UNITED STATES PATENT AND TRADEMARK OFFICE

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte ROBERT C. STEINER

Appeal 2017-010996[1]
Application 11/805,019[2]
Technology Center 3600

Before JOSEPH A. FISCHETTI, BIBHU R. MOHANTY, and
TARA L. HUTCHINGS, *Administrative Patent Judges.*

HUTCHINGS, *Administrative Patent Judge.*

DECISION ON APPEAL

STATEMENT OF THE CASE

Appellant appeals under 35 U.S.C. § 134(a) from the Examiner's final
rejection of claims 1–5 and 7–18. We have jurisdiction under 35 U.S.C.
§ 6(b).

We AFFIRM.

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[1] Our decision references Appellant's Appeal Brief ("App. Br.," filed Feb.
23, 2017) and Reply Brief ("Reply Br.," filed Aug. 22, 2017), the
Examiner's Answer ("Ans.," mailed June 22, 2017) and Final Office Action
("Final Act.," mailed July 25, 2016), and the Board's Prior Decision ("Prior
Decision," mailed Apr. 23, 2015).
[2] Appellant identifies Avaya, Inc. as the real party in interest. App. Br. 2.

CLAIMED INVENTION

Appellant's claimed invention relates to the use of presence information. Spec. 1:4.

Claims 1, 7, 12, 17, and 18 are the independent claims. Claim 1, reproduced below, is illustrative of the subject matter on appeal:

> 1. A method comprising:
> in response to a request received from a communication device, a provider of a presence service creating a presentity of an issue or a transaction;
> the provider of the presence service subscribing a customer as a watcher of the presentity;
> the provider of the presence service receiving a state of the issue or the transaction from a handler of the issue or the transaction;
> in response to said receiving, the provider of the presence service registering the state in the presentity; and
> the provider of the presence service sending a message reporting the registered state to watchers of the presentity.

REJECTION

Claims 1–5 and 7–18 are rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter.

Claims 1, 2, 4, 7, 8, 10, 12, 13, 15, 17, and 18 are rejected under 35 U.S.C. § 102(e) as anticipated by Jachner (US 8,239,517 B1, iss. Aug. 7, 2012).

Claims 3, 9, and 14 are rejected under 35 U.S.C. § 103(a) as unpatentable over Jachner and Barta (US 2007/0095904 A1, pub. May 3, 2007).

Claims 5, 11, and 16 are rejected under 35 U.S.C. § 103(a) as unpatentable over Jachner and Kadaba (US 2004/0215480 A1, pub. Oct. 28, 2004).

ANALYSIS

Non-Statutory Subject Matter

Under 35 U.S.C. § 101, an invention is patent-eligible if it claims a "new and useful process, machine, manufacture, or composition of matter." 35 U.S.C. § 101. The Supreme Court, however, has long interpreted § 101 to include an implicit exception: "[l]aws 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).

The Supreme Court, in *Alice*, reiterated the two-step framework previously set forth in *Mayo Collaborative Servs. v. Prometheus Labs., 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 Corp.*, 134 S. Ct. at 2355. The first step in that analysis is to "determine whether the claims at issue are directed to one of those patent-ineligible concepts." *Id.* If the claims are not directed to a patent-ineligible concept, e.g., an abstract idea, the inquiry ends. Otherwise, the inquiry proceeds to the second step where the elements of the claims are considered "individually and 'as an ordered combination'" to determine whether there are additional elements that "'transform the nature of the claim' into a patent-eligible application." *Id.* (quoting *Mayo*, 566 U.S. at 79, 78).

The Court acknowledged 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. Therefore, the Federal Circuit has instructed that claims are to be considered in their entirety to determine "whether their character as a whole is directed to excluded subject matter."

McRO, Inc. v. Bandai Namco Games Am. Inc., 837 F.3d 1299, 1312
(Fed. Cir. 2016) (quoting *Internet Patents Corp. v. Active Network, Inc.*,
790 F.3d 1343, 1346 (Fed. Cir. 2015)).

