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BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte DEAN COLLINS, ERIN MACK NAIR,
JARED KRECHKO, ADAM KAPROVE,
and HENRY EDINGER

Appeal 2017-007562
Application 12/426,039[1]
Technology Center 3600

Before JAMES R. HUGHES, ERIC S. FRAHM, and
MATTHEW J. McNEILL, *Administrative Patent Judges*.

HUGHES, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Appellants seek our review under 35 U.S.C. § 134(a) of the Examiner's final decision rejecting claims 1–3, 5, 6, 9–11, 13, 14, 56–58,

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[1] According to Appellants, the real party in interest is The Travelers Indemnity Company. App. Br. 3.

60–64, 66–83, 85, 86, and 88–95. Claims 4, 7, 8, 12, 15–55, 59, 65, 84, and 87 have been canceled. We have jurisdiction under 35 U.S.C. § 6(b).

We affirm.

Appellants' Invention

Appellants' invention relates to automated property inspection in the context of processing a property insurance claim. Spec. ¶¶ 2–3. In an embodiment, an adjuster can control a robotic inspection vehicle for gathering video images of insured property, such as the roof of a house. Spec. ¶ 71. The robotic inspection vehicle communicates with an inspection control system that in turn communicates with an insurance claim processing system over a network. *Id.* Data collected in the course of an automated property inspection can be used to make reimbursement payments to a policy holder. *See* Spec. ¶ 73.

Representative Claim

Claim 1, reproduced below, is illustrative of the claimed subject matter:

> 1. A computer-implemented method for processing a property insurance claim for an insured property comprising:
>
> receiving, from a policy holder, a claim for damage to the insured property;
>
> detecting, by a remotely controllable robotic inspection vehicle, comprising an unmanned aerial vehicle (UAV) including at least one electronic sensor, electronic information relevant to the damage to the insured property associated with the claim using the at least one electronic sensor by flying at an elevation above the insured property and activating the at least one electronic sensor to detect the damage;

> receiving, by an inspection control system, the electronic information detected by the remotely controllable robotic inspection vehicle using the at least one electronic sensor;
>
> generating, by the inspection control system, electronic property inspection data for the insured property, wherein the electronic property inspection data comprises the electronic information detected by the remotely controllable robotic inspection vehicle using the at least one electronic sensor;
>
> receiving, by the inspection control system, from a claim adjuster computer device, a cost estimate for the damage based on the electronic property inspection data;
>
> transmitting, by the inspection control system, to a claims processing computer server executed by an insurance claims processing computer system, the electronic property inspection data and the cost estimate; and
>
> transmitting to the policy holder, by a customer service computer server executed by the insurance claims processing computer system, payment information based on the cost estimate, the electronic property inspection data, and insurance policy information.

Rejections on Appeal[2]

Claims 1–3, 5, 6, 9–11, 13, 14, 56–58, 60–64, 66–83, 85, 86, and 88–95 stand rejected under 35 U.S.C. § 101 as being directed to patent-ineligible subject matter.

Claims 1–3, 5, 6, 9–11, 13, 14, 56–58, 60–64, 66, 67, 69, 72–83, 85, 86, 88, 89, 92, 94, and 95 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Gandee (US 2005/0038682 A1; Feb. 17, 2005) and Admitted Prior Art ("APA").

[2] The Examiner has withdrawn the rejections under 35 U.S.C. § 112. Ans. 2.

Claims 68 and 71 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Gandee, APA, and Menendez (US 2004/0148204 A1; July 29, 2004).

Claim 70 stands rejected under 35 U.S.C. § 103(a) as being unpatentable over Gandee, APA, and Morin (US 2006/0106551 A1; May 18, 2006).

Claims 90 and 91 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Gandee.

Claim 93 stands rejected under 35 U.S.C. § 103(a) as being unpatentable over Gandee, APA, and King (US 5,600,775; Feb. 4, 1997).

ANALYSIS

Patent-Ineligible Subject Matter

Appellants present arguments for claims 1–3, 5, 6, 9–11, 13, 14, 56–58, 60–64, 66–83, 85, 86, and 88–95 together as one group. *See* App. Br. 14–19. We select independent claim 1 as representative of all claims in our analysis below. *See* 37 C.F.R. § 41.37(c)(1)(iv).

