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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte RICHARD H. WAGNER¹

Appeal 2017-004825
Application 13/829,007
Technology Center 3600

Before MICHAEL J. STRAUSS, KARA L. SZPONDOWSKI, and
MICHAEL M. BARRY, *Administrative Patent Judges*.

BARRY, *Administrative Patent Judge*.

DECISION ON APPEAL

Appellant appeals under 35 U.S.C. § 134(a) from the Examiner’s Final Rejection of claims 1–15 and 17–19, which constitute all pending claims.² We have jurisdiction over the pending claims under 35 U.S.C. § 6(b).

We AFFIRM.

¹ The Appeal Brief filed Apr. 14, 2016 (“App. Br.”) at page 3 identifies the Datascope.com, Inc., as the real party in interest.

² In a post-Final Amendment filed Apr. 18, 2016, Appellant amended the claims by cancelling claim 16 and amending claim 14 to include the limitations of cancelled claim 16. The Examiner entered those amendments in an Advisory Action mailed Apr. 26, 2016 (“Adv. Act.”), and the Claims Appendix included with the Supplemental Appeal Brief filed Aug. 2, 2016 (“Claims App’x”) reflects those amendments.

Introduction

Appellant's disclosed and claimed invention "relates generally to systems for administering wireless device accounts, and more particularly, to systems that enable users to obtain credits on wireless device accounts."

Spec. ¶ 1. In background discussion for the invention, Appellant identifies that "systems and methods that encourage computer users and mobile device users to accept and interact with advertising are needed." *Id.* ¶ 3.

Claims 1 and 14 are illustrative of the claims on appeal:

1. A computer system comprising:

an open network interface configured to receive and transmit messages in an open network communication protocol;

a database having a memory in which wireless device account data, sponsor account data, and wireless service provider data are stored; and

a computer having a processor and memory in which programmed instructions are stored, the processor operating the computer when the processor executes the programmed instructions to:

verify messages received through the open network interface are from one of a wireless device associated with wireless device account data stored in the database, a computer associated with a sponsor, and a computer associated with a wireless service provider having data stored in the database,

generate and send messages to the wireless devices associated with wireless device account data stored in the database in response to receipt of a message regarding a first incentive offer from a computer associated with one of the sponsors having sponsor account data stored in the database,

generate and store credit data in wireless device account data in the database associated with wireless devices that responded to a message regarding the first

incentive offer in response to messages indicating acceptance of the first incentive offer being received from wireless devices through the open network interface,

generate and send a debit message to a payment service associated with the sponsor having sponsor account data stored in the database that sent the first incentive offer, a debit amount identified in the debit message corresponding to a total debit identified by the credit data corresponding to the sponsor stored by the computer in the wireless device account data in the database, and

generate and send payment messages to a wireless service provider having wireless service provider data stored in the database, the payment messages being generated with reference to the credit data stored in the database for wireless devices that sent messages indicating acceptance of the incentive offer and the payment messages identifying wireless device accounts with the wireless service provider that correspond to wireless devices that sent messages indicating acceptance of the first incentive offer.

14. A wireless device comprising:

a display;

a memory in which programmed instructions are stored;

a wireless transceiver; and

a processor that operates the wireless device when the processor executes the programmed instructions stored in the memory to:

receive with the transceiver and display messages regarding incentive offers received from a computer communicating over an open network,

generate requests to receive a document stored at a universal resource locator identified in a received

message regarding an incentive offer and operate the transceiver to send the requests,

generate a request for credit to a wireless device account identified by wireless device account data stored in a database associated with the computer communicating over the open network and operate the transceiver to send the request for credit to the computer communicating over the open network after the document stored at the universal resource locator has been received by the wireless device; and

Claims App'x 1–2, 8–9.

Rejections and References

Claims 1–15 and 17–19 stand rejected under 35 U.S.C. § 101 as directed to a judicial exception (i.e., an abstract idea) without reciting significantly more. Final Act. 2–5; *see also id.* at 30–33.

Claims 14 and 17 stand rejected under pre-AIA 35 U.S.C. § 102(b) as anticipated by Bayne (US 2009/0088219 A1; pub. Apr. 2, 2009). Final Act. 5–8; *see also id.* at 33–34.

Claims 1 and 3–11 stand rejected under 35 U.S.C. § 103(a) as unpatentable over Bayne, Colligan (US 2010/0130179 A1; pub. May 27, 2010), and Girard (US 2013/0316703 A1; pub. Nov. 28, 2013). Final Act. 9–22; *see also id.* at 34–36.

Claim 2 stands rejected under § 103(a) as unpatentable over Bayne, Colligan, Girard, and Bommel (US 2008/0097851 A1; pub. Apr. 24, 2008). Final Act. 22–23.

Claims 12 and 13 stand rejected under § 103(a) as unpatentable over Bayne, Colligan, Girard, and Medlen (US 2013/0317911 A1; pub. Nov. 28, 2013). Final Act. 23–26.

Claims 15, 18, and 19 stand rejected under § 103(a) as unpatentable over Bayne and Medlen. Final Act. 26–30.

ANALYSIS

Appellant waives unmade arguments. 37 CFR § 41.37(c)(1)(iv) (“The arguments shall explain why the examiner erred as to each ground of rejection contested by appellant. . . . [A]ny arguments or authorities not included in the appeal brief will be refused consideration by the Board for purposes of the present appeal.”); *Cf. In re Baxter Travenol Labs.*, 952 F.2d 388, 391 (Fed. Cir. 1991) (“It is not the function of this court to examine the claims in greater detail than argued by an appellant”).

We have reviewed the Examiner’s rejections in light of Appellant’s contentions of reversible error. Except as set forth below with regard to the 35 U.S.C. § 101 rejection of claim 5, we disagree with Appellant’s conclusions. As consistent with our discussion below, we adopt the findings and reasoning of the Examiner as set forth in the Final Rejection and in the Answer.

