.

Based on *Enfish*, Appellant contends that claim 1 is not directed to an abstract idea because claim 1’s settlement function is: (1) “a specific type of

function designed to improve the way the electronic settlement system provides the negotiable value through the settlement”; and (2) “a specific implementation of a solution to a technical problem.” App. Br. 14–15. But *Enfish* does not help Appellant.

The claims in *Enfish* are directed to a “specific improvement to the way computers operate,” i.e., an improved database configuration that permitted faster and more efficient searching. *Enfish*, 822 F.3d at 1330–33, 1336. Further, the Federal Circuit has explained that the claims “in *Enfish* did more than allow computers to perform familiar tasks with greater speed and efficiency” by “permitt[ing] users to launch and construct databases in a new way.” *Finjan, Inc. v. Blue Coat Sys., Inc.*, 879 F.3d 1299, 1305 (Fed. Cir. 2018).

Here, in contrast to *Enfish*, claim 1 lacks technical detail regarding a “settlement server” including a “database,” a “mobile communication terminal,” and a “negotiable-value providing apparatus.” App. Br. 20–21 (Claims App’x). Appellant does not describe an advance in hardware or software that, for example, causes a computer itself or a database itself to operate faster or more efficiently. The alleged improvement in settlement function does not parallel the improvement in *Enfish* and does not impart patent eligibility under *Mayo/Alice* step one. See *Secured Mail Sols. LLC v. Universal Wilde, Inc.*, 873 F.3d 905, 910 (Fed. Cir. 2017) (explaining that the claims in *Enfish* “focused on an improvement to computer functionality itself, not on economic or other tasks for which a computer is used in its ordinary capacity”). The claims here use computer system components in their ordinary capacities. Accordingly, the Examiner determines that “the

current claims do not purport to creat[e] or improv[e] any data structure or a computer.” Ans. 12.

Based on *McRO v. Bandai*, Appellant asserts that the “claimed invention” is “directed to a particular, practical application of providing the negotiable value” without “directly receiving personal information of the user” at the negotiable-value providing apparatus. Reply Br. 9–10 (citing *McRO, Inc. v. Bandai Namco Games Am. Inc.*, 837 F.3d 1299 (Fed. Cir. 2016)). But *McRO* does not help Appellant.

The claims in *McRO* recited a “specific . . . improvement in computer animation” using “unconventional rules” that related “sub-sequences of phonemes, timings, and morph weight sets” to automatically animate lip synchronization and facial expressions for three-dimensional characters that only human animators could previously produce. *McRO*, 837 F.3d at 1302–03, 1307–08, 1313–15. In *McRO*, “the incorporation of the claimed rules” improved an existing technological process. *Id.* at 1314. In contrast to the claims in *McRO*, claim 1 does not improve an existing technological process. *See Alice*, 134 S. Ct. at 2358 (explaining that “the claims in *Diehr* were patent eligible because they improved an existing technological process”).

Appellant contends that “the claimed invention does not preempt ‘all ways of providing the negotiable value through the settlement’ but instead is directed to ‘a particular, practical application of the alleged abstract idea.’” Reply Br. 10; *see* App. Br. 17. Although preemption may denote patent ineligibility, its absence does not demonstrate patent eligibility. *See FairWarning IP, LLC v. Iatric Sys., Inc.*, 839 F.3d 1089, 1098 (Fed. Cir. 2016); *see also OIP Techs.*, 788 F.3d at 1362–63. For claims covering a

patent-ineligible concept, preemption concerns “are fully addressed and made moot” by an analysis under the *Mayo/Alice* framework. *Ariosa Diagnostics, Inc. v. Sequenom, Inc.*, 788 F.3d 1371, 1379 (Fed. Cir. 2015).

In addition, claim 1 recites a series of steps for deducting a “transfer amount” from a user’s account and providing the user with an equivalent “tangible negotiable value,” e.g., similar to a process for withdrawing cash from an automated teller machine. App. Br. 20–21 (Claims App’x). The claimed series of steps resembles the claimed “series of steps instructing how to hedge risk” in a commodities market in *Bilski v. Kappos*, 561 U.S. 593, 599 (2010). In *Alice*, the Supreme Court explained that the claims in *Bilski* concerned a method of organizing human activity. *Alice*, 134 S. Ct. at 2356; *see also Intellectual Ventures I LLC v. Capital One Bank (USA)*, 792 F.3d 1363, 1367 (Fed. Cir. 2015) (deeming the claim at issue “not meaningfully different from the ideas found to be abstract in other cases before the Supreme Court and our court involving methods of organizing human activity”).

