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

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UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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*Ex parte* ALBERT KWANG-HWA SUN, TAK MING CHAN,  
JACQUELINE LAYER, NICOLE GABRIELLE RODRIGUEZ TOULIS,  
STEPHEN PAN CHEUNG, PATRICK SHU PUI KO,  
SAMMY SHUN YUEN FUNG, THOMAS WILLIAM HALPIN,  
YOKE BEE YAP, ZENO FOOK CHUEN CHOW,  
KELVIN YATSUN LEUNG, KWOK KEUNG YEUNG, MAN PUI TSIM,  
and SOL SOLOMON

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Appeal 2017-007812  
Application 13/735,433  
Technology Center 3600

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Before JASON V. MORGAN, JON M. JURGOVAN, and  
JOSEPH P. LENTIVECH, *Administrative Patent Judges*.

LENTIVECH, *Administrative Patent Judge*.

DECISION ON APPEAL

Pursuant to 35 U.S.C. § 134(a), Appellants<sup>1</sup> appeal from the  
Examiner's decision to reject claims 64–74, 76–78, 80, 88–92, and 94–98.  
Claims 1–63, 75, 79, 81–87, and 93 have been canceled. *See* App. Br. 12–

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<sup>1</sup> According to Appellants, the real party in interest is JPMorgan Chase  
Bank, N.A. App. Br. 1.

20 (Claims App'x). We have jurisdiction over the pending claims under 35 U.S.C. § 6(b).

We affirm.

## STATEMENT OF THE CASE

### *Appellants' Invention*

Appellants' invention generally relates to “systems and methods for managing trading operations and more particularly to a system and method for generating, processing and tracking documents and processes associated with import/export trading operations.” Spec. 1. Claim 64, which is representative, reads as follows:

64. A computer-implemented method for processing trade documents associated with a trade operation, comprising:

receiving over a computer network an electronic copy of a payment contract associated with a trade receivables transaction;

at least one computer processor automatically preparing electronic transaction documents required for settlement of the trade receivables transaction, wherein at least one of the electronic transaction documents is dependent upon a type of the payment contract, and wherein at least one of the electronic transaction documents comprises transaction information for the trade receivables transaction;

the at least one computer processor determining if any of the electronic transaction documents is incomplete;

the at least one computer processor requesting incomplete electronic transaction documents determined to be repaired;

the at least one computer processor verifying that the electronic transaction information is compliant with a banking standard; and

the at least one computer processor causing the electronic transaction documents to be output electronically to at least one party to the transaction, whereby an association is provided among the electronic transaction documents.

### *Rejection*

Claims 64–74, 76–78, 80, 88–92, and 94–98 stand rejected under 35 U.S.C. § 101 because the claimed subject matter is judicially-excepted from patent eligibility under § 101. Ans. 2–3; *see also* App. Br. 2 n.1 (“Appellant has confirmed with the Examiner that claims 64–67, 71, and 89 are also rejected under 35 U.S.C. § 101 despite not being identified as rejected in the Final Office Action.”).

### *Issue on Appeal*

Did the Examiner err in finding that claims 64–74, 76–78, 80, 88–92, and 94–98 are directed to subject matter that is judicially-excepted from patent eligibility under § 101?

## ANALYSIS

### *Rejection under 35 U.S.C. § 101*

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. v. CLS Bank Int’l*, 134 S. Ct. 2347, 2354 (2014) (quoting with internal quotation marks and brackets omitted *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, 82–84 (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. The first step in that analysis is to “determine whether the claims at issue are directed to one of those patent-ineligible concepts,” such as an abstract idea. *Id.* The inquiry often is whether the claims are directed to “a specific means or method” for improving technology or whether they are simply directed to an abstract end-result. *McRO, Inc. v. Bandai Namco Games Am. Inc.*, 837 F.3d 1299, 1314 (Fed. Cir. 2016). If the claims are not directed to a patent-ineligible concept, the inquiry ends. Otherwise, the inquiry proceeds to the second step, where the elements of the claims are considered “individually and ‘as an ordered combination’ to determine whether the additional elements ‘transform the nature of the claim’ into a patent-eligible application.” *Alice*, 134 S. Ct. at 2355 (quoting *Mayo*, 566 U.S. at 78–79). 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. *See Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1336 (Fed. Cir. 2016).

