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KILPATRICK TOWNSEND & STOCKTON LLP
Mailstop: IP Docketing - 22
1100 Peachtree Street
Suite 2800
Atlanta, GA 30309

EXAMINER
SCHEUNEMANN, RICHARD N

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UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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Ex parte SILVIO TAVARES, MARK D. BAUMGART, and
JAVIER M. ALVARADO

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Appeal 2018-002399
Application 13/490,226[1]
Technology Center 3600

———————

Before ANTON W. FETTING, NINA L. MEDLOCK, and
BRUCE T. WIEDER, *Administrative Patent Judges.*

WIEDER, *Administrative Patent Judge.*

DECISION ON APPEAL

This is a decision on appeal under 35 U.S.C. § 134 from the
Examiner's final rejection of claims 14 and 31–42. We have jurisdiction
under 35 U.S.C. § 6(b).

We AFFIRM.

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[1] According to Appellants, the real party in interest is First Data
Corporation. (Appeal Br. 3.)

CLAIMED SUBJECT MATTER

Appellants' invention relates to "a network/system and method for storing and accessing electronic receipts, and for enrolling a card and/or cardholder for receiving such receipts." (Spec. ¶ 3.)

Claim 14 is the sole independent claim on appeal. It recites:

14.   A method for managing electronic receipts for transactions conducted by customer entities at merchants using presentation instruments, the method comprising:

enrolling, by one or more processors, customer entities in a customer program for receiving electronic receipts in lieu of paper receipts for transactions conducted at merchants by customer entities using the presentation instruments, wherein the presentation instruments are issued by a plurality of different issuers, wherein enrollment is managed by a third party entity that processes transactions between merchants and customer entities using the presentation instruments, wherein the third party is not a merchant and not an issuer of the presentation instruments, wherein enrollment includes storing, in a preference database managed by the third party entity, preference data from each of the enrolled customer entities, and wherein the preference data for each enrolled customer entity represents at least one customer preference regarding the transmission of a transaction notification at the time of a transaction in lieu of a paper receipt, and wherein the preference data for at least one or more of the enrolled customer entities further represents a preference for printing of a receipt when a transaction is above a specified amount;

receiving, at a transaction processing system from a plurality of point-of-sale (POS) devices, transaction data for a plurality of transactions, wherein the plurality of transactions are conducted at a plurality of different merchants by a plurality of different customer entities using a plurality of presentation instruments issued by the plurality of different issuers, wherein the transaction processing system is operated by the third party;

generating, by one or more of the processors, electronic receipts for the plurality of transactions from the transaction data

received at the transaction processing system, wherein each of the electronic receipts provides evidence of a transaction between a merchant and a customer entity, and wherein each of the electronic receipts comprises data reflecting at least the identity of a merchant, the presentation instrument used in making a transaction, the date of a transaction, and the amount of a transaction;

storing, by one or more of the processors, the electronic receipts at a receipt database;

providing, by one or more of the processors, access to the stored electronic receipts to both customer entities and the merchants, wherein the electronic receipts include promotional information when accessed by a customer entity and wherein the promotional information may be selectively removed from the electronic receipts when accessed by a merchant;

in response to receiving the transaction data at the transaction processing system from one of the POS devices for one of the transactions, determining at the transaction processing system for that transaction (1) whether there is a customer preference regarding the transmission of a transaction notification at the time of a transaction in lieu of a paper receipt, and (2) whether there is a customer preference for printing of a receipt when a transaction is above a specified amount;

transmitting, by one or more of the processors, a transaction response message from the transaction processing system to the one of the POS devices, the transaction response message having a data field for including (1) an "approved -- do not print receipt" data code when there is a customer preference for an electronic notification to be transmitted at the time of a transaction in lieu of a paper receipt, and when the amount of the transaction is not above the specified amount, and (2) an "approved – print receipt" data code when there is a customer preference for an electronic notification to be transmitted at the time of a transaction in lieu of a paper receipt, and when the amount of the transaction is above the specified amount; and

in response to the "approved -- do not print receipt" data code, suppressing, at the one of the POS devices, the printing of a paper receipt.

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REJECTION

Claims 14 and 31–42 are rejected under 35 U.S.C. § 101 as directed to a judicial exception without significantly more.

ANALYSIS

Appellants do not separately argue the dependent claims. Therefore, the dependent claims will stand or fall with independent claim 14. *See* 37 C.F.R. § 41.37(c)(1)(iv).

"Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title." 35 U.S.C. § 101. Section 101, however, "'contains an important implicit exception: Laws of nature, natural phenomena, and abstract ideas are not patentable.'" *Alice Corp. Pty. Ltd. v. CLS Bank Int'l*, 573 U.S. 208, 216 (2014) (quoting *Assoc. for Molecular Pathology v. Myriad Genetics, Inc.*, 569 U.S. 576, 589 (2013)).

