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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte ROBERT S. JEWELL JR.

Appeal 2018-001866
Application 12/549,732
Technology Center 3600

Before STEFAN STAICOVICI, BENJAMIN D.M. WOOD, and
BRADLEY B. BAYAT, *Administrative Patent Judges*.

BAYAT, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Robert S. Jewell Jr. (Appellant)¹ appeals under 35 U.S.C. § 134(a) from the decision to reject claims 1–8, 10, 11, and 13–23, which are all the claims pending in the application. Appellant’s representative failed to appear for oral hearing scheduled on January 29, 2020. We have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.

¹ We use the term “Appellant” to refer to “applicant” as defined in 37 C.F.R. § 1.42. Our Decision references Appellant’s corrected Appeal Brief (“Br.,” filed May 18, 2017), the Examiner’s Answer (“Ans.,” mailed Oct. 13, 2017), and the Non-Final Office Action (“Non-Final Act.,” mailed July 14, 2016). Appellant identifies the real party in interest as “Lifestreet Corporation.” Br. 4.

CLAIMED SUBJECT MATTER

Appellant's claimed invention relates generally to electronic advertisements, and more particularly to methods for the creation and display of personalized Internet based advertisements. Spec. ¶ 1002. Claims 1, 11, and 19 are the only independent claims on appeal. Claim 1 is illustrative of the subject matter on appeal and recites:

1. A method for creation and display of a personalized Internet-based advertisement, the method comprising:
 - [(a)] sending an Internet-based advertisement template to a device, the Internet-based advertisement template including at least one predefined field configured to be populated with data associated with the predefined field; and
 - [(b)] sending to the device a first instruction configured to define the personalized Internet-based advertisement, the personalized Internet-based advertisement being defined based at least in part on the Internet-based advertisement template and the data associated with the predefined field; and
 - [(c)] wherein the Internet-based advertisement template is formatted such that the personalized Internet-based advertisement is configured to be displayed within a portion of a third-party webpage populated by a social network application defined by a third party.

Br. 67, Claims Appendix (with added bracketed notations).

REFERENCES & REJECTIONS

The following rejections are before us for review:

- I. Claims 1–8, 10, 11, and 13–23 are rejected under 35 U.S.C. § 101.

- II. Claims 1–6 and 8, 10, and 11 are rejected under 35 U.S.C. § 102(e) as anticipated by Quan et al. (US 8,468,049 B2, iss. June 18, 2013) (“Quan”).
- III. Claims 19–23 are rejected under 35 U.S.C. § 102(a) as anticipated by Rohan et al. (US 2008/0162260 A1, pub. July 3, 2008) (“Rohan”).
- IV. Claims 7 and 13–18 are rejected under 35 U.S.C. § 103(a) as unpatentable over Quan and Gang et al. (US 2008/0027909 A1, pub. Jan. 31, 2008) (“Gang”).

ANALYSIS

Rejection under 35 U.S.C. § 101

On February 19, 2016, in a prior Decision on Appeal (Appeal 2013-009029), the Board affirmed the Examiner’s decision to reject then-pending claims 1–10 and 19–23 under 35 U.S.C. § 101, and entered a new ground of rejection under § 101 as to claims 11–18. On April 18, 2016, Appellant amended claims 1, 2, 5, 6, 8, 10, 11, and 13–19, and canceled claims 9 and 12. Claims 1–8, 10, 11, and 13–23 are now pending.

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. v. CLS Bank Int’l*, 573 U.S. 208, 216 (2014).

The Supreme Court, in *Alice*, reiterated the two-step framework previously set forth 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 Corp.*, 573 U.S. at 217. 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 the additional elements that ‘transform the nature of the claim’ into a patent-eligible application.” *Id.* (quoting *Mayo*, 566 U.S. at 78, 79). This is “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.’” *Id.* at 217–18 (alteration in original).

After Appellant’s brief was filed, and the Examiner’s Answer mailed, the U.S. Patent and Trademark Office (the “USPTO”) published revised guidance for use by USPTO personnel in evaluating subject matter eligibility under 35 U.S.C. § 101. 2019 REVISED PATENT SUBJECT MATTER ELIGIBILITY GUIDANCE, 84 Fed. Reg. 50, 57 (Jan. 7, 2019) (the “2019 Revised Guidance”). That guidance revised the USPTO’s examination procedure with respect to the first step of the *Mayo/Alice* framework by (1) “[p]roviding groupings of subject matter that [are] considered an abstract idea”; and (2) “clarifying that a claim is not ‘directed to’ a judicial exception if the judicial exception is integrated into a practical application of that exception.” *Id.* at 50. The 2019 Revised Guidance, by its terms, applies to

all applications, and to all patents resulting from applications, filed before, on, or after January 7, 2019. *Id.*^{2 3}

We have reviewed the eligibility of the pending claims through the lens of the 2019 Revised Guidance, but we are not persuaded the Examiner erred in concluding that the pending claims are directed to a judicial exception without significantly more.

