UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
11/195,578	08/02/2005	Colin Rule	2043.212US1	1868

49845   7590   05/30/2018
SCHWEGMAN LUNDBERG & WOESSNER/EBAY
P.O. BOX 2938
MINNEAPOLIS, MN 55402

EXAMINER
FISHER, PAUL R

ART UNIT	PAPER NUMBER
3689	

NOTIFICATION DATE	DELIVERY MODE
05/30/2018	ELECTRONIC

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

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

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

USPTO@SLWIP.COM
SLW@blackhillsip.com

UNITED STATES PATENT AND TRADEMARK OFFICE

_____

BEFORE THE PATENT TRIAL AND APPEAL BOARD

_____

Ex parte COLIN RULE

_____

Appeal 2017-009307
Application 11/195,578[1]
Technology Center 3600

_____

Before ANTON W. FETTING, CYNTHIA L. MURPHY, and
BRUCE T. WIEDER, *Administrative Patent Judges.*

WIEDER, *Administrative Patent Judge.*

DECISION ON APPEAL

This is a decision on appeal under 35 U.S.C. § 134 from the
Examiner's rejection of claims 1–3, 5–9, 11–13, and 15–21. We have
jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.

CLAIMED SUBJECT MATTER

Appellant's invention "relates generally to the technical field of
automated dispute resolution and, in one example, to a method and system to
design a dispute resolution process." (Spec. ¶ 2.)

_____

[1] According to Appellant, the real party in interest is EBAY INC. (Appeal
Br. 2.)

Claims 1, 11 and 21 are the independent claims on appeal and contain similar language. Claim 11 is illustrative. It recites (emphasis added):

11. A method to enable a complainant to automatically design a dispute resolution process, within a computer system, from a plurality of component processes, the method including:

receiving characterization information, from a complainant, that is utilized to characterize a dispute;

communicating a user interface, to the complainant, that includes a menu with all of the plurality of component processes, the menu including an entry for each of the plurality of component processes, the entry including a title for the component process and a selectable order of performance for the component process, the selectable order of performance including an empty value corresponding to an unselected component process;

receive identification of a first single component process and an order of execution of the first single component processes in the dispute resolution process from the user interface;

receive identification of a second single component process and an order of execution of the second single component process in the dispute resolution process from the user interface, *the first single component process, the order of execution of the first single component process, the second single component processes, and the order of execution of the second single component process being components that are individually selected by the user from the user interface menu to design the dispute resolution process*;

determining that the design of the dispute resolution process is appropriate;

communicating a message to a respondent to request consent to the selections from the complainant and, after the consent is received, to finalize the dispute resolution process that facilitates settlement of the dispute; and

applying a set of predefined outcome rules to the design of the dispute resolution process and the characterization information to evaluate complaint's chance of success without a binding decision.

REJECTIONS

Claims 1–3, 5–9, 11–13, and 15–21 are rejected under 35 U.S.C. § 101 as directed to non-statutory subject matter.

Claims 1, 2, 7–9, 11, 12, and 17–21 are rejected under 35 U.S.C. § 103(a) as unpatentable in view of Slate II (US 2002/0147604 A1, pub. Oct. 10, 2002, hereinafter "Slate"), Collins (US 2002/0007362 A1, pub. Jan. 17, 2002), Vaidyanathan (US 7,630,904 B2, iss. Dec. 8, 2009), and Walsh (US 2003/0187967 A1, pub. Oct. 2, 2003).

Claims 3 and 13 are rejected under 35 U.S.C. § 103(a) as unpatentable in view of Slate, Collins, Vaidyanathan, Walsh, and Gullo (US 2004/0044586 A1, pub. Mar. 4, 2004).

Claims 5, 6, 15, and 16 are rejected under 35 U.S.C. § 103(a) as unpatentable in view of Slate, Collins, Vaidyanathan, Walsh, and Winters (US 2001/0034635 A1, pub. Oct. 25, 2001).

ANALYSIS

The § 101 rejection

"Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title." 35 U.S.C. § 101. Section 101, however, "'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 *Assoc. for Molecular Pathology v. Myriad Genetics, Inc.*, 569 U.S. 576, 589 (2013)).

3

Alice applies a two-step framework, earlier set out 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.

Under the two-step framework, it must first be determined if "the claims at issue are directed to a patent-ineligible concept." *Id.* If the claims are determined to be directed to a patent-ineligible concept, then the second step of the framework is applied to determine if "the elements of the claim . . . contain[] an 'inventive concept' sufficient to 'transform' the claimed abstract idea into a patent-eligible application." *Id.* at 2357 (citing *Mayo*, 566 U.S. at 72–73, 79).