Under 35 U.S.C. § 101, a patent may be obtained for "any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof." The Supreme Court has "long held that this provision contains an important implicit exception: Laws 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 *Ass'n for Molecular Pathology v. Myriad Genetics, Inc.*, 569 U.S. 576, 589 (2013)).

The Supreme Court, in *Alice*, reiterated the two-step framework previously set forth in *Mayo Collaborative Services v. Prometheus Laboratories, Inc.*, 566 U.S. 66 (2012), "for distinguishing patents that claim

laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of those concepts." *Alice*, 134 S.Ct. at 2355. Assuming that a claim nominally falls within one of the statutory categories of machine, manufacture, process, or composition of matter, the first step in the analysis is to "determine whether the claims at issue are directed to one of those patent-ineligible concepts." *Id.* For example, abstract ideas include, but are not limited to, fundamental economic practices, methods of organizing human activities, an idea of itself, and mathematical formulas or relationships. *Id.* at 2355–57. If the claim is directed to a judicial exception, such as an abstract idea, the second step is to determine whether additional elements in the claim "'transform the nature of the claim' into a patent-eligible application." *Id.* at 2355 (quoting *Mayo*, 566 U.S. at 78). This second step is described as "a search for an '"inventive concept"'—*i.e.*, an element or combination of elements that is '. . . significantly more than . . . the [ineligible concept] itself.'" *Id.* at 2355 (alteration in original) (quoting *Mayo,* 566 U.S. at 72–73).

Alice Step One

"The first step in the *Alice* inquiry . . . asks whether the focus of the claims is on the specific asserted improvement in computer capabilities . . . or, instead, on a process that qualifies as an 'abstract idea' for which computers are invoked merely as a tool." *Enfish*, 822 F.3d at 1335–36. "The abstract idea exception prevents patenting a result where 'it matters not by what process or machinery the result is accomplished.'" *McRO, Inc. v. Bandai Namco Games America Inc.*, 837 F.3d 1299, 1312 (Fed. Cir. 2016) (quoting *O'Reilly v. Morse*, 56 U.S. (15 How.) 62, 113 (1853)). "We therefore look to whether the claims . . . focus on a specific means or method

that improves the relevant technology or are instead directed to a result or effect that itself is the abstract idea and merely invoke generic processes and machinery." *McRO*, 837 F.3d at 1314.

Appellants contend the claims do not recite a concept similar to an abstract idea previously identified by the courts. App. Br. 16. We disagree. The Examiner cites *TLI Communications LLC v. AV Automotive, L.L.C.*, 823 F.3d 607 (Fed. Cir. 2016), in finding the claims are directed to an abstract idea. *See* Final Act. 5. In *TLI*, the representative claim recited:

> recording images . . .,
>
> storing the images recorded . . .,
>
> transmitting data including at least the digital images and classification information to a server . . .,
>
> receiving the data by the server,
>
> extracting classification information . . . from the received data, and
>
> storing the digital images in the server . . . taking into consideration the classification information.

823 F.3d at 610. The Federal Circuit found the concept of classifying an image and storing the image based on its classification to be an abstract idea. *Id.* at 611.

Claim 1 is similar to the representative claim in *TLI* in that it recites:

> detecting . . . electronic information relevant to the damage to the insured property associated with the claim . . .;
>
> receiving . . . the electronic information,
>
> generating . . . electronic property inspection data for the insured property, wherein the electronic property inspection data comprises the electronic information . . .;
>
> receiving . . . a cost estimate for the damage based on the electronic property inspection data;

> transmitting . . . the electronic property inspection data and the cost estimate . . . .
>
> transmitting . . . payment information based on the cost estimate, the electronic property inspection data, and insurance policy information.

As can be seen, claim 1 is directed to the concept of gathering data, for example, images related to property damage associated with an insurance claim (*see* Spec. ¶ 45), adding other data in the form of a cost estimate, and transmitting the data for determination of payment information based on the cost estimate. This concept is similar to the abstract idea of classifying an image and storing the image based on its classification found in *TLI*. That is, both the representative claim in *TLI* and claim 1 in this case focus on gathering data and processing the data based on other related data.