Claims 1–8 and 10

Step One of the Alice Framework (2019 Revised Guidance, Step 2A)

The first step in the *Alice* framework, as mentioned above, is to determine whether the claims at issue are “directed to” a patent-ineligible concept, e.g., an abstract idea. *Alice Corp.*, 573 U.S. at 217. This first step, as set forth in the 2019 Revised Guidance (i.e., Step 2A), is a two-prong test; in Step 2A, Prong One, we look to whether the claim recites a judicial exception, e.g., one of the following three groupings of abstract ideas: (1) mathematical concepts; (2) certain methods of organizing human activity, e.g., fundamental economic principles or practices, commercial or

² The 2019 Revised Guidance supersedes MANUAL OF PATENT EXAMINING PROCEDURE (“MPEP”) § 2106.04(II) and also supersedes all versions of the USPTO’s “Eligibility Quick Reference Sheet Identifying Abstract Ideas.” See 2019 Revised Guidance, 84 Fed. Reg. at 51 (“Eligibility-related guidance issued prior to the Ninth Edition, R-08.2017, of the MPEP (published Jan. 2018) should not be relied upon.”). Accordingly, Appellant’s arguments challenging the sufficiency of the Examiner’s rejection will not be addressed to the extent those arguments are based on now superseded USPTO guidance.

³ The USPTO issued an update on October 17, 2019 (the “October 2019 Update: Subject Matter Eligibility,” available at https://www.uspto.gov/sites/default/files/documents/peg_oct_2019_update.pdf) clarifying the 2019 Revised Guidance in response to comments solicited from the public.

legal interactions; and (3) mental processes. 2019 Revised Guidance, 84 Fed. Reg. at 54. If so, we next consider whether the claim includes additional elements, beyond the judicial exception, that “integrate the [judicial] exception into a practical application,” i.e., that apply, rely on, or use the judicial exception in a manner that imposes a meaningful limit on the judicial exception, such that the claim is more than a drafting effort designed to monopolize the judicial exception (“Step 2A, Prong Two”). *Id.* at 54–55. Only if the claim (1) recites a judicial exception and (2) does not integrate that exception into a practical application do we conclude that the claim is “directed to” the judicial exception, e.g., an abstract idea.

We are not persuaded that the Examiner erred in determining that claims 1–8, 10, 11, and 13–23 are directed to an abstract idea (Br. 28–35). The Federal Circuit has explained that “the ‘directed to’ inquiry applies a stage-one filter to claims, considered in light of the specification, based on whether ‘their character as a whole is directed to excluded subject matter.’” *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1335 (Fed. Cir. 2016) (quoting *Internet Patents Corp. v. Active Network, Inc.*, 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, it is clear from the Specification (including the claim language) that the focus of the claims is on an abstract idea, and not on any improvement to technology or a technical field.

Appellant’s Specification is entitled “TARGETED NETWORK CONTENT,” and describes, in the Background section, that businesses have turned to the World Wide Web to sell products and services through

Internet-based advertisements, which typically appear near featured content of a webpage or Internet application. Spec. ¶ 1003. The Specification explains that web-based advertisements are “designed to catch the user’s attention and induce the user to click on the advertisement for redirection to the advertiser’s site, where further information may be provided or a sale completed.” *Id.* ¶ 1004. According to the Specification, an advertisement is selected for display based on various criteria, including “user behavioral information gathered through cookies or other tracking mechanisms.” *Id.* ¶ 1005. For example, “a user’s web activity and browsing history is analyzed and stored to improve the accuracy of matching algorithms that determine which advertisement is likely to interest a given user.” *Id.* However, targeting advertising based on a user’s IP address or through use of a browser cookie only allow educated guesses of a user’s preferences and personal characteristics, and fail to determine a particular user’s identity or current geographic location with one-hundred percent accuracy. *Id.* ¶¶ 1006–08. Appellant solved this imprecision problem “through use of a more trustworthy data set, such as a user’s stated preferences and other self-reported information . . . that produce more effective Internet advertisements based on a user’s stated preferences and other self-disclosed information.” *Id.* ¶ 1009.

