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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte DAVID WAYNE TURNER¹

Appeal 2017-010184
Application 13/373,856
Technology Center 3600

Before CARL W. WHITEHEAD JR., JAMES B. ARPIN and
J. JOHN LEE, *Administrative Patent Judges*.

WHITEHEAD JR., *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Appellant is appealing the Non-Final rejection of claims 1, 2, 8, 10, 21, 22, 24–27, 29 and 30 under 35 U.S.C. § 134(a). Appeal Brief 6. We have jurisdiction under 35 U.S.C. § 6(b).

We affirm.

Introduction

The invention is directed to:

[A] system of incentive-based digital content and information sharing platform through social media, and more particularly to a business method of promotion which makes use of a

¹ According to Appellant, the real party in interest is Parallel 6, Inc. *See* Appeal Brief 2.

promotional platform and an application which is downloadable to an electronic device, such as mobile phones, handheld devices, tablets, PCs, Macs and the like such that a digital content or information can be transmitted to the electronic device and spread through the electronic device to a social network through a social media connector.

Specification, paragraph 2.

Illustrative Claim

1. A system of delivering incentive-based digital content, the system comprising:

a first device of a first user, the first device having installed thereon a branded user application, the branded user application configured to:

receive a first piece and a second piece of digital content;

provide, via a first user interface, the first piece and the second piece of digital content to the first user; and

track a number of times the first user opened the branded user application and a number of times the first user shared the first piece and the second piece of digital content via the branded user application; and

an information sharing platform comprising:

a storage medium;

at least one hardware processor; and

one or more software modules configured to, when executed by the at least one hardware processor:

store a plurality of pieces of digital content including the first piece and the second piece of digital content in the storage medium;

provide at least one user interface for managing the plurality of pieces of digital content transmit, via at least one network, the first piece of digital content to the branded user application on the first device;

receive, from the branded user application on the first device, tracking data that includes the number of times the first user opened the branded user application and the number of times the first user shared the first piece and the second piece of digital content via the branded user application by the first user;

determine to modify the first piece of digital content and not the second piece of digital content and change at least one delivery parameter associated with the first piece of digital content to at least the first device based at least in part on the tracking data received from the branded user application on the first device; and

transmit, via at least one network, the modified first piece of digital content to at least the first device in accordance with the changed delivery parameter.

Rejections on Appeal

Claims 1, 2, 8, 10, 21, 22, 24–27, 29 and 30 stand rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory subject matter. The claimed invention is directed to non-statutory subject matter because the claims as a whole, considering all claim elements both individually and in combination, do not amount to significantly more than an abstract idea. Non-Final Action 3–5.

Claims 1, 2, 8, 10, 21, 22, 24–27, 29 and 30 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Caunter (U.S. Patent Application Publication 2009/0299856 A1; published December 3, 2009), Kalb (U.S. Patent Application Publication 2009/0150215 A1; published June 11, 2009) and Knitowski (U.S. Patent Application Publication 2011/0320967 A1; published December 29, 2011). Non-Final Action 8–15.

Claims 24–27, 29 and 30 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Caunter, Kalb, Knitowski and Gutta (U.S. Patent

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Application Publication 2011/0072107 A1; published March 24, 2011).
Non-Final Action 15–18.

ANALYSIS

Rather than reiterate the arguments of Appellant and the Examiner, we refer to the Appeal Brief (filed March 22, 2107), the Reply Brief (filed July 24, 2017), the Answer (mailed May 23, 2017) and the Non-Final Action (mailed February 24, 2016) for the respective details.

35 U.S.C. § 101 Rejection

The Supreme Court has set forth an analytical “framework for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of those concepts.” *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, 71–73 (2012)). In the first step of the analysis, we determine whether the claims at issue are “directed to” a judicial exception, such as an abstract idea. *Alice*, 134 S. Ct. at 2355. If not, the inquiry ends. *Thales Visionix Inc. v. U.S.*, 850 F.3d 1343, 1346 (Fed. Cir. 2017); *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1339 (Fed. Cir. 2016). If the claims are determined to be directed to an abstract idea, then we consider under step two whether the claims contain an “inventive concept” sufficient to “transform the nature of the claim into a patent-eligible application.” *Alice*, 134 S. Ct. at 2355 (quotations and citation omitted).