Moreover, in many other cases our reviewing court has found that the concepts of data collection and data manipulation are abstract ideas. *See, e.g.*, *Elec. Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350, 1354 (Fed. Cir. 2016) ("gathering and analyzing information of a specified content, then displaying the results"), *OIP Technologies, Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1362–63 (Fed. Cir. 2015) (offer-based price optimization), *Intellectual Ventures I LLC v. Capital One Bank (USA)*, 792 F.3d 1363, 1370 (Fed. Cir. 2015) (tailoring information presented to a user based on particular information), *Versata Development Group v. SAP Am., Inc.*, 793 F.3d 1306, 1333 (Fed. Cir. 2015) ("determining a price, using organizational and product group hierarchies"), *Digitech Image Technologies, LLC v. Electronics For Imaging, Inc.*, 758 F.3d 1344, 1351 (Fed. Cir. 2014) (employing "mathematical algorithms to manipulate existing information to generate additional information"), and *Accenture Global Services, GmbH v.*

Guidewire Software, Inc., 728 F.3d 1336, 1344–46 (Fed. Cir. 2013) (generating tasks based on rules in response to events).

Claim 1 merely combines abstract concepts that are similar to those in the cases noted above—i.e., data collection and data manipulation—and is therefore directed to an abstract idea. *See RecogniCorp, LLC v. Nintendo Co.*, 855 F.3d 1322, 1327 (Fed. Cir. 2017) ("Adding one abstract idea . . . to another abstract idea . . . does not render the claim non-abstract."); *see also FairWarning IP, LLC v. Iatric Sys., Inc.*, 839 F.3d 1089, 1094 (Fed. Cir. 2016) (determining the pending claims were directed to a combination of abstract ideas).

Appellants contend the claims are

> "necessarily rooted in computer technology" (*DDR* at 1257)—e.g., robots—in order to overcome the problem of assessing damage to insured property in locations that are dangerous/inaccessible to humans, and "focus on a specific means or method that improves the relevant technology" (*McRo* at *13)—e.g., using a remotely controllable robotic device configured in a specific manner with additional computer systems and servers over a network.

App. Br. 16.

We disagree. The focus of claim 1 is not on how the UAV operates, but rather the process of gathering data for processing a property insurance claim. The UAV serves merely as a way of automating human tasks, as revealed by the Specification's description of the problem with the prior insurance claim process, which "can be slow as it requires that a claim adjuster . . . travel to the property location to perform the physical inspection, which can be time consuming and tedious." Spec. ¶ 5. The Specification frames a desired solution to the identified problem as one that "is a safer, faster way to generate damage estimates which provide estimates

that are at least as accurate as the current methods, especially those for roofs or other areas of an insured property that may be difficult or dangerous to inspect." Spec. ¶ 8. This disclosure shows that the heart of Appellants' invention is the replacement of human effort with machinery in a way that is safer, faster, and potentially more accurate. The mere use of machines to perform the same tasks as humans, however, remains in the realm of the abstract. *See OIP Technologies*, 788 F.3d at 1363 ("[R]elying on a computer to perform routine tasks more quickly or more accurately is insufficient to render a claim patent eligible.").

Further, the Specification provides that there are many ways of gathering the data necessary for processing an insurance claim, such as images of property damage, and that using a UAV is simply one way to gather the data. To wit, the Specification introduces "various imaging inspection embodiments," including imaging inspection "performed by a flying object, such as a plane 210, a helicopter, 212, a satellite 214, or any other flying object, device or vehicle" where "the flying device is equipped with an imagine device or video inspection equipment 225." Spec. ¶ 45. The Specification also provides "the imaging device 225 may be attached to a streetlight 217" or "other objects or structures capable of providing a view of the roof, such as trees 218, telephone poles, flag poles, nearby structure/homes, or any other object or structure." *Id.*

It is thus clear that the "remotely controllable robotic inspection vehicle, comprising an unmanned aerial vehicle (UAV)" recited in claim 1 is not the subject of Appellants' invention, nor the focus of claim 1, but is rather a tool used in service of the method of processing a property insurance

claim. Accordingly, the use of a UAV in claim 1 does not shift the focus away from the patent-ineligible abstract idea to which the claim is directed.