Alice applies a two-step framework, earlier set out 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*, 573 U.S. at 217.

Under the two-step framework, it must first be determined if "the claims at issue are directed to a patent-ineligible concept." *Id.* at 218. If the claims are determined to be directed to a patent-ineligible concept, e.g., an abstract idea, then the second step of the framework is applied to determine if "the elements of the claim . . . contain[] an 'inventive concept' sufficient

to 'transform' the claimed abstract idea into a patent-eligible application."
Id. at 221 (citing *Mayo*, 566 U.S. at 72–73, 79).

With regard to step one of the *Alice* framework, we apply a "directed to" two prong test to: 1) evaluate whether the claim recites a judicial exception, and 2) if the claim recites a judicial exception, evaluate whether the claim "appl[ies], rel[ies] on, or use[s] 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." *See* USPTO, *2019 Revised Patent Subject Matter Eligibility Guidance*, 84 Fed. Reg. 50, 54 (Jan. 7, 2019) (hereinafter "2019 Guidance").

Here, the Examiner determines that claim 14 is directed to certain methods of organizing human activity, in this case, "the claim is directed to managing electronic receipts for transactions . . . , an abstract idea." (Final Action 5.) The Examiner also determines that "the claims recite steps for managing information related to electronic receipts," and that "[t]he limitations are all steps for data gathering, data manipulation, and data reporting related to the abstract idea of managing electronic receipts for transactions." (*Id.* at 5–6.) Additionally, the Examiner notes that "courts have found methods of collecting information, analyzing it, and displaying certain results of the collection and analysis to be ineligible." (Answer 4 (citing *Elec. Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350 (Fed. Cir. 2016)).)

Appellants disagree and argue that the Examiner "has ignored virtually all the recited subject matter of independent claim 14 and has not considered the specific requirements of the claim nor the requirements of the individual steps." (Appeal Br. 7.) Specifically, Appellants argue that "the

focus of the claimed invention . . . is the operation of various computerized systems (a preference database, a transaction processing system, a plurality of POS [(point-of-sale)] devices and a receipt database)." (*Id.* at 10.) Appellants further argue "that the claims in the present application (such as representative claim 14) are clearly different in content than the claims in *Electric Power Group.*" (Reply Br. 5.)

Under step one of the *Alice* framework, we "look at the 'focus of the claimed advance over the prior art' to determine if the claim's 'character as a whole' is directed to excluded subject matter." *Affinity Labs of Texas, LLC v. DIRECTV, LLC*, 838 F.3d 1253, 1257 (Fed. Cir. 2016) (quoting *Elec. Power Grp.*, 830 F.3d at 1353).

> The "directed to" inquiry . . . cannot simply ask whether the claims *involve* a patent-ineligible concept, because essentially every routinely patent-eligible claim involving physical products and actions *involves* a law of nature and/or natural phenomenon . . . . Rather, 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." *Internet Patents Corp. v. Active Network, Inc.*, 790 F.3d 1343, 1346 (Fed. Cir. 2015).

Enfish, LLC v. Microsoft Corp., 822 F.3d 1327, 1335 (Fed. Cir. 2016). In other words, the first step of the *Alice* framework "asks whether the focus of the claims is on the specific asserted improvement in [the relevant technology] or, instead, on a process that qualifies as an 'abstract idea' for which computers are invoked merely as a tool." *Id.* at 1335–36; *see also* 2019 Guidance at 54–55.

The Specification provides evidence as to what the claimed invention is directed. In this case, the Specification discloses that the invention relates to "a network/system and method for storing and accessing electronic

receipts, and for enrolling a card and/or cardholder for receiving such receipts." (Spec. ¶ 3.) Claim 14 provides further evidence. Claim 14 recites "[a] method for managing electronic receipts . . . comprising: enrolling . . . customer entities in a customer program for receiving electronic receipts in lieu of paper receipts," "enrollment includes storing . . . preference data from each of the enrolled customer entities . . . regarding the transmission of a transaction notification at the time of a transaction in lieu of a paper receipt," "receiving . . . transaction data for a plurality of transactions," "generating . . . electronic receipts for the plurality of transactions from the transaction data received," "storing . . . the electronic receipts," "providing . . . access to the stored electronic receipts," "in response to receiving the transaction data . . . determining . . . (1) whether there is a customer preference regarding the transmission of a transaction notification . . . , and (2) whether there is a customer preference for printing of a receipt," "transmitting . . . a transaction response message," "and in response to the 'approved – do not print' data code, suppressing . . . the printing of a paper receipt."