### *Step 1*

The Examiner finds the claims are directed to the abstract idea of “1) collecting data, 2) recognizing certain data within the collected data set, and 3) preparing a document.” Final Act. 3; *see also* Ans. 2–3 (citations

omitted). Additionally, the Examiner finds the claims are directed to an abstract idea because processing trade documents is a fundamental economic practice. Ans. 2.

Initially, Appellants argue the “alleged abstract idea – ‘data collection, recognition, and document preparation’ – is not an abstract idea within the meaning of *Alice*.” App. Br. 7. Appellants argue:

[T]he Examiner has not alleged that the claims recite a concept that is “similar to concepts previously found abstract by the courts.” Indeed, the cases cited by the Examiner – *Cyberfone* (e.g., using categories to organize and store information for transmission), *SmartGene* (e.g., comparing new and stored information and using rules to identify options), *TDE Petroleum* (e.g., storing, gathering, and analyzing data) and *Electric Power* (e.g., collecting information, analyzing it, and displaying certain results of the collection and analysis) – do not have abstract ideas that are similar to the alleged abstract idea.

Reply Br. 2 (footnote omitted). Appellants further argue:

the claims are not simply directed to “data collection, recognition, and document preparation” – instead, they require, *inter alia*, the receipt of an *electronic copy* of a payment contract, a computer preparing *electronic* transaction documents, the verification of the *electronic* transaction documents, and the output of and association of the *electronic* transaction documents.

App. Br. 8. Appellants argue the claimed method, therefore, is rooted in computer technology and, therefore, “cannot be considered to be a fundamental electronic financial practice or an ‘abstract idea’ under *Alice*.” App. Br. 8; *see also* Reply Br. 3.

We do not find Appellants’ arguments persuasive. The claims are directed to processing trade documents associated with a trade operation. The Specification describes processing trade documents associated with a

trade operation as a conventional business practice manually performed by buyers, sellers, and/or financial entities in performing trade operations. Spec. 1–3. As such, the claims are directed to a fundamental business practice and method of organizing human activity, long prevalent in our system of commerce. That is, like the intermediated settlement in *Alice* (see 134 S. Ct. at 2356–57) and in similar cases, the claims are directed to an abstract idea.

We are also not persuaded by Appellants’ argument that the claims are not directed to an abstract idea because the claims “are admittedly *novel* and *nonobvious* – there are *no prior art rejections*.” App. Br. 8. The issue of whether all of the limitations of the claim are well-known is not dispositive for whether the Examiner errs in step *one* of the *Alice* analysis. The dispositive issue is whether the *idea to which the claim is directed* (as a whole) is a fundamental economic practice. *Cf. Alice*, 134 S. Ct. at 2352 n.2, 2355–57 (determining a claim with a variety of specific limitations was directed simply to risk hedging). Claim 64’s preamble highlights that the claim recites a “method for processing trade documents associated with a trade operation.” As discussed above, we agree with the Examiner that this idea is a fundamental economic practice. Ans. 2.

### *Step 2*

Turning to the second step of the analysis, the Examiner finds that the additional elements recited in the claims are not sufficient to amount to significantly more than the abstract idea but “merely recite the use of this existing computer processors and processing technology to recognize and

store data from specific data fields and prepare a document.” Final Act. 3;  
*see also* Ans. 2–3.

Appellants contend “even if the claims were directed to an abstract idea . . . the Examiner has not considered the claims as a whole in evaluating whether the combination of the claim elements amounts to ‘significantly more’ than the alleged abstract idea.” App. Br. 8. Appellants argue the claims recite “meaningful limitations – which distinguish the claims from the cited art – [that] are significantly more than any alleged abstract idea.” App. Br. 8. Appellants argue because the claims consider the inputs from multiple elements in processing electronic documents, “the claims qualify as ‘meaningful limitations’ that qualify as ‘significantly more’ than any unidentified abstract idea.” App. Br. 9; *see also* Reply Br. 3–4 (citing *BASCOM Glob. Internet Servs., Inc. v. AT&T Mobility LLC*, 827 F.3d 1341, 1350 (Fed. Cir. 2016)).

