



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
12/185,178	08/04/2008	Anh Q. Lu	END920080034US1	8901
30449	7590	10/18/2018	EXAMINER	
SCHMEISER, OLSEN & WATTS 22 CENTURY HILL DRIVE SUITE 302 LATHAM, NY 12110			SEREBOFF, NEAL	
			ART UNIT	PAPER NUMBER
			3626	
			NOTIFICATION DATE	DELIVERY MODE
			10/18/2018	ELECTRONIC

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

30449@IPLAWUSA.COM

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte ANH Q. LU, GAUTHAM PAMU, and
DAVID Y. YU

Appeal 2017-007127
Application 12/185,178¹
Technology Center 3600

Before MURRIEL E. CRAWFORD, HUBERT C. LORIN, and
BRUCE T. WIEDER, Administrative Patent Judges.

LORIN, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Anh Q. Lu, et al. (Appellants) seek our review under 35 U.S.C. § 134(a) of the Examiner's Final Rejection of claims 1, 3, 5–9, 11, 13–17, 19, 21, and 25–29. We have jurisdiction under 35 U.S.C. § 6(b).

SUMMARY OF DECISION

We REVERSE.

¹ The Appellants identify International Business Machines Corporation as the real party in interest. App. Br. 1.

THE INVENTION

Claim 1, reproduced below, is illustrative of the subject matter on appeal.

1. In a data processing system, a method comprising:

integrating software endpoint applications with a single transaction facility to enable transactions between a first endpoint and a second endpoint, wherein the first endpoint and the second endpoint are respectively represented by a service provider computer and a service payer computer, and wherein said integrating supports integrating operations of the service provider computer and the service payer computer in the data processing system;

providing a testing facility to enable a test of a variety of transactions;

automating a clearinghouse test procedure via the testing facility;

providing an application plug-in facility to enable a simultaneous testing of multiple Electronic Data Interchange (EDI) exchanges;

receiving an EDI request message from the first endpoint;

generating an EDI response message in response to the EDI request message; and

in response to the EDI response message being generated, transmitting the EDI response message to the first endpoint.

THE REJECTIONS

The following rejections are before us for review:

Claims 1, 3, 5–9, 11, 13–17, 19, 21, and 25–29 are rejected under 35 U.S.C. § 101 as being directed to judicially-excepted subject matter.

Claims 17, 19, 21, and 27 are rejected under 35 U.S.C. § 112, second paragraph, for failing to particularly point out and distinctly claim the subject matter which Appellants regard as the invention. ²

ISSUES

Did the Examiner err in rejecting claims 1, 3, 5–9, 11–17, 19–21, and 25–29 under 35 U.S.C. §101 as being directed to judicially-excepted subject matter?

Did the Examiner err in rejecting claim 17, 19, 21, and 27 under 35 U.S.C. § 112, second paragraph for failing to particularly point out and distinctly claim the subject matter which Appellants regard as the invention?

² The Final Rejection included a rejection under 35 USC §112(b) directed to the claim phrases “automating a clearinghouse” and “means for automating.” Final Rej. 6–7. Independent claims 1 and 9 recite “automating a clearinghouse” and independent claim 17 recites “means for automating.” According to the Answer, “[t]he 35 U.S.C. 112(b) [sic, second paragraph] rejection[] regarding the “use of automating” is “not presented for review on appeal because [it has] been withdrawn by the examiner.” Ans. 2. The Answer further states that “[t]he Appellant does not argue the 35 U.S.C. §§112(b) [sic] and 112(f) [sic] rejections regarding “means for automating.” Therefore, these rejections are maintained without comment.” Ans. 10. Accordingly, we understand the Examiner to be withdrawing the rejection as to claims 1 and 9 and claims 3, 5–9, 11–17 depending therefrom and maintaining the rejection as to claim 17 and claims 19, 21, and 27 depending therefrom.

ANALYSIS

The rejection of claims 1, 3, 5–9, 11–17, 19–21, and 25–29 under 35 U.S.C. §101 as being directed to judicially-excepted subject matter.

Alice Corp. Proprietary Ltd. v. CLS Bank International, 134 S. Ct. 2347 (2014) identifies a two-step framework for determining whether claimed subject matter is judicially-excepted from patent-eligibility under 35 U.S.C. § 101.