With regard to step one of the *Alice* framework, the Examiner determines that "the claims are directed towards dispute resolution or more specifically the design of a dispute resolution [process] which is considered to be an abstract idea." (Final Action 3.) Specifically, the Examiner finds that "[i]n the current claims the user enters parameters of an agreement which is then communicated to another party for their consent as such the claims are directed toward creating a contractual relationship" which "is considered to be an abstract idea." (*Id.*, citing *buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350 (Fed. Cir. 2014).) The Examiner further finds that "the evaluation of the resolution is comparing predefined outcome rules to the current design to determine success which is similar to the SmartGene case where comparing new and stored information and using rules to identify options, which was found by the courts to be an abstract idea." (*Id.* at 4,

citing *SmartGene, Inc. v. Advanced Biological Labs., SA*, 555 F. App'x 950 (Fed. Cir. 2014).

Appellant argues that this determination by the Examiner fails to "meet the substantial burden of evidence required under the [Administrative Procedure Act] in order to maintain a rejection." (Appeal Br. 11–12.)

We are not persuaded of error.

> [I]t is sufficient for the examiner to provide a reasoned rationale that identifies the judicial exception recited in the claim and explains why it is considered a judicial exception. Therefore, there is no requirement for the examiner to rely on evidence, such as publications, to find that a claim is directed to a judicial exception.

MPEP § 2106.07(a)(III) (citing, e.g., *OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1362–64 (Fed. Cir. 2015)). Specifically, in *OIP*, the court affirmed the district court's decision identifying the abstract idea at issue without relying on evidence, such as publications. *OIP*, 788 F.3d at 1362–63. In view of the above, we find that the Examiner has provided a sufficient reasoned rationale.

Appellant also argues that "regardless of what the invention may be directed to, it is the actual language of the claims that are [sic] to be evaluated under 35 U.S.C. § 101. The Appellant does not agree with the overly broad summarization of the invention being directed to merely comparing information to identify an option." (Appeal Br. 12.)

We are not persuaded of error. Under step one of the *Alice* framework, we "look at the 'focus of the claimed advance over the prior art' to determine if the claim's 'character as a whole' is directed to excluded subject matter." *Affinity Labs of Texas, LLC v. DIRECTV, LLC*, 838 F.3d 1253, 1257 (Fed. Cir. 2016) (quoting *Elec. Power Grp., LLC v. Alstom S.A.*,

830 F.3d 1350, 1353 (Fed. Cir. 2016)). Moreover, "[a]n abstract idea can generally be described at different levels of abstraction." *Apple, Inc. v. Ameranth, Inc.*, 842 F.3d 1229, 1240 (Fed. Cir. 2016).

The Specification provides evidence as to what the claimed invention is directed. In this case, the Specification discloses that the claimed invention relates "to a method and system to design a dispute resolution process." (Spec. ¶ 2.) Claim 11 recites "[a] method to enable a complainant to automatically design a dispute resolution process . . . including: receiving . . . information . . . to characterize a dispute," "communicating . . . a menu . . . including an entry for each of the plurality of component processes," "receive identification of a first . . . component process and an order of execution," "receive identification of a second . . . component process and an order of execution," "determining that the design . . . is appropriate," "communicating . . . to a respondent to request consent to the selections," "and applying a set of predefined outcome rules . . . to evaluate complaint's chance of success."

Although we and the Examiner describe, at different levels of abstraction, to what the claims are directed, as discussed above, it is recognized that "[a]n abstract idea can generally be described at different levels of abstraction." *Apple*, 842 F.3d at 1240. In this case, that does not "impact the patentability analysis." *See id.* at 1241. In view of the above, we are not persuaded that the Examiner erred in determining that "the claims are directed towards dispute resolution or more specifically the design of a dispute resolution [process] which is considered to be an abstract idea" including "comparing predefined outcome rules to the current design to determine success." (Final Action 3–4.)

