



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
14/010,227	08/26/2013	Berndt Burghard	N2012P996US2	6307
61644	7590	11/22/2019	EXAMINER	
Kevin H. Fortin 253 Riggle Road Williams, IN 47470			COBURN, CORBETT B	
			ART UNIT	PAPER NUMBER
			3715	
			NOTIFICATION DATE	DELIVERY MODE
			11/22/2019	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):

kevin@fortinpatent.com

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte BERNDT BURGHARD

Appeal 2018-001861
Application 14/010,227
Technology Center 3700

Before LARRY J. HUME, MELISSA A. HAAPALA, and
MATTHEW J. McNEILL, *Administrative Patent Judges*.

HUME, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Pursuant to 35 U.S.C. § 134(a), Appellant,¹ Novomatic Ag, appeals from the Examiner's decision rejecting claims 1–20, which are all claims pending in the application. Appellant has canceled claims 21–30. Appeal Br. 5. We have jurisdiction under 35 U.S.C. § 6(b).

We REVERSE.

¹ We use the word “Appellant” to refer to “applicant” as defined in 37 C.F.R. § 1.42(a). Appellant identifies the real party in interest as Novomatic A.G. Appeal Br. 3.

CLAIMED SUBJECT MATTER²

The claims are directed to a gaming machine including moving wild symbols. *See* Spec. (Title). In particular, Appellant’s disclosed embodiments and claimed invention relate “to gaming machines including slot machines, and particularly to slot machines having wild symbols and bonus game features.” Spec. ¶ 1.

Claim 1, reproduced below, is representative of the subject matter on appeal:

1. A gaming machine having standard and bonus game play mode, comprising:
 - a slot machine including a housing, an interface, a controller, a currency acceptor and a card reader in operative communication to enable slot machine game play;
 - the interface attaches to the housing;
 - the currency acceptor and card reader are enabled to receive payments to initiate slot machine game play;
 - a computer in operative communication with the interface, the computer having a memory and a processor, the memory stores game play instructions and a set of symbols including game symbols, scatter symbols and wild symbols, the computer operates the controller, the currency acceptor and the card reader;
 - the game play instructions include instructions for a standard game play mode and bonus game play mode;

² Our decision relies upon Appellant’s Supplemental Appeal Brief (“Br.,” filed June 8, 2017); Examiner’s Answer (“Ans.,” mailed Aug. 25, 2017); Final Office Action (“Final Act.,” mailed Nov. 14, 2016); and the original Specification (“Spec.,” filed Aug. 26, 2013) (claiming benefit of US 13/356,558, filed Jan. 23, 2012, now issued as US 8,540,565). Appellant did not file a Reply Brief.

during standard game play mode, the interface displays a matrix of symbols representing sets of reels, and the computer calculates payouts based on the symbols, which are randomly arranged within the matrix;

when a predetermined number of scatter symbols appear in the matrix of symbols in standard game play mode, bonus game play commences and at least one of the scatter symbols is transformed into a wild symbol during bonus game play; and

during bonus game play mode the wild symbol remains stationary while the matrix of symbols change, and after the matrix of symbols stop changing the wild symbol moves to a random location in the matrix of symbols.

REJECTION

Claims 1–20 stand rejected under 35 U.S.C. § 101 as being directed to a judicial exception (i.e., a law of nature, a natural phenomenon, or an abstract idea) without significantly more. Final Act. 2.

ISSUE

Appellant argues (Br. 10–13) the Examiner’s rejection of claim 1 under 35 U.S.C. § 101 as being directed to patent-ineligible subject matter is in error. These contentions present us with the following issue:

Under the USPTO’s Revised Guidance, informed by our governing case law concerning 35 U.S.C. § 101, is claim 1 patent-ineligible under § 101?