In rejecting the pending claims under 35 U.S.C. § 101, the Examiner
determines that claims 1–5 and 7–18 are directed to "an abstract idea of
receiving a state of an issue or transaction from a handler of the issue or
transaction, registering the state in a presentity, and sending a message
reporting the registered state to watchers of the presentity." Final Act. 8–9
(citing *Cyberfone Sys., LLC v. CNN Interactive Grp., Inc.*, 558 F. App'x 988
(Fed. Cir. 2014)); *see also* Ans. 14 (claimed invention similar to abstract
concepts related to using categories to organize, store, and transmit
information, because it collects a state of an issue or transaction, registers
the state in a presentity record, and sends the registered state to users). The
Examiner determines that the claims do not include additional elements that
are sufficient to amount to significantly more than the judicial exception,
because the communication device, as recited, is a generic computer
component that performs a function that is well-understood, routine, and a
conventional activity previously known to the industry. Final Act. 9.

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.

Here, Appellant's Specification provides in the Background section that a conventional method for tracking the status of an order for a good or service includes visiting a website or calling a call center; entering the order number; and receiving the order status. Spec. 1, l. 28 – 2, l. 1. To track delivery of the order, the customer would visit the website of the delivery service and use a tracking number to retrieve the delivery status. *Id.* at 2, ll. 1–3. Using this tracking approach, a customer initiates contact for each inquiry. *Id.* at 2, ll. 3–4.

Another conventional method for tracking fulfillment of an order involves a customer registering with a supplier and shipper to receive order status and shipping status by email. *Id.* at 2, ll. 5–7. This method, like the method described above, requires a customer's active manual involvement, such as periodically checking email and filtering the tracking messages from other messages in the customer's mailbox. *Id.* at 2, ll. 9–12.

Appellant's Specification describes that presence information currently is used to track communications status of persons, but has not been applied to track a status of intangible entities, such as a progress of transactions to completion. *Id.* at 1, ll. 23–27. Appellant's Specification is "directed to solving these and other problems and disadvantages of the prior art." *Id.* at 2, ll. 17–18.

In particular, the claimed invention uses a presentity to represent and report states of an issue or transaction by creating a presentity for the issue or transaction, registering a state of the issue or transaction in the presentity, and reporting the registered state to watchers of the presentity. *Id.* at 2, ll.

21–24. In this way, the status is pushed to the customers instead of being pulled. *Id.* at 2, ll. 24–26. In other words, the claimed invention focuses on implementing the abstract idea of tracking a status of an intangible entity, such as an issue or transaction, using a presentity service.

Consistent with this description of the claimed invention, claim 1, for example, is directed to a method that recites a provider of a presence service performing each of the steps of: (1) creating a presentity of an issue or transaction in response to a request; (2) subscribing a customer as a watcher of a presentity; (3) receiving a state of the issue or the transaction from a handler of the issue or the transaction; (4) registering the state in the presentity; and (5) sending a message reporting the registered state to watchers of the presentity. Independent claims 7, 12, 17, and 18 recite similar language. Thus, consistent with the Examiner's determination, the claims broadly recite collecting, storing, and transmission of data — activities squarely within the realm of abstract ideas. *See, e.g., Intellectual Ventures I LLC v. Symantec Corp.*, 838 F.3d 1307, 1313 (Fed. Cir. 2016) (holding that receiving e-mail (and other data file) identifiers, characterizing e-mail based on the identifiers, and communicating the characterization is an abstract idea); *Intellectual Ventures I LLC v. Erie Indemnity Co.*, 850 F.3d 1315, 1327 (Fed. Cir. 2017) ("[T]he invention is drawn to the abstract idea of 'creating an index and using that index to search for and retrieve data'"); *buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1355 (Fed. Cir. 2014) ("[t]hat a computer receives and sends the information over a network — with no further specification — is not even arguably inventive"); *Cyberfone Sys.*, 558 F. App'x at 992 ("[C]ollecting information in classified form, then

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separating and transmitting that information according to its classification, is an abstract idea that is not patent-eligible.").

