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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte GREGORY GUTHRIDGE, MICHAEL DARY,
RUARI MONAHAN, NAOMI MANLEY-CASIMIR,
KENNETH BARSKY, ZEPHANIAH WONG,
and SYLVAIN BONZOM

Appeal 2017-008953
Application 13/367,804¹
Technology Center 3600

Before MURRIEL E. CRAWFORD, ANTON W. FETTING,
and JOSEPH A. FISCHETTI, *Administrative Patent Judges*.

FISCHETTI, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Appellants seek our review under 35 U.S.C. § 134 of the Examiner's final rejection of claims 1–16, 18, 19, and 22. We have jurisdiction under 35 U.S.C. § 6(b).

SUMMARY OF DECISION

We AFFIRM.

¹ Appellants identify Accenture Global Services Limited as the real party in interest. (Appeal Br. 3).

THE INVENTION

Appellants claim a demand side management portfolio manager system for increased awareness for energy conservation and greenhouse gas emission reduction. (Spec. ¶ 3, Title).

Claim 11 reproduced below, is representative of the subject matter on appeal.

11. A demand side management (DSM) method for processing DSM data through phases of a DSM portfolio lifecycle, the method comprising:

determining types of DSM programs to implement for an energy service provider based on information about the energy service provider and based on DSM data collected for a plurality users related to DSM programs that have previously been implemented;

determining details of the DSM programs to implement;

collecting DSM data from internal systems of the energy service provider using an application programming interface (API) of a data communication and integration module, wherein the collecting is performed after implementing the DSM programs;

evaluating, by a processor, the DSM programs, wherein the evaluation of the DSM programs includes determining key performance indicators for the DSM programs based on the collected DSM data, comparing the DSM programs to benchmarks, and analyzing the DSM data for the DSM programs utilizing performance-based analytics to predict future performance of the DSM programs;

measuring the DSM programs, wherein the measuring of the DSM programs includes determining an energy conservation goal for the energy service provider, identifying energy consumption behavior information from the DSM

data related to the energy conservation goal, and measuring an effectiveness of the DSM programs to change energy consumption to satisfy the energy conservation goal;

verifying the DSM programs, wherein the verification includes auditing the DSM programs by calculating energy loss or energy savings based on the captured energy consumption behavior information for customers of the energy service provider;

reporting results of the evaluation via a dashboard; and

presenting a customer portal for sending information to and receiving information from a customer;

wherein the DSM programs include a DSM audit program and a DSM educational information program,

wherein in response to receiving an audit request from a customer, determining whether the audit request is for an online audit or an onsite audit,

in response to determining the audit request is for the online audit, determining information related to energy use by the customer, calculating potential energy savings for the customer, recommending energy cost saving actions to the customer, and providing results of the online audit to the energy service provider, and

in response to determining the audit request is for the onsite audit, determining information related to energy use by the customer, scheduling the onsite audit with the customer, dispatching an auditor to perform the onsite audit, calculating an estimate of energy loss by the customer based on the onsite audit, recommending energy cost saving actions to the customer, and providing results of the onsite audit to the energy service provider, and

wherein in response to receiving an educational information request from the customer,

creating a case for the educational information request from the customer,
sending educational information or a notice of enrollment in an educational seminar to the customer, and
updating the case with an indication that the educational information or the notice of enrollment in an educational seminar was sent.

THE REJECTION

Claims 1–16, 18–19, and 22 are rejected under 35 U.S.C. § 101 as directed to a judicial exception without significantly more.

FINDINGS OF FACT

We adopt the Examiner’s findings as set forth on pages 3–9 of the Final Office Action.

ANALYSIS

35 U.S.C. § 101 REJECTION

We will sustain the rejection of claims 1–16, 18, 19, and 22 under 35 U.S.C. § 101.