MAYO/ALICE STEP TWO

The Examiner determines that the additional elements in the claims individually and in combination amount to “no more than: (i) mere instructions to implement the idea on a computer, and/or (ii) recitation of generic computer structure that serves to perform generic computer functions that are well-understood, routine, and conventional activities previously known to the pertinent industry.” Non-Final Act. 3, 16–17; *see* Ans. 9–10, 12–13. The Examiner finds that the claims: (1) “merely utilize the already existing networks of financial institutions and mobile communication networks to perform electronic settlement of game hall

transactions”; and (2) require “purely functional, routine and generic components for requesting, generating, transmitting messages and providing negotiable value,” i.e., “generic servers, databases and mobile terminals” and other “generic equipment.” Non-Final Act. 17; Ans. 9–10, 13.

Accordingly, the Examiner reasons that the claims lack an “inventive concept” sufficient to transform them into significantly more than a patent-ineligible abstract idea. Non-Final Act. 3, 17; *see* Ans. 9–10, 13.

Appellant asserts that the Examiner erred in rejecting claim 1 because “generic computers” cannot perform claim 1’s settlement function. App. Br. 17; *see* Reply Br. 11–12. In particular, Appellant contends that “generic computers do not provide” either “negotiable value” or “equipment identification information to the mobile communication terminal when the mobile communication terminal closely moves to the generic computers.” App. Br. 17. In addition, Appellant contends that “[t]he claimed electronic settlement system is a special purpose system . . . and has the special purpose of preventing the personal information from remaining in the hall including the negotiable-value providing apparatus.” Reply Br. 12.

Appellant’s arguments do not persuade us of Examiner error. As additional elements, claim 1 recites a “settlement server” including a “database,” a “mobile communication terminal,” and a “negotiable-value providing apparatus.” App. Br. 20–21 (Claims App’x). The Specification describes those computer system components generically by explaining that: (1) a settlement server “is, for example, an information processing apparatus such as a computer or a workstation” and “includ[es] a[] central processing unit (CPU), a main memory (RAM), a read only memory (ROM), an I/O device (I/O), and an external storage device such as a hard disk device”;

(2) the mobile communication terminal “is, for example, a cellular phone having a non-contact IC card . . . , a cellular phone with short-distance communication means and radio communication means mounted thereon, PDA (Personal Data Assistant), a portable game machine, or an IP telephone including a radio LAN communication apparatus”; and (3) a negotiable-value providing apparatus “provides a prepared negotiable value,” i.e., anything “that can be bought with money,” and may “provide[] a negotiable value indirectly to a user by notifying a shop of the possibility of electronic settlement.” Spec. ¶¶ 52–53, 58–59, 86, 180, 187, 192; *see id.* ¶¶ 21, 25, 36, 341.

Moreover, mobile communication terminals with noncontact IC cards for short-range wireless communication are well understood, routine, and conventional to a skilled artisan, e.g., as “commercially available.” Asa ¶ 5; *see id.* ¶¶ 34, 37, 39, 41, 73–74, Fig. 1. In addition, court decisions have recognized that generic computer components operating to collect and manipulate data are well understood, routine, and conventional to a skilled artisan. *See, e.g., Alice*, 134 S. Ct. at 2360; *SAP Am.*, 890 F.3d at 1019–20, 1023; *Intellectual Ventures I v. Symantec Corp.*, 838 F.3d 1307, 1318–20 (Fed. Cir. 2016); *Versata Dev. Grp., Inc. v. SAP Am., Inc.*, 793 F.3d 1306, 1334 (Fed. Cir. 2015); *Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 715–16 (Fed. Cir. 2014); *buySAFE*, 765 F.3d at 1355; *Cyberfone Sys., LLC v. CNN Interactive Grp., Inc.*, 558 F. App’x 988, 993 (Fed. Cir. 2014).