The claimed invention is presumably intended to address this issue by identifying more effective personalized Internet advertisements based on data provided by a user, such as a profile. The implementation of this concept is recited in the limitations of independent claim 1. Claim 1, thus, recites “[a] method for creation and display of a personalized Internet-based advertisement,” comprising: (a) “sending an Internet-based advertisement

template to a device, the Internet-based advertisement template including at least one predefined field configured to be populated with data associated with the predefined field”; (b) “sending to the device a first instruction configured to define the personalized Internet-based advertisement, the personalized Internet-based advertisement being defined based at least in part on the Internet-based advertisement template and the data associated with the predefined field; and” (c) “wherein the Internet-based advertisement template is formatted such that the personalized Internet-based advertisement is configured to be displayed within a portion of a third-party webpage populated by a social network application defined by a third party.”

These limitations, when given their broadest reasonable interpretation, recite (a) sending an advertisement template with a predefined field to be populated with data associated with the predefined field, e.g., profile information; (b) sending an instruction to define the personalized advertisement based on the advertisement template and data associated with the predefined field (e.g., user name, location, profile image); and (c) configuring the personalized advertisement for display. In other words, claim 1 recites a method of sending and displaying a personalized advertisement to a user, i.e., a commercial interaction, which is a method of organizing human activity and, therefore, an abstract idea. *See* 2019 Revised Guidance, 84 Fed. Reg. at 52 (describing “Certain methods of organizing human activity” as including “commercial or legal interactions (including . . . advertising, marketing or sales activities or behaviors”).

This abstract concept is further supported by various portions of the Specification. *See, e.g.*, paragraph 1009 (“methods and apparatus that produce more effective Internet advertisements based on a user’s stated

preferences and other self-disclosed information.”); paragraph 1016 (“the advertisement template can include default information fields configured to be dynamically populated with current news or other information.”); paragraph 1018 (“the advertisement generation script can be configured to be executed on a client device to dynamically generate a personalized advertisement.”). As such, we agree with the Examiner that “[t]he concept of ‘personalized advertising,’ customizing ads to reflect information associated with a user to deliver more effective ads, is a long-standing business marketing practice, and a patent-ineligible abstract idea.” Non-Final Act. 3.

The Federal Circuit has held similar concepts to be abstract. For example, in *Bridge and Post, Inc. v. Verizon Communications, Inc.*, 778 F. App’x 882 (Fed. Cir. 2019), the Federal Circuit held that abstract ideas include tracking a user’s computer network activity and using information gained about the user to deliver targeted media, such as advertisements. *See also, e.g., Affinity Labs of Texas, LLC v. Amazon.com, Inc.*, 838 F.3d 1266, 1271 (Fed. Cir. 2016) (customizing a user interface to have targeted advertising based on user information); *Intellectual Ventures I LLC v. Capital One Bank (USA)*, 792 F.3d 1363, 1370 (Fed. Cir. 2015) (tailoring information presented to a user based on particular information); *Morsa v. Facebook, Inc.*, 77 F. Supp. 3d 1007, 1013 (C.D. Cal. 2014), *aff’d*, 622 F. App’x 915 (Fed. Cir. 2015) (concluding that targeting advertisements to certain consumers is no more than an abstract idea).

Having concluded that claim 1 recites a judicial exception, i.e., an abstract idea (Step 2A, Prong One), we next consider whether the claim

recites additional elements that integrate the judicial exception into a practical application (Step 2A, Prong Two).

The only additional elements recited in claim 1 beyond the abstract idea is a “device” in communication over the Internet, which the Specification describes at a high level of generality. According to the Specification:

Client device 100 can be, for example, a personal desktop computer, a laptop, notebook, or netbook computer, a tablet computing device, a cellular telephone, a portable e-mail device, a Voice Over Internet Protocol (VoIP) telephone, a personal digital assistant (PDA), a geographic positioning satellite (GPS) navigation device, a portable digital audio player (DAP), or similar electronic device capable of displaying text and/or media content received via a network. Client device 100 can be configured to include an Internet application module 105, which can be configured to send and receive content via the World Wide Web. Internet application module 105 can be, for example, a web browser application, a smart phone application, or other software and/or hardware module capable of transmitting and receiving information over a computer network such as the Internet.

Spec. ¶ 1022. This generic computing device is implemented in its ordinary capacity to carry out the operations recited in claim 1, which encompass the abstract idea discussed *supra*, within an Internet-based technological environment. For example, “displaying” represents data output, and as such is considered insignificant extra-solution activity. *See Bilski v. Kappos*, 561 U.S. 593, 610–11 (2010) (“*Flook* stands for the proposition that the prohibition against patenting abstract ideas ‘cannot be circumvented by attempting to limit the use of the formula to a particular technological environment’ or adding ‘insignificant post-solution activity.’”) (Quoting