The Supreme Court

set forth a framework for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of those concepts. First, . . . determine whether the claims at issue are directed to one of those patent-ineligible concepts. . . . If so, . . . then ask, “[w]hat else is there in the claims before us?” . . . To answer that question, . . . consider the elements of each claim both individually and “as an ordered combination” to determine whether the

additional elements “transform the nature of the claim” into a patent-eligible application. . . . [The Court] described step two of this analysis as 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 Corp. Pty. Ltd. v. CLS Bank Int’l, 134 S. Ct. 2347, 2355 (2014) (citing *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66, 72–73 (2012)) (citations omitted).

To perform this test, we must first determine whether the claims at issue are directed to a patent-ineligible concept. The Federal Circuit has explained that “the ‘directed to’ inquiry applies a stage-one filter to claims, considered in light of the [S]pecification, based on whether ‘their character as a whole is directed to excluded subject matter.’” *See Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1335 (Fed. Cir. 2016) (quoting *Internet Patents Corp.*, 790 F.3d 1343, 1346 (Fed. Cir. 2015)). It asks whether the focus of the claims is on a specific improvement in relevant technology or on a process that itself qualifies as an “abstract idea” for which computers are invoked merely as a tool. *See id.* at 1335–36.

In so doing, we apply a “directed to” two prong test test: 1) evaluate whether the claim recites a judicial exception, and 2) if the claim recites a judicial exception, evaluate whether the claim “appl[ies], rel[ies] on, or use[s] the judicial exception in a manner that imposes a meaningful limit on the judicial exception, such that the claim is more than a drafting effort designed to monopolize the judicial exception.” *See 2019 Revised Patent Subject Matter Eligibility Guidance*, 84 Fed. Reg. 50, 54 (Jan. 7, 2019) (hereinafter “2019 Guidance”).

The steps in representative claim 11 recite²:

in response to receiving an educational information request from the customer,
creating a case for the educational information request from the customer,
sending educational information or a notice of enrollment in an educational seminar to the customer, and
updating the case with an indication that the educational information or the notice of enrollment in an educational seminar was sent.

(Appeal Br. 34).

The Examiner found that the claims are directed to “an abstract idea of processing demand side management data to implement DSM programs for an energy service provider, which is understood as **‘using categories to organize, store, and transmit information’** (*Cyberfone*).” (Final Act. 4) (referring to *Cyberfone Sys., LLC v. CNN Interactive Grp., Inc.*, 558 F.App’x 988 (Fed. Cir. 2014)). The Examiner further found “the claims do not include limitations amounting to significantly more than the abstract idea.” (*Id.* at 6).

The Specification states:

Many factors can influence how energy is utilized by individual consumers, entities, and segments of the population. The consumption of energy and/or other resources may be minimized through influencing certain consumer behaviors, especially consumer behaviors associated with high consumption or waste. One way by which consumer behaviors may be influenced is through information and educational campaigns and energy

² Our analysis is made based on considering the claims as a whole, but for purposes of this discussion, we note the result phrase of the independent claim to point to what the claims are directed to.

conservation programs to targets (e.g., individuals, entities, and/or population segments) which consume energy and/or other resources. Campaigns and programs having these goals are often called demand side management (DSM) programs.

(Spec. ¶ 4).

We thus find in further accordance with the Examiner’s findings that the claims are directed to controlling the behavior of persons concerning energy consumption through on–site audits and resultant education of energy cost savings. It follows from prior Supreme Court cases, and *Gottschalk v. Benson*, 409 U.S. 63 (1972), in particular, that the claims at issue here are directed to an abstract idea. Controlling the behavior of persons concerning energy consumption through on–site audits and resultant education of energy cost savings is a method of organizing human behavior, which is not patentable subject matter. *See Alice*, 134 S. Ct. at 2355–56.