Nor do we find persuasive of error Appellant's argument "that the *SmartGene* opinion was indicated by the Federal Circuit as non-precedential. Thus, it is questionable whether the USPTO and the Examiner can even rely on the case at all." (Appeal Br. 12.) Federal Circuit Rule 32.1(d) states: "The court may refer to a nonprecedential disposition in an opinion or order and may look to a nonprecedential disposition for guidance or persuasive reasoning . . . ." Appellant does not persuasively argue why we, also, may not look to a nonprecedential opinion of the Federal Circuit for guidance or persuasive reasoning. In view of the above, we do not find Appellant's argument that the Examiner erred in analogizing Appellant's claims to those in *SmartGene* and *buySAFE* to be persuasive of error.

We also do not find persuasive of error Appellant's argument that the Examiner cites two cases for different parts of the claim and thus, that this "illustrates that the claims are not directed to a single alleged abstract idea." (Appeal Br. 15.) The focus of the analysis is on the claim as a whole. *RecogniCorp, LLC v. Nintendo Co.*, 855 F.3d 1322, 1327 (Fed. Cir. 2017). A claim may incorporate multiple abstract ideas but that "does not render the claim non-abstract." *Id.*

In view of the above, we are not persuaded that the Examiner has failed to identify an abstract idea to which the claims are directed. (*See* Appeal Br. 15.)

Nonetheless, Appellant argues that "the Examiner has not met the first *prima facie* burden of identifying an abstract idea." (Appeal Br. 15.) We disagree. The USPTO carries its procedural burden of establishing a prima facie case when its rejection satisfies the requirements of 35 U.S.C. § 132 by notifying the applicant of the reasons for rejection, "'together with such

7

information and references as may be useful in judging of the propriety of continuing the prosecution of [the] application.'" *In re Jung*, 637 F.3d 1356, 1362 (Fed. Cir. 2011) (brackets in original, quoting 35 U.S.C. § 132(a)). Here, the Examiner notified Appellant that the claims are directed to a patent-ineligible abstract idea, i.e., that "the claims are directed towards dispute resolution or more specifically the design of a dispute resolution [process] which is considered to be an abstract idea." (Final Action 3.) Thus, Appellant has been notified of the reason for the rejection with such information "as may be useful in judging of the propriety of continuing the prosecution of [the] application." *See* 35 U.S.C. § 132(a).

We now look to step two of the *Alice* framework. Step two of the *Alice* framework has been described "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*, 134 S. Ct. at 2355 (citing *Mayo*, 566 U.S. at 72–73).

The Examiner finds that "the claims simply describe a problem, announce purely functional steps that purport to solve the problem, and recite standard computer operations to perform some of those steps, which is not 'significantly more' than an abstract idea." (Final Action 4–5.)

Appellant disagrees and argues that the "claims go into detail about communicating a user interface" and that "this unique collection of features improve the computers used to enable them to support online interaction." (Appeal Br. 15.)

We are not persuaded of error. Appellant does not indicate where in the Specification anything other than a generic computer programmed to

perform the steps of the abstract idea of the invention is disclosed. Indeed, Appellant's Specification discloses that a machine to "perform any one or more of the methodologies discussed herein" may be, e.g., "a server computer, a client computer, a personal computer (PC), a tablet PC . . . or any machine capable of executing a set of instruction." (Spec. ¶ 180.) The claims "do not require an arguably inventive set of components or methods, such as measurement devices or techniques." *Elec. Power Grp.*, 830 F.3d at 1355.

The introduction of a generic computer to implement the claimed steps does not alter the analysis at the second step. "[T]hese claims in substance [are] directed to nothing more than the performance of an abstract business practice . . . using a conventional computer. Such claims are not patent-eligible." *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245, 1256 (Fed. Cir. 2014).

In view of the above, we are not persuaded that the Examiner erred in rejecting the claims under § 101.

The § 103(a) rejections

Claim 1 recites:

the first single component process, the order of execution of the first single component process, the second single component processes, and the order of execution of the second single component process being components that are individually selected by the user from the user interface menu to design the dispute resolution process.

Independent claims 11 and 21 contain similar language.

The Examiner finds that Slate teaches "each selection corresponding to a single component process and specifying the order of performance of

the single component process in the dispute resolution process." (Final

Action 7, citing Slate ¶ 216.) The Examiner also finds that Slate

> discloses that the system includes a processing module which
> communicates an interface shown in figure 196, the interface
> includes a plurality of component processes or options in this
> case there are two processes which include mediation and
> arbitration. The user is then allowed to select which processes
> they are interested for example figure 196, shows two paths
> where the user or complainant is allowed to order the processes
> in Smartpath 3 the order is Mediation then arbitration which can
> be seen in figure 198, the alternative to that is Smartpath 5 which
> does not include mediation before arbitration which can be seen
> in figure 201. By selecting the resolution pathway the user is
> selecting which both [sic] the individual processes they wish to
> run and also the order in which they are carried out . . . .