A. The 35 U.S.C. § 101 Rejection

1. Principles of Law

An invention is patent-eligible if it claims a “new and useful process, machine, manufacture, or composition of matter.” 35 U.S.C. § 101. However, the Supreme Court has long interpreted 35 U.S.C. § 101 to include implicit exceptions: “[l]aws of nature, natural phenomena, and abstract ideas” are not patentable. *E.g., Alice Corp. v. CLS Bank Int’l*, 573 U.S. 208, 216 (2014).

In determining whether a claim falls within an excluded category, we are guided by the Supreme Court’s two-step framework, described in *Mayo* and *Alice*. *Id.* at 217–18 (citing *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66, 75–77 (2012)). In accordance with that framework, we first determine what concept the claim is “directed to.” *See Alice*, 573 U.S. at 219 (“On their face, the claims before us are drawn to the concept of intermediated settlement, *i.e.*, the use of a third party to mitigate settlement risk.”); *see also Bilski v. Kappos*, 561 U.S. 593, 611 (2010) (“Claims 1 and 4 in petitioners’ application explain the basic concept of hedging, or protecting against risk.”).

Concepts determined to be abstract ideas, and thus patent ineligible, include certain methods of organizing human activity, such as fundamental economic practices (*Alice*, 573 U.S. at 219–20; *Bilski*, 561 U.S. at 611); mathematical formulas (*Parker v. Flook*, 437 U.S. 584, 594–95 (1978)); and mental processes (*Gottschalk v. Benson*, 409 U.S. 63, 69 (1972)). Concepts determined to be patent eligible include physical and chemical processes, such as “molding rubber products” (*Diamond v. Diehr*, 450 U.S. 175, 192 (1981)); “tanning, dyeing, making waterproof cloth, vulcanizing India rubber, smelting ores” (*id.* at 184 n.7 (quoting *Corning v. Burden*, 56 U.S. 252, 267–68 (1854))); and manufacturing flour (*Benson*, 409 U.S. at 69 (citing *Cochrane v. Deener*, 94 U.S. 780, 785 (1876))).

In *Diehr*, the claim at issue recited a mathematical formula, but the Supreme Court held that “[a] claim drawn to subject matter otherwise statutory does not become nonstatutory simply because it uses a mathematical formula.” *Diehr*, 450 U.S. at 176; *see also id.* at 192 (“We view respondents’ claims as nothing more than a process for molding rubber

products and not as an attempt to patent a mathematical formula.”). Having said that, the Supreme Court also indicated that a claim “seeking patent protection for that formula in the abstract . . . is not accorded the protection of our patent laws, . . . and this principle cannot be circumvented by attempting to limit the use of the formula to a particular technological environment.” *Id.* (citing *Benson* and *Flook*); *see, e.g., id.* at 187 (“It is now commonplace that an *application* of a law of nature or mathematical formula to a known structure or process may well be deserving of patent protection.”).

If the claim is “directed to” an abstract idea, we turn to the second step of the *Alice* and *Mayo* framework, where “we must examine the elements of the claim to determine whether it contains an ‘inventive concept’ sufficient to ‘transform’ the claimed abstract idea into a patent-eligible application.” *Alice*, 573 U.S. at 221 (quotation marks omitted). “A claim that recites an abstract idea must include ‘additional features’ to ensure ‘that the [claim] is more than a drafting effort designed to monopolize the [abstract idea].’” *Id.* (quoting *Mayo*, 566 U.S. at 77). “[M]erely requir[ing] generic computer implementation[] fail[s] to transform that abstract idea into a patent-eligible invention.” *Id.*

The PTO recently published revised guidance on the application of § 101. USPTO’s January 7, 2019 Memorandum, *2019 Revised Patent Subject Matter Eligibility Guidance* (“Memorandum”). Under that guidance, we first look to whether the claim recites:

- (1) any judicial exceptions, including certain groupings of abstract ideas (i.e., mathematical concepts, certain methods of organizing

human interactions such as a fundamental economic practice, or mental processes); and

(2) additional elements that integrate the judicial exception into a practical application (*see* MPEP § 2106.05(a)–(c), (e)–(h)).

Only if a claim (1) recites a judicial exception and (2) does not integrate that exception into a practical application, do we then look to whether the claim:

(3) adds a specific limitation beyond the judicial exception that are not “well-understood, routine, conventional” in the field (*see* MPEP § 2106.05(d)); or

(4) simply appends well-understood, routine, conventional activities previously known to the industry, specified at a high level of generality, to the judicial exception.

See Memorandum.

2. *The Examiner’s Determinations*

The Examiner determines all pending claims “are directed to the abstract idea of generating and sending sponsored incentive messages and allocating incentive related credits and payments among wireless device accounts, sponsors, and wireless service providers with messages.” Final Act. 2 (noting this idea is similar to “basic economic practices or theories such as advertising and marketing” determined to be abstract ideas in other cases (citing *SmartGene*³ and *Cyberfone*⁴)). The Examiner further determines the claims do not recite additional limitations that, when considered individually and as an ordered combination, amount to

³ *SmartGene, Inc. v. Advanced Biological Labs., SA*, 555 F. App’x 950 (Fed. Cir. 2014).

⁴ *Cyberfone Systems, LLC v. CNN Interactive Group, Inc.*, 558 F. App’x 988 (Fed. Cir. 2014).

significantly more than the judicial exception, because the additional limitations require only generic computer technology that performs well-understood, routine, and conventional activities previously known in the industry. Final Act. 4–5 (citing Spec. ¶¶ 10, 32).

3. Claim 1

Appellant argues the Examiner errs in step one of the *Alice* analysis because the Examiner’s “alleged abstract idea is a gloss of the subject matter to which claim 1 is directed.” App. Br. 9; *see also id.* at 10–12. Instead, Appellant contends claim 1 is directed to

a specific machine designed for the purpose of providing incentive messages from sponsors to wireless devices, enabling the wireless devices to receive credit for accepting those messages, obtaining payment for the acceptance of those messages from sponsors, and using those payments to pay wireless service providers with reference to the payments from sponsors. Such a designed machine is not a mere abstract idea and does not tie up the alleged abstract idea [identified by the Examiner].