According to *Alice* step one, “[w]e must first determine whether the claims at issue are directed to a patent-ineligible concept,” such as an abstract idea. *Alice*, 134 S. Ct. at 2355.

In that regard, the Examiner determined the claims are directed to the abstract idea of

comparing (e.g. generating ...)
new (e.g. receiving an ...) and
stored (e.g. providing a ...)
information (e.g. EDI messages) and
using rules (e.g. ... in response to the EDI request message) to
identify options (e.g. in response to the EDI response message
being granted ...)

Final Rej. 3. In other words, the Examiner determined that the claims are directed to the concept of comparing new and stored information and using rules to identify options and since, according to the Examiner, that concept is an abstract idea, then the claims are directed to an abstract idea.

Step two is “a search for an ‘inventive concept’—*i.e.*, an element or combination of elements that is ‘sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [ineligible

concept] itself.”” *Alice*, 134 S. Ct. at 2355 (quoting *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 US 66, 73 (2012)).

In that regard, the Examiner determined, inter alia, that “the claims are simply appending well-understood, routine and conventional activities previously known to the industry, specified at a high level of generality to the judicial exception.” Final Rej. 4.

The Appellants respond by following the methodology for determining patent-eligible subject matter described in the "2014 Interim Eligibility Guidance on Patent Subject Matter Eligibility", 79 Fed. Reg. 74618, 74621 (December 16, 2014).” App. Br. 8. Step 1 of the methodology is applied to the claimed subject matter and the result is discussed at App. Br. 9; step 2A at App. Br. 9–13; and step 2B at App. Br. 13–32. The discussion relative to step 2B is further broken down into five “Alternative Argument[s].”

“Whether an invention recites patent-eligible subject matter under section 101 is a pure question of law” *In re Wang*, 737 Fed.Appx. 534, 535 (Fed. Cir. 2018) (citing *Genetic Techs. Ltd. v. Merial LLC.*, 818 F.3d 1369, 1373 (Fed. Cir. 2016)). In order to reach a proper legal determination via the *Alice* two-step analytical framework, it is critical that the framework in reaching that determination is on a solid foundation.

As noted, the Examiner determined the claims to be directed to the abstract idea of comparing new and stored information and using rules to identify options. *See* Final Rej. 3. We agree with the Appellants that is not a reasonable characterization of what the claims are directed to. *See* the step 2A discussion at App. Br. 9–13.

Before determining whether the concept to which the claims at issue are directed to is an abstract idea, one must first determine what that concept is.

The “directed to” inquiry [] cannot simply ask whether the claims *involve* a patent-ineligible concept, because essentially every routinely patent-eligible claim involving physical products and actions *involves* a law of nature and/or natural phenomenon—after all, they take place in the physical world. *See Mayo*, 132 S.Ct. at 1293 (“For all inventions at some level embody, use, reflect, rest upon, or apply laws of nature, natural phenomena, or abstract ideas.”) Rather, the “directed to” inquiry applies a stage-one filter to claims, considered in light of the specification, based on whether “their character as a whole is directed to excluded subject matter.” *Internet Patents Corp. v. Active Network, Inc.*, 790 F.3d 1343, 1346 (Fed. Cir. 2015); *see Genetic Techs. Ltd. v. Merial L.L.C.*, 818 F.3d 1369, 1375, 2016 WL 1393573, at *5 (Fed. Cir. 2016) (inquiring into “the focus of the claimed advance over the prior art”).

Enfish, LLC v. Microsoft Corp., 822 F.3d 1327, 1335 (Fed. Cir. 2016).

“[T]he name of the game is the claim.” *In re Hiniker Co.*, 150 F.3d 1362, 1369 (Fed. Cir. 1998). “The § 101 inquiry must focus on the language of the Asserted Claims themselves.” *Synopsys, Inc. v. Mentor Graphics Corp.*, 839 F.3d 1138, 1149 (Fed. Cir. 2016). *See Accenture Global Servs., GmbH v. Guidewire Software, Inc.*, 728 F.3d 1336, 1345 (Fed. Cir. 2013) (admonishing that “the important inquiry for a § 101 analysis is to look to the claim”); *see also Content Extraction & Transmission LLC v. Wells Fargo Bank, Nat’l Ass’n*, 776 F.3d 1343, 1346 (Fed. Cir. 2014) (“We focus here on whether the claims of the asserted patents fall within the excluded category of abstract ideas.”).