Alice Step Two

The second step in the *Alice* analysis requires a search for an "inventive concept" that "must be significantly more than the abstract idea itself, and cannot simply be an instruction to implement or apply the abstract idea on a computer." *Bascom Global Internet Services, Inc. v. AT&T Mobility LLC*, 827 F.3d 1341, 1349 (2016). There must be more than "computer functions [that] are 'well-understood, routine, conventional activit[ies]' previously known to the industry." *Alice*, 134 S.Ct. at 2359 (second alteration in original) (quoting *Mayo*, 566 U.S. at 73).

Appellants contend "it is the functions performed in combination by the systems/methods as a whole, rather than the pieces of hardware taken individually *per se*, that provide an inventive step." App. Br. 17. We disagree. This case is unlike *Bascom*, where "a non-conventional and non-generic arrangement of known, conventional pieces" resulted in patent-eligible claims. *Bascom*, 827 F.3d at 1350. Claim 1 merely substitutes a UAV for performing a data gathering step in a conventional method for processing an insurance property claim. This substitution results in the UAV operating as expected by making the prior human task of taking photos of property damage more efficient. But the increased efficiency of the data gathering step in claim 1 does not, by itself, evince a non-conventional arrangement where the remainder of the claim recites a purely conventional arrangement for processing an insurance claim, namely, receiving property damage data and a cost estimate, and notifying a policy holder of payment

information based on the property damage data, the cost estimate, and insurance policy information.

Appellants also contend the claims cover "technically improved systems/methods for electronic property inspections, in the claimed combinations with the remaining limitations, [and] **do not** merely describe generic computer components performing generic computer functions/routine and conventional activities previously known to the industry." App. Br. 18. We disagree. When read in light of the Specification, the "remotely controllable robotic inspection vehicle, comprising an unmanned aerial vehicle (UAV)" recited in claim 1 can be any one of a number of off-the-shelf—i.e., conventional—UAVs. *See* Spec. ¶¶ 50–55. Further, nothing in claim 1 indicates that the other components recited in claim 1 are more than conventional components. For example, the "inspection control system" is described in the Specification as "a computer system, such as a laptop." Spec. ¶ 71. And in general, the Specification describes the computer systems used in the invention in purely conventional terms. *See* Spec. ¶ 141. Accordingly, the "claim adjuster computer device" and the "claims processing computer server" and "customer service computer server" that are executed on "an insurance claims processing computer system" can be based on conventional computer hardware and software. The communications between the claimed components are also purely conventional. *See buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1355 (Fed. Cir. 2014) ("That a computer receives and sends the information over a network—with no further specification—is not even arguably inventive.").

We are, therefore, not persuaded the Examiner erred in rejecting as patent-ineligible claim 1, and claims 2, 3, 5, 6, 9–11, 13, 14, 56–58, 60–64, 66–83, 85, 86, and 88–95 which we group therewith as mentioned above.

Obviousness

We address below the obviousness rejections grouped according to Appellants' arguments in the Appeal Brief.

Gandee and the Admitted Prior Art ("APA")

Claims 1–3, 6, 9–11, 13, 14, 56–58, 60–64, 66, 67, 69, 72–79, 82, 83, 85, 86, 88, 89, 92, 94, and 95

Appellants contend Gandee fails to teach a "remotely controllable inspection device" as recited in independent claims 69 and 76. App. Br. 26–27. Specifically, Appellants argue that the "DCR TRV80 MiniDV Handycam Camcorder by Sony" Gandee discloses does not include a remote control feature. *Id.* We are not persuaded by Appellants' argument.