In other words, claim 14 is directed to the abstract idea of certain methods of organizing human activity, i.e., commercial interactions, and in particular, marketing or sales activities or behaviors; in short, determining whether to suppress the printing of a paper receipt to a customer based on applying certain rules. This is accomplished by obtaining data, analyzing/generating data, storing data, providing access to the data, receiving additional data, analyzing the additional data, and transmitting responsive data. *See, e.g., Content Extraction and Transmission LLC v. Wells Fargo Bank, Nat'l Ass'n*, 776 F.3d 1343, 1347 (Fed. Cir. 2014) ("[T]he claims of the asserted patents are drawn to the abstract idea of

1) collecting data, 2) recognizing certain data within the collected data set, and 3) storing that recognized data in a memory."); *see also* 2019 Guidance at 52. This may be performed using generic processors in a generic computer system. (*See, e.g.*, Spec. ¶¶ 68, 69, 73.)

Although we and the Examiner describe, at different levels of abstraction, to what the claims are directed, it is recognized 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." *See id.* at 1241.

We do not see how the recitation of generic processors, generic POS devices, and generic databases, even in conjunction with the recited functions, "ensure[s] 'that the [claim] is more than a drafting effort designed to monopolize the [abstract idea]." *Alice*, 573 U.S. at 221 (brackets in original) (quoting *Mayo*, 566 U.S. at 77.) Moreover, the limitations of claim 14 do not recite implementation details. And "the recited physical components merely provide a generic environment in which to carry out the abstract idea." *In re TLI Commc'ns LLC Patent Litig.*, 823 F.3d 607, 611 (Fed. Cir. 2016).

"[W]e have treated collecting information, including when limited to particular content (which does not change its character as information), as within the realm of abstract ideas." *Elec. Power Grp.*, 830 F.3d at 1353. "In a similar vein, we have treated analyzing information by steps people go through in their minds, or by mathematical algorithms, without more, as essentially mental processes within the abstract-idea category." *Id.* at 1354. Additionally, the Federal Circuit has "recognized that merely presenting the

results of abstract processes of collecting and analyzing information, without more (such as identifying a particular tool for presentation), is abstract as an ancillary part of such collection and analysis." *Id.*; *see also* Answer 4. Similarly, the Federal Circuit has determined that generating tasks to be performed based on rules, as is the case here, is an abstract idea. *See Accenture Glob. Servs., GmbH v. Guidewire Software, Inc.*, 728 F.3d 1336, 1334 (Fed. Cir. 2013).

In view of the above, we agree with the Examiner that claim 14 is directed to an abstract idea.

Step two of the *Alice* framework has been described "as 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.'" *Alice*, 573 U.S. at 217– 18 (citing *Mayo*, 566 U.S. at 72–73).

Appellants argue that their invention "provides better computer-implemented functionality that eliminates the need for multiple entities to collect receipt preferences, and also takes advantage of relationships between card processors and merchants to manage the issuance and suppression of printed receipts." (Appeal Br. 8.) We do not find this argument persuasive.

Appellants' argument relies on the ineligible concept itself to establish that the claims recite an inventive concept. But "[i]t has been clear since *Alice* that a claimed invention's use of the ineligible concept to which it is directed cannot supply the inventive concept that renders the invention 'significantly more' than that ineligible concept." *BSG Tech LLC v. BuySeasons, Inc.*, 899 F.3d 1281, 1290 (Fed. Cir. 2018).

Taking the claim elements separately, the functions performed by the generic processors, POS devices, and databases are purely conventional. Receiving data, analyzing/generating data, storing data, providing access to the data, receiving additional data, analyzing the additional data, and transmitting data are basic computer functions, i.e., they are well-understood, routine, and conventional functions previously known to the industry. *See Elec. Power Grp.*, 830 F.3d at 1356 (The claims "do not include any requirement for performing the claimed functions of gathering, analyzing, and displaying in real time by use of anything but entirely conventional, generic technology. The claims therefore do not state an arguably inventive concept . . . ."); *see also In re Katz Interactive Call Processing Patent Litig.*, 639 F.3d 1303, 1316 (Fed. Cir. 2011) ("Absent a possible narrower construction of the terms 'processing,' 'receiving,' and 'storing,' . . . those functions can be achieved by any general purpose computer without special programming.").

Considered as an ordered combination, the generic components of Appellants' method add nothing that is not already present when the limitations are considered separately. For example, claim 14 does not, as discussed above, purport to improve the functioning of the processors or other components. Nor does it effect an improvement in any other technology or technical field. Instead, claim 14 amounts to nothing significantly more than an instruction to apply the abstract idea using generic computer components performing routine computer functions. That is not enough to transform an abstract idea into a patent-eligible invention. *See Alice*, 573 U.S. at 225–26.

In view of the above, we are not persuaded that the Examiner erred in rejecting claim 14. Dependent claims 31–42 fall with claim 14. *See* 37 C.F.R. § 41.37(c)(1)(iv).

DECISION

The Examiner's rejection of claims 14 and 31–42 under 35 U.S.C. § 101 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). *See* 37 C.F.R. § 1.136(a)(1)(iv).

AFFIRMED