Also, we find the steps of:

- [i] determining information related to energy use by the customer, calculating potential energy savings for the customer,
- [ii] recommending energy cost saving actions to the customer, and providing results of the online audit to the energy service provider; and . . .
- [iii] determining information related to energy use by the customer, scheduling the onsite audit with the customer, . . .
- [iv] calculating an estimate of energy loss by the customer based on the onsite audit, recommending energy cost saving actions to the customer,

constitute “analyzing information by steps people go through in their minds, or by mathematical algorithms, without more, as essentially mental processes within the abstract-idea category.” *Elec. Power Grp., LLC v.*

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Alstom S.A., 830 F.3d 1350, 1354 (Fed. Cir. 2016); *see also buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1355 (Fed. Cir. 2014) (claims directed to certain arrangements involving contractual relations are directed to abstract ideas). Thus, we find that the claims recite judicial exceptions of methods of organizing human activity and mental processes.

Turning to the second prong of the “directed to test”, claim 1 merely requires a “processor” and series of modules which are generically recited as being executed by the processor. The modules according to the Specification “are software modules executed by one or more processors.” Specification ¶34. Claim 11 only generically recites, “internal systems of the energy service provider”, “data communication and integration module”, “a dashboard”, and “a customer portal.” We fail to see how the recitation of these additional device elements/modules even taken in conjunction with the recited various abstract functions of the claims, “imposes a meaningful limit on the judicial exception, such that the claim is more than a drafting effort designed to monopolize the judicial exception.” *2019 Revised Patent Subject Matter Eligibility Guidance*.

Thus, controlling the behavior of persons concerning energy consumption through on-site audits and resultant education of energy cost savings is directed to a judicial exception and thus is an “abstract idea” beyond the scope of § 101.

That the claims do not preempt all forms of the abstraction or may be limited to energy consumption, do not make them any less abstract. *See OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1362 (Fed. Cir. 2015) (“And that the claims do not preempt all price optimization or may be

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limited to price optimization in the e-commerce setting do not make them any less abstract.”).

Turning to the second step of the *Alice* analysis, because we find that the claims are directed to abstract ideas/judicial exceptions, the claims must include an “inventive concept” in order to be patent-eligible, i.e., there must be an element or combination of elements that is sufficient to ensure that the claim in practice amounts to significantly more than the abstract idea itself. *See Alice*, 134 S. Ct. at 2355 (alteration in original) (quoting *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66, 72–73 (2012)).

The introduction of a computer into the claims does not alter the analysis at *Alice* step two.

[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. Nor is limiting the use of an abstract idea “to a particular technological environment.” Stating an abstract idea while adding the words “apply it with a computer” simply combines those two steps, with the same deficient result. Thus, if a patent’s recitation of a computer amounts to a mere instruction to “implemen[t]” an abstract idea “on . . . a computer,” that addition cannot impart patent eligibility. This conclusion accords with the preemption concern that undergirds our § 101 jurisprudence. Given the ubiquity of computers, wholly generic computer implementation is not generally the sort of “additional featur[e]” that provides any “practical assurance that the process is more than a drafting effort designed to monopolize the [abstract idea] itself.”

Alice, 134 S. Ct. at 2358 (alterations in original) (citations omitted).

Instead, “the relevant question is whether the claims here do more than simply instruct the practitioner to implement the abstract idea . . . on a generic computer.” *Id.* at 2359. They do not.

Taking the claim elements separately, the function performed by the computer at each step of the process is purely conventional. Using a computer to retrieve, select, and apply decision criteria to data and modify the data as a result amounts to electronic data query and retrieval—one of the most basic functions of a computer. All of these computer functions are well-understood, routine, conventional activities previously known to the trading industry. *See Elec. Power Grp.*, 830 F.3d at 1354; *see also In re Katz Interactive Call Processing Patent Litig.*, 639 F.3d 1303, 1316 (Fed. Cir. 2011) (“Absent a possible narrower construction of the terms ‘processing,’ ‘receiving,’ and ‘storing,’ . . . those functions can be achieved by any general purpose computer without special programming”). In short, each step does no more than require a generic computer to perform generic computer functions. As to the data operated upon, “even if a process of collecting and analyzing information is ‘limited to particular content’ or a particular ‘source,’ that limitation does not make the collection and analysis other than abstract.” *SAP Am. Inc. v. InvestPic, LLC*, 890 F.3d 1016, 1022 (Fed. Cir. 2018).