PRINCIPLES OF LAW

A. 35 U.S.C. § 101

An invention is patent-eligible if it is a “new and useful process, machine, manufacture, or composition of matter.” 35 U.S.C. § 101.³ However, the Supreme Court has long interpreted 35 U.S.C. § 101 to include implicit exceptions: “[I]aws of nature, natural phenomena, and abstract ideas” are not patentable. *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66, 70 (2012) (brackets in original) (citing *Diamond v. Diehr*, 450 U.S. 175, 185 (1981)).

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*. *Alice Corp. v. CLS Bank Int’l*, 573 U.S. 208, 217–18 (2014) (citing *Mayo*, 566 U.S. at 75–77). 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);

³ This threshold analysis of whether a claim is directed to one of the four statutory categories of invention, *i.e.*, a process, machine, manufacture, or composition of matter, is referred to as “*Step 1*” in the USPTO’s patent-eligibility analysis under § 101. MPEP § 2106.

mathematical formulas (*Parker v. Flook*, 437 U.S. 584, 594–95 (1978)); and mental processes (*Gottschalk v. Benson*, 409 U.S. 63, 67 (1972)). Concepts determined to be patent eligible include physical and chemical processes, such as “molding rubber products” (*Diehr*, 450 U.S. at 191); “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 (1853))); 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 “a claim drawn to subject matter otherwise statutory does not become nonstatutory simply because it uses a mathematical formula.” *Diehr*, 450 U.S. at 187; *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.* (citation omitted) (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.”).

Abstract ideas may include fundamental economic practices, methods of organizing human activities, and mathematical formulas or relationships. *Alice*, 573 U.S. at 217–21. Under this guidance, we must therefore ensure at step one that we articulate what the claims are directed to with enough

specificity to ensure the step one inquiry is meaningful. *Id.* at 217 (“[W]e tread carefully in construing this exclusionary principle lest it swallow all of patent law.”).

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 (citation 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.* (alterations in original) (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.*

B. USPTO Revised Guidance

The USPTO recently published revised guidance in the Federal Register concerning the application of § 101. *2019 Revised Patent Subject Matter Eligibility Guidance*, 84 Fed. Reg. 50 (January 7, 2019) (hereinafter “Revised Guidance”) (<https://www.govinfo.gov/content/pkg/FR-2019-01-07/pdf/2018-28282.pdf>).

Under the Revised 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);⁴ and

(2) additional elements that integrate the judicial exception into a practical application (*see* Manual for Patent Examining Procedure (“MPEP”) §§ 2106.05(a)–(c), (e)–(h)).⁵

See Revised Guidance 52–53.

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.⁶

See Revised Guidance 56.

Step 2A(i) – Abstract Idea

Informed by our judicial precedent, the Revised Guidance extracts and synthesizes key concepts identified by the courts as abstract ideas to explain that the abstract idea exception includes the following groupings of subject matter, when recited as such in a claim limitation:

(a) Mathematical concepts—mathematical relationships, mathematical formulas or equations, mathematical calculations;

⁴ Referred to as “*Revised Step 2A, Prong 1*” in the Revised Guidance (hereinafter “*Step 2A(i)*”).

⁵ Referred to as “*Revised Step 2A, Prong 2*” in the Revised Guidance (hereinafter “*Step 2A(ii)*”).

⁶ Items (3) and (4) continue to be collectively referred to as “*Step 2B*” of the Supreme Court’s two-step framework, described in *Mayo* and *Alice*.

(b) Certain methods of organizing human activity — fundamental economic principles or practices (including hedging, insurance, mitigating risk); commercial or legal interactions (including agreements in the form of contracts; legal obligations; advertising, marketing or sales activities or behaviors; business relations); managing personal behavior or relationships or interactions between people (including social activities, teaching, and following rules or instructions); and

(c) Mental processes—concepts performed in the human mind (including an observation, evaluation, judgment, opinion).

Revised Guidance 52 (footnotes omitted).

Under the Revised Guidance, if the claim does not recite a judicial exception (a law of nature, natural phenomenon, or subject matter within the enumerated groupings of abstract ideas above), then the claim is patent-eligible at *Step 2A(i)*. This determination concludes the eligibility analysis, except in situations identified in the Revised Guidance.⁷

However, if the claim recites a judicial exception (i.e., an abstract idea enumerated above, a law of nature, or a natural phenomenon), the claim requires further analysis for a practical application of the judicial exception in *Step 2A(ii)*.