Diamond v. Diehr, 450 U.S. 175, 191–92 (1981)). See 2019 Revised Guidance, 84 Fed. Reg. at 55, n 31. In other words, these additional elements in the claim (i.e., Internet-based advertisement template, third-party webpage populated by a social network application) do “no more than generally link the use of a judicial exception to a particular technological environment or field of use.” See 2019 Revised Guidance, 84 Fed. Reg. at 55. Thus, the mere application of an abstract method of organizing human activity in a particular field is not sufficient to integrate the judicial exception into a practical application. See *id.*

Neither the Specification nor Appellant describes the operations recited in claim 1 as invoking any assertedly inventive programming, or requiring any specialized computer hardware or other inventive computer components, i.e., a particular machine, or that the claimed invention is implemented using other than generic computer components to perform generic computer functions. See *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245, 1256 (Fed. Cir. 2014) (“[A]fter *Alice*, there can remain no doubt: recitation of generic computer limitations does not make an otherwise ineligible claim patent-eligible.”).

We also find no indication in the Specification that the claimed invention effects a transformation or reduction of a particular article to a different state or thing. Nor do we find anything of record that attributes an improvement in computer functionality to the claimed invention or that otherwise indicates that the claimed invention integrates the abstract idea

into a “practical application,” as that phrase is used in the 2019 Revised Guidance.⁴

Appellant does not contest the Examiner’s characterization of the abstract idea, and instead, contends that “similar to *DDR Holdings*, Applicant’s claims are Internet-centric and solve the problem of personalized advertisements and are thus submitted as patent eligible as were some of the claims in *DDR Holdings*.” Br. 28 (The “claims provide for display of a personalized advertisement within a third-party webpage.”) (emphasis omitted).

We disagree with Appellant’s contention because in *DDR Holdings*, the Federal Circuit determined that although the patent claims at issue involved conventional computers and the Internet, the claims nevertheless addressed the problem of retaining website visitors who, if adhering to the routine, conventional functioning of the Internet hyperlink protocol, would be transported instantly away from a host’s website after “clicking” on an advertisement and activating a hyperlink. *DDR Holdings*, 773 F.3d at 1257. The court determined that those claims were directed to statutory subject matter because they claim a solution “necessarily rooted in computer technology in order to overcome a problem specifically arising in the realm of computer networks.” *Id.* No such technological advance is evident in the claimed invention.

⁴ The 2019 Revised Guidance references MPEP § 2106.05(a)–(c) and (e) in describing the considerations that are indicative that an additional element or combination of elements integrates the judicial exception, e.g., the abstract idea, into a practical application. 2019 Revised Guidance, 84 Fed. Reg. at 55. If the recited judicial exception is integrated into a practical application, as determined under one or more of these MPEP sections, the claim is not “directed to” the judicial exception.

Unlike *DDR Holdings*, Appellant does not identify any problem particular to computer networks and/or the Internet that claim 1 allegedly overcomes. In fact, the court in *DDR Holdings* cautioned “that not all claims purporting to address Internet-centric challenges are eligible for patent.” *DDR Holdings*, 773 F.3d at 1258. For example, the court distinguished the patent-eligible claims at issue from claims held patent-ineligible in *Ultramercial*. *See id.* at 1258–59 (citing *Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 715–16 (Fed. Cir. 2014)). As noted there, the *Ultramercial* claims were “‘directed to a specific method of advertising and content distribution that was previously unknown and never employed on the Internet before.’” *Id.* at 1258 (quoting *Ultramercial*, 772 F.3d at 714). Nevertheless, those claims were patent ineligible because they “merely recite[d] the abstract idea of ‘offering media content in exchange for viewing an advertisement,’ along with ‘routine additional steps such as updating an activity log, requiring a request from the consumer to view the ad, restrictions on public access, and use of the Internet.’” *Id.* (citation omitted). Here, contrary to Appellant’s argument, displaying a personalized advertisement within a third-party webpage is not a technical solution akin to *DDR Holdings* because it fails to overcome any problem specifically arising in the realm of computer networks.

Lastly, Appellant’s no risk of preemption argument (Br. 28) is unpersuasive of error because preemption is not the sole test for patent eligibility. Although the Supreme Court has described “the concern that drives [the exclusion of abstract ideas from patent-eligible subject matter] as one of pre-emption,” *Alice Corp.*, 573 U.S. at 216, characterizing preemption as a driving concern for patent eligibility is not the same as

characterizing preemption as the sole test for patent eligibility. “The 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 Corp.*, 573 U.S. at 216). “[P]reemption may signal patent ineligible subject matter, [but] the absence of complete preemption does not demonstrate patent eligibility.” *Id.*

We conclude, for the reasons outlined above, that claim 1 recites a method of organizing human activity under the 2019 Revised Guidance, i.e., an abstract idea, and that the additional elements recited in the claim are no more than generic components used as tools to perform the recited abstract idea. As such, they do not integrate the abstract idea into a practical application. *See Alice*, 573 U.S. at 223–24 (“[W]holly generic computer implementation is not generally the sort of ‘additional featur[e]’ that provides any ‘practical assurance that the process is more than a drafting effort designed to monopolize the [abstract idea] itself.’”) (Alterations in original) (quoting *Mayo*, 566 U.S. at 77). Accordingly, we agree with the Examiner that claim 1 is directed to an abstract idea.