App. Br. 9.

This argument is unpersuasive. “An abstract idea can generally be described at different levels of abstraction.” *Apple v. Ameranth Inc.*, 842 F.3d 1229, 1240 (Fed. Cir. 2016). The Examiner’s determination for claim 1 is no more of a gloss than the determination in *Alice*, in which the Supreme Court determined a claim reciting a variety of specific limitations, e.g., for using “shadow records” within multiple method steps, was directed to “intermediated settlement.” *See* 134 S. Ct. at 2352, 2354 n.2. The Examiner’s determination properly reflects that focus of claim 1 is on the business method aspects underlying the recited use of sponsor incentives and the messages sent among a wireless device user, a wireless service provider,

and the sponsor. As the Examiner responds, and we agree, the business method limitations of claim 1 recites functionality of the type that has routinely been determined to be abstract. *See, e.g.*, Ans. 3–4 (comparing the recited functionality to limitations found to be abstract in *SmartGene* and *Cyberfone*). We agree with the Examiner that claim 1 is directed to a judicial exception in the category of organizing human activity because it is directed to the abstract idea of “[d]istributing incentives and advertisements to consumers,” which are activities “engaged in by advertisers and merchants on a frequent basis.”⁵ Final Act. 3.

Claim 1 recites the following technology limitations:

- 1) computers;
- 2) an open network interface;
- 3) an open network communication protocol;
- 4) a database having a memory; and
- 5) a computer having a processor and memory in which programmed instructions are stored, the processor operating the computer when the processor executes the programmed instructions.

Appellant’s Specification confirms that any suitable hardware may be used for the recited technology components. *See, e.g.*, Spec. ¶¶ 9–10. The remaining limitations of claim 1 constitute the recited business method, i.e., the abstract idea. Thus, claim 1 recites a business method performed by any suitable technology.

Claim 1 does not improve the function of any of the recited technology and is not, as Appellant argues, directed to “a designed machine” (App. Br. 9) rather than an abstract idea. Claim 1 does not meaningfully

⁵ Claim 1’s dependent claims also, therefore, are directed to this abstract idea.

constrain the recited hardware or any underlying software technology beyond the functional requirements for processing the incentive-related messages among the sponsor, wireless device user, and wireless service provider. In other words, claim 1 does not apply the judicial exception with any particular machine. *See* MPEP § 2106.05(b). Appellant’s arguments similarly do not persuade us that claim 1 improves the functioning of a computer or any other technology or technical field, or that it effects a particular transformation of the recited articles, which are simply used for their ordinary purposes, or add any other meaningful (technological) limitations, i.e., beyond those that simply “linking the use” of the method to general technology; thus, Appellant does not persuade us the technological limitations amount to more than instructions to apply the exception on that set of general hardware. *See* MPEP § 2106.05(a), (c), (e)–(f); *see also id.* at (g)–(h) (use of well-known limitations beyond the judicially excepted matter constitutes “insignificant extra-solution activity” (g) and claim limitations “merely indicating a field of use or technological environment in which to apply a judicial exception do not amount to significantly more” (h)).

Appellant also specifically contends the Examiner mistakenly describes the idea as including “*allocating* incentive related credits and payments among wireless device accounts, sponsors, and wireless service providers,” because claim 1 “does more than merely allocate credits.” App. Br. 9 (instead contending the claimed system “effects payment from sponsors). This is unpersuasive. As discussed above, it is reasonable to describe a claim at different levels of abstraction, and allocating is a reasonable abstraction of claim 1’s recited requirements related to processing credit payments and debit amounts. We consider whether claim

1's recitations amount to *significantly* more in the second step of the *Alice* analysis.

Appellant also contends claim 1 is not directed to an abstract idea because it includes limitations “unknown in the prior art.” App. Br. 9. This is unpersuasive. A novel and nonobvious claim directed to a purely abstract idea is, nonetheless, patent ineligible. *See Mayo*, 566 U.S. at 90; *BSG Tech LLC v. BuySeasons, Inc.*, 899 F.3d 1281, 1290 (Fed. Cir. 2018) (“It has been clear since *Alice* that a claimed invention’s use of the ineligible concept to which it is directed cannot supply the inventive concept that renders the invention ‘significantly more’ than that ineligible concept.”); *Diehr*, 450 U.S. at 188–89 (“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.”).

We also are unpersuaded the Examiner errs because claim 1 “does not tie up the alleged abstract idea.” App. Br. 9. “While preemption may signal patent ineligible subject matter, the absence of complete preemption does not demonstrate patent eligibility.” *Ariosa Diagnostics, Inc. v. Sequenom, Inc.*, 788 F.3d 1371, 1379 (Fed. Cir. 2015); *see also CLS Bank Int’l v. Alice Corp. Pty. Ltd.*, 717 F.3d 1269, 1281 (Fed. Cir. 2013) (“[B]road claims do not necessarily raise § 101 preemption concerns, and seemingly narrower claims are not necessarily exempt.”); *OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1362–63 (Fed. Cir. 2015) (“[T]hat the claims do not preempt all price optimization or may be limited to price optimization in the e-commerce setting do not make them any less abstract.”). “Where a patent’s claims are deemed only to disclose patent ineligible subject matter under the

Mayo framework . . . preemption concerns are fully addressed and made moot.” *Ariosa*, 788 F.3d at 1379

Appellant contends the Examiner overlooks aspects of claim 1 such as “an open network interface,” which “contributes to the erroneous conclusion that the claim describes ‘steps that can be performed by a human.’” App. Br. 10 (quoting Adv. Act. (block 12)). This is unpersuasive. During the *Alice* step one analysis, we consider whether a human may implement the abstract idea to which the claim is directed, not whether there are other limitations that a human cannot perform. Here, we consider whether the limitations such as “an open network interface” amount to significantly more than the abstract idea during the second step of the *Alice* analysis.

