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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte DEEPAK SEETHARAM NADIG

Appeal 2017-010917
Application 11/962,321[1]
Technology Center 3600

Before JEAN R. HOMERE, JEREMY J. CURCURI, and NABEEL U. KHAN, *Administrative Patent Judges*.

KHAN, *Administrative Patent Judge*.

DECISION ON APPEAL

Appellant appeals under 35 U.S.C. § 134(a) from the Final Rejection of claims 1, 3–5, 7–9, 11–13, 15–17, 19–21, and 23–25, which constitute all of the claims pending in the present application. Claims App'x. We have jurisdiction under 35 U.S.C. § 6(b).

We REVERSE.

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[1] Appellant identifies eBay Inc. as the real party in interest. App. Br. 2.

BACKGROUND

THE INVENTION

According to Appellant, the invention relates to "providing on-line advertising with dynamic content . . . ." Abstract. Appellant's system "includes an advertisement (ad) generator configured to provide an advertisement template with an embedded region for dynamic content; to retrieve dynamic content; to modify the presentation of the advertisement to include the dynamic content; and to serve the modified advertisement including the dynamic content to a user." Abstract.

Exemplary independent claim 1 is reproduced below.

1. A method comprising:

> obtaining, by a publisher system component, an advertisement template with an embedded region for dynamic content, the advertisement template also having a static region with corresponding static region boundaries, the static region displayed concurrently with the embedded region for a first dynamic content and a second dynamic content, the embedded region for the first dynamic content and the second dynamic content being embedded within the static region boundaries of the static region, the template including information identifying a network accessible source for the first dynamic content and the second dynamic content, the embedded region including a tag that provides a link to the network accessible source of the dynamic content, the tag including a mechanism for retrieving or subscribing to the dynamic content via the link, the link comprising a Uniform Resource Locator;
>
> retrieving, by the publisher system component, the first dynamic content and the second dynamic content from the network accessible source using the link prior to presentation of the static region to a user, the first dynamic content and the second dynamic content being retrieved subsequent to retrieval of the static region;

> modifying, by use of a processor of the publisher system component, the embedded region of the advertisement template to include the first dynamic content and the second dynamic content, the combination of the static region and the modified embedded region representing a dynamic advertisement, the dynamic advertisement being renderable by a browser, the first dynamic content comprising the current bidding price of an item and the second dynamic content comprising time left for bidding on the item; and
>
> presenting the dynamic advertisement to the user.

REFERENCES AND REJECTIONS

1. Claims 1, 3–5, 7–9, 11–13, 15–17, 19–21, and 23–25 stand rejected under 35 U.S.C. § 101 Final Act. 6–11.

DISCUSSION

Principles of Law

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, 191 (1981)); "tanning, dyeing, making water-proof 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 176; *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.* (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.").

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 (quotation marks 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.* (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.*

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.

Analysis

The Examiner concludes the claims are "directed to providing advertising to a user, which is a fundamental economic practice and therefore an abstract idea. The claims are principally directed to providing an advertising template having a static region with an embedded region for dynamic content." Ans. 17. The Examiner finds that "the problem being solved is not computer specific" but rather, is a business problem related to advertising. Ans. 4, 6. Analyzing the claims as a whole the Examiner characterizes limitations reciting "a publisher system component" and "a processor" as further describing the abstract idea but not rendering the concept any less abstract. Ans. 17. The Examiner also characterizes certain limitations as "mere data gathering and processing steps [that] cannot make an otherwise nonstatutory claim statutory . . . ." Ans. 19.

Analogizing the claims to those in *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327 (Fed. Cir. 2016) Appellant argues "claim 1 is also directed to an improvement to computer functionality itself." App. Br. 11. Specifically, Appellant highlights certain limitations such as "an embedded dynamic region of a template using information sourced from a network source via a link (e.g. URL)" as reciting an improvement to computer functionality. App. Br. 12 (emphasis removed). Appellant argues that even if an invention is directed to solving a business problem, as the Examiner concludes, so long as the solution is technological in nature the claims are still patent eligible. App. Br. 13 (arguing the invention in *DDR Holdings,*

LLC v. Hotels.com, LP, 773 F.3d 1245 (Fed. Cir. 2014) was also directed at solving a business problem, but did so using a technical solution necessarily rooted in computer technology).

We agree with the Examiner that the claims recite an advertising template having a static region with an embedded dynamic region, which relates to the fundamental economic practice of advertising. *Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 715 (Fed Cir. 2014) (holding that claim "describ[ing] only the abstract idea of showing an advertisement before delivering free content" is patent ineligible). However, even though the claims recite a fundamental economic practice, we find the claims integrate the noted judicial exception into a practical application because they include additional elements that reflect an improvement to the functioning of a computer or an improvement to other technology or technical field. *See DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245, 1258–59 (Fed. Cir. 2014). Specifically, we are persuaded by Appellant's argument that the claims here recite limitations that offer a technical solution to the problem of providing dynamic information in an advertisement. The claim makes it explicit that the advertising template includes "information identifying a network accessible source" of the dynamic content that is retrieved by use of a "tag that provides a link to the network accessible source of the dynamic content," in the form of a "Uniform Resource Locator." The claim also makes explicit that the advertisement is "renderable by a browser." Thus, even though the claims relate to the abstract idea of advertising, the aforementioned elements limit the claim to an Internet-centric context and to a solution rooted in computer technology, and thereby improves the functionality of the publisher system.

Because Appellant has shown at least one reversible error in the Examiner's patent ineligibility rejection, we need not reach Appellant's remaining arguments. Thus, we find the claims are patent eligible and therefore, do not sustain the Examiner's rejection of the appealed claims.

DECISION

The Examiner's rejection of claims 1, 3–5, 7–9, 11–13, 15–17, 19–21, and 23–25 under 35 U.S.C. § 101 is reversed.

REVERSED