The Specification provides that "the robotic inspection vehicle or device may also be portable video inspection equipment attached to the claim adjuster or to another person or laborer (or trained animal) capable of responding to commands or directions from a remote claim adjuster or other commander." Spec. ¶ 56. We find Gandee's camera, when employed by the virtual adjuster in Gandee's system for capturing images of damaged property, is a "remotely controllable inspection device" as claimed when that language is given its broadest reasonable interpretation, in light of the Specification as quoted above. In particular, Gandee discloses that "a virtual adjuster arrives at a property which has suffered a casualty loss. The virtual adjuster brings a . . . camera 112 . . . ." Gandee, ¶ 10. "An exemplary video camera is the DCR TRV80 MiniDV Handycam Camcorder by Sony which

can provide both still images, and video images . . . ." Gandee, ¶ 16. "[T]he insurance adjuster can request video of the damaged area . . . . The virtual adjuster can capture and transmit these images using camera 112." Gandee, ¶ 23. In other words, Gandee's virtual adjuster employs the camera 112 as directed by a remote insurance adjuster, thus teaching a "remotely controllable inspection device."

In any case, we note that the obviousness rejection of independent claims 69 and 76 is over Gandee and the APA, where the APA discloses using a UAV, as discussed in detail below. Appellants do not argue that a UAV is not a "remotely controllable inspection device" as recited in independent claims 69 and 76.

Appellants contend it would not have been obvious to one of ordinary skill in the art to combine a UAV, as disclosed in the APA,[3] with Gandee by substituting a UAV for Gandee's camera. App. Br. 29–32. We are not persuaded by Appellants' argument.

The APA shows that many UAVs were known and available. *See* Spec. ¶¶ 52–55 ("Epson FR-II from Seiko Epson"; "DraganFlyer X6 made by Draganfly Innovations, Inc."; "DraganFly Tango UAV also made by Draganfly Innovations"; "X-UFO made by SilverLit Electronics"; "Dragonfly, made by Wowwee"; "MicroDrone MD4-200 and MD4-1000 by Microdrone, GmbH"). Further, the APA specifically provides that certain of

[3] The Examiner relies on the APA for disclosing "a remotely controllable robotic inspection vehicle, comprising an unmanned aerial vehicle (UAV)," as recited in independent claims 1 and 9, and "a remotely controllable inspection device, comprising an unmanned aerial vehicle (UAV)" as recited in independent claim 69 and similarly recited in claim 89, which depends from independent claim 76. *See* Ans. 16, 18, 26, 33.

these UAVs were capable of and even well-suited for image capture: "This device [(the DraganFlyer X6)] is particularly well-suited to the application because of its ability to self-stabilize and carry a payload of a still or video camera" (Spec. ¶ 53); "DraganFly Tango UAV . . . is an unmanned aerial vehicle capable of autonomous flight and can capture aerial video and pictures of large areas." *Id.*

We agree with the Examiner that the use of an existing UAV, for example, those disclosed by the APA, for capturing images in Gandee's virtual insurance adjusting system would have been obvious to one of ordinary skill in the art because it would have been a simple substitution that yielded predictable results. *See* Final Act. 16; Ans. 8–9. That is, given the knowledge that UAVs were capable of capturing images from an aerial perspective, one would have immediately recognized the potential improvement to Gandee's system by using a UAV with image capturing capability in place of the camera in Gandee's system, due to the inherent advantages of a UAV to capture images from many different perspectives in space around a subject of interest, such as damaged property.

Appellants contend it would not have been obvious to combine a cost estimate as disclosed in the APA with Gandee because the cost estimate described in Appellants' Specification is determined by a claim adjuster who travels to a property to physically assess damage, in contrast to Gandee's verification of damage without visiting the property. App. Br. 32–35. We disagree with Appellants because Gandee's system also includes personnel at the property site—the virtual adjuster. Accordingly, Gandee's system is not incompatible with submitting a cost estimate at the property site. In fact, as the Examiner finds, Gandee discloses the virtual adjuster inputting an

electronic work order into the computer 108 for sending over the communication link to the insurance company. *See* Gandee, ¶ 14. We find Gandee's work order suggests the claimed "cost estimate" (*see* Final Act. 39–40, where the Examiner makes a similar finding with respect to independent claim 90), and thus the Examiner's reliance on the APA for this feature is merely cumulative.