Appellant contends the Examiner “fails to consider the claim as an ordered combination that addresses the wireless network challenge of unsolicited incentives and that solves it with an Internet/wireless subscriber system that operates in an ordered manner as set forth in the claim.” App. Br. 11; *see also id.* at 12 and Reply Br. 3–4. This argument is unpersuasive.

We find the Examiner’s determination that the claim is directed to an abstract idea was based on consideration of the claim as a whole. For example, the Examiner’s determination that the idea to which claim 1 is directed includes “allocating incentive related credits and payments” requires consideration of limitations from multiple steps in the claim. *See* Final Act. 2; *see also* Ans. 3–5, 8–9 (expanding on the rejection’s analysis of all claim limitations, individually and in combination). We further agree with the Examiner that it is the business method that “addresses the wireless network challenge of unsolicited incentives or offers, and the effects of telecommunications laws.” Ans. 9 (determining “such results are not

technical in nature, and are not sufficient to transform the instant judicial exception into an eligible application”).

Appellant further argues that *BASCOM* compels a different result. Reply Br. 3–4. We disagree. In *BASCOM*, claims directed to the abstract idea of filtering content on the Internet were patent-eligible because they recited a combination of limitations that provided a specific way to improve the technology used for Internet filtering. *See* 827 F.3d at 1349–52. Claim 1 does not improve any underlying technology. Instead, it is directed to solving a business method problem in the field of wireless device account administration. *See* Spec. ¶ 1.

Thus, the claim does not integrate the judicial exception into a practical application, and we proceed to step two of the *Alice* analysis.

Appellant argues the Examiner errs in the step two analysis by “fail[ing] to notice that several of the elements of the claim are not known in the art . . . and fail[ing] to appreciate the symbiotic solution of this ordered combination to the issues identified in the background of the application.” App. Br. 13. Specifically, Appellant contends that claim 1 “enables a sponsor to overcome the resistance of a wireless device user in the prior art to receive incentive offers, which is similar to the delivery of time sensitive stock quotes to Internet users.” *Id.* (asserting the Examiner fails to show that claim 1’s “receipt of payment from the sponsor that can be transformed into payment to a wireless service provider on behalf of the wireless device accepting the incentive offers” does *not* constitute significantly more than the identified abstract idea).

Appellant refers to claim 2 from Example 21 of the Office’s July 2015 Update on Subject Matter Eligibility. That claim is patent eligible because it

“solve[s] an Internet-centric problem with a claimed solution that is necessarily rooted in computer technology, similar to the additional elements in *DDR Holdings*.^{6]}” See July 2015 Update, App’x 1, p. 4 (available at www.uspto.gov/sites/default/files/documents/ieg-july-2015-app1.pdf (last accessed Dec. 31, 2018)); see also *id.* pp. 2–5. Appellant’s claim 1, on the other hand, solves the human problem of overcoming a wireless device user’s resistance to receiving incentive offers. In other words, claim 1’s limitations for transforming “receipt of payment from the sponsor . . . into payment to a wireless service provider on behalf of the wireless device” user (App. Br. 13) are a business method solution to a human problem. Rather than being Internet- or technology-centric, claim 1 combines an abstract idea with routine technology components. In particular, claim 1 recites the use of technology components for their ordinary, well-understood, routine, and conventional purposes as a way to implement the business method among the three recited entities (sponsor, wireless service provider, and wireless device user). Thus, claim 1 only limits the use of the abstract idea to a particular technological environment and “does not transform an otherwise abstract idea into patent-eligible subject matter.” *Ulramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 716 (Fed. Cir. 2014); see also *Intellectual Ventures I LLC v. Capital One Bank (USA)*, 792 F.3d 1363, 1370–71 and *Affinity Labs of Texas, LLC v. DirecTV, LLC*, 838 F.3d 1253, 1259 (Fed. Cir. 2016). Therefore, for the reasons discussed, we agree with the Examiner that the technology limitations of claim 1, alone and in combination, do not transform the abstract idea of the business method into an inventive concept. See Final Act. 3–5; Ans. 8–10.

⁶ *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245 (2014).

Accordingly, we sustain the 35 U.S.C. § 101 rejection of claim 1.

4. Claim 2

Appellant separately argues the Examiner errs in the § 101 rejection of claim 2, which depends from claim 1 and further requires “generat[ing] and send[ing] ACH^[7] messages to transfer funds from a payment service identified by sponsor account data to an account associated with an operator of the computer” (Claims App’x 2). App. Br. 14. Specifically, Appellant contends “[t]hese messages between computers help incentivize operation of the claimed computer system to overcome the resistance of wireless device users to receive offers from third party sponsors over a wireless network.” *Id.* The Examiner responds by finding claim 2 recites only an abstract idea “similar to the judicial exception identified in Dealertrack,^[8] i.e., processing information through a clearinghouse,” and that “in combination with claim 1[, claim 2] does not improve another technology or technical field, improve the functioning of a computer or computing system, or include meaningful limitations beyond generally linking the use of an abstract idea to a particular technological environment” (i.e., to use with the ACH network). Ans. 11, 12.

Appellant replies that the Examiner does not “demonstrate that the ordered combination was considered as possibly meeting the test of a non-conventional and non-generic arrangement of conventional elements.” Reply Br. 4. This argument is unpersuasive. Claim 2’s limitations for sending ACH messages are directed to the idea of using a payment

⁷ The ACH (“automated clearinghouse”) network is an electronic payment network established in the 1970s. *See, e.g.,* en.wikipedia.org/wiki/ACH_Network (last accessed Dec. 31, 2018).

⁸ *Dealertrack, Inc. v. Huber*, 674 F.3d 1315 (Fed. Cir. 2012).

clearinghouse. In other words, claim 2 adds limitations that are directed to a well-known, fundamental economic practice that constitutes a method of organizing human activity. Adding one abstract idea to another abstract idea does not render a claim non-abstract. *RecogniCorp, LLC v. Nintendo Co., Ltd.*, 855 F.3d 1322, 1327 (Fed. Cir. 2017); *see also FairWarning IP, LLC v. Iatric Systems, Inc.*, 839 F.3d 1089, 1093–94 (Fed. Cir. 2016) (patent-ineligible claims were directed to a combination of abstract ideas).