Considered as an ordered combination, the computer components of Appellants’ claims add nothing that is not already present when the steps are considered separately. The sequence of data reception-analysis-access/calculation and display is equally generic and conventional or otherwise held to be abstract. *See Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 715 (Fed. Cir. 2014) (sequence of receiving, selecting, offering for exchange, display, allowing access, and receiving payment recited an

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abstraction), *Inventor Holdings, LLC v. Bed Bath & Beyond, Inc.*, 876 F.3d 1372, 1378 (Fed. Cir. 2017) (holding that sequence of data retrieval, analysis, modification, generation, display, and transmission was abstract), *Two-Way Media Ltd. v. Comcast Cable Commc'ns, LLC*, 874 F.3d 1329, 1339 (Fed. Cir. 2017) (holding sequence of processing, routing, controlling, and monitoring was abstract). The ordering of the steps is, therefore, ordinary and conventional.

The claims do not, for example, purport to improve the functioning of the computer itself. Nor do they affect an improvement in any other technology or technical field. The Specification spells out different generic equipment and parameters that might be applied using this concept and the particular steps such conventional processing would entail based on the concept of information access under different scenarios. (*See, e.g.*, Spec. ¶¶ 25, 104–106). Thus, the claims at issue amount to nothing significantly more than instructions to apply the abstract idea of information access using some unspecified, generic computer. Under our precedents, that is not enough to transform an abstract idea into a patent-eligible invention. *See Alice*, 134 S. Ct. at 2360.

We have reviewed all the arguments (Appeal Br. 13–26; Reply Br. 3–10) Appellants have submitted concerning the patent eligibility of the claims before us that stand rejected under 35 U.S.C. § 101. We find that our analysis above substantially covers the substance of all the arguments, which have been made. But, for purposes of completeness, we will address various arguments in order to make individual rebuttals of same.

Appellants argue the “facts of the present application do not uniquely match the facts of *Cyberfone* as explained below, and thus the alleged abstract idea is not similar to the abstract ideas of *Cyberfone*.” (Appeal Br.

14). In particular, “the Court, in *Cyberfone*, in concluding that claim 1 involved an abstract idea, characterized the abstract idea as collecting information in classified form, then separating and transmitting that information according to its classification.” *Id.* at 15.

We disagree with Appellants because “[a]n abstract idea can generally be described at different levels of abstraction.” *Apple, Inc. v. Ameranth, Inc.*, 842 F.3d 1229, 1240–1241 (Fed. Cir. 2016). Here Appellants contend that *Cyberfone*’s methodology “simply to collect, separate, and transmit the data collected” falls short of the calculating and scheduling elements of claim 11. (Appeal Br. 17). But, in our view, no evidence is necessary to show that computers calculate. The Federal Circuit made clear that “not every § 101 determination contains genuine disputes over the underlying facts material to the § 101 inquiry.” *Berkheimer v. HP Inc.*, 881 F.3d 1360, 1368 (Fed. Cir. 2018). In fact, the Federal Circuit in *Berkheimer* did not require evidentiary support for independent claim 1 because “[t]he limitations [of claim 1] amount to no more than performing the abstract idea of parsing and comparing data with conventional computer components.” *Id.* at 1370. Notwithstanding, our decision above does also cite to *Elec. Power Grp.*, 830 F.3d at 1354, which does explicitly discuss calculating.

Appellants next argue:

The burden is initially on the Examiner to provide a *prima facie* showing that the claimed invention constitutes an abstract idea, and without such showing, the burden does not shift to the Appellant to prove the claimed invention does not constitute an abstract idea. The Examiner's mere reliance on conclusory statements that “using categories to organize a workflow plan for processing the DSM data throughout phases of DSM portfolio lifecycle” (*Final Office Action*, page 6) is an

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abstract idea does not shift the burden to the
Appellant.