Noting that the two stages involve “overlapping scrutiny of the content of the claims,” the Federal Circuit has described “the first-stage inquiry” as “looking at the ‘focus’ of the claims, their ‘character as a

whole,” and “the second-stage inquiry (where reached)” as “looking more precisely at what the claim elements add--specifically, whether, in the Supreme Court’s terms, they identify an ‘inventive concept’ in the application of the ineligible matter to which (by assumption at stage two) the claim is directed.” *Electric Power Grp, LLC v. Alstom S.A.*, 830 F.3d 1350, 1353 (Fed. Cir. 2016). In considering whether a claim is directed to an abstract idea, we acknowledge, as did the Court in *Mayo*, that “all inventions at some level embody, use, reflect, rest upon, or apply laws of nature, natural phenomena, or abstract ideas.” *Mayo*, 566 U.S. at 71. We, therefore, look to: (1) whether the claims focus on a specific means or method that improves the relevant technology, or (2) are directed to a result or effect that itself is the abstract idea, in which the claims merely invoke generic processes and machinery. *See Enfish*, 822 F.3d at 1336.

Step One: Whether the Claims Are Directed to a Patent-Ineligible Concept (Abstract Idea)

Appellant contends:

Here, as is often the case with such *Alice* rejections, the Action fails to properly identify the abstract idea through analyzing and identifying the limitation or limitations that describe or set forth the abstract idea. Not only is this an incorrect application of the first step of the *Mayo* test, as noted in *Enfish*, it prevents any meaningful application of the second step. Moreover, the claims are not directed to an abstract idea, even if the *Mayo* test is applied correctly.

Appeal Brief 9 (*referring* Non-Final Action 3–5).

Appellant further contends the Non-Final Action’s entire analysis of the claims is directed to an abstract idea and is contained entirely in the first full paragraph of the rejection. Appeal Brief 9 (*citing* Non-Final Action 4).

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Appellant argues the task of the Examiner is not to refer to broad categories of abstract ideas, but to “go beyond the broad categories and determine whether the claims are similar to an identified patent-ineligible concept.” Appeal Brief 9. Appellant further argues the claimed system is not one of the examples provided in the Guidelines² because the invention tracks the number of times an application is opened and tracks the number of times a user shares the application’s digital content wherein the distinctive portions of the digital content are modified in accordance to received tracking data. Appeal Brief 9–10.

Appellant contends:

The step of “determin[ing] to modify the first piece of digital content and not the second piece of digital content and change at least one delivery parameter associated with the first piece of digital content to at least the first device based at least in part on the tracking data received from the branded user application on the first device . . .” alone goes beyond merely comparing intangible data. Thus, and as in *Enfish*, the claims cannot properly be said to be directed to an abstract idea when the first step of the *Mayo/Alice* test is applied.

Appeal Brief 10.

In the Answer, the Examiner maintains the determination that the claims are directed to an abstract idea by comparing the claims to those featured in *Cybersource* (non-precedential), *Electric Power Group*, and *Intellectual Ventures I LLC v. Capital One Bank (USA)*, 793 F.3d 1363 (Fed. Cir. 2015). Answer 4–5. The Examiner determines the “claimed steps of the instant invention are even less concrete than those of *Electric Power Group* which the CAFC described as ‘the focus of the asserted claims . . . is

² 2105 Interim Guidance

on collecting information, analyzing it, and displaying certain results of the collection and analysis” and concludes that the “claimed invention collects and analyzes information, but does not display the results of the collection or analysis.” Answer 4. The Examiner finds, “[I]n the instant invention the collecting step is the same as that mentioned above, there is no displaying step and the determining step is manipulating the information.” Answer 4–5 (citing *Intellectual Ventures I*, 793 F.3d 1363).