Appellant also argues the Examiner did not consider that “[t]he generation and transmission of these [ACH-related] messages requires use of the credit data generated with reference to the acceptance messages received from the wireless devices and the data obtained from the sponsors through the open network interface.” App. Br. 14. We disagree. The open network interface is part of claim 1, not claim 2. We agree with the Examiner that generating and sending of such messages do not add significantly more because those limitations constitute use of routine technology that is necessary for use of the idea and do not provide any technological improvement or otherwise meaningfully limit the idea. Ans. 11–12. In other words, those limitations constitute generally linking the use of the judicial exception to a particular environment or field of use. *See* MPEP § 2106.05(e). For the reasons discussed above for claim 1, we determine claim 2 does not *integrate* the recited judicial exception into a particular application as required, but instead simply recites a particular set of general technology along with the judicial exception. *See, e.g.*, MPEP § 2106.05(a)–(c), (f)–(h).

Accordingly, we sustain the 35 U.S.C. § 101 rejection of claim 2.

5. Claim 3

Appellant argues claim 3 recites significantly more than the abstract idea of its parent “claim 1 because its elements structure[] the system to overcome the hurdle of message acceptance present in the prior art of direct third party solicitation to wireless devices. Obtaining these authorization data to overcome the problems of the prior art helps ensure subscribers receive only those offers they have an interest in considering.” App. Br. 14. The Examiner responds that claim 3’s limitations are analogous to those in *SmartGene*, which did not recite significantly more than the abstract ideas of “comparing new and stored information and using rules to identify options.” Ans. 12. The Examiner further responds that “while the limitations of claim 3 may help ensure subscribers only receive those offers they have an interest in considering, such a problem and solution is not a technical issue and instead is a business or commercial problem.” Ans. 13.

Appellant does not rebut the determinations of the Examiner, with which we agree. For the reasons discussed above for claim 1, we determine claim 3 does not *integrate* the recited judicial exception into a particular application as required, but instead simply recites a particular set of general technology along with the judicial exception. *See, e.g.*, MPEP § 2106.05(a)–(c), (e)–(h). Thus, we sustain the 35 U.S.C. § 101 rejection of claim 3.

6. Claim 4

Appellant argues claim 4 “enables the claimed system to overcome the limitations of the prior art” and the Examiner failed to consider its ordered limitations in the rejection. App. Br. 15; *see also* Reply Br. 4 (contending the Examiner merely notes that all dependent claims are

“conventional” and fails to “demonstrate that the ordered combination was considered”). These arguments are unpersuasive.

As discussed above, a novel and unobvious claim may be ineligibly directed to an abstract idea. *BSG Tech*, 899 F.3d at 1290; *Diehr*, 450 U.S. at 188–89. Also, the Examiner specifically determines the added limitations recited in claim 4 do not add significantly more because they are “similar to the judicial exception identified in *Cyberfone*, i.e., using categories to organize, store, and transmit information.” Ans. 13–14. Appellant does not effectively rebut this determination. *See* Reply Br. 4. We agree with the Examiner’s determination that an ordinarily skilled artisan would have understood claim 4 (in combination with claims 1 and 3) recites nothing significantly more than an improvement to “a business or commercial problem” (i.e. not a technological invention). Ans. 14.

For the reasons discussed above for claim 1, we determine claim 4 does not *integrate* the recited judicial exception into a particular application as required, but instead simply recites a particular set of general technology along with the judicial exception. *See, e.g.*, MPEP § 2106.05(a)–(c), (e)–(h). Accordingly, we sustain the 35 U.S.C. § 101 rejection of claim 4.

7. Claim 5

Claim 5 depends from claim 3 and recites “send[ing] an application program for installation on the wireless devices that responded to the messages requesting the data required for authorization of the wireless devices to receive messages regarding incentive offers.” Claims App’x 3. The Examiner determines claim 5 “is directed to the abstract idea [of sending] an application program for installation on the wireless device” and “is similar to the judicial exception identified in *SmartGene*, i.e., comparing

new and stored information and using rules to identify options.” Ans. 15 (also stating that claim 5’s “problem and solution is not a technical issue and instead is a business or commercial problem”). Appellant argues the Examiner errs because the recited application program in claim 5 enables added functionality for wireless devices and provides a “layer of protection” to responding devices. App. Br. 15

Appellant’s argument is persuasive. We disagree with the Examiner that this is similar to the abstract idea(s) of comparing new and stored information and using rules to identify options and is not a technological limitation. *See* Ans. 14–16. Claim 5 adds a technological requirement for sending software (“an application program”) for installation on the wireless device. Claim 5 recites that the application program is for “authorization of the wireless devices to receive messages regarding incentive offers,” which integrates this technological limitation with the business method limitations of its parent claims. The Examiner’s dismissal of claim 5’s “solution” to a business problem as being non-technical (Ans. 15) is unpersuasive.

Thus, we do not sustain the 35 U.S.C. § 101 rejection of claim 5.

8. Claims 6 and 7

Claim 6 depends from claim 1 and adds the limitation of “generat[ing] and send[ing] the messages to wireless devices associated with wireless device account data stored in the database with reference to identification data stored in the message regarding an incentive offer received from the sponsor having sponsor account data stored in the database.” Claims App’x 4. Claim 7 specifies that the identification data of claim 6 is “a wireless device number, an area code, a zip code, a geographical identifier, a demographic identifier, [or] a wireless service provider identifier.” *Id.*

Appellant argues claims 6 and 7 are patent-eligible because their limitations “encourage sponsors to subscribe to a system that overcomes the resistance to accept incentive offers.” App. Br. 15.

