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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte CARTER KIRKWOOD

Appeal 2017-006665
Application 11/750,178¹
Technology Center 3600

Before ERIC B. CHEN, MATTHEW R. CLEMENTS, and
SCOTT E. BAIN, *Administrative Patent Judges*.

CLEMENTS, *Administrative Patent Judge*.

DECISION ON APPEAL

Appellant appeals under 35 U.S.C. § 134(a) from the Examiner's
Final Rejection of claims 1–7. We have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.

¹ Appellant identifies the real party in interest as “DOCUTHENTIC, LLC.”
App. Br. 4.

THE INVENTION

The present invention “is related to information access and distribution and in particular to techniques for the access and distribution of authenticated sensitive private data such as personal financial and medical information.” Spec. ¶ 2. Claim 1 is reproduced below.

1. A method of providing documents over a network, comprising:

electronically obtaining over the network an encrypted document related to a services user from a device of a source of services;

electronically forwarding, to an escrow key server over the network, one or more encryption keys for decrypting the encrypted document;

electronically facilitating transferring of the encrypted document over the network to a document user device as authorized by the services user;

obtaining by the escrow key server authorization from the services user to transfer the one or more encryption keys to the device of the document user device over the network; and

electronically transferring a copy of the one or more encryption keys from the escrow key server over the network to the device the document user device as authorized by the services user so that the document user device can decrypt the encrypted document as an authenticated document unchanged from when it was obtained from the device of the source of services.

Amended App. Br. 3.²

² The Amended Appeal Brief, submitted October 13, 2016, “includes only a corrected Claims Appendix.” Amended App. Br. 1. All further references

REJECTIONS

Claims 1–7 are rejected under 35 U.S.C. § 101 as directed to judicial-exceptions of statutory subject matter. Final Act. 2–4.

PRINCIPLES OF LAW

The Supreme Court has long held that “[l]aws of nature, natural phenomena, and abstract ideas are not patentable.” *Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 134 S.Ct. 2347, 2354 (2014) (quoting *Assoc. for Molecular Pathology v. Myriad Genetics, Inc.*, 133 S.Ct. 2107, 2116 (2013)). The “abstract ideas” category embodies the longstanding rule that an idea, by itself, is not patentable. *Alice*, 134 S.Ct. at 2354–55 (quoting *Gottschalk v. Benson*, 409 U.S. 63, 67 (1972)).

In *Alice*, the Supreme Court set forth an analytical “framework for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of those concepts.” *Id.* at 2355. The first step in the analysis is to “determine whether the claims at issue are directed to one of those patent-ineligible concepts,” such as an abstract idea. *Id.* There is no definitive rule to determine what constitutes an “abstract idea.” Rather, the Federal Circuit has explained that “both [it] and the Supreme Court have found it sufficient to compare claims at issue to those claims already found to be directed to an abstract idea in previous cases.” *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1334 (Fed. Cir. 2016); *see also Amdocs (Israel) Ltd. v. Openet*

and citations to an Appeal Brief, herein, correspond to the defective Appeal Brief submitted July 27, 2016.

Telecom, Inc., 841 F.3d 1288, 1294 (Fed. Cir. 2016) (explaining that, in determining whether claims are patent-eligible under § 101, “the decisional mechanism courts now apply is to examine earlier cases in which a similar or parallel descriptive nature can be seen—what prior cases were about, and which way they were decided.”). The Federal Circuit also noted that “examiners are to continue to determine if the claim recites (i.e., sets forth or describes) a concept that is similar to concepts previously found abstract by the courts.” *Amdocs*, 841 F.3d at 1294 n.2 (internal citation omitted).

If the claims are directed to a patent-ineligible concept, the second step in the analysis is to consider the elements of the claims “individually and ‘as an ordered combination’ to determine whether [there are] additional elements [that] ‘transform the nature of the claim’ into a patent-eligible application.” *Alice*, 134 S.Ct. at 2355 (quoting *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66, 79, 78 (2012)). In other words, the second step is to “search for an ‘inventive concept’—i.e., an element or combination of elements that is ‘sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [ineligible concept] itself.’” *Id.* (quoting *Mayo*, 566 U.S. at 73). Mere use of computers, even in conjunction with other hardware, does not alone transform an abstract idea to significantly more. *See e.g., Content Extraction & Transmission LLC v. Wells Fargo Bank*, 776 F.3d 1343, 1347 (Fed. Cir. 2014) (patent-ineligible claims requiring a computer and scanner); *CLS Bank Int’l v. Alice Corp. Pty.*, 717 F.3d 1269, 1286 (Fed. Cir. 2013) (“[S]imply appending generic computer functionality to lend speed or

efficiency . . . does not meaningfully limit claim scope for purposes of patent eligibility.”), *aff’d* by *Alice*.

ANALYSIS

Claim 1 is representative. *See* 37 C.F.R. 41.37(c)(1)(iv) (representative claims). We are not persuaded the Examiner erred in rejecting claim 1.