Step 2A(ii) – Practical Application

If a claim recites a judicial exception in *Step 2A(i)*, we determine whether the recited judicial exception is integrated into a practical

⁷ In the rare circumstance in which an examiner believes a claim limitation that does not fall within the enumerated groupings of abstract ideas should nonetheless be treated as reciting an abstract idea, the procedure described in of the Guidance for analyzing the claim should be followed. *See* Revised Guidance, Section III.C.

application of that exception in *Step 2A(ii)* by: (a) identifying whether there are any additional elements recited in the claim beyond the judicial exception(s); and (b) evaluating those additional elements individually and in combination to determine whether they integrate the exception into a practical application.

The seven identified “practical application” sections of the MPEP,⁸ cited in the Revised Guidance under *Step 2A(ii)*, are:

- (1) MPEP § 2106.05(a) Improvements to the Functioning of a Computer or To Any Other Technology or Technical Field
- (2) MPEP § 2106.05(b) Particular Machine
- (3) MPEP § 2106.05(c) Particular Transformation
- (4) MPEP § 2106.05(e) Other Meaningful Limitations
- (5) MPEP § 2106.05(f) Mere Instructions To Apply An Exception
- (6) MPEP § 2106.05(g) Insignificant Extra-Solution Activity
- (7) MPEP § 2106.05(h) Field of Use and Technological Environment

See Revised Guidance 55.

If the recited judicial exception is integrated into a practical application as determined under one or more of the MPEP sections cited above, then the claim is not directed to the judicial exception, and the patent-

⁸ *See* MPEP §§ 2106.05(a)–(c), (e)–(h). Citations to the MPEP herein refer to revision [R-08.2017]. Sections 2106.05(a), (b), (c), and (e) are indicative of integration into a practical application, while §§ 2106.05(f), (g), and (h) relate to limitations that are not indicative of integration into a practical application.

eligibility inquiry ends. *See* Revised Guidance 54. If not, then analysis proceeds to *Step 2B*.

Step 2B – “Inventive Concept” or “Significantly More”

Under our reviewing courts’ precedent, it is possible that a claim that does not “integrate” a recited judicial exception under *Step 2A(ii)* is nonetheless patent eligible. For example, the claim may recite additional elements that render the claim patent eligible even though one or more claim elements may recite a judicial exception.⁹ The Federal Circuit has held claims eligible at the second step of the *Alice/Mayo* test (USPTO *Step 2B*) because the additional elements recited in the claims provided “significantly more” than the recited judicial exception (e.g., because the additional elements were unconventional in combination).¹⁰ Therefore, if a claim has been determined to be directed to a judicial exception under *Revised Step 2A*, we must also evaluate the additional elements individually and in combination under *Step 2B* to determine whether they provide an inventive concept (i.e., whether the additional elements amount to significantly more than the exception itself).¹¹

⁹ *See, e.g., Diehr*, 450 U.S. at 187.

¹⁰ *See, e.g., Amdocs (Israel), Ltd. v. Openet Telecom, Inc.*, 841 F.3d 1288, 1300, 1304 (Fed. Cir. 2016); *BASCOM Global Internet Servs., Inc. v. AT&T Mobility LLC*, 827 F.3d 1341, 1349–52 (Fed. Cir. 2016); *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245, 1257–59 (Fed. Cir. 2014).

¹¹ The patent eligibility inquiry may contain underlying issues of fact. *Mortg. Grader, Inc. v. First Choice Loan Servs. Inc.*, 811 F.3d 1314, 1325 (Fed. Cir. 2016). In particular, “[t]he question of whether a claim element or combination of elements is well-understood, routine and conventional to a skilled artisan in the relevant field is a question of fact.” *Berkheimer v. HP Inc.*, 881 F.3d 1360, 1368 (Fed. Cir. 2018).