This argument is unpersuasive. As the Examiner determines, and we agree, the limitations of claims 6 and 7 are analogous to those in *SmartGene* that our reviewing court determined were directed to unpatentably abstract ideas of “comparing new and stored information and using rules to identify options.” Ans. 16; *see SmartGene*, 555 F. App’x at 954–57; *see also Intellectual Ventures I LLC v. Capital One Fin. Corp.*, 850 F.3d 1332, 1340 (Fed. Cir. 2017) (“customizing information and presenting it to users based on particular characteristics” is an abstract idea). Adding one abstract idea to another does not render a claim non-abstract. *RecogniCorp, LLC v. Nintendo Co., Ltd.*, 855 F.3d at 1322.

For the reasons discussed above for claim 1, we determine claims 6 and 7 do not *integrate* the recited judicial exception into a particular application as required, but instead simply recites a particular set of general technology along with the judicial exception. *See, e.g.*, MPEP § 2106.05(a)–(c), (e)–(h). We sustain the 35 U.S.C. § 101 rejection of claims 6 and 7.

9. Claim 8

Claim 8 depends from claim 1 and adds “a communication interface for each wireless service provider, each communication interface being configured to enable data communication between the computer and a billing service platform for the wireless service provider over a point-to-point communication network.” Claims App’x 4. In response to Appellant’s argument that claim 8 recites “structural elements” that the Examiner failed consider (App. Br. 15), the Examiner determines that claim

8 is does not recite significantly more than claim 1's directed-to idea because, in combination with claim 1, claim 8 "does not improve another technology or technical field, improve the functioning of a computer or computing system, or include meaningful limitations beyond generally linking the use of an abstract idea to a particular technological environment." Ans. 18. Appellant contends the Examiner's analysis ignores the ordered combination. *See Reply Br. 4.*

Appellant's argument that the Examiner fails to consider the ordered combination of limitations is unpersuasive. The Examiner explicitly analyzes whether claim 8 adds significantly more to the idea of claim 1. *See Ans. 17–18.* We note claim 8 requires the wireless service provider to have an interface to communicate with a billing service platform over a point-to-point network, but otherwise recites no functional relationship between the billing service platform and the requirements of claim 1. Appellant does not rebut the finding that claim 8 recites simply the use of routine, well-known technology that enables communication with a billing service platform that does not add significantly more to the directed-to idea of claim 1. *See id.*

For the reasons discussed above for claim 1, we determine claim 8 does not *integrate* the recited judicial exception into a particular application as required, but instead simply recites a particular set of general technology along with the judicial exception. *See, e.g.,* MPEP § 2106.05(a)–(c), (e)–(h). Accordingly, we sustain the 35 U.S.C. § 101 rejection of claim 8.

10. Claims 9–13

Claims 9–13 depend, directly or indirectly, from claim 1, and recite limitations related to sending incentive offers to "new" wireless devices (i.e., devices for which there is no previously stored account data) (claim 9),

sending follow-up offers after a first offer (claims 10 and 11), and sending counter-offers (claims 12 and 13). Claims App’x 4–7. Appellant argues the Examiner’s rejection (*see* Final Act. 2–5) fails even to consider the limitations of these claims. App. Br. 16–17. In response, the Examiner determines the functionality recited in each of claims 9–13 is directed to an abstract idea (business method) rather than a technological issue. Ans. 19, 21–23. The Examiner further determines claims 9–13 recite improvements only to a business method and do not recite any technological limitations beyond “linking the use of an abstract idea to a particular technological environment.” *Id.*

Appellant contends the Examiner errs by not demonstrating “that the ordered combination was considered as possibly meeting the test of a non-conventional and non-generic arrangement of conventional elements.” Reply Br. 4. Contrary to Appellant’s assertion, however, the Examiner discusses the interrelationship of dependent claims 9–13 with the parent independent claim 1, demonstrating that the Examiner considered their limitations as a whole. *See* Ans. 19, 21–23. We agree with the Examiner that the limitations of claims 9–13 focus on (are directed to) business method functionality, which constitutes an abstract idea, and that otherwise the claims recite technological components at a very high, generic level (e.g., “display,” “store data . . . in the database”). *Id.* Appellant does not identify any technological requirement in claims 9–13 that limits these claims beyond the technological environment of claim 1, which, as discussed above, does not constitute significantly more than the idea of the recited business method.

For the reasons discussed above for claim 1, we determine claims 9–13 do not *integrate* the recited judicial exception into a particular application as required, but instead simply recites a particular set of general technology along with the judicial exception. *See, e.g.*, MPEP § 2106.05(a)–(c), (e)–(h). Accordingly, we sustain the 35 U.S.C. § 101 rejection of claims 9–13.

11. Claims 14 and 17–19

In the § 101 rejection of claim 14 and its dependent claims,⁹ the Examiner essentially relies on the findings and reasoning from the § 101 rejection of claim 1. *See* Final Act. 2–5. Appellant argues that, because of differences between claims 1 and 14, the Examiner errs by “fail[ing] to clearly and specifically explain” findings and reasons for the rejection of claims 14, 15, and 17–19. App. Br. 17–18. The Examiner responds by determining claim 14

is directed to the abstract idea of receiving incentive offers at a wireless transceiver, generating requests to receive a document regarding an incentive offer and once the document regarding an incentive offer has been received by the mobile transceiver, generate a request for credit to a wireless account identified by wireless account data and generate messages requesting wireless account data stored in the database that are associated with mobile telephone number.

Ans. 23–24 (determining the “abstract idea is similar to the judicial exception identified in SmartGene”). The Examiner further determines that claim 14 recites

additional limitations identified as a wireless device including a display, memory, wireless transceiver, and processor that processes the steps of the claim in accordance with

⁹ *See supra* note 2 (explaining that claim 16 as pending in the Final Rejection corresponds to claim 14 as pending in this Appeal).

programmed instructions, however a review of the claims and the written description indicates the additional limitations comprise a generic computing system performing well-understood and generic computing steps such as transmitting/receiving, accessing and processing data, and are not sufficient to transform the judicial exception into a patent eligible application.

Id. at 24; *see also id.* at 24–25 (determining that claim 14, like claim 1, otherwise recites only well understood, generic technological limitations).