Appellants also argue “the claims ‘do not merely recite the performance of some business practice known from the pre-Internet world along with the requirement to perform it on the Internet’” but, instead, “‘the claimed solution is necessarily rooted in computer technology in order to overcome a problem specifically arising in the realm of computer networks.’” App. Br. 9 (citing *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245, 1257 (Fed. Cir. 2014)). Appellants argue the claims are necessarily rooted in computer technology because they “are not an example of ‘implementing an abstract concept faster and more efficiently on a computer’” and because the recited limitations “could not occur absent a computer.” *Id.* at 10 (emphasis omitted).

We find nothing in Appellants' claims that adds anything "significantly more" to transform the abstract concept of collecting, storing, and analyzing information into a patent-eligible application. *Alice*, 134 S. Ct. at 2357. Limiting such an abstract concept of processing trade documents associated with a trade operation a general purpose computer having generic components such as, for example, "at least one computer processor" recited in claim 64 does not make the abstract concept patent-eligible under 35 U.S.C. § 101. "[T]he mere recitation of a generic computer cannot transform a patent-ineligible abstract idea into a patent-eligible invention." *Alice*, 134 S. Ct. at 2359 (concluding claims "simply instruct[ing] the practitioner to implement the abstract idea of intermediated settlement on a generic computer" not patent eligible); *see also Dealertrack, Inc. v. Huber*, 674 F.3d 1315, 1333–34 (Fed. Cir. 2012) ("[A]dding a 'computer aided' limitation to a claim covering an abstract concept, without more, is insufficient to render [a] claim patent eligible" (internal citation omitted)).

To the extent Appellants argue the claims are directed to novel and nonobvious subject matter and, therefore, necessarily entail an inventive concept that transforms the claims to significantly more than the abstract idea (Reply Br. 3–4), we disagree. Although the second step in the *Alice/ Mayo* framework is termed a search for an "inventive concept," the analysis is not an evaluation of novelty or non-obviousness, but rather a search for "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 (citation omitted). A

novel and nonobvious claim directed to a purely abstract idea is, nonetheless, patent-ineligible. *See Mayo*, 566 U.S. at 90.

We are also not persuaded by Appellants’ argument that the claims recite significantly more than an abstract idea because “as a result of the computer implementation, these claims are ‘more than [an] [] effort designed to monopolize the [abstract idea].’” App. Br. 10 (brackets in original); *see also* Reply Br. 4–5 (citing *McRO, Inc. v. Bandai Namco Games Am. Inc.*, 837 F.3d 1299, 1313–16 (Fed. Cir. 2016)). To be sure, the Supreme Court has described “the concern that drives this exclusionary principle [i.e., the exclusion of abstract ideas from patent eligible subject matter] as one of preemption.” *See Alice*, 134 S. Ct. at 2354. However, characterizing preemption as a driving concern for patent eligibility is not the same as characterizing preemption as the test for patent eligibility. As our reviewing court has explained: “The Supreme Court has made clear that the principle of preemption is the basis for the judicial exceptions to patentability” and “[f]or this reason, questions on preemption are inherent in and resolved by the § 101 analysis.” *Ariosa Diagnostics, Inc. v. Sequenom, Inc.*, 788 F.3d 1371, 1379 (Fed. Cir. 2015) (citing *Alice*, 134 S. Ct. at 2354). Although “preemption may signal patent ineligible subject matter, the absence of complete preemption does not demonstrate patent eligibility.” *Id.*

### *Conclusion*

Because Appellants’ claims 64–74, 76–78, 80, 88–92, and 94–98 are directed to a patent-ineligible abstract concept, and do not recite something “significantly more” under the second prong of the *Alice* analysis, we sustain the Examiner’s rejection of these claims under 35 U.S.C. § 101.

Appeal 2017-007812  
Application 13/735,433

DECISION

We affirm the Examiner's rejection of claims 64–74, 76–78, 80, 88–92, and 94–98 under 35 U.S.C. § 101.

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