Alice Step One: Are the claims at issue directed to a patent-ineligible concept?

Claim 1 generally recites: obtaining a service user’s encrypted document from the service source; forwarding, to an escrow, a key for decrypting the document; transferring the document to an authorized user; and authorizing the escrow, by the service user, to transfer the key to the authorized user. The Examiner finds claim 1 is directed to the abstract idea of “a document transfer between users using encryption key for added security by an intermediary server.” Final Act. 3. The Examiner also finds the recited process similar to other concepts that have been identified by the courts as abstract, such as “performance of transactions (buySAFE)[,] and mitigating risk (Bilski)[, and] . . . collecting and comparing known information (Classen).” *Id.* at 3–4 (citing *buySAFE, Inc. v. Google Inc.*, 765 F.3d 1350 (Fed. Cir. 2014), *Bilski v. Kappos*, 561 U.S. 593 (2010), and *Classen Immunotherapies, Inc. v. Biogen IDEC*, 659 F.3d 1057 (Fed. Cir. 2011)).

Having considered the claim steps individually and as a whole, we agree with the Examiner that claim 1 is directed to document transfer using

encryption and an escrow for added security. Encryption and escrow are “building blocks of human ingenuity,” performed for at least hundreds of years. *Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 134 S. Ct. 2347, 2354 (2014). There is no apparent material difference between the concepts of Appellant’s claimed invention and the long-practiced communication of confidential information by transmitting it in encrypted form and using a trusted third party.

The Federal Circuit has indicated that “examiners are to continue to determine if the claim recites (i.e., sets forth or describes) a concept that is similar to concepts previously found abstract by the courts.” *Amdocs*, 841 F.3d at 1294 n. 2. We agree with the Examiner that the present concept—a document transfer using an escrow and encryption—is similar to the patent-ineligible concepts of *buySAFE* and *Bilski*. In claim 1, the escrow server assures (ostensibly) that the encrypted document and its key are separately transmitted to their recipient. Spec. ¶ 76.³ The concept of having an escrow assure a transaction—here, the transmission of the key—is analogous to *buySAFE*’s abstract idea of having a third-party guarantee a transaction. 765 F.3d at 1351–52. The concepts of escrow and encryption

³ The Specification states that separate “paths” ensure no one can access the encrypted document while en route to the recipient (Spec. ¶ 76), but the claimed method does not require dual paths. See *Accenture Global Servs., GmbH v. Guidewire Software, Inc.*, 728 F.3d 1336, 1345 (“[D]etail in the specification does not transform a claim reciting only an abstract concept into a patent-eligible system or method.”). The claims merely require transferring the encrypted document “over the network” and transferring encryption key(s) “over the network.” Nothing in the claim requires the key to take a *different* path “over the network” than the document.

for a transaction are both analogous to *Bilski*'s abstract idea of countering a transaction's risks. *See* 561 U.S. at 609. Moreover, providing escrows and secrecy measures for business transactions is unquestionably a "fundamental economic practice long prevalent in our system of commerce[.]" *Alice*, 134 S. Ct. at 2350 (quoting *Bilski*, 561 U.S. at 599).

Regarding *Alice*'s first step, Appellant argues: "[T]he Examiner [does not] provid[e] a reasoned rationale that identifies the judicial exception recited in the claim and why it is considered an exception, and that identifies the additional elements . . . [and] why they do not amount to significantly more than the exception." App. Br. 13. This argument, however, is not persuasive because it mischaracterizes the Examiner's notice requirement under 35 U.S.C. § 132. *See In re Jung*, 637 F.3d 1356, 1362 (Fed. Cir. 2011) (explaining the notice requirement). The notice requirement is unmet if a rejection is "so uninformative" it cannot be addressed. *Id.* We find that the Examiner's above findings are sufficient to understand and counter the rejection. Appellant asserts that the Examiner did not comply with the Guidelines (App. Br. 13–14), but does not, for example, explain why "a similar or parallel descriptive nature can be seen" between claim 1 and the above abstract ideas. *Amdocs*, 841 F.3d at 1294.

Appellant further argues: "[T]he claimed method is not an abstract idea. The claimed method requires implementation of devices over a network. . . . This is not the same as implementing the method on a single general purpose computer, as would be the case with a purely software program." App. Br. 14. This argument is not persuasive because the use of a network does not render claimed subject matter patent-eligible. Data

collection and analysis via a conventional network of devices is well within the realm of abstract ideas. *See e.g., buySAFE*, 765 F.3d at 1351 (patent-ineligible “claims directed to creating familiar commercial arrangements by use of computers and networks”); *CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1370 (Fed. Cir. 2011) (patent-ineligible “method for verifying the validity of a credit card transaction over the Internet”); *compare Bascom Glob. Internet Servs., Inc. v. AT&T Mobility LLC*, 827 F.3d 1341, 1348 (Fed. Cir. 2016) (Client-server system was directed to the abstract idea of filtering but patent-eligible due to the unconventional location and consequent benefits of the filter.).