With respect to computer-enabled claimed subject matter, it can be helpful to determine whether “the claims at issue [] can readily be understood as simply adding conventional computer components to well-known business practices” or not. *Id.* at 1338. *See also Affinity Labs of Tex., LLC v. DIRECTV, LLC*, 838 F.3d 1253, 1257 (Fed. Cir. 2016). In *Enfish*, the court found that the “plain focus of the claims” was on “an improvement to computer functionality itself, not on economic or other tasks for which a computer is used in its ordinary capacity.” *Id.* at 1336.

“In determining the eligibility of respondents’ claimed process for patent protection under § 101, their claims must be considered as a whole.” *Diamond v. Diehr*, 450 U.S. 175, 188 (1981). The question is whether the claims as a whole “focus on a specific means or method that improves the relevant technology” or are “directed to a result or effect that itself is the abstract idea and merely invoke generic processes and machinery.” *McRO, Inc. v. Bandai Namco Games Am. Inc.*, 837 F.3d 1299, 1314 (Fed. Cir. 2016).

Claim 1 (as representative of the rejected claims) calls for “integrating software endpoint applications with a single transaction facility to enable transactions between a first endpoint and a second endpoint [to] support[] integrating operations of the service provider computer and the service payer computer in the data processing system,” and

providing a testing facility to enable a test of a variety of transactions;

automating a clearinghouse test procedure via the testing facility;
[and]

providing an application plug-in facility to enable a simultaneous testing of multiple Electronic Data Interchange (EDI) exchanges.

Certain types of messages (“EDI request message” and “EDI response message”) are received and generated with respect to the first endpoint.

The characterization of the claims as directed to comparing new and stored information and using rules to identify options is the result of focusing only on those claim limitations describing receiving and generating messages. Notwithstanding that comparing new and stored information and using rules to identify options is not an accurate characterization of what the claims would be directed to were the claims solely directed to receiving and generating messages, there is more going on here. The receiving and generating messages are limited to Electronic Data Interchange messages and revolve around a first endpoint of a software endpoint application integrated “with a single transaction facility to enable transactions between a *first endpoint* and a second endpoint [to] support[] integrating operations of the service provider computer and the service payer computer in the data processing system.” Claim 1.

Thus, taken as a whole, claim 1 is focused on “software endpoint applications [integrated] with a single transaction facility to enable transactions between a first endpoint and a second endpoint” and EDI messages which are received and generated relative that first endpoint.

Further, “[t]he ‘abstract idea’ step of the inquiry calls upon us to look at the ‘focus of the claimed advance over the prior art’ to determine if the claim’s ‘character as a whole’ is directed to excluded subject matter.” *Affinity Labs*, 838 F.3d at 1257 (quoting *Elec. Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350, 1353 (Fed. Cir. 2016); see also *Enfish*, 822 F.3d at

1335, quoted in *Apple, Inc. v. Ameranth, Inc.*, 842 F.3d 1229, 1241 (Fed. Cir. 2016).

According to the Specification, the “invention generally relates to data processing systems and in particular to transaction facilities in data processing systems.” Para. 1. The Specification explains that “[t]he healthcare industry’s payment and reimbursement system is notoriously complex and inefficient.” Para. 2. “Currently when developing a health care transaction solution that is involved with the storage, relay and exchange of eligibility, benefits, and claim filing related information the process of integrating the payers and providers poses a challenging problem.” Para. 3. The inventors’ solution is explained as follows:

Disclosed are a method, system, and computer program product for integrating Health Care Payers and Providers with a health care transaction system. The health care transaction (HCT) utility solves the problem of integration between these two parties by providing the developer with an application that is capable of automatically generating an Electronic Data Interchange (EDI) response message to a request. The HCT utility mainly consists of a servlet (associated with the Hypertext Transfer Protocol (HTTP) or other data communication protocol) that forwards an EDI request from a sending party to applications that may act as either a payer or provider. These applications may automatically process and respond to request EDI messages sent from other applications using an EDI processor application. The HCT utility provides the advantage of providing an infrastructure for testing healthcare transactions. Furthermore, the infrastructure enables testing of a variety of transactions from multiple sources. Additionally, clearinghouse testing may now be automated.