Appellant contends, “while the Supreme Court must tread carefully, these certain art groups are under no similar restraint when applying Supreme Court precedent,” and that “there is no justification for applying what should be an exception, and therefore rare, to the laws on patent eligibility in order to find that the claims in this application are directed to un-patentable subject matter.” Reply Brief 3. Appellant further contends, “[T]here was no justification previously as Applicant pointed out [*see* Appeal Brief], and there is no supportable justification contained in the 8 new pages of rationale just provided [*see* Answer],” and that “no new evidence has been presented or come to light that impacts the determination of patent eligibility and that would lead to this late realization that the claims are not patent eligible.” Reply Brief 3.

We find Appellant’s arguments that the claims go “beyond merely comparing intangible data” unpersuasive. *See* Appeal Brief 10. As the Federal Circuit stated in *Enfish*, “the first step in the *Alice* inquiry in this case 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. We find the plain focus of the claim is

not on an improvement to the computer functionality itself, but instead the focus is on an abstract idea that uses computers and networks as tools. *See id.* at 1336.

We agree with the Examiner’s finding that at step one of the *Alice* analysis, the claims are directed to one or more abstract ideas. Thus, we turn to the second step of the *Alice* analysis, in which we must determine whether the additional elements of the claims transform them into patent-eligible subject matter.

Step Two: Whether Additional Elements Transform the Idea into Patent-Eligible Subject Matter

“[Appellant] traverses the rejection because the above claims are not directed to an abstract idea, and even if they were, they do add significantly more.” Reply Brief 3. Appellant contends, “At the heart of the rejection is the allegation that certain claimed steps can be performed by the human mind and are therefore an idea of itself.” Reply Brief 4. Appellant argues when the claims are read in the light of the Specification, the claims are not simply an idea itself or a mental process but are clearly directed to an improvement in conventional digital media systems that provides the:

[A]bility to track user interaction with digital content and then based on that interaction provide rewards, new content, etc., improves older systems that don't provide such tracking and therefore don't provide the ability to change the content in order to keep the user engaged. This is not a trivial invention, nor is it merely a mental process.

Reply Brief 4–5.

Appellant’s argument that the claimed invention is novel and, therefore, are not merely directed to a mental process is not persuasive because, as the Federal Circuit has explained, a “claim for a *new* abstract

idea is still an abstract idea.” *SAP Am., Inc. v. InvestPic, LLC*, No. 2017–2081, 2018 WL 3656048, at *4 (Fed. Cir. Aug. 2, 2018) (quoting *Synopsys, Inc. v. Mentor Graphics Corp.*, 839 F.3d 1138, 1151 (Fed. Cir. 2016)). Even assuming the technique claimed was “‘innovative, or even brilliant,’” that would not be enough for the claimed abstract idea to be patent eligible. See *SAP Am.*, 2018 WL 3656048 at *4 (quoting *Ass’n for Molecular Pathology v. Myriad Genetics, Inc.* 569 U.S. 576, 591 (2013)).

Appellant further argues that “even assuming the claims were directed to an abstract idea, which they are not, an analysis of the remaining claim limitations individually and as a whole shows that the claims do add significantly more to any such abstract idea.” Reply Brief 6. Appellant argues the Examiner has not set forth “an opposing detailed reasoning or evidence (other than to say that the invention employs generic computer functionalities)” that would support the Examiner’s determination that the claims do not add significantly more to the claims. Reply Brief 6. However, the Examiner finds:

- Generic computer components recited as performing generic computer functions that are well-understood, routine and conventional activities amount to no more than implementing the abstract idea with a computerized system.
- Thus, taken alone, the additional elements do not amount to significantly more than the above-identified judicial exception (the abstract idea).
- Looking at the limitations as an ordered combination adds nothing that is not already present when looking at the elements taken individually.

- There is no indication that the combination of elements improves the functioning of a computer or improves any other technology. Their collective functions merely provide conventional computer implementation. The claimed invention does not transform an article into another state or thing, nor are there any unconventional steps.
- Thus, the claims do not include additional elements, taken individually or as an ordered combination of elements, that amount to significantly more than the judicial exception because the additional elements are merely directed to instructions to implement the idea on a computer and/or computer implemented functions that are well-understood, routine, and conventional activities previously known to the art.

