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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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Ex parte NATHAN LEE TOFTE, KRISTINA RENEE GISH, and
JENNIFER CHIZMAR[1]

_____

Appeal 2017-008294
Application 13/778,717
Technology Center 3600

_____

Before BIBHU R. MOHANTY, JAMES A. WORTH, and
ROBERT J. SILVERMAN, *Administrative Patent Judges*.

MOHANTY, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

The Appellants seek our review under 35 U.S.C. § 134 of the final
rejection of claims 1, 3–12, and 16 which are all the claims pending in the
application. We have jurisdiction under 35 U.S.C. § 6(b).

SUMMARY OF THE DECISION

We AFFIRM.

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THE INVENTION

The Appellants' claimed invention is directed to an insurance processing system (Spec., para 2). Claim 1, reproduced below with the italics added, is representative of the subject matter on appeal.

1. A computer program product for processing an insurance claim application, the computer program product comprising:
　　　a non-transitory computer-readable storage device having computer-readable program instructions stored therein, the computer readable program instructions comprising instructions for:
　　　initiating an insurance claim based on an insurance claim application related to a vehicle accident involving a user's vehicle and one or more occupants;
　　　receiving user data associated with the insurance claim from the user's personal mobile device, the user data including at least (a) an image and (b) user safety data identifying whether one or more types of occupant safety equipment were employed at the time of the accident;
　　　generating a model of a physical scene of the insurance claim using the user data;
　　　generating a three dimensional model of the user's vehicle associated with the insurance claim using the user data including an image;
　　　identifying a damaged portion of the user's vehicle via the three dimensional model of the user's vehicle;
　　　calculating a force of impact on the user's vehicle associated with a vehicle accident based on at least one of the user data, the model of the physical scene, the three dimensional model of the user's vehicle, and the identified damaged portion of the user's vehicle, wherein calculating a force of impact on the user's vehicle comprises calculating impact on at least one or more occupants, wherein the impact on at least one or more occupants is correlated to the force of impact on the user's vehicle;
　　　categorizing the force of impact on said at least one of the one or more occupants into one of a plurality of predetermined categories based on the calculated force of impact on the user's vehicle;

2

> *adjusting the categorization of the force of impact on said at least one of the one or more occupants* based on the received user safety data; and
> *determining whether to validate a medical claim of said at least one of the one or more occupants based at least on the adjusted categorization of the force of impact* on said at least one of the one or more occupants.

App. Br. 10–11 (Claims Appendix).

THE REJECTION

The following rejection is before us for review:

Claims 1, 3–12, and 16 are rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter.

FINDINGS OF FACT

We have determined that the findings of fact in the Analysis section below are supported at least by a preponderance of the evidence[2].

ANALYSIS

Rejection under 35 U.S.C. § 101

The Appellants argue that the rejection of claim 1 is improper because the claim is directed to a statutory category of invention, and has additional limitations that are "significantly more" than the abstract idea (App. Br. 5, 6).

In contrast, the Examiner has determined that the rejection of record is proper (Final Action 2–17; Ans. 2–10).

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[2] *See Ethicon, Inc. v. Quigg*, 849 F.2d 1422, 1427 (Fed. Cir. 1988) (explaining the general evidentiary standard for proceedings before the Patent Office).

We agree with the Examiner. 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 182 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 187; *see also id.* at 191 ("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.* (internal citation omitted) (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.").

The PTO recently published revised guidance on the application of § 101. *2019 Revised Patent Subject Matter Eligibility Guidance*, 84 Fed. Reg. 50 (Jan. 7, 2019) ("Guidance"). Under the 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 activity 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 is 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 Guidance.

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 (citation 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.* (alterations in original) (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.*

Here, the Examiner has determined that the claim is directed to the concept of "documenting accidents and submitting claims", and which is a fundamental economic practice and a method of organizing a human activity and an abstract idea (Ans. 2, 3). We substantially agree with the Examiner in this regard as claim 1 is directed to the claim language that is in italics in the claim listed above. These steps are directed to the processing of an insurance claim and determining whether to validate the claim based on the data. In *Accenture Global Servs. v. Guidewire*, 728 F.3d 1336, 1342 (Fed. Cir. 2013) claims for "generating tasks to be performed in an insurance organization" were held to be an abstract concept. In *Bancorp Servs. v. Sun Life*, 687 F.3d 1266, 1277 (Fed. Cir. 2012) claims for "a life insurance

policy management system" were held to be an abstract concept. *See Elec.
Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350 (Fed. Cir. 2016) (collecting
information, analyzing it, and displaying results from certain results of the
collection and analysis was held to be an abstract idea). In *Buysafe, Inc. v.
Google, Inc.* 765 F.3d 1350, 1355 (Fed. Cir. 2014) it was held that claims
drawn to creating a contractual relationship are directed to an abstract idea.
In *Int. Ventures I LLC v. Capital One Financial*, 850 F.3d 1332, 1340 (Fed.
Cir. 2017) it was held that collecting, displaying, and manipulating data was
directed to an abstract idea. A system, like the claimed system, "a process
that employs mathematical algorithms to manipulate existing information to
generate additional information is not patent eligible." *See Digitech Image
Techs, LLC v. Elecs. for Imaging, Inc.*, 758 F.3d 1344, 1351 (Fed. Cir.
2014). Thus, we consider the claim to be directed to an abstract idea as
identified above.