Appellant contends that the same reply arguments made for claim 1 apply for claim 14 (i.e., principally, that *McRO* and *BASCOM* compel a different result). For the same reasons discussed above for claim 1, we find Appellant’s arguments unpersuasive of Examiner error for claim 14 (e.g., unlike the claims at issue in *McRO* and *BASCOM*, claim 14 is *not* directed to an improvement in technology, but instead is directed to a business method, and otherwise includes only generic technological requirements (*see McRO*, 837 F.3d at 1307–08, 1314–16; *BASCOM*, 827 F.3d at 1349–52)).

For the reasons discussed above for claim 1, we determine claims 14, 15, and 17–19 2 do not *integrate* the recited judicial exception into a particular application as required, but instead simply recites a particular set of general technology along with the judicial exception. *See, e.g.*, MPEP § 2106.05(a)–(c), (e)–(h). Thus, we sustain the § 101 rejection of claims 14, 15, and 17–19.

B. The 35 U.S.C. § 102(b) Rejection

Appellant argues error in the § 102(b) rejection of claim 14 because Bayne fails to disclose the requirement to “generate messages that request wireless device account data stored in the database that are associated with a mobile telephone number with which the wireless device is configured and

operate the transceiver to send the messages that request wireless device account data to the computer communicating over the open network,” as recited. App. Br. 18–19. Specifically, Appellant contends that, although Bayne discloses sending a telephone number to a call processing system to enable crediting an appropriate account in a database, “[n]othing in Bayne indicates that the message in which the mobile telephone number is transmitted requests data associated with the device that is stored in the database associated with the center.” App. Br. 19 (citing Bayne ¶¶ 34, 73); *see also* Reply Br. 4–5.

Appellant’s argument is not commensurate with the scope of the claim. As the Examiner responds, and we agree, claim 14 does not require a “message in which the mobile number is transmitted” (App. Br. 19). Ans. 26. The disputed limitation requires, in relevant part, “generating messages that request wireless account data . . . that are *associated* with the mobile telephone number.” Thus, the generated messages need not include the telephone number—it is only necessary that the recited association with the telephone number exist for the wireless device account data requested in the generated messages. The Examiner finds Bayne discloses such a request, *i.e.*, one that requests wireless device account data that is *associated* with a mobile telephone number. Ans. 26–27 (citing Bayne ¶¶ 48, 51, 53). In reply, Appellant contends Bayne does not teach the recited messages even under the Examiner’s interpretation. Reply Br. 5.

Appellant does not persuade us of Examiner error. It is well established that prior art references are to be “considered together with the knowledge of one of ordinary skill in the pertinent art.” *In re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994) (citation omitted). In that regard, “it is

proper to take into account not only specific teachings of the reference but also the inferences which one skilled in the art would reasonably be expected to draw therefrom.” *In re Preda*, 401 F.2d 825, 826 (CCPA 1968). As the Court of Appeals for the Federal Circuit explains, for anticipation, the dispositive question is “whether one skilled in the art would reasonably understand or infer from a prior art reference that every claim element is disclosed in that reference.” *Eli Lilly and Co. v. Los Angeles Biomedical Res. Inst. at Harbor-UCLA Medical Center*, 849 F.3d 1073, 1074–75 (Fed. Cir. 2017) (citation omitted).

Here, Bayne discloses that mobile terminals “may also transmit a unique user identifier (e.g. the user’s mobile identity number (‘MIN’^[10])) that is re-transmitted or otherwise presented by the receiving person.” Bayne ¶ 34 (further explaining that service providers use information such as the mobile identity number to measure the effectiveness of an advertising campaign). Bayne also discloses that its call processing system includes a User Profile database that stores information such as “the types of advertisements the user may prefer or not want transmitted.” Bayne ¶ 48; *see also id.* ¶ 66 (disclosing that the user selects the advertising preferences).

Ordinarily skilled artisans would have understood the mobile identity number disclosed in Bayne is a number to identify mobile telephones¹¹ and, accordingly, it is a type of mobile telephone number. Thus, Bayne discloses

¹⁰ A mobile identity number (MIN), which is a 10-digit number that uniquely identifies a mobile phone, is part of the IS-95 standard first released in 1995. *See* Wikipedia (en.wikipedia.org/wiki/Mobile_identification_number) and Techopedia (www.techopedia.com/definition/8378/mobile-identification-number-min) (both last accessed Jan. 2, 2019).

¹¹ *See supra* note 9.

that its wireless terminals are associated with mobile telephone numbers. Such artisans further would have understood that the call processing system in Bayne will provide a mobile device with the incentive related preference settings for preferred and/or prohibited advertisements. Bayne ¶¶ 48, 64. A mobile phone’s preferences and its phone number are related or connected (i.e., “associated”) through their connection to the particular mobile phone. Thus, the ordinarily skilled artisan would have understood that Bayne discloses, in the vernacular of claim 14, “generat[ing] messages that request wireless device account data” (e.g., preference settings for preferred or prohibited advertisements), and that the data is “associated with a mobile telephone number” (i.e., the MIN).

Accordingly, Appellant does not persuade us of Examiner error, and we sustain the 35 U.S.C. § 102(b) rejection of claim 14, and also of claims 15 and 17–19, which Appellant does not argue separately (*see* App. Br. 19).

C. The § 103(a) Rejections

1. Issue 1 (First Disputed Limitation)

In the § 103 rejection of claim 1, the Examiner finds Bayne teaches the disputed limitation of “verify[ing] messages received through the open network interface are from one of a wireless device associated with wireless device account data stored in the database, a computer associated with a sponsor, and a computer associated with a wireless service provider having data stored in the database,” as recited. Final Act. 10 (citing Bayne ¶¶ 35, 50–51). Appellant argues the Examiner errs in this finding by “fail[ing] to identify a computer associated with a sponsor and a computer associated with a wireless service provider.” App. Br. 19 (additionally citing Bayne ¶¶ 9–10).