Appellant asserts that “[t]he Examiner does not provide a single disclosure describing the electronic settlement server, the mobile communication terminal, and the negotiable-value providing apparatus in combination.” Reply Br. 11. That assertion does not persuade us of

Examiner error under *Mayo/Alice* step two. The Supreme Court has noted that “[t]he ‘novelty’ of any element[s] or steps” in a claim or even the claim itself “is of no relevance in determining whether the subject matter of a claim” satisfies § 101 because the question “whether a particular invention is novel is ‘wholly apart from whether the invention falls into a category of statutory subject matter.’” *Diamond v. Diehr*, 450 U.S. 175, 189–90 (1981) (quoting *In re Bergy*, 596 F.2d 952, 961 (CCPA 1979)). Further, the Federal Circuit has explained that “[t]he search for a § 101 inventive concept is . . . distinct from demonstrating § 102 novelty.” *Synopsys, Inc. v. Mentor Graphics Corp.*, 839 F.3d 1138, 1151 (Fed. Cir. 2016); see *Two-Way Media Ltd. v. Comcast Cable Commc’ns, LLC*, 874 F.3d 1329, 1340 (Fed. Cir. 2017). “[U]nder the *Mayo/Alice* framework, a claim directed to a newly discovered law of nature (or natural phenomenon or abstract idea) cannot rely on the novelty of that discovery for the inventive concept necessary for patent eligibility.” *Genetic Techs. Ltd. v. Merial L.L.C.*, 818 F.3d 1369, 1376 (Fed. Cir. 2016). “[A] claim for a *new* abstract idea is still an abstract idea.” *Synopsys*, 839 F.3d at 1151.

Based on *BASCOM*, Appellant contends that “the claimed invention recites the non-conventional and non-generic arrangement of the elements that is enough to qualify as ‘significantly more.’” Reply Br. 12–13. But *BASCOM* does not help Appellant.

The claims in *BASCOM* recited a “specific method of filtering Internet content” requiring “the installation of a filtering tool at a specific location, remote from the end-users, with customizable filtering features specific to each end user.” *BASCOM*, 827 F.3d at 1345–46, 1350. The Federal Circuit reasoned that the claims covered “a technology-based solution . . . to filter

content on the Internet that overcomes existing problems with other Internet filtering systems” and “improve[s] an existing technological process.” *Id.* at 1351 (citing *Alice*, 134 S. Ct. at 2358); *see Alice*, 134 S. Ct. at 2358 (explaining that “the claims in *Diehr* were patent eligible because they improved an existing technological process”).

In contrast to *BASCOM*, the claims here do not cover a technology-based solution that improves an existing technological process. *See* Ans. 12. Among other things, they do not require any uncommon computer arrangements or any unconventional network configurations. The alleged improvement in settlement function does not parallel the improvement in *BASCOM* and does not impart patent eligibility under *Mayo/Alice* step two. “[C]laiming the improved speed or efficiency inherent with applying the abstract idea on a computer” does not “provide a sufficient inventive concept.” *Intellectual Ventures*, 792 F.3d at 1367.

SUMMARY FOR INDEPENDENT CLAIM 1

For the reasons discussed above, Appellant’s arguments have not persuaded us of any error in the Examiner’s findings or conclusions under *Mayo/Alice* step one or step two. Hence, we sustain the § 101 rejection of claim 1.

INDEPENDENT CLAIMS 6, 13, 16, 17, AND 19–22 AND DEPENDENT CLAIMS 2, 7, AND 23–30

Appellant does not argue patent eligibility separately for independent claims 6, 13, 16, 17, and 19–22 or dependent claims 2, 7, and 23–30. App. Br. 13–18; Reply Br. 8–13; *see In re Lovin*, 652 F.3d 1349, 1357 (Fed. Cir. 2011) (explaining that the applicable rules “require more substantive arguments in an appeal brief than a mere recitation of the claim elements and

a naked assertion” of patentability). Thus, we sustain the § 101 rejection of these claims for the same reasons as claim 1. *See* 37 C.F.R. § 41.37(c)(1)(iv).

*The § 103(a) Rejection of Claims
1, 2, 6, 7, 13, 16, 17, 19–22, and 28–30*

AN AMOUNT “TRANSFERRED FROM THE USER’S ACCOUNT”

Appellant argues that the Examiner erred in rejecting claim 1 because Rowe does not teach or suggest the following limitation: “the negotiable-value providing apparatus provides the user with the tangible negotiable value corresponding to the transfer amount that is transferred from the user’s account.” *See* App. Br. 6–7, 11; Reply Br. 4–5. More specifically, Appellant asserts that Rowe “merely discloses” that a player at a gaming machine receives a “cashless instrument with the cash value corresponding to the payout” or award by the gaming machine and the player uses the cashless instrument at another “gaming machine or gaming table after validating the cashless instrument.” App. Br. 6 (emphasis omitted); *see* Reply Br. 4–5. Appellant also asserts that “Rowe does not teach providing the cashless instrument corresponding to the transfer amount that is transferred from the user’s account.” App. Br. 7 (emphasis omitted). According to Appellant, Rowe “merely discloses” that the cashless instrument awarded for winning a game “is deposited to the user’s account, but does not teach that the value corresponding to the transfer amount transferred from the user’s account is provided as the negotiable value.” Reply Br. 5.

