



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.
12/569,637	09/29/2009	Robert Giannini	2625-17.747BS	8628
86636	7590	12/16/2019	EXAMINER	
BRUNDIDGE & STANGER, P.C. 1925 BALLENGER AVENUE, STE. 560 ALEXANDRIA, VA 22314			ANDERSON, MICHAEL W.	
			ART UNIT	PAPER NUMBER
			3694	
			MAIL DATE	DELIVERY MODE
			12/16/2019	PAPER

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.

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte ROBERT GIANNINI and ROBERT J. CRAWFORD

Appeal 2018-002598
Application 12/569,637
Technology Center 3600

Before HUBERT C. LORIN, PHILIP J. HOFFMANN, and
AMEE A. SHAH, *Administrative Patent Judges*.

LORIN, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Pursuant to 35 U.S.C. § 134(a), Appellant¹ appeals from the Examiner's decision to reject claims 1–6, 9–16, 19, and 20. We have jurisdiction under 35 U.S.C. § 6(b).

We REVERSE and enter a NEW GROUND of rejection.

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 Tamiras Per Pte. Ltd., LLC. Appeal Br. 3.

CLAIMED SUBJECT MATTER

The claimed subject matter “relates generally to e-commerce and, more specifically, to use of linked web servers sites for on-line shopping” (Spec. 1:14–15). Claim 11, reproduced below, is illustrative of the claimed subject matter:

11. A method executable by a computer-based circuit in a host application server, comprising:

executing, by at least one computer processor, programming instructions to provide an image merging feature that

accesses one or more seller websites to obtain images of articles offered for sale,

provides a buyer interface that allows selection of the obtained images, accesses image data of a foundational structure,

merges data of the selected images with the image data of the foundational structure by image processing to generate merged image data, and

provides the merged image data for viewing by the buyer;

providing a revenue generating feature that:

generates a subscription fee collectable from the buyer to subscribe to the host application server and participate in sales via the one or more seller websites in accordance with an agreement,

generates a participation fee collectable from a seller associated with one of the seller websites to participate in sales via the associated seller website, and

charges the buyer and the seller for the generated subscription and participation fees, respectively; and

linking the buyer and seller in the sales in accordance with payment of the generated subscription and participation fees, respectively.

REJECTION

Claims 1–6, 9–16, 19, and 20 are rejected under 35 U.S.C. § 101 as being directed to judicially-expected subject matter.

OPINION

Claims 1–6, 9–16, 19, and 20 are indefinite for the reasons discussed below. Accordingly, the rejection of claims 1–6, 9–16, 19, and 20 under 35 U.S.C. § 101 for claiming patent-ineligible subject matter must fall, *pro forma*, because it necessarily is based on speculative assumptions as to the meaning of the claims. *See In re Steele*, 305 F.2d 859, 862–63 (CCPA 1962).

We make the following observations to explain why we are raising a question regarding definiteness. We otherwise have no comment on the merits of the Examiner’s position on the patent-eligibility of the claimed subject matter.

We cannot meaningfully review this rejection because, based on the present record, we have been unable to give the claimed combination of the image merging feature and the revenue gathering feature (recited in all of the claims) a broadest reasonable construction in light of the Specification as it would be interpreted by one of ordinary skill in the art.

Introduction

35 U.S.C. § 101 provides that “[w]hoever 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.”

We will focus on method claim 11, reproduced above. The other independent claim — apparatus claim 1 — parallels claim 11. Thus, our position as to claim 11 applies equally to claim 1.

Claim 11 covers a “process” and is thus, statutory subject matter for which a patent might be obtained.² (Claim 1 to a “host application server” is nominally directed to an “apparatus,” and thus, also covers statutory subject matter.) This is not in dispute.

However, the § 101 provision “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 *Ass’n for Molecular Pathology v. Myriad Genetics, Inc.*, 569 U.S. 576, 589 (2013)).

In that regard, notwithstanding claim 11 covers statutory subject matter, the Examiner has raised a question of patent-eligibility on the ground that claim 11 is directed to an abstract idea.

Alice identifies a two-step framework for determining whether claimed subject matter is directed to an abstract idea. *Id.* at 217.