Para. 4.

In light of what the Specification describes, the advance over the prior art is a mechanism (“utility”) for “forward[ing] an EDI request from a

sending party to applications that may act as either a payer or provider.”
Para. 4. This is the heart of the invention. This “solves the problem of integration between these two parties by providing the developer with an application that is capable of automatically generating an Electronic Data Interchange (EDI) response message to a request.” Para. 4.

The focus of the claims as a whole is on “software endpoint applications [integrated] with a single transaction facility to enable transactions between a first endpoint and a second endpoint” and EDI messages which are received and generated relative to that first endpoint. (claim 1). In light of the Specification, the invention relates to a mechanism (“utility”) for “forward[ing] an EDI request from a sending party to applications that may act as either a payer or provider” (para. 4). The claims are reasonably characterized as being “directed to” an improvement in “software endpoint applications [integrated] with a single transaction facility” via the receiving and generating of EDI messages relative that first endpoint.

and For the foregoing reasons, the Examiner’s determination under *Alice* step one is not sustainable. The foundation is faulty, coloring the remaining analysis. Consequently, we do not reach the merits of Examiner’s determination under *Alice* step two.

The rejection is not sustained.

The rejection of claim 17, 19, 21, and 27 under 35 U.S.C. § 112, second paragraph, for failing to particularly point out and distinctly claim the subject matter which Appellants regard as the invention.

According to the Examiner,

Applicant asserts that the claim element "means for automating" is a limitation that does not invoke 35 U.S.C. 112(f) or pre-AIA 35 U.S.C. 112, 6th paragraph. However, it is unclear whether the claim element invokes 35 U.S.C. 112(f) or pre-AIA 35 U.S.C. 112, 6th paragraph because the claim includes the language, "means for" and is not modified by any structure. If applicant does not wish to have the claim limitation treated under 35 U.S.C. 112(f) or pre-AIA 35 U.S.C. 112, 6th Paragraph applicant may:

- (a) Amend the claim to add structure, material or acts that are sufficient to perform the claimed function; or
- (b) Present a sufficient showing that the claim limitation recites sufficient structure, material, or acts for performing the claimed function to preclude application of 35 U.S.C. 112(f) or pre-AIA 35 U.S.C. 112, sixth paragraph. For more information, see MPEP § 2181.

Final Rej. 7.

One difficulty with the rejection is that the Examiner appears to doubt the characterization of "means for automating" by the Appellants as not invoking 35 U.S.C. § 112(f), there is no explanation as to why it *should* be invoked. Nor is there an explanation as to why the claims are indefinite if 35 U.S.C. § 112(f) is invoked.

Furthermore, notwithstanding that the Answer states that "[t]he Appellant does not argue the 35 U.S.C. §§ 112(b) [sic] and 112(f) [sic] rejections regarding 'means for automating.'" (Ans. 10), the Appellants in fact did so. *See* App. Br. 44.

But contrary to the Examiner's understanding of the Appellants' position, the Appellants "assert that independent claim 17 recites the *mean-plus-function* limitation of "means for automating a clearinghouse test procedure via the testing facility"." App. Br. 44 (emphasis added). And, the Appellants cite "embodiments of FIGS. 5 and 6, and their equivalents, as described in the originally filed specification in Pars. [0038] - [0043] (for FIG. 5) and Pars. [0044] - [0046] (for FIG. 6)" as such means. App. Br. 44.

Accordingly, the Appellants appear to have fully addressed the Examiner's concern as to the clarity of whether the claim element "means for automating" invokes 35 U.S.C. § 112, sixth paragraph.

The rejection is not sustained.

CONCLUSIONS

The rejection of claims 1, 3, 5–9, 11, 13–17, 19, 21, and 25–29 under 35 U.S.C. §101 as being directed to judicially-expected subject matter is reversed.

The rejection of claim 17, 19, 21, and 27 under 35 U.S.C. § 112, second paragraph, for failing to particularly point out and distinctly claim the subject matter which Appellants regard as the invention is reversed.

DECISION

The decision of the Examiner to reject claims 1, 3, 5–9, 11–17, 19–21, and 25–29 is reversed.

REVERSED