Step Two of the Alice Framework (2019 Revised Guidance, Step 2B)

Having determined under step one of the *Alice* framework that claim 1 is directed to an abstract idea, we next consider under Step 2B of the 2019 Revised Guidance, the second step of the *Alice* framework, whether claim 1 includes additional elements or a combination of elements that provides an “inventive concept,” i.e., whether claim 1 adds specific limitations beyond

the judicial exception that are not “well-understood, routine, conventional” in the field. 2019 Revised Guidance, 84 Fed. Reg. at 56.

We agree with the Examiner that claim 1 fails to add an inventive concept sufficient to transform the nature of the claim into a patent-eligible application of the abstract idea. The Examiner found:

The claim(s) does not include additional elements that are sufficient to amount to significantly more than the judicial exception because the additional elements when considered both individually and as a combination do not amount to significantly more than the abstract idea. The claim recites the additional elements of a “sending an advertisement template to a device”, “sending to the device a first instruction configured to define a personalized advertisement”, “sending an Internet based advertisement”, “third-party webpage”. The claim steps do not recite a specialized algorithm that could move the claims from the abstract to the concrete, and a computer that simply executes an abstract concept does not render a particular machine or specialized computer. The use of templates associated with documents is nothing more than programming conventional software or hardware to apply rules and instructions for populating data in predefined fields—a routine, conventional practice. The introduction of a generic element, such as device or computer (processor) or storage medium (database), into a method, apparatus, or article claim, has been deemed insufficient by the Supreme Court to transform a patent-ineligible claim into one that is patent-eligible, and it fails to do so here as well. *See Alice*, 134 S. Ct. at 2358; *see also Ultramercial*, 772 F.3d at 715–716 (holding that the additional steps of “updating an activity log, requiring a request from the consumer to view the ad, restrictions on public access, and the use of the Internet” were all “routine, conventional activity”). Here, claims 1–8 and 10 at most applies conventional computer technology to personalize advertisements. Accordingly, the recited claim limitations, both individually and as an ordered combination, fail to transform the nature of the claim into a patent-eligible application.

Non-Final Act. 4–5. Appellant does not dispute these findings.

Appellant does not contend that there is a genuine issue of material fact regarding whether the operation of the computing device is well-understood, routine, or conventional. There is nothing in the Specification to indicate that the operations recited in claim 1 require any specialized hardware or inventive computer components or that the claimed invention is implemented using other than generic computer components to perform generic computer functions, e.g., sending and displaying information. Indeed, the Federal Circuit, in accordance with *Alice*, has “repeatedly recognized the absence of a genuine dispute as to eligibility” where claims have been defended as involving an inventive concept based “merely on the idea of using existing computers or the Internet to carry out conventional processes, with no alteration of computer functionality.” *Berkheimer v. HP Inc.*, 890 F.3d 1369, 1373 (Fed. Cir. 2018) (Moore, J., concurring) (internal citations omitted); *see also BSG Tech LLC v. BuySeasons, Inc.*, 899 F.3d 1281, 1291 (Fed. Cir. 2018) (“BSG Tech does not argue that other, non-abstract features of the claimed inventions, alone or in combination, are not well-understood, routine and conventional database structures and activities. Accordingly, the district court did not err in determining that the asserted claims lack an inventive concept.”).

For the foregoing reasons, we are not persuaded, on the present record, that the Examiner erred in rejecting independent claim 1 under 35 U.S.C. § 101. We have considered Appellant’s arguments as to claims 2–8 and 10, but they also are unpersuasive for the same reasons outlined above. Therefore, we sustain the Examiner’s rejection of independent claim 1, and dependent claims 2–8 and 10.

Claims 11 and 13–18

Independent claim 11 recites:

A non-transitory computer-readable storage medium comprising code representing instructions to cause a processor to:

receive over an Internet, a request including information associated with a user;

send over the Internet, in response to the request, an Internet-based advertisement template selected based at least in part on characteristic information of the user; and

send over the Internet, a first instruction configured to define a personalized Internet-based advertisement, the personalized advertisement being defined based at least in part on the Internet-based advertisement template and information associated with a user friend; and

send over the Internet, a second instruction configured to trigger a display of the personalized Internet-based advertisement at a display device in a webpage.