Answer 5–6.

Appellant argues that the claims in the instant application involve a technical improvement with regard to computational techniques of a computer. *See* Reply Brief 7. Appellant contends, “the additional claim limitations recite a system in which a server interacts with user devices to track a number of times an application on a mobile device is opened, a number of times digital content is shared by the mobile device, and based at least in part on the above data modify the digital content,” and, therefore, “the claim recites significantly more than an abstract idea, i.e., detailed steps to carry out a complex function.” Reply Brief 8.

Appellant further contends, “As explained in the specification, the pertinent limitations of the independent claims are novel advancements designed to address the problem of treating and keeping track of the multiple

biological mechanisms associated with dementia-related diseases. *See* Specification at 2.” Appeal Brief 12. It is noted that Appellant does not expressly challenge the Examiner’s finding that the recited computer structure and functions are *well-understood, routine, and conventional*. Further, as discussed above, Appellant’s argument that the claimed invention is novel is not persuasive. *SAP Am., Inc.*, 2018 WL 3656048, at *4 (.

Appellant further contends, the claims’ “limitations are not generic components configured to perform well-understood, routine, and conventional activities previously known in the industry. They are novel and innovative concepts that are significantly more than ‘using categories to organize, store, and transmit information’ and ‘comparing new and stored information and using rules to identify options.” Appeal Brief 13. The Examiner, however, cites to Appellant’s Specification, pages 3–5, to support the determination that the claim limitations employs generic components that perform well-understood, routine and conventional activities known in the industry. *See* Answer 3–4. We agree with the Examiner’s determination that the claims employ generic components that perform well-understood, routine, and conventional activities.

Appellant argues, “a preemption analysis similarly confirms that the independent claims at issue are patent eligible. The claims do not preempt all ways of ‘using categories to organize, store, and transmit information’ and ‘comparing new and stored information and using rules to identify options.’” Appeal Brief 13–14. We agree 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 pre-emption.” *Alice*, 134 S. Ct. at 2354. But characterizing pre-emption as a driving concern for

patent eligibility is not the same as characterizing the absence of complete preemption as proof of patent eligibility. As our reviewing court has explained, “[t]he 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). And, although “preemption may signal patent ineligible subject matter, the absence of complete preemption does not demonstrate patent eligibility.” *Id.* Moreover, “[w]here a patent's claims are deemed only to disclose patent ineligible subject matter under the [*Alice/Mayo*] framework . . . , preemption concerns are fully addressed and made moot.” *Id.*; see also *OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1362–63 (Fed. Cir. 2015), *cert. denied*, 136 S. Ct. 701 (2015) (“[T]hat the claims do not preempt all price optimization or may be limited to price optimization in the ecommerce setting do not make them any less abstract.”).

Accordingly, we are not persuaded the Examiner erred and sustain the Examiner’s 35 U.S.C. §101 rejection of claims 1, 2, 8, 10, 21, 22, 24–27, 29 and 30.

35 U.S.C. § 103 Rejections

Appellant contends the combination of Caunter, Kalb, and Knitowski fails to teach or suggest “receiv[ing], from the branded user . . . the first piece and the second piece of digital content via the branded user application by the first user” claim limitation. Appeal Brief 17. Appellant further argues, “[T]he Office Action relies on Caunter to allegedly disclose these features,” and “Caunter fails to disclose or suggest the above-noted

features.” Appeal Brief 17. The Examiner acknowledges that Caunter does not specifically teach the disputed limitation. *See* Non-Final Action 10–11. The Examiner, however, relies instead on the combination of Kalb and Knitowski to teach this limitation. Non-Final Action 11–12.