Appellant's argument is unpersuasive because it is not commensurate with the scope of the claim. A claim under examination is given its broadest reasonable interpretation consistent with the underlying specification. *In re American Acad. of Science Tech. Ctr.*, 367 F.3d 1359, 1364 (Fed. Cir. 2004). In the absence of an express definition of a claim term in the Specification or a clear disclaimer of scope, the claim term is interpreted as broadly as the ordinary usage of the term by one of ordinary skill in the art would permit. *In re ICON Health & Fitness, Inc.*, 496 F.3d 1374, 1379 (Fed. Cir. 2007); *In re Morris*, 127 F.3d 1048, 1054 (Fed. Cir. 1997).

As the Examiner responds, and we agree, the first disputed limitation requires "verify[ing] messages received through the open network interface are from **one of** a wireless device associated with wireless device account data . . . , a computer associated with a sponsor, and a computer associated with a wireless service provider." Ans. 29. In other words, the disputed limitation is met by verifying receipt of a message from *either* the recited wireless device, computer associated with a sponsor, *or* computer associated with a wireless service provider. This interpretation is consistent with the ordinary meanings of the claim terms. Nothing in Appellant's Specification or the remaining claim limitations contradicts or is otherwise inconsistent with this interpretation.

As the Examiner finds, and we agree, Bayne's disclosure of network communication through the telecommunication system (network) 108 as shown in Figure 1 teaches verifying messages received through an open network interface. *See* Final Act. 9 (also citing Bayne ¶¶ 35, 42). We also agree with the Examiner that Bayne's disclosure of billing database 126a, incentive tracking database 126b, and user profile databases 126c at the

Mobile Switching Center 106 teaches the recited database “in which wireless device account data, sponsor account data, and wireless service provider data are stored.” *See* Final Act. 10 (citing Bayne ¶¶ 46, 48). Thus, Bayne teaches a wireless device 102 is associated with wireless device account data stored in a database at the Mobile Switching Center 106. Appellant does not effectively contest these findings from Bayne.

As discussed above, the first disputed limitation requires verifying messages received from *either* a wireless device, a sponsor-associated computer, or a service provider-associated computer. Thus, Bayne teaches the first disputed limitation because its disclosure of Mobile Switching Center 106 receiving network communication messages from a subscriber wireless mobile terminal 102 teaches “verify[ing] messages received through the open network interface are from . . . a wireless device associated with wireless device account data stored in the database.” *See* Ans. 27–28 (citing Bayne ¶¶ 43, 45, 48, 50–51, Fig. 1).

2. *Issue 2 (Second Disputed Limitation)*

Appellant also argues the Examiner errs in finding Bayne teaches “generat[ing] and send[ing] messages to the wireless devices associated with wireless device account data stored in the database in response to receipt of a message regarding a first incentive offer from a computer associated with one of the sponsors having sponsor account data stored in the database,” as recited in claim 1. App. Br. 21. This argument is also unpersuasive. The rejection primarily relies on Colligan, not Bayne, for teaching this second disputed limitation. *See* Final Act. 11 (citing Colligan ¶ 21).

One cannot show nonobviousness by attacking references individually when the rejection is based on a combination of references. *In re Merck &*

Co. Inc., 800 F.2d 1091, 1097 (Fed. Cir. 1986); *see also In re Keller*, 642 F.2d 413, 425 (CCPA 1981) (explaining the relevant inquiry is whether the claimed subject matter would have been obvious to those of ordinary skill in the art in light of the *combined teachings* of those references). Appellant addresses only the teachings of Bayne and does not rebut the Examiner’s findings for what Colligan, in combination with Bayne, teaches. *See* App. Br. *and* Reply Br. *passim*. Additionally, we find persuasive the Examiner’s determination that Bayne’s disclosure related to communication with an HTTP server (sponsor computer) teaches generating and sending a message to wireless devices in response to receipt of an incentive offer message, as recited. *See* Ans. 29–30 (citing Bayne ¶ 50).

3. *Issue 3 (Third Disputed Limitations)*

Appellant further argues the Examiner errs in relying on the disclosure of Girard for teaching claim 1’s limitations for “generat[ing] and send[ing] a debit message . . .” and “generat[ing] and send[ing] payment messages . . .,” as recited. App. Br. 21–22. Appellant specifically contends that, whereas Girard teaches “a determination of a total charge for providing content and then determining how to allocate the total charge between various entities,” claim 1 requires sending a debit message to a payment service for a sponsor and sending related payment messages to a wireless service provider. App. Br. 21–22. Appellant contends that in claim 1, “the debit messages and the payment messages are related to one another,” and that this “illustrates the difference in structure and operation of the claimed invention and the cited combination, collectively and individually.” App. Br. 22.

The Examiner responds that it is the *combined* teachings of Bayne and Girard that teaches “allocat[ing] credits and debits via a ‘split billing

platform’ that remits portions of a total credit or debit amongst entities,” as required by the third disputed limitation. Ans. 30–31 (citing Bayne ¶ 48; Girard ¶¶ 74, 78–80).

A person of ordinary skill in the art would [have] appreciate[d] that while Bayne discloses the tracking and awarding of credits to mobile device users in return for viewing advertisements, the disclosure of Girard further discloses the allocation of a credit or debit amount by means of a business arrangement to multiple entities, and such an entity could reasonably include a mobile device user.

Id.

Appellant does not persuasively rebut the Examiner’s determination regarding the combined teachings of Bayne and Girard.

4. 35 U.S.C. § 103(a) Conclusion

Accordingly, we sustain the 35 U.S.C. § 103(a) rejection of claim 1. For the same reasons we sustain the § 103(a) rejections of claims 2–15 and 17–19, which Appellant does not argue separately (*see* App. Br. 22).

DECISION

For the above reasons, we—

- (a) affirm the Examiner’s rejection of claims 1–4, 6–15, and 17–19 under 35 U.S.C. § 101;
- (b) reverse the Examiner’s rejection of claim 5 under 35 U.S.C. § 101;
- (c) affirm the Examiner’s rejection of claims 14, 15, and 17–19 under 35 U.S.C. § 102(b); and
- (d) affirm the Examiner’s rejection of claims 1–15, and 17–19 under 35 U.S.C. § 103(a).

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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).

AFFIRMED