Appellant’s arguments do not persuade us of Examiner error because Rowe discloses that: (1) “a player may cashout” at a gaming machine at one

property and “receive a cashless instrument with the cash value” corresponding to a credit to the player’s account at a central clearinghouse; (2) the player may “present the cashless instrument with the cash value” for validation at another property; (3) after successful validation at the other property, the player may use the cash value (or part of it) for game play at the other property or “the player may receive a cash amount” from the other property; and (4) in either event, a server sends an electronic fund transfer (EFT) to the central clearinghouse “to cover the debit” to the player’s account. Rowe ¶¶ 18–19, 44–46, 63–67, 87–99, Fig. 4 (e.g., step 430 “EFT TO COVER DEBIT” and step 436 “PUT CREDITS ON PLATFORM”); *see* Non-Final Act. 4–6; Ans. 2–5. Consequently, Rowe teaches or suggests “the negotiable-value providing apparatus provides the user with the tangible negotiable value corresponding to the transfer amount that is transferred from the user’s account,” as recited in claim 1.

INPUTTING A “VALUE OF THE TRANSFER AMOUNT”

Appellant argues that the Examiner erred in rejecting claim 1 because Asa does not teach or suggest the following limitation: “a value of the transfer amount being input by moving the mobile communication terminal close to the negotiable-value providing apparatus is determined by a payment amount specified for the negotiable-value providing apparatus or a payment amount determined by the equipment identification information of the negotiable-value providing apparatus.” *See* App. Br. 7–9, 11; Reply Br. 5–6. In particular, Appellant contends that Asa “merely discloses” that a mobile phone “is brought in proximity to” a reader/writer in a shop “so as to send data of purchase request to the reader/writer, the result of the purchase authorized is sent back” to the reader/writer, the mobile phone “is notified of

the payment settlement, and the payment settlement from the deposited amount in the IC card is made as this payment settlement.” App. Br. 8; *see* Reply Br. 5–6. According to Appellant, “Asa’s payment information is neither specified for the reader/writer (the alleged negotiable-value providing apparatus) nor determined by an equipment ID of the reader/writer.” App. Br. 9 (emphasis omitted).

Appellant’s arguments do not persuade us of Examiner error because Asa’s reader/writer specifies the claimed “payment amount” that produces the claimed “value of the transfer amount.” Asa ¶¶ 5–6, 34, 37, 39, 41, 43–54, 59–60, 73–76, Figs. 2, 3A–3B, 4A–4B; *see* Non-Final Act. 6–7; Ans. 5–6. In particular, Asa explains that a mobile phone includes a noncontact IC card for communicating with a reader/writer in a shop and for “payment settlement processing.” Asa ¶¶ 34, 37, 39, 41, 43. A reader/writer “handle[s] the information on the merchandise.” *Id.* ¶ 44. “[I]nformation related to the purchased merchandise is in the reader/writer of the shop,” including “the amount of payment settlement,” i.e., a purchase price corresponding to the claimed “payment amount.” *Id.* ¶ 46. For example, Figures 3A–3B and 4A–4B depict purchase information including “an amount of money,” i.e., a purchase price specified in yen (¥), transmitted from a reader/writer to a mobile phone. *Id.* ¶¶ 49–54, Figs. 3A–3B, 4A–4B. Moving a mobile phone’s noncontact IC card close to a reader/writer causes a transfer of the purchase price from an account at a management server. *Id.* ¶¶ 39, 44–45, 59, 73–74, Fig. 2. Consequently, Asa teaches or suggests “a value of the transfer amount being input by moving the mobile communication terminal close to the negotiable-value providing apparatus is determined by a payment amount specified for the negotiable-value

providing apparatus or a payment amount determined by the equipment identification information of the negotiable-value providing apparatus,” as recited in claim 1.

PREVENTING RECORDS FROM REMAINING IN
A NEGOTIABLE-VALUE PROVIDING APPARATUS

Appellant argues that the Examiner erred in rejecting claim 1 because Rowe and Asa do not teach or suggest the following limitation: “the mobile communication terminal transmits the settlement request message to the electronic settlement server to prevent records of the user identification information and settlement information from remaining in a hall including the negotiable-value providing apparatus.” *See* App. Br. 9–11; Reply Br. 6–8. In particular, Appellant contends that in Asa: (1) “all data between the management server and the mobile phone” are “exchanged through the reader/writer” and “permanently or temporally [sic] stored in the reader/writer”; and (2) “information related to the payment remains in the reader/writer.” App. Br. 10.