Appellant argues that the Board previously determined that the claims cover more than a nominal recitation of a computer because the claimed presence service is necessary to affect the recited claim steps. App. Br. 9 (citing Prior Decision 4–5). Yet, as the court noted in *In re TLI Commc'ns LLC Patent Litig.*, 823 F.3d 607 (Fed. Cir. 2016), "not every claim that recites concrete, tangible components escapes the reach of the abstract-idea inquiry." *Id.* at 611. Although the claims recite physical components, it is clear from the Specification that the recited physical components merely provide a generic environment in which to carry out the abstract idea of tracking a status of an issue or transaction. The Specification indicates, for example, that the presence service creates a presentity for an order with a vendor on behalf of a customer in a conventional manner (Spec. 3, l. 29 – 4, l. 13); a vendor reports an order placed status to a presence service in a conventional manner (*id.* at 4, ll. 16–18); and the presence service sends an instant message to recorded watchers of the presentity, which includes the customer, notifying them of the state of the order in a conventional manner (*id.* at 4, ll. 23–26). Appellants argue in the Reply Brief that "the claims are directed to an improvement on the necessary computing systems that provide the claimed presence service," analogous to the claims in *Enfish*. Reply Br. 2. Yet, the ability of the presence service to operate in its ordinary manner upon an order number being assigned as an identifier to the presentity (*see, e.g.*, Spec. 4, ll. 11–15), underscores that the claims are directed to the abstract idea identified by the Examiner, and not to an improvement in any physical components. The claims call for using an issue

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or a transaction to create a presentity without any further detail. The claims are not focused on how usage of the issue or transaction leads to an improvement in the technology of the presence service analogous to the improvement to computer databases at issue in *Enfish*.

Turning to second step, we fail to see how the use of an issue or transaction to create a presentity transforms the claim into something beyond the abstract idea. Instead, the use of the issue or transaction to create a presentity appears to be a natural consequence of carrying out the transaction in a presentity service technological environment. *See Intellectual Ventures I LLC v. Erie*, 850 F.3d at 1329 ("The use of metafiles to build the claimed index is yet another natural consequence of carrying out the abstract idea in a computing environment and is, therefore, also insufficient to transform a patent-ineligible abstract idea into a patent eligible invention."). The claims do not sufficiently recite how the inclusion of an issue or transaction into a presentity leads to an improvement in presentity service technology through non-conventional and non-generic arrangement of known, conventional pieces.

We are not persuaded that the Examiner has erred in determining that the claims are directed to patent-ineligible subject matter. Therefore, we sustain the Examiner's rejection under 35 U.S.C. § 101 of claims 1–5 and 7–18.

Anticipation

We are not persuaded by Appellant's argument that the Examiner erred in rejecting independent claim 1 under 35 U.S.C. § 102(e) because Jachner does not disclose the creation of a presentity for an issue or transaction, as required by claim 1. App. Br. 9–10; *see also* Reply Br. 3–4.

Jachner relates to presence-based transaction tracking systems.
Jachner, col. 1, ll. 7–9. By way of background, Jachner provides that
"presence" refers to the availability, proximity, activity, or operating state of
a user on a network; "presence information" is the data retrieved and
returned to a user that is typically maintained by a presence server; and users
register communication devices with the presence server to have their
presence maintained. *Id.* at col. 1, ll. 48–51, 56–58, 65–67. A first device
user ("watcher") wishing to detect the presence of a second device user
("presence user agent" or "presentity") subscribes with the presence server,
and the presence server updates the presence information to the watcher in a
notify message when there is a change in the state of presence information.
Id. at col. 2, ll. 1–13.