Appellants contend Gandee fails to disclose a "claims processing computer server" and a "customer service computer server." App. Br. 35–40. Specifically, regarding the claimed "claims processing computer server," Appellants argue Gandee's computer 128 is not a server at which a cost estimate is received. App. Br. 37–38. Regarding the claimed "customer service computer server," Appellants argue that to the extent the Examiner relies on Gandee's computer 108, computer 108 is not a server and, in any case, computer 108 belongs to the third party virtual adjuster and is thus not a server "executed by the insurance claims processing computer system." App. Br. 38–40. We are not persuaded by Appellants' arguments.

We note that independent claims 1, 9, 69 (together with dependent claim 75), and 76 recite that the "claims processing computer server" and "customer service computer server" are executed by the same "claims processing computer system." We further note that the claimed servers do no more than receive, process, and send data. That is, there are no particularly recited functions that require the claimed servers to be any more than generic servers, where Appellants admit a server can be "a computer program." App. Br. 40. Accordingly, we broadly, but reasonably, interpret the claimed servers as software running on one or more computers that can receive, process, and send data.

Gandee discloses "the computer 108 . . . allows the virtual adjuster to fill out an electronic work order for the initial mitigation work which can be provided to the insurance company over the communication link." Gandee, ¶ 14. We find this at least suggests sending a work order—i.e., a "cost estimate"—to computer 128 at the insurance company. *See* Gandee, Fig. 1. Further, we find Gandee at least suggests sending payment information from computer 128 to computer 108 by disclosing "a check to the insured can be printed locally via an attached or wireless printer 109." Gandee, ¶ 14. That is, the check would be provided on behalf of the insurance company, and the check itself or payment information for completing a check would need to be issued by the insurance company. One of ordinary skill in the art would have understood Gandee as suggesting computer 128 can send this payment information to computer 108. *See* Gandee, ¶ 14; Fig. 1. Accordingly, Gandee at least suggests that computer 128 has the functionality to receive a cost estimate and send payment information.

We find it would have been obvious to one of ordinary skill in the art to have different pieces of software perform the different functions of receiving a cost estimate and sending payment information at Gandee's computer 128—that is, a "claims processing computer server" and a "customer service computer server." We also agree with the Examiner (*see* Final Act. 31) and find it would have been obvious to have multiple computers employ the server functions as in independent claim 76. That is, having multiple systems performing the same functions as a single system, either for redundancy or parallelism, is an obvious variation of the system Gandee suggests.

We are, therefore, not persuaded the Examiner erred in rejecting as obvious claims 1–3, 6, 9–11, 13, 14, 56–58, 60–64, 66, 67, 69, 72–79, 82, 83, 85, 86, 88, 89, 92, 94, and 95.

Claim 5

Appellants contend the APA only describes materials that may be used as "smart skins" or "smart coatings," and does not describe using these materials to form a "smart roof" as claimed. App. Br. 52. We are not persuaded by Appellants' argument.

The patents incorporated by reference in Appellants' Specification include, for example, US Patent 6,564,640 B1 to Allaei. Spec. ¶ 41. Allaei describes a smart skin structure that "can be used to managing vibrations in the skin or shell of a system, subcomponent, device, or structure," where the structures on which the smart skin can be used include "buildings." Allaei, Abstract. Further, in providing a motivation to combine the APA's disclosure of a smart skin with Gandee, the Examiner cites US Patent 5,648,724 to Yankielun. Final Act. 18. Yankielun describes moisture sensors for detecting the location and extent of leaks in a roof. Yankielun, col. 2, ll. 14–28. Yankielun thus would have suggested to one of ordinary skill in the art to use sensors, such as those included in the smart skin of Allaei, not only on buildings, but specifically as part of a "smart roof," as recited in claim 5.

We are, therefore, not persuaded the Examiner erred in rejecting claim 5 as obvious.

Claims 80 and 81

Appellants contend that Gandee, in view of the APA, fails to disclose a claims processing computer server performing the functions recited in claims 80 and 81. App. Br. 53. The Examiner makes no findings regarding the specific limitations in claims 80 and 81, for example, "performing an automatic comparison with electronic inspection information from one or more non-damaged properties," as recited in claim 80, and "performing an automatic comparison with electronic inspection information from one or more fraudulent claims," as recited in claim 81. *See* Final Act. 32; Ans. 18.

Accordingly, we are constrained by the record to find the Examiner erred in rejecting claims 80 and 81 as obvious.