(Appeal Br. 18).

We disagree with Appellants. All that is required of the USPTO to meet its *prima facie* burden of production is that the Examiner set forth the statutory basis of the rejection and the reference or references relied upon in a sufficiently articulate and informative manner as to meet the notice requirement of 35 U.S.C. § 132. As the statute itself instructs, the Examiner must “notify the applicant,” “stating the reasons for such rejection,” “together with such information and references as may be useful in judging the propriety of continuing prosecution of his application.” 35 U.S.C. § 132; *see also In re Jung*, 637 F.3d 1356, 1363 (Fed. Cir. 2011) (declining “to impose a heightened burden on examiners beyond the notice requirement of § 132”). Here, as we found above, the Examiner has made these findings as required by the statute. (*See* Final Act. 2–6).

Specifically, in rejecting the pending claims under § 101, the Examiner analyzed the claims using the *Mayo/Alice* two-step framework, consistent with the guidance set forth in the USPTO’s 2014 INTERIM GUIDANCE ON PATENT SUBJECT MATTER ELIGIBILITY and the JULY 2015 UPDATE: SUBJECT MATTER ELIGIBILITY. (*See id.*). Specifically, the Examiner notified Appellants that the claims are broadly directed to an abstract idea and claims do not include limitations amounting to significantly more than the abstract idea. (Final Act. 4, 6). We find nothing in the claims imposes a meaningful limit on the judicial exception, such that the claim is more than a drafting effort designed to monopolize the judicial exception. Therefore, we find that the Examiner met the notice requirement of § 132.

Appellants next argue:

This combined order of specific steps cannot be considered to preempt all methods or techniques for "using categories to organize, store, and transmit information," and the Examiner has presented no evidence to the contrary. In *McRO*, the Defendants argued that the claims simply use a computer as a tool to automate conventional activity. *McRO* at 24. The Court, however, found "While the rules are embodied in computer software that is processed by general-purpose computers, Defendants provided no evidence that the process previously used by animators is the same as the process required by the claims." *Id.* For at least these reasons, the instant claims are not directed to an abstract idea.

(Appeal Br. 22).

We disagree with Appellants. The question here 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*, 837 F.3d at 1314. In this case, the claims, as a whole, are focused on controlling the behavior of persons concerning energy consumption through on-site audits and resultant education of energy cost savings. We find this limitation to be a result or an effect, and not an improvement in the technology of how a processor, memory, and program work. Appellants' claims merely allocate different computational tasks to known system elements—e.g., "ASIC or other type of processing circuit." (*See Spec.* ¶ 106). Thus, we find no improvement in device technology here, but rather only the idea of redirecting workflow to an otherwise redundant, known device.

Appellants argue, “Similar to the claims of *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245 (Fed. Cir. 2014) (hereinafter “*DDR*”), the claims of the present application include limitations that, when taken together as an ordered combination, recite an invention that is significantly more than the alleged abstract idea.” (Appeal Br. 24).

First, as found above, we have engaged in “ordered combination” findings, which determined the claim steps/elements to be ordinary and conventional. Second, the Examiner correctly cited to precedent in *In re TLI Commc’ns, LLC v. Patent Litig.*, 823 F.3d 607 (Fed. Cir. 2016) in addressing the analogous, conventional nature of the claims at issue. (*See* Ans. 5). Third, the Examiner found that the “computer components are very broadly described in the specification to perform applicants claimed invention. This further shows how the claimed computer components are general purpose computer devices performing generic computing functions.” (*See* Ans. 7–8). Neither the claims nor the Specification call for a processing concept different from those available in existing systems.

CONCLUSIONS OF LAW

We conclude the Examiner did not err in rejecting claims 1–16, 18, 19, and 22 under 35 U.S.C. § 101.

DECISION

The decision of the Examiner to reject claims 1–16, 18, 19, and 22 is affirmed.

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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. § 1.136(a)(1)(iv).

AFFIRMED