Br. 69, Claims Appendix.

We initially note that a claim directed to a “computer readable storage medium,” despite its format, should be treated no differently from the comparable process claims held to be patent ineligible under § 101. As the Supreme Court has explained, the form of the claims should not trump basic issues of patentability. *See Parker v. Flook*, 98 S. Ct. 2522, 2527 (1978) (advising against a rigid reading of § 101 that “would make the determination of patentable subject matter depend simply on the draftsman’s art and would ill serve the principles underlying the prohibition against patents for ‘ideas’ or phenomena of nature.”); *see also Internet Patents Corp. v. Active Network, Inc.*, 790 F.3d 1343, 1349 (Fed. Cir. 2015).

Independent claim 11, similar to independent claim 1, fails to satisfy the *Alice* framework. In claim 11, a computer readable storage medium

causes a request including information associated with a user to be received over the Internet, and in response sending an advertisement template selected based at least in part on characteristic information of the user, sending a first instruction configured to define a personalized Internet-based advertisement, and sending a second instruction configured to trigger display of the personalized advertisement at a display device in a webpage. *See* Br. 44. The additional limitation in claim 11 apart from claim 1 recites “receiv[ing] over the Internet, a request including information associated with a user.” This additional feature merely recites receiving information associated with a user, which fails to distinguish from the abstract idea of claim 1, and fails to describe anything beyond “well-understood, routine, conventional activity.” Nor does it add anything nearing an “inventive concept.” *See Alice Corp.*, 573 U.S. at 226.

For instance, the specific data structure of the information associated with a user or user’s friend fails to add meaningful limitations to the abstract idea. Instead, the user characteristic information or information associated with a user friend simply uses generic computer data structure to implement the idea of fetching and populating a template to define a personalized advertisement. This does not transform an abstract idea into patentable subject matter. Indeed, the Federal Circuit has recognized that limiting information to particular content does not change its character as information and is within the realm of abstract ideas. *Electric Power Group, LLC v. Alstom S.A.*, 830 F.3d 1350, 1353 (Fed. Cir. 2016) (citations omitted) (“Information as such is an intangible.”).

Appellant submits similar arguments against the rejection of claim 11 as presented above with respect to claim 1 (*see* Br. 31–32), but we are unpersuaded for the same reasons.

Accordingly, we sustain the rejection of independent claim 11 under 35 U.S.C. § 101, and dependent claims 13–18, which add nothing more than data gathering and display steps or merely reciting generic computer instructions performing conventional functions that courts have routinely found insignificant to transform abstract ideas to those into patent-eligible inventions.

Claims 19–23

Independent claim 19 recites:

A method, comprising:

- [(a)] sending, *over an Internet*, a first request, the first request including a user identifier associated with a user of a network;
- [(b)] receiving, *over the Internet*, in response to the first request, a plurality of friend identifiers;
- [(c)] calculating a plurality of relationship strength scores, each relationship strength score from the plurality of relationship strength scores being based at least in part on profile content associated with both a friend identifier from the plurality of friend identifiers and the user identifier;
- [(d)] selecting a friend identifier from the plurality of friend identifiers based at least in part on the plurality of relationship strength scores; and
- [(e)] defining an advertisement based at least in part on information associated with the friend identifier such that the information associated with the friend identifier is displayed within the advertisement *on a webpage*.

Br. 71, Claims Appendix (with added bracketed notations and emphasis).

Similar to claim 11, claim 19 is directed to personalizing and displaying an advertisement (steps (a), (b), and (e)), except that in claim 19 the advertisement is personalized based on relationship strength scores (steps (c) and (d)), which describe a mental process that could be performed by a human using pen and paper. In essence, claim 19 recites: (a) sending a first request; (b) in response to the first request receiving a plurality of friend identifiers; (c) “calculating a plurality of relationship strength scores”; (d) “selecting a friend identifier from the plurality of friend identifiers based at least in part on the plurality of relationship strength scores”; and (e) defining an advertisement based on information associated with the friend identifier displayed within the advertisement. *See* Br. 59. Under the broadest reasonable interpretation, steps (c) and (d) describe actions that can be practically performed in the human mind by calculating a strength score (i.e., with pen and paper), and selecting a friend identifier by observing a plurality of relationship strength scores, which is a mental process, and thus, an abstract idea. *See* Revised Guidance 84 Fed. Reg. at 52 (“Mental processes—concepts performed in the human mind (including an observation, evaluation, judgment, opinion.”).