(*Id.* at 7–8, citing Slate ¶ 361.)

The Examiner finds that "the Walsh reference merely establishes

other known forms of data entry." (Answer 29.) In particular, the Examiner

finds that Walsh teaches "receiv[ing] identification of a first single

component process and an order of execution of the first single component

processes in the sequence of processes from the user interface (Figure 17,

page 9, paragraphs [0094]-[0095]." (Final Action 15.) Thus, the Examiner

determines that

> [s]ince Slate already allows the user to make selections and to
> choose the order in which events in a sequence will be executed,
> it would have been obvious to supply a menu interface similar to
> the one shown in Walsh as it would provide the user the ability
> to see all of the possible processes in a single interface and allow
> the user to select and order the individual processes in any
> combination they desire as shown in Walsh[].

(*Id.* at 16.)

Appellant disagrees and argues that "[t]his assertion glosses over the fact that the user of Slate does not get to separately pick either the component processes or the order of those processes. Rather, the user is restricted to simply selecting a Smartpath in which these decision have already been made . . . ." (Appeal Br. 22.) Additionally, Appellant argues,

> modifying the Smartpaths of Slate to include the user interface from the network analysis tool of Walsh fails to address complexities arising from the increased flexibility that Slate simply did not have to contemplate. These complexities, however, are addressed in claim 1. For instance, not every combination of component processes may be valid. Slate need not worry about this scenario because the combinations present in the Smartpaths are preselected. However, claim 1 recites the explicit test to "*determine that the design of the dispute resolution process is appropriate,*" to determine whether the user selected options will work.

(*Id.*)

The Specification discloses that "component processes" include, e.g., "a mediation component process," "a non-binding arbitration component process," and "an arbitration component process." (Spec. ¶ 62; *see also id.* Fig. 9.)

Slate discloses that a user may select from "SMARTPATH 3: ON CALL MEDIATION+REFER TO PARTNER ARBITRATION" or "SMARTPATH 5: DOCUMENTS ONLY ARBITRATION." (Slate Fig. 196.) In other words, Slate discloses that a user can select from two options, i.e., select from two component processes. But claim 1 recites "[1] the first single component process, [2] the order of execution of the first single component process, [3] the second single component processes, and [4] the order of execution of the second single component process[,] being

11

components that are *individually selected by the user* from the user interface menu." (Claim 1, emphasis added; *see also* Claims 11 and 21.) The relied upon portions of Slate do not disclose individual selection by the user of processes *and* individual selection of the order of execution of each process. Rather, Slate discloses selecting a process wherein one of the processes includes a predetermined order.

When, as in this case, it is necessary "to look to interrelated teachings of multiple patents," we must "determine whether there was an apparent reason to combine the known elements in the fashion claimed by the patent at issue." *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 418 (2007). "'[T]here must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness.'" *Id.* (citing *In re Kahn*, 441 F.3d 977, 988 (Fed. Cir. 2006)).

Here, the Examiner relies on Slate for a disclosure of allowing a "user to make selections and to choose the order in which events in a sequence will be executed" (*see* Appeal Br. 16), and relies on Walsh to "merely establish[] other known forms of data entry" (Answer 29). However, as discussed above, Slate does not disclose individual selection of processes *and* individual selection of the order of execution of each process, as recited in claim 1. The Examiner does not sufficiently explain why one would have been motivated to modify Slate to individually select the processes and order, and to further determine that the process so designed is appropriate. Nor does the Examiner otherwise find that it would have been obvious to combine Slate and Walsh to obtain an interface that allows individual selection by the user of both the component processes and the order of execution. In view of the above, we are persuaded that the Examiner has not

12

shown a sufficient rational underpinning to modify Slate in view of Walsh as set forth in claim 1, i.e., the component processes and the order of execution being "individually selected by the user." (*See* Claim 1.) Independent claims 11 and 21 contain similar language. Therefore, we will reverse the rejections of independent claims 1, 11, and 21, and the related dependent claims under § 103(a).

DECISION

The Examiner's rejection of claims 1–3, 5–9, 11–13, and 15–21 under 35 U.S.C. § 101 is affirmed.

The Examiner's rejections of claims 1–3, 5–9, 11–13, and 15–21 under 35 U.S.C. § 103(a) are 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)(1)(iv).

AFFIRMED