Gandee, the APA, and Menendez

Claims 68 and 71

Appellants contend it would not have been obvious to combine Menendez with Gandee because Menendez excludes using an insurance adjuster, whereas Gandee describes real-time audio and visual communications with an insurance adjuster. App. Br. 42. Appellants also contend Menendez fails to disclose detecting electronic information relevant to the damage to the insured property. *Id.* We are not persuaded by Appellants' arguments.

We note the Examiner relies on Gandee and the APA, not Menendez, for the "detecting" step in claim 1, from which claim 68 depends. *See* Final Act. 13–17. Accordingly, Appellants' argument that Menendez fails to disclose detecting electronic information is unavailing.

As for the combination of Menendez with Gandee and the APA, we find it would have been obvious, in view of Menendez, to provide a policy

holder access over a network to electronic information regarding an insurance claim, as recited in claim 68, in the combination of Gandee and the APA. As the Examiner finds (Final Act. 37), Menendez provides the motivation modify Gandee and the APA, namely, to allow a policy holder the ability to "access the same claim file at a later time to enter additional information (e.g., repair estimates from contractors, salvage value estimates from experts, etc.). Menendez, ¶ 29. This modification would have been obvious despite Menendez's avoidance of assigning an adjuster to a claim in certain cases (*see* Menendez, ¶24), because the presence or absence of a claim adjuster does not bear on the benefit of providing a policy holder access to electronic information relating to a claim.

We also find it would have been obvious, in view on Menendez, to automatically compare electronic property inspection data with predetermined template data, as recited in claim 71, in the combination of Gandee and the APA. As the Examiner finds (Final Act. 37–38), Menendez provides the motivation to modify Gandee and the APA, namely, that using a word comparator program for comparing words describing the claim with a list of key words can help determine that certain property is not covered by an insurance policy. *See* Menendez, ¶ 53. This modification would have been obvious even though Menendez describes not assigning a claim adjuster to a claim that the word comparator program reveals is not covered. *See* Menendez, ¶ 52. That is, although Gandee describes using an insurance adjuster to assess damage (*see* Gandee, ¶ 23), one of ordinary skill in the art would have seen the benefit for Gandee's insurance adjuster to not become involved in a claim until after Menendez's word comparator program showed the claim might be covered.

We are, therefore, not persuaded the Examiner erred in rejecting claims 68 and 71 as obvious.

Gandee, the APA, and Morin

Claim 70

Appellants contend one of ordinary skill in the art would not have been motivated to modify Gandee in view of Morin. App. Br. 46. We are persuaded by Appellants' argument.

Morin describes monitoring the structural health of a structure by using sensors distributed across the structure. *See* Morin, ¶ 7. A damage measurement can be calculated and then compared with a predetermined baseline measurement to determine a changed damage measurement. Morin, ¶ 8. The Examiner cites Morin, paragraph 5 as providing the motivation to combine Morin with Gandee and the APA, namely, "to allow multiple self-referential inspections of an area over an extended period of time, enabling correlation, trending and other sophisticated analysis of the inspection data over time." Final Act. 38. We find the Examiner's rationale does not sufficiently explain why one of ordinary skill in the art would have combined Morin's measurements with the insurance claim processing performed by the combination of Gandee and the APA. That is, the fact that Morin describes monitoring inspection data over time (Morin, ¶ 5) does not in and of itself provide a reason to apply Morin's measurements in an insurance claim processing context.

We are, therefore, constrained by the record to find the Examiner erred in rejecting claim 70.

Gandee, the APA, and King

Claim 93

Appellants contend King fails to disclose "electronically modifying the at least one of the recorded video and sensor data with annotations" because King describes annotating digital video without modifying the original video information. App. Br. 51. We are not persuaded by Appellants' argument.

We begin by construing the claim 93 language "electronically modifying the at least one of the recorded video and sensor data with annotations." The Specification neither requires changing video or sensor data to annotate the data, nor excludes adding annotations to video or sensor data to annotate the data. In fact, the Specification does not define how to annotate data, but rather gives only examples of the use of annotations. For example, the Specification provides: "Also, annotations can be made to the recorded video or sensor data to form part or all of the inspection report" (Spec. ¶ 72); "In this way, the remote claim adjuster 1504 can remotely inspect the property, and have the video (or other sensor information) recorded for later annotation and archiving" (Spec. ¶ 88); "Alerts can be sent by any known methods . . . and may include the images (which may be annotated to show the issues) obtained of the property." Spec. ¶ 96.