Appellant further argues that, per *Enfish*, “claims directed to software . . . are not inherently abstract” and “a claim directed to an improvement to computer-related technology (e.g., computer functionality) is likely not similar to claims that have previously been identified as abstract by the courts.” App. Br. 14. This argument also is not persuasive. *Enfish* asked “whether the focus of the claims is on the specific asserted improvement in *computer capabilities*,” and held that “[s]oftware can make non-abstract improvements to *computer technology* just as hardware improvements can.” 822 F.3d at 1335–36 (emphasis added). Appellant does not explain, however, how or why the claimed method makes a non-abstract improvement to computer technology, just as a hardware improvement might.

Alice Step Two: Is there something else in the claims that ensures that they are directed to significantly more than a patent-ineligible concept?

Because claim 1 is directed to an abstract idea, we proceed to the second step in *Alice*, namely, whether this claim recites an element, or combination of elements, that is enough to establish that the claim is directed to significantly more than an abstract idea.

With respect to the additional claim elements, the Examiner finds they “simply recite a computing system obtaining a document (obtaining over the network an encrypted document ...from a device ...), forwarding an escrow key (forwarding to an escrow key server...encryption key...), facilitating transferring of the document (facilitating...) and obtaining authorization for the transfer (obtaining by the escrow key server authorization from the user...)” Ans. 4; *see also* Final Act. 3–4. The Examiner also finds they constitute “generic computer [technology] performing conventional tasks [such as] . . . well know[n] encryption/decryption techniques [for] . . . general data transfers over a wide area network.” Ans. 4. In view of the above, the Examiner concludes the additional elements “do not amount to an improvement to the functioning of a computer itself [nor] . . . move beyond a general link of the use of an abstract idea to a particular technological environment.” *Id.*

We agree with the Examiner. There is no indication that, beyond the above-addressed abstract idea, the claimed computer devices and operations provide more than “well-understood, routine, conventional activit[ies].” *Alice*, 134 S. Ct. at 2359 (quoting *Mayo*, 566 U.S. at 73). For example, there is no indication that the claimed implementation of the escrow and

encryption provides a “technical detail . . . to solve a specific problem.” *Secured Mail Sols. LLC v. Universal Wilde, Inc.*, 873 F.3d 905, 912 (Fed. Cir. 2017), cert. denied, 138 S. Ct. 2000 (2018).

Appellant argues claim 1 recites “additional structural and functional interrelationships between the attribute collection application in the electronic device, the hardware and software in the device, and the device identification application in the remote server” that “transform the subject matter defined by the claims to be beyond merely the abstract idea alleged by the Examiner.” App. Br. 15–16. This argument is not persuasive because it is conclusory. *See In re Geisler*, 116 F.3d 1465, 1470 (Fed. Cir. 1997) (Mere conclusory statements hold little probative value.). The argument asserts claim 1 recites transformative “interrelationships,” but does not specify the interrelationships, much less support their above characterization with evidence and reasoning. Even assuming the asserted interrelationships are “beyond merely the abstract idea” (*supra*), the argument would still fail to show these interrelationships do more than limit the abstract idea to a technological environment.

Appellant further argues “that[,] even if [claim 1] recite[s] an exception (e.g., an abstract idea), [when] . . . viewed as a whole [it] clearly does not seek to ‘tie up’ the exception” because “each device must be configured to function in concert by interacting over the network in the manner required by the claimed process.” App. Br. 16. Appellant adds that the Examiner “concedes to the novelty of the claimed process when viewed as a whole[;] thus the whole is clearly significantly more than the individual elements, so as not to tie-up the alleged exception.” *Id.* at 18. These

arguments are not persuasive because they also are conclusory. *See Geisler*, 116 F.3d at 1470. The arguments merely assert the claimed interacting of elements is novel and thus overcomes preemption concerns. Even assuming the asserted interactions are novel, the arguments do not show the interactions are distinguishable from the abstract idea of a document transfer using escrow and encryption. *See Berkheimer v. HP Inc.*, 890 F.3d 1369, 1374 (Fed. Cir. 2018) (“It is clear from *Mayo* that the ‘inventive concept’ cannot be the abstract idea itself.”). And even assuming the asserted interactions prevent claim 1 from preempting all document transfers using escrow and encryption, “the absence of complete preemption does not demonstrate patent eligibility.” *FairWarning IP LLC v. Iatric Systems, Inc.*, 839 F.3d 1089, 1098 (Fed. Cir. 2016) (quoting *Ariosa*, 788 F.3d at 1379).

Conclusion

For the foregoing reasons, we are not persuaded of error in the rejection of claims 1–7 under 35 U.S.C. § 101.

DECISION

We affirm the Examiner’s decision rejecting claims 1–7.

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