Appellant argues that the invention cannot be performed mentally or by hand because the claim recites “displaying on a webpage.” Br. 34 (“[T]here is no known way of using paper and pencil to perform ‘the information associated with the friend identifier is displayed within the advertisement on a webpage.’”). Yet, a substantially similar argument was expressly rejected by the Court in *Alice*. *See Alice Corp.*, 573 U.S. at 223 (“[T]he mere recitation of a generic computer cannot transform a patent-ineligible abstract idea into a patent-eligible invention”). Although “a

method that can be performed by human thought alone is merely an abstract idea and is not patent-eligible under § 101,” *CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1373 (Fed. Cir. 2011), it does not logically follow that methods requiring physical components — i.e., methods that arguably cannot be performed entirely in the human mind — are, therefore, not directed to abstract ideas. The additional element Appellant relies on (italicized in claim 19 *supra*) “does no more than generally link the use of a judicial exception to a particular technological environment or field of use.” *See Revised Guidance 84 Fed. Reg. at 55.*

In fact, although claim 19 recites that steps (a) and (b) are performed “over the Internet” and the advertisement is “displayed . . . on a webpage” (step (e)), the claim is neither “tied to a particular machine or apparatus” nor transforms “a particular article into a different state or thing.” Non-Final Act. 8. The steps of claim 19 simply instruct the practitioner to implement the abstract idea with routine, conventional activity, such as by using a paper and pencil (step (c)). *See Ans. 5.* None of the recited steps viewed both individually and as an ordered combination, transform the nature of the claim into patent-eligible subject matter.

For these reasons, we sustain the Examiner’s rejection of claim 19 under 35 U.S.C. § 101, and claims 20–23 dependent thereon.

*Rejection under 35 U.S.C. § 102(e) as anticipated by Quan
Claims 1–6, 8, 10, and 11*

In contesting the anticipation rejection of independent claim 1, Appellant argues that Quan fails to disclose the claimed limitations because in Appellant’s

claim 1, in essence, a template is sent to a device with at least one predefined field (which gets filled in later). Then a first instruction is sent to the device where the device then defines the personalized content based on the template and data associated with the predefined field. Finally the template is formatted and configured to be displayed within a portion of a third-party social network webpage.

Br. 36. Appellant contends that in contrast to the process claimed,

Quan has the user fill out all the information to render and send the communication to a remote device that then just displays it. See Quan Figure 4 where the user fills out an image file 110 and enters a caption 112 which go into the template 90 on the sender's screen 100. Then the user enters an email address 114, and can play the ad 106, and then finally sends it 108 to the remote device to be displayed.

Id. at 36. According to Appellant: “Quan does not disclose the claimed limitations because there are missing elements (e.g. first instruction).” *Id.* at 37.

In response to Appellant's argument, the Examiner states:

The Examiner first wants to point out that the claims 1, and 1[1] do not exclude the template from being displayed and secondly, Quan teaches on Figure 3 and col. 6, lines 24-30 there's “other embodiments, the templates can also be **created by a third party service provider such as Yahoo.TM.**” .. “a template 90 includes provision for displaying a personalized or custom message and provision for displaying or playing a media file. The media file may include one of a picture file, a video file, an audio-video file” as can be seen by Quan above and contrary to Appellant's arguments above, a first instruction is sent to the device/sender/advertiser where the device of the advertiser/sender then defines the personalized content based on the template data 90 to create the personalized targeted advertisements by providing necessary information as per the requirements of the selected template 90 on col. 6. Lines 34-40.

Ans. 5–6. We are persuaded of Examiner error.

First, the Examiner does not adequately explain where the process steps recited in claims 1 and 11 are disclosed in Quan. For example, step (b) in claim 1 is performed in response to step (a) because “the personalized Internet-based advertisement being defined” in step (b) is based on the advertisement template sent in step (a). Figure 3 of Quan, on which the Examiner relies, “illustrates exemplary personalized targeted advertisement templates 90.” Quan 6:22–23. Figure 3 shows three options to pick a template: “[c]aption,” “[c]elebrate” or “[t]his just in.” *See* Quan, Fig. 3. According to Quan, “[t]he templates 90 are used by the senders to create personalized targeted advertisements by providing necessary information as per the requirements of the selected template 90.” Quan 6:34–36. Quan simply provides a webpage for a sender to select a template based on a theme (e.g., celebrate), personalize it (e.g., email, upload image, caption), preview the advertisement, and send it. *See* Quan Fig. 4.

Quan, however, cannot anticipate the claims because the steps in claims 1 and 11 are recited as being performed in relation to and in sequence to each other. The Examiner has not shown that Quan either expressly or inherently discloses the process in the order recited in claims 1 and 11.