Appellant further argues there is “nothing in Kalb [that] teaches or suggests managing the plurality of pieces of digital content for a branded user application on user devices.” Appeal Brief 19. The Examiner finds, “Kalb teaches providing one or more user interfaces for modifying digital contents (Fig. 17 with paragraph 128 and Fig. 24 with paragraph 139, where modifying the creative or text message is modifying digital contents since the both [sic] the creative or text message exist and are modified in digital form).” Final Action 11. Thus, it is apparent that the Examiner did not rely upon Kalb to disclose “managing the plurality of pieces of digital content for a branded user application,” as Appellant argues. *See* Final Action 11; *see also* Appeal Brief 18. Further, Appellant fails to address the Examiner’s findings that Kalb discloses in Figures 17 and 24, and paragraphs 128 and 139, “providing one or more user interfaces for modifying digital contents.” Final Action 11; *see* Appeal Brief 18–19. Appellant cites a portion or select sentences from paragraph 128, but proffers no arguments as to why the Examiner’s specific findings are improper. *See* Appeal Brief 19.

Appellant contends the Examiner “asserts that Kalb, Caunter, and Knitowski are obvious to combine since ‘one of ordinary skill in the art would have recognized that the results of the combination were predictable since provision of the interfaces does not affect the underlying system.’” Appeal Brief 19 (*citing* Non-Final Action 11–12.). The Examiner actually determined:

[I]t would have been obvious to one of ordinary skill in the art at the time of the invention to combine the two and track both the total number of times an application was opened and the total number of times it was shared since “A person of ordinary skill in the art is also a person of ordinary creativity, not an automaton.” (*KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 421, 82 USPQ2d 1385, 1397 (2007). “[I]n many cases a person of ordinary skill will be able to fit the teachings of multiple patents together like pieces of a puzzle.” (*Id.* at 420, 82 USPQ2d 1397). Office personnel may also take into account “the inferences and creative steps that a person of ordinary skill in the art would employ.” (*Id.* at 418, 82 USPQ2d at 1396). It would have been obvious to one of ordinary skill in the art at the time of the invention to include track both the total number of times an application was opened and the total number of times it was shared as taught by Knitowski in the system of Caunter, since the combination provides metrics to be used in evaluating a campaign. It would also have been obvious to one of ordinary skill in the art at the time of the invention to include track both the total number of times an application was opened and the total number of times it was shared as taught by Knitowski in the system of Caunter, since the claimed invention is merely a combination of old elements, and one of ordinary skill in the art would have recognized that the results of the combination were predictable since adding metrics merely enhances the system without adversely affecting it.

Non-Final Action 11–12.

The Examiner cited Knitowski as teaching “that a user may share content (paragraph 26) and tracking the total number of times an application was opened (paragraph 34).” Non-Final Action 11. We agree. We further note that Knitowski discloses in paragraph 26, “[A] user may also sort, filter and search through the content provided or share it via email or social networks such as Facebook and/or Twitter.” Knitowski also discloses in paragraph 34, “[I]n addition, the application analytics may include real-time,

in-application user and usage statistics by application, including the total number of times that the application was opened.”

We do not find Appellant’s arguments persuasive because they fail to address the merits of the Examiner’s rejection. Once the Examiner has satisfied the burden of presenting a *prima facie* case of obviousness, the burden then shifts to Appellant to present evidence and/or arguments that persuasively rebut the Examiner’s *prima facie* case. *See In re Oetiker*, 977 F.2d 1443, 1445 (Fed. Cir. 1992). Appellant did not particularly point out errors in the Examiner’s reasoning to persuasively rebut the Examiner’s *prima facie* case of obviousness, the obviousness rejection of claim 1 is sustained, as well as the obviousness rejections of claims 2, 8, 10, 21, 22, 24–27, 29 and 30 not argued separately. *See* Appeal Brief 14.

DECISION

The Examiner’s 35 U.S.C. § 101 rejection of claims 1, 2, 8, 10, 21, 22, 24–27, 29 and 30 is affirmed.

The Examiner’s 35 U.S.C. § 103 rejections of claims 1, 2, 8, 10, 21, 22, 24–27, 29 and 30 are affirmed.

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). *See* 37 C.F.R. § 1.136(a)(1)(v).

AFFIRMED