Under the Revised Guidance, we must consider in *Step 2B* whether an additional element or combination of elements: (1) “Adds a specific limitation or combination of limitations that are not well-understood, routine, conventional activity in the field, which is indicative that an inventive concept may be present;” or (2) “simply appends well-understood, routine, conventional activities previously known to the industry, specified at a high level of generality, to the judicial exception, which is indicative that an inventive concept may not be present.” *See Revised Guidance, Section III.B.*¹²

In the *Step 2B* analysis, an additional element (or combination of elements) is not well-understood, routine or conventional unless the examiner finds an evidentiary basis, and expressly supports a rejection in writing with, one or more of the following:

1. A citation to an express statement in the specification or to a statement made by an applicant during prosecution that demonstrates the well-understood, routine, conventional nature of the additional element(s). . . .
2. A citation to one or more of the court decisions discussed in MPEP § 2106.05(d)(II) as noting the well-

¹² In accordance with existing *Step 2B* guidance, an Examiner’s finding that an additional element (or combination of elements) is well understood, routine, conventional activity must be supported with at least one of the four specific types of evidence required by the USPTO *Berkheimer* Memorandum, as shown above. For more information concerning evaluation of well-understood, routine, conventional activity, *see* MPEP § 2106.05(d), as modified by the USPTO *Berkheimer* Memorandum (USPTO Commissioner for Patents Memorandum dated Apr. 19, 2018, “Changes in Examination Procedure Pertaining to Subject Matter Eligibility, Recent Subject Matter Eligibility Decision (*Berkheimer v. HP, Inc.*)” (hereinafter “*Berkheimer Memo*”).

understood, routine, conventional nature of the additional element(s).

3. A citation to a publication that demonstrates the well-understood, routine, conventional nature of the additional element(s). . . .

4. A statement that the examiner is taking official notice of the well-understood, routine, conventional nature of the additional element(s). . . .

See Berkheimer Memo 3–4.

If the Examiner or the Board determines under *Step 2B* that the element (or combination of elements) amounts to significantly more than the exception itself, the claim is eligible, thereby concluding the eligibility analysis.

However, if a determination is made that the element and combination of elements do not amount to significantly more than the exception itself, the claim is ineligible under *Step 2B*, and the claim should be rejected for lack of subject matter eligibility.

ANALYSIS

Step 1 – Statutory Category

Claim 1, as a machine claim, recites one of the enumerated categories of eligible subject matter in 35 U.S.C. § 101. Therefore, the issue before us is whether it is directed to a judicial exception without significantly more.

Step 2A(i): Does the Claim Recite a Judicial Exception?

The Examiner determined that claim 1 is directed to “a fundamental economic practice of long standing” (Final Act. 5), and further states that claim 1 is

directed to a wagering game with scatter symbols transformed into roaming wild symbols played according to the rules outlined below, which are a method of determining financial obligations using probability. The CAFC has determined in, *In Re Smith*, that such claims are directed to an abstract idea similar to those found in *Alice* and *Bilski*. Additionally, the Federal Circuit has ruled that managing a game is a method of organizing human activity and therefore an abstract idea. (*Planet Bingo, LLC v. VKGS LLC*, 2013-1663 (Fed. Cir., 2014)) The claim(s) does/do not include additional elements that are sufficient to amount to significantly more than the judicial exception because the additional elements amount to insignificant extra-solution activity on an art-generic computer.

Final Act. 2 (citing *In re Smith*, 815 F.3d 816, 817 (Fed. Cir. 2016) (holding that method claims directed to rules for conducting wagering game were not patent-eligible. “Because the claims cover only the abstract idea of rules for playing a wagering game and use conventional steps of shuffling and dealing a standard deck of cards, we affirm.”); and *Planet Bingo, LLC v. VKGS LLC*, 576 F. App’x 1005 (Fed. Cir. 2014) (unpublished decision) (holding that method and system claims failed to transform the abstract idea of managing a game of bingo into a patent-eligible invention).