Moreover, in response to Appellant’s argument that Quan does not disclose “the personalized Internet-based advertisement is configured to be displayed within a portion of a third-party webpage populated by a social network application defined by a third party” as recited in claim 1, the Examiner improperly relies upon a different embodiment of Quan as disclosing step (c). *See* Ans. 6 (“Quan teaches on Figure 3 and col. 6, lines

24-30 there's "other embodiments, the templates can also be **created by a third party service provider such as Yahoo.**").

It is well-settled that

[s]uch picking and choosing may be entirely proper in the making of a 103, obviousness rejection, where the applicant must be afforded an opportunity to rebut with objective evidence any inference of obviousness which may arise from the *similarity* of the subject matter which he claims to the prior art, but it has no place in the making of a 102, anticipation rejection.

Application of Arkley, 455 F.2d. 586, 587–88 (CCPA 1972); *see also Net MoneyIN, Inc. v. VeriSign, Inc.*, 545 F.3d 1359, 1371 (Fed. Cir. 2008) ("Thus, it is not enough that the prior art reference . . . includes multiple, distinct teachings that the artisan might somehow combine to achieve the claimed invention.") (Citation to *Arkley* omitted). As such, Examiner fails to demonstrate that Quan discloses, in a *single* embodiment, each and every element of claims 1 and 11, as set forth in the claims. *See Verdegaal Bros., Inc. v. Union Oil Co. of Cal.*, 814 F.2d 631 (Fed. Cir. 1987). The Examiner's erroneous reliance on two separate and distinct embodiments in combination cannot establish anticipation because that would require an artisan to combine those embodiments to achieve the claimed invention. Because Examiner has failed to establish that Quan discloses each and every element of the claims in a single embodiment, we do not sustain the rejection of independent claims 1 and 11 as anticipated by Quan, including claims 2–6, 8 and 10 dependent thereon.

*Rejection under 35 U.S.C. § 102(a) as anticipated by Rohan
Claims 19–23*

Appellant argues Rohan fails to anticipate independent claim 19 because the links in Rohan, on which the Examiner relies, are not equivalent to “calculating a plurality of relationship strength scores because a link simply means that the members share a common interest.” Br. 61 (“Rohan’s weighted links are precomputed and not done at the request of user as is done in Applicant’s claims.”). *Id.*

We are persuaded by Appellant’s argument because claim 19 requires calculating a strength score “for each network friend associated with the user, a score that indicates the strength of that network friend’s relationship with the user.” Spec. ¶ 1057; *see also* Claim 19 *supra*. Rohan discloses:

Identifying one or more communities can include grouping members based on the links established between the members of the network. The link can connect a first member with one or more members of the network. Each link can have a weight. The method can further include identifying one or more common interests of the plurality of members of a community based on the content of the profiles of the plurality of members. The method can further include ranking the plurality of members belonging to each of the one or more communities based on the links between the members of the community.

Rohan ¶ 7. For example, Rohan discloses that an influencer can be a member with the highest rank, such that an advertisement is placed solely on the profile of the influencer. *Id.* Although Rohan discloses that “a link between two members where one member has designated another member as a friend is associated more weight than a link where one member occasionally visits another member’s web page” (Rohan ¶ 29), Rohan fails to disclose *calculating* a plurality of relationship strength scores, wherein

each strength score is based on profile content associated with both a friend identifier (from the plurality of friend identifiers received) and the user identifier, as required by claim 19.

Accordingly, we do not sustain the rejection of independent claim 19 as anticipated by Rohan, including claims 20–23 dependent thereon.

*Rejection under 35 U.S.C. § 103(a) as obvious over Quan and Gang
Claims 7 and 13–18*

In rejecting dependent claims 7 and 13–18 as obvious over Quan and Gang, the Examiner relies on the same flawed finding discussed above with respect to independent claims 1 and 11. The Examiner’s reliance on Gang does not remedy this flaw. As such, we do not sustain the rejection of claims 7 and 13–18, which depend from claims 1 and 11, for the foregoing reasons.

CONCLUSION

The rejection of claims 1–8, 10, 11, and 13–23 under 35 U.S.C. § 101 is AFFIRMED.

The rejections of claims 1–8, 10, 11, and 13–23 under 35 U.S.C. §§ 102 and 103 are REVERSED.

DECISION SUMMARY

Claims Rejected	35 U.S.C. §	Reference(s)/ Basis	Affirmed	Reversed
1-8, 10, 11, 13-23	101	Eligibility	1-8, 10, 11, 13-23	
1-6, 8, 10, 11	102(e)	Quan		1-6, 8, 10, 11
19-23	102(a)	Rohan		19-23
7, 13-18	103(a)	Quan, Gang		7, 13-18
Overall Outcome:			1-8, 10, 11, 13-23	

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). See 37 C.F.R. § 1.136(a)(1)(iv).

AFFIRMED