Alice step one – the “directed to” inquiry

According to *Alice* step one, “[w]e must first determine whether the claims at issue are *directed to* a patent-ineligible concept.” *Id.* at 218 (emphasis added).

The Examiner determined that claim 11 is

directed to a series of steps instructing how to generate a subscription fee for website access of merged images (including: ... executing ... programming instructions .. , ... accessing websites ... , ... providing a buyer interface that allows selection

² This corresponds to Step 1 of the 2019 Revised 101 Guidance, which requires determining whether “the claim is to a statutory category.” *Id.* at 53. *See also* sentence bridging pages 53 and 54 (“consider[] whether the claimed subject matter falls within the four statutory categories of patentable subject matter identified by 35 U.S.C. 101 . . .”).

of the obtained images ... , ... accessing images ... , ... merging data of the selected images ... , ... providing the merged image data ... , ... generating a subscription fee collectable from the buyer ... , ... generating a participation fee ... , charging the buyer and seller ... , ... linking the buyer and seller ... , ... providing advertising for the seller ... , ... retrieving ... websites ... , ... storing ... articles on a virtual closet..., and ... charging the buyer ...), which is a fundamental economic practice, as well as a method of organizing human activities, and thus an abstract idea. Additionally, the courts have recognized similar claims to be abstract ideas from the Federal Register / Vol. 79, No. 241 / Tuesday, December 16, 2014 / [“]Rules and Regulations” such as collecting information, analyzing it, and displaying certain results of the collection and analysis (Electric Power Group), creating a contractual relationship (buySAFE), collecting and comparing known information (Classen), and processing information through a clearinghouse (Dealertrack).

Final Act. 7–8 (emphases omitted).

Appellant argues, *inter alia*, that “the rejection does not explain why [c]laim [11] is ‘directed to’ ‘how to generate a subscription fee for website access of merged images.’ Appeal Br. 10 (emphasis omitted). *See also id.* at 10–11, which states “Indeed, Appellant respectfully submits that the identification of the alleged abstract idea finds no concrete basis in the claims themselves. Indeed, although the claim may include features of generating a subscription fee, there is no basis for holding that the claims *preempt the field of all ways to generate a subscription fee for website access of merged images.*”

As we understand it, there is no dispute that claim 11 is directed to generating a subscription fee for website access of merged images. The dispute is over whether that is an abstract idea; the Examiner deeming it to be “a fundamental economic practice, as well as a method of organizing

human activities” (Final Act. 7) and Appellant characterizing it as an “advancement[] in the art” (Appeal Br. 11).

*Claim Construction*³

We consider the claim as a whole,⁴ giving it the broadest reasonable construction⁵ as one of ordinary skill in the art would have interpreted it in light of the specification⁶ at the time of filing.

Claim 11 calls for programming instructions, which provide two “features.” They are:

³ “[T]he important inquiry for a § 101 analysis is to look to the claim.” *Accenture Glob. Servs., GmbH v. Guidewire Software, Inc.*, 728 F.3d 1336, 1345 (Fed. Cir. 2013). “*In Bancorp Servs., L.L.C. v. Sun Life Assurance Co. of Can.*, 687 F.3d 1266, 1273 (Fed. Cir. 2012), the court observed that ‘claim construction is not an inviolable prerequisite to a validity determination under § 101.’ However, the threshold of § 101 must be crossed; an event often dependent on the scope and meaning of the claims.” *Internet Patents Corp. v. Active Network, Inc.*, 790 F.3d 1343, 1347–48 (Fed. Cir. 2015).

⁴ “In determining the eligibility of respondents’ claimed process for patent protection under § 101, their claims must be considered as a whole.” *Diamond v. Diehr*, 450 U.S. 175, 188 (1981).

⁵ 2019 Revised 101 Guidance, page 52, footnote 14 (If a claim, under its *broadest reasonable interpretation*. . .”) (emphasis added).