We conclude claim 1 does not recite the judicial exceptions of either natural phenomena or laws of nature. We evaluate whether claim 1 recites an abstract idea based upon the Revised Guidance.

First, we look to the Specification to provide context as to what the claimed invention is directed to. In this case, the Specification discloses that the invention “pertains to gaming machines including slot machines, and particularly to slot machines having wild symbols and bonus game features.” Spec. ¶ 1.

Appellant's Abstract describes the invention as:

A gaming machine having standard and bonus game play features includes a housing, an interface attached to a housing, and a computer in operative communication with the interface. The computer has a memory and a processor. The memory stores game play instructions and a set of symbols including game symbols, scatter symbols and wild symbols. The game play instructions include instructions for a standard game play mode and bonus game play mode. During standard game play mode, the interface displays a matrix of symbols representing an arrangement of reels, and the computer calculates payouts based on the symbols, within the matrix. When a predetermined number of scatter symbols appear in the matrix of symbols in standard game play mode, bonus game play commences and at least some of the scatter symbols are transformed into wild symbols during bonus game play. Bonus game play mode includes multiple reel spins. The wild symbols presented during bonus game play mode occupy more than one location in the matrix of symbols and move during each reel spin to a random location in the matrix of symbols. The random location in the matrix of symbols excludes matrix locations previously occupied by a wild symbol during an immediately previous reel spin during bonus game play.

Spec. 13 (Abstract).

In TABLE 1 below, we parse the limitations of claim 1 as an aid in determining whether they recite an abstract idea. We additionally identify in **bold** the additional (non-abstract) claim limitations that are generic computer components and techniques:

TABLE 1

Independent Claim 1	Revised Guidance
<p>[1] A gaming machine having standard and bonus game play mode, comprising:</p>	<p>A machine is a statutory subject matter class. <i>See</i> 35 U.S.C. § 101.</p>
<p>a slot machine including a housing, an interface, a controller, a currency acceptor and a card reader in operative communication to enable slot machine game play;</p> <p>the interface attaches to the housing;</p> <p>the currency acceptor and card reader are enabled to receive payments to initiate slot machine game play;</p>	<p>These components represent generic gaming/computer elements.</p>
<p>[2] a computer in operative communication with the interface, the computer having a memory and a processor,</p> <p>the memory stores game play instructions and a set of symbols including game symbols, scatter symbols and wild symbols,</p> <p>the computer operates the controller, the currency acceptor and the card reader;</p> <p>the game play instructions include instructions for a standard game play mode and bonus game play mode;</p>	<p>A computer with a memory and processor represents well-understood, routine, and conventional technology.</p> <p>Storing data and/or instructions is a generic computer function.</p>
<p>[3] during standard game play mode, the interface displays a matrix of symbols representing sets of reels, and</p> <p>the computer calculates payouts based on the symbols, which are randomly arranged within the matrix;</p>	<p>Determining a payout based upon the randomly arranged symbols within the matrix is an abstract idea, i.e., an observation, evaluation, judgment, opinion, which could be performed as a</p>

Independent Claim 1	Revised Guidance
	mental process. See Revised Guidance 52.
<p>[4] when a predetermined number of scatter symbols appear in the matrix of symbols in standard game play mode, bonus game play commences and at least one of the scatter symbols is transformed into a wild symbol during bonus game play; and</p> <p>during bonus game play mode the wild symbol remains stationary while the matrix of symbols change, and after the matrix of symbols stop changing the wild symbol moves to a random location in the matrix of symbols.</p>	<p><i>See Step 2A(ii)</i> “Practical Application” analysis, <i>infra</i>.</p>

Claims App.