Appellant’s arguments do not persuade us of Examiner error because they mischaracterize Asa. Asa explains that a management server “manages credit information on the owner of the mobile phone.” Asa ¶ 44. To pay for goods or services, the owner moves the mobile phone’s noncontact IC card close to a reader/writer, and the mobile phone sends a purchase request to the reader/writer. *Id.* ¶¶ 45, 59, Fig. 2. The reader/writer then connects with the management server, and the management server conducts a financial status inquiry “to determine whether the purchase is authorized.” *Id.* ¶¶ 44–45, 59, Fig. 2. If so, the management server carries out the payment settlement using a deposited amount and sends the result to the reader/writer.

Id. ¶¶ 45, 59, Fig. 2. The reader/writer then notifies the mobile phone of the payment settlement, including “the amount of payment settlement.” *Id.*

¶¶ 45–46, 49–51, 59, Figs. 2, 3A–3B. The mobile phone stores the received information along with other information. *Id.* ¶¶ 23, 46, 49–54, 60, Figs. 2, 4A–4B.

Contrary to Appellant’s contentions, Asa does not disclose that “all data between the management server and the mobile phone” are “exchanged through the reader/writer” and remain permanently in the reader/writer. *See, e.g.*, Asa ¶¶ 5–6, 23, 34, 37, 39, 41, 43–54, 59–60, 73–76, Figs. 2, 3A–3B, 4A–4B. The reader/writer stores “information related to the purchased merchandise,” e.g., the purchase price. *Id.* ¶¶ 46, 49–51, 59, Figs. 3A–3B. But Asa does not disclose that after a purchase the reader/writer stores any “user identification information” or any settlement-specific information, e.g., settlement date and time. Instead, the management server stores some “user identification information” because it “manages credit information on the owner of the mobile phone.” *Id.* ¶ 44; *see id.* ¶¶ 6, 45, 59, Fig. 2. The mobile phone also stores some “user identification information,” e.g., a “unique ID” assigned when registering to use the system. *See id.* ¶¶ 23, 44, 53–54, Figs. 4A–4B. Moreover, the management server and the mobile phone store settlement-specific information. *Id.* ¶ 73. Thus, Asa teaches or suggests a system that prevents user records from remaining at a reader/writer after a purchase by storing them at a management server and a mobile phone.

In addition, Rowe teaches or suggests transmitting settlement request messages to a settlement server. *See, e.g.*, Rowe ¶¶ 44–46, 63–67, 87–99,

Fig. 4. Consequently, the combination of disclosures in Rowe and Asa teaches or suggests the disputed limitation in claim 1.

SUMMARY FOR INDEPENDENT CLAIM 1

For the reasons discussed above, Appellant’s arguments have not persuaded us that the Examiner erred in rejecting claim 1 for obviousness based on Rowe, Asa, and Walker. Hence, we sustain the § 103(a) rejection of claim 1.

INDEPENDENT CLAIMS 6, 13, 16, 17, AND 19–22 AND DEPENDENT CLAIMS 2, 7, AND 28–30

Appellant does not argue patentability separately for independent claims 6, 13, 16, 17, and 19–22 or dependent claims 2, 7, and 28–30. App. Br. 5–12. Thus, we sustain the § 103(a) rejection of these claims for the same reasons as claim 1. *See* 37 C.F.R. § 41.37(c)(1)(iv).

The § 103(a) Rejection of Claims 3–5, 8–10, 14, and 23–27

For dependent claims 3–5, 8–10, 14, and 23–27, Appellant asserts that the additionally cited Anderson reference “fails to cure the deficiencies in [the] other cited references.” App. Br. 13. That assertion does not constitute a separate patentability argument. *See Lovin*, 652 F.3d at 1357. Because Appellant does not argue the claims separately, we sustain the § 103(a) rejection of dependent claims 3–5, 8–10, 14, and 23–27 for the same reasons as the independent claims. *See* 37 C.F.R. § 41.37(c)(1)(iv).

DECISION

We affirm the Examiner’s decision to reject claims 1–10, 13, 14, 16, 17, and 19–30.

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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)(1)(iv). *See* 37 C.F.R. § 41.50(f).

AFFIRMED