Turning to the second step of the *Alice* and *Mayo* framework, we
determine that the claim does not contain an inventive concept sufficient to
"transform" the abstract nature of the claim into a patent-eligible application.
The claims do not improve computer functionality, improve another field or
technology, utilize a particular machine, or effect a physical transformation.
Rather, we determine that nothing in the claims imposes a meaningful limit
on the judicial exception, such that the claims are more than a drafting effort
to monopolize the judicial exception.

For example, in claim 1 the steps of [1] "initiating an insurance
claim"; [2] "receiving user data associated with an insurance claim"; [3]
"generating a model of a physical scene of the insurance claim using the user
data"; [4] "generating a three dimensional model of the user's vehicle"; [4]

"calculating a force of impact on the user's vehicle"; [5] "categorizing the force of impact"; and [6] "determining whether to validate a medical claim" based on the adjusted categorization of the force of impact are merely conventional steps performed by a generic computer that do not improve computer functionality. That is, these recited steps [1]–[6] "do not purport to improve the functioning of the computer itself" but are merely generic functions performed by a conventional processor. Likewise, these same steps [1]–[6] listed above do not improve the technology of the technical field and merely use generic computer components and functions to perform the steps. Also, the recited method steps [1]–[6] above do not require a "particular machine" and can be utilized with a general purpose computer, and the steps performed are purely conventional. In this case the general purpose computer is merely an object on which the method operates in a conventional manner and does not provide "significantly more" to the claim beyond a nominal or insignificant execution of the method. Further, the claim as a whole fails to effect any particular transformation of an article to a different state in a manner that would render the claim "significantly more" than the abstract idea. The recited steps [1]–[6] fail to provide meaningful limitations to limit the judicial exception and rather are mere instructions to apply the method to a generic computer. Considering the elements of the claim both individually and as "an ordered combination" the functions performed by the computer system at each step of the process are purely conventional. Each step of the claimed method does no more than require a generic computer to perform a generic computer function. "[T]he mere recitation of a generic computer cannot transform a patent-ineligible abstract idea into a patent-eligible invention. Stating an abstract idea 'while

8

adding the words 'apply it' is not enough for patent eligibility." *Id.* at 2358 (quoting *Mayo*, 132 S. Ct. at 1294).

Further the claim fails to add a specific limitation beyond the judicial exception that is not well-understood, routine, and conventional in the field. Rather the claim uses well-understood, routine, and conventional activities previously known in the art at a high level of generality to the judicial exception. The Specification at paragraphs 24, 44, and 78 for example describes using conventional computer components such as a server, computer, web browser, and computer readable media in a conventional manner. The Specification describes these conventional computer components being used in a manner that is well-understood, routine, and conventional in the field. The Appellants have not shown these claimed generic computer components which are used to implement the claimed method are not well understood, routine, or conventional in the field. The Appellants have not demonstrated that the personal computer described in the Specification at paragraph 24 for instance is not a general purpose computer component beyond those known to be routine and conventional known to perform similar functions in a well-understood manner. "[T]he mere recitation of a generic computer cannot transform a patent-ineligible abstract idea into a patent-eligible invention. Stating an abstract idea 'while adding the words 'apply it' is not enough for patent eligibility." *Id.* at 2358 (quoting *Mayo*, 132 S. Ct. at 1294).

We note the point about pre-emption (App. Br. 7). While pre-emption "might tend to impede innovation more than it would tend to promote it, 'thereby thwarting the primary object of the patent laws'" (*Alice*, 134 S. Ct. at 2354 (quoting *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 132

S. Ct. 1289, 1293 (2012)), "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 OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1362–63 (Fed. Cir. 2015), cert, denied, 136 S. Ct. 701, 193 (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.").

For these reasons the rejection of claims the rejection of claim 1 is sustained. The Appellants have provided the same arguments for the remaining claims which are drawn to similar subject matter and the rejection of these claims is sustained as well.

CONCLUSIONS OF LAW

We conclude that Appellants have not shown that the Examiner erred in rejecting claims 1, 3–12, and 16 under 35 U.S.C. § 101

DECISION

The Examiner's rejection of claims 1, 3–12, and 16 is sustained.

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). *See* 37 C.F.R. § 41.50(f).

AFFIRMED