Under the broadest reasonable interpretation standard,¹³ we conclude limitations [1] through [3] recite elements that would ordinarily be used when constructing and operating a gaming machine. *See* Final Act. 2 *et seq.* For example, “calculat[ing] payouts based on the symbols” is an operation

¹³ During prosecution, claims must be given their broadest reasonable interpretation when reading claim language in light of the specification as it would be interpreted by one of ordinary skill in the art. *In re Am. Acad. of Sci. Tech. Ctr.*, 367 F.3d 1359, 1364 (Fed. Cir. 2004). Under this standard, we interpret claim terms using “the broadest reasonable meaning of the words in their ordinary usage as they would be understood by one of ordinary skill in the art, taking into account whatever enlightenment by way of definitions or otherwise that may be afforded by the written description contained in the applicant’s specification.” *In re Morris*, 127 F.3d 1048, 1054 (Fed. Cir. 1997).

that generally occurs when using gaming machines and, as highlighted in TABLE 1, *supra*, could be characterized as an abstract mental process.

We determine that the identified limitations of claim 1 recite a mental process that may also be performed in the human mind and/or by pen and paper. This type of activity, i.e., “calculat[ing] payouts” as recited in limitation [3], for example, and aside from any computer-related aspects, includes longstanding conduct that existed well before the advent of computers and the Internet, and could be carried out by a human with pen and paper. *See CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1375 (Fed. Cir. 2011) (“That purely mental processes can be unpatentable, even when performed by a computer, was precisely the holding of the Supreme Court in *Gottschalk v. Benson*.”).¹⁴

Thus, under *Step 2A(i)*, we agree with the Examiner that claim 1’s gaming machine recites a judicial exception. We conclude claim 1, under our Revised Guidance, recites a judicial exception of a mental process, and thus is an abstract idea.

¹⁴ Our reviewing court recognizes that “[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). That need not and, in this case does not, “impact the patentability analysis.” *Id.* at 1241. Further, “[t]he Board’s slight revision of its abstract idea analysis does not impact the patentability analysis.” *Id.* Moreover, merely combining several abstract ideas does not render the combination any less abstract. *RecogniCorp, LLC v. Nintendo Co.*, 855 F.3d 1322, 1327 (Fed. Cir. 2017) (“Adding one abstract idea (math) to another abstract idea . . . does not render the claim non-abstract.”); *see also FairWarning IP, LLC v. Iatric Sys., Inc.*, 839 F.3d 1089, 1093–94 (Fed. Cir. 2016) (determining the pending claims were directed to a combination of abstract ideas).

Step 2A(ii): Judicial Exception Integrated into a Practical Application?

If the claims recite a judicial exception, as we conclude above, we proceed to the “practical application” *Step 2A(ii)* in which we determine whether the recited judicial exception is integrated into a practical application of that exception by: (a) identifying whether there are any additional elements recited in the claim beyond the judicial exception(s); and (b) evaluating those additional elements individually and in combination to determine whether they integrate the exception into a practical application.

In addition to the abstract limitation recited in limitation [3] identified in *Step 2A(i)*, *supra*, claim 1 further recites limitation [4]:

when a predetermined number of scatter symbols appear in the matrix of symbols in standard game play mode, bonus game play commences and at least one of the scatter symbols is transformed into a wild symbol during bonus game play; and during bonus game play mode the wild symbol remains stationary while the matrix of symbols change, and after the matrix of symbols stop changing the wild symbol moves to a random location in the matrix of symbols.

Claims App.

For the reasons discussed below, we conclude limitation [4] integrates the abstract idea into a practical application as determined under at least one of the MPEP sections cited above.¹⁵

Appellant’s Specification discloses:

[0034] The payline 26 crosses the top row of the matrix of symbols and is projected on the display 14a and indicates a

¹⁵ See, e.g., MPEP § 2106.05(a) “Improvements to the Functioning of a Computer or To Any Other Technology or Technical Field,” and § 2106.05(e) “Other Meaningful Limitations.”

payout. According to game play rules, where at least three scatter symbols appears in standard game play mode, a bonus game play mode is initiated. Bonus game play mode is initiated in alternate embodiments of the invention when four or five scatter symbols appear, respectively.