Jachner improves upon conventional presence architecture by adding
an extension portion 110 that provides presence information about a desired
transaction state to watcher 13. *Id.* at col. 3, ll. 14–18, Fig. 2. The extension
includes a plurality of detector devices 111 coupled with presentity 11 for
detecting and determining the target's state. *Id.* at col. 3, ll. 21–24.
Specifically, at least one detector device 111 is located at each recognized
transaction state in a transaction cycle of target 113, and information from
communication devices 111 associated with target 113 is collected. *Id.* at
col. 3, ll. 19–21, 24–28.

Appellant argues that the Examiner erred in rejecting claim 1 under 35
U.S.C. § 102(e) because Jachner does not disclose the creation of a
presentity for an issue or a transaction. App. Br. 9–10; *see also* Reply Br. 3.
Specifically, Appellant contends that "Jachner merely discloses an element
designated presentity in Figures 1 and 2" and "does not indicate what led to

presentity 11's creation." App. Br. 10. According to Appellant, Jachner's communication devices provide presentity 11 with state information, but Jachner "does not disclose that presentity is created in response to a request from one of the communication devices 111" or that "presentity 11 is created in response to a request from watcher 13, should watcher 13 be considered a communication device. *Id.* (citing Jachner, col. 3, ll. 40–42).

Appellant's argument is not persuasive because Jachner describes with reference to Figure 2 creating a presentity for a target 113 in response to a client requesting to be a watcher 13 to track the status of his or her package being sent through a package handler company. Jachner, col. 3, ll. 38–42, claim 1 ("subscribing, by said communication device, to said presence server as a watcher of said transaction to receive presence information, said communication device being associated with a user involved in said transaction"). A watcher is a first communication device user. *See id.* at col. 2, ll. 6–8; *see also* col. 1, ll. 60–63. A unique ID tag corresponding to the client is coupled with the package, and the package company enters the package ID tag and the client in a buddy list arrangement. *Id.* at col. 3, ll. 43–47. As the package proceeds through shipping, the status is notified to the client in real time, letting the client know the status of the package in real time. *Id.* at col. 3, ll. 44–50; *see also id.* at col. 3, ll. 56–57 ("each of the package and client can be included in a 'buddy' list with the package company"). Stated differently, the client (watcher 13) requests to be a watcher of the package (not communication devices 111), and the package company creates a presentity for the package in response. Appellant has not persuaded us that Jachner does not teach the limitations recited in claim 1.

Accordingly, we sustain the Examiner's rejection of independent claim 1 and dependent claims 2 and 4, which are not separately argued, under 35 U.S.C. § 102(e).

Appellant contends that independent claims 7, 12, 17, and 18 include language substantially similar to the language of claim 1, and are allowable over the art for the same reasons described with respect to claim 1. We are not persuaded by Appellant's arguments with respect to claims 7, 12, 17, and 18 for the same reasons set forth above with respect to claim 1. Therefore, we sustain the Examiner's rejection under 35 U.S.C. § 102(e) of independent claims 7, 12, 17, and 18 and dependent claims 8, 10, 13, and 15, which are not argued separately.

Obviousness

Appellant argues that dependent claims 3, 5, 9, 11, 14, and 16 are allowable at least for the same reasons argued with respect to the independent claims. App. Br. 10–11. We found these arguments unpersuasive with respect to the anticipation rejection, and we find them equally unpersuasive with respect to the obviousness rejection.

Therefore, we sustain the Examiner's rejections of claims 3, 5, 9, 11, 14, and 16 under 35 U.S.C. § 103(a).

DECISION

The Examiner's rejection of claims 1–5 and 7–11 under 35 U.S.C. § 101 is affirmed.

The Examiner's rejection of claims 1, 2, 4, 7, 8, 10, 12, 13, 15, 17, and 18 under 35 U.S.C. § 102(e) is affirmed.

The Examiner's rejections of claims 3, 5, 9, 11, 14, and 16 under 35 U.S.C. § 103(a) is 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)(iv).

<u>AFFIRMED</u>