Accordingly, under the broadest reasonable interpretation in light of the Specification, we find the language "electronically modifying the at least one of the recorded video and sensor data with annotations" does not require changing video or sensor data itself, but rather encompasses adding annotations to the data. This interpretation is supported by the additional claim 93 limitations that recite "storing . . . the at least one of the recorded

video and sensor data and the annotations" and "transmitting . . . the at least one of the recorded video and sensor data and the annotations." That is, claim 93 identifies the video or sensor data and the annotations as separate items to store and transmit.

King describes annotating digital video "with text, graphics, and digital audio without modifications to the original video information." King, Abstract. Although "video and annotations are stored separately," upon playback "the annotations are displayed on the originally annotated frames." *Id.* Here, we find King discloses "electronically modifying" video data with annotations, as recited in claim 93, by adding annotations to the video data that can be displayed with the video data upon playback. In other words, King's video data is modified in that it is shown with annotations, despite the fact that the video data itself is not changed.

We are, therefore, not persuaded the Examiner erred in rejecting claim 93 as obvious.

Gandee

Claim 90

Appellants present arguments for claim 90 that are similar to those discussed above regarding independent claims 1, 9, 69, and 76. *See* App. Br. 47–50. We are not persuaded by these arguments for similar reasons to those discussed above. In addition, Appellants argue that, to the extent Gandee's work order is relied upon to disclose the claimed "cost estimate," Gandee does not disclose that the work order is received "from a claim adjuster computer device, by the inspection control computer system." App. Br. 48–49. We are not persuaded by this argument.

The Specification neither includes a definition for the "claim adjuster computer device," nor provides examples of such device. The Specification does, however, describe an input device 612 used by an adjuster, where device 612 can be a keyboard. Spec. ¶ 71; Fig. 6A. Absent any showing by Appellants that the Specification requires a specific type of device for providing a cost estimate to the inspection control computer system, we find the broadest reasonable interpretation of the "claim adjuster computer device" includes a keyboard. One of ordinary skill would have understood that Gandee's disclosure that a virtual adjuster may "fill out an electronic work order" at computer 108 suggests using a keyboard, as was known in the art. *See* Gandee, ¶ 14.

We are, therefore, not persuaded the Examiner erred in rejecting independent claim 90 as obvious.

Claim 91

Appellants contend "Gandee does not disclose a camera capable of transmitting video inspection information **in real time**." App. Br. 50. However, Gandee describes "video conference equipment 110 for providing real-time audio and visual communication between the users of the computer 108 and computer 128," where "camera 112 can be a component of video conference equipment 110." Gandee, ¶¶ 15, 16. Moreover, Appellants admit Gandee "describes a method/system for real-time audio and visual communications with an insurance adjuster" in arguing other claims. App. Br. 42.

We are, therefore, not persuaded the Examiner erred in rejecting claim 91 as obvious.

CONCLUSIONS

Under 35 U.S.C. § 101, the Examiner did not err in rejecting claims 1–3, 5, 6, 9–11, 13, 14, 56–58, 60–64, 66–83, 85, 86, and 88–95.

Under 35 U.S.C. § 103(a), the Examiner erred in rejecting claims 70, 80, and 81, but did not err in rejecting claims 1–3, 5, 6, 9–11, 13, 14, 56–58, 60–64, 66–69, 71–79, 82, 83, 85, 86, and 88–95.

DECISION

We affirm the Examiner's decision to reject claims 1–3, 5, 6, 9–11, 13, 14, 56–58, 60–64, 66–83, 85, 86, and 88–95. *See* 37 C.F.R. § 41.50(a)(1) ("The affirmance of the rejection of a claim on any of the grounds specified constitutes a general affirmance of the decision of the examiner on that claim, except as to any ground specifically reversed.").

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 41.50(f).

AFFIRMED