[0035] Here scatter symbols 24e, 24f, 24g and 24h appear and enable feature game play so that the payout according to the payline 26. Preferably, bonus game play mode is automatically initiated and accepted by enabling a user to activate a button on the interface 16. The matrix of symbols disappears and is completely replaced by bonus game play images when the gaming machine 10 enters bonus game play mode.

Spec. ¶¶ 34–35.

Appellant argues, “[h]ere the present invention claims a particular improvement of slot machine animation” (Br. 12), and “[t]he structure of the limited rules reflects a specific implementation not demonstrated as that which any animator engaged in the search for an automation process would likely have utilized. . . . [T]he present claims are focused to cover particular presentation, modification and movement of an animated symbol.” *Id.* Appellant further argues “[w]hen looked at as a whole the claims are directed to a patentable, technological improvement over the existing slot machine animation techniques. The claims use the limited rules in a process specifically designed to achieve an improved technological result in conventional industry practice by providing improved animation.” *Id.* at 13.

We find Appellant’s argument persuasive that the limitations of “bonus game play commences and at least one of the scatter symbols is transformed into a wild symbol during bonus game play” and “during bonus game play mode the wild symbol remains stationary while the matrix of symbols change, and after the matrix of symbols stop changing the wild

symbol moves to a random location in the matrix of symbols” represent improvements to the underlying technology or technical field, namely, gaming machines. *See* MPEP § 2106.05(a) or, alternatively, § 2106.05(e) “Other Meaningful Limitations.”

With respect to these other meaningful limitations, we find guidance in MPEP § 2106.05(e), which summarizes and relies upon the Supreme Court’s holding in *Diehr*, cited *supra*, and our reviewing court’s holdings in *Classen Immunotherapies, Inc. v. Biogen IDEC*, 659 F.3d 1057 (Fed. Cir. 2011) (decision on remand from the Supreme Court, which had vacated the lower court’s prior holding of ineligibility in view of *Bilski v. Kappos*).

In *Diehr*, the Court evaluated the additional non-abstract limitations, and found them to be meaningful, because they sufficiently limited the use of the (abstract idea) mathematical equation to the practical application of molding rubber products. MPEP § 2106.05(e) (citing *Diehr*, 450 U.S. at 184, 187).

We find these other meaningful limitations identified above provide a technological improvement to gaming machines by providing a new and improved level of bonus play that uses new and improved animations. *See* Br. 12–13. Accordingly, we conclude, when the claim is considered as a whole, the recited judicial exception is integrated into a practical application as determined under either MPEP sections 2106.06(a) or 2106.05(e) cited above, such that the claim is patent-eligible.

Because the claims are not directed to an abstract idea, this concludes the patent-eligibility inquiry.¹⁶

Therefore, based upon the findings and legal conclusions above, on this record and in consideration of the Revised Guidance, we do not sustain the § 101 rejection of claim 1, and grouped claims 2–9 which stand therewith. *See* Claim Grouping, *supra*.

2. § 101 Rejection of Claims 10–20

We find the issues presented and arguments made by Appellant with respect to claims 10–20 to be substantially similar in pertinent part to those made concerning independent claim 1, *supra*.

For the same reasons as stated in connection with claim 1, we conclude these claims, while reciting at least one abstract idea under our *Step 2A(i)* analysis, integrate the abstract idea into a practical application under *Step 2A(ii)*, such that we do not sustain the § 101 rejection of claims 10–20.

CONCLUSION

Under our Revised Guidance, governed by relevant case law, we do not sustain the 35 U.S.C. § 101 rejection of claims 1–20.

¹⁶ Because we agree with at least one of the dispositive arguments advanced by Appellant, we need not reach the merits of Appellant’s other arguments. *See Beloit Corp. v. Valmet Oy*, 742 F.2d 1421, 1423 (Fed. Cir. 1984) (finding an administrative agency is at liberty to reach a decision based on “a single dispositive issue”).

Appeal 2018-001861
Application 14/010,227

DECISION SUMMARY

Claims Rejected	35 U.S.C. §	References/ Basis	Affirmed	Reversed
1-20	101	Subject Matter Eligibility		1-20

REVERSED