⁶ “First, it is always important to look at the actual language of the claims. . . . Second, in considering the roles played by individual limitations, it is important to read the claims ‘in light of the specification.’” *Smart Sys. Innovations, LLC v. Chicago Transit Auth.*, 873 F.3d 1364, 1378 (Fed. Cir. 2017) (*J. Linn, dissenting in part and concurring in part*), citing *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1335 (Fed. Cir. 2016), among others.

an image merging feature that
 accesses one or more seller websites to obtain images of
articles offered for sale,
 provides a buyer interface that allows selection of the
obtained images,
 accesses image data of a foundational structure,
 merges data of the selected images with the image data of
the foundational structure by image processing to generate
merged image data, and
 provides the merged image data for viewing by the buyer;
and
a revenue generating feature that:
 generates a subscription fee collectable from the buyer to
subscribe to the host application server and participate in sales
via the one or more seller websites in accordance with an
agreement,
 generates a participation fee collectable from a seller
associated with one of the seller websites to participate in sales
via the associated seller website, and
 charges the buyer and the seller for the generated
subscription and participation fees, respectively.

Claim 11 also includes a step of “linking the buyer and seller in the sales in accordance with payment of the generated subscription and participation fees, respectively.”

In our view, claim 11 can be construed as being directed to programming instructions that provide two features — i.e., an image merging and a revenue generating feature — unconnected to each other; that is, merging images and generating revenue for any reason. Claim 11 is not limited to generating a subscription fee *for website access of merged images*. That is to say, the construction advanced by the Examiner and Appellant is not necessarily the one that is the broadest reasonable construction of claim 11. The Appellant argues that the merging feature is the primary focus (Appeal Br. 11), which is in accord with this construction.

The Specification describes an embodiment where the two features appear to be linked to each other. *See* Figure 1 and the associated disclosure at page 5, lines 9–20 of the Specification. We do not see there an express disclosure of generating a subscription fee *for website access of merged images*. However, Figure 1 does show merged images and a revenue generator linked to each other. Read in light of the Specification, it is possible that one of ordinary skill in the art would have understood claim 11 to be directed to an integrated system whereby a subscription fee for website access of merged images is generated, consistent with the construction by the Examiner whereby the subscription system is the focus.

In our view, the record is unclear as which construction applies to the claim as whole – is it providing two separate and distinct image merging and revenue generating features that are unconnected to each other, or generating a subscription fee for website access of merged images?

*The Abstract Idea*⁷

Based on our inability to ascertain the relationship between the image merging and revenue generating features and as a consequence of our inability to give the claims a broadest reasonable construction (see above), we cannot proceed to identify those limitations that recite an abstract idea.⁸

⁷ This corresponds to Step 2A of the 2019 Revised 101 Guidance. Step 2A determines “whether a claim is ‘directed to’ a judicial exception,” such as an abstract idea. Step 2A is two prong inquiry.

⁸ *See* Prong One (a) of Step 2A of the 2019 Revised 101 Guidance. “To determine whether a claim recites an abstract idea in Prong One, examiners are now to: (a) Identify the specific limitation(s) in the claim under examination (individually or in combination) that the examiner believes recites an abstract idea” *Id.* at 54.

Knowing what the relationship between the image merging and revenue generating features is would go a long way in determining the focus of the claims and whether the claimed subject matter is directed to an abstract idea; that is to say, whether the claimed subject matter falls within the enumerated groupings of abstract ideas; that is “Mathematical concepts,” “Certain methods of organizing human activity,” and “Mental processes.”⁹

As the Appellant (Appeal Br. 10–12 and Reply Br. 1–6) suggests, in citing *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327 (Fed. Cir. 2016) and *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245 (Fed. Cir. 2014), among others, it is true that specific technological advancements, when claimed, can render claimed subject matter not directed to an abstract idea.¹⁰

⁹ See Prong One [“Evaluate Whether the Claim Recites a Judicial Exception”] (b) of Step 2A of the 2019 Revised 101 Guidance. “To determine whether a claim recites an abstract idea in Prong One, examiners are now to: . . . (b) determine whether the identified limitation(s) falls within the subject matter groupings of abstract ideas enumerated in Section 1 of the [2019 Revised 101 Guidance].” *Id.* at 54.

¹⁰ See Prong Two (“If the Claim Recites a Judicial Exception, Evaluate Whether the Judicial Exception Is Integrated Into a Practical Application”) of Step 2A of the 2019 Revised 101 Guidance. “A claim that integrates a judicial exception into a practical application will 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.” 2019 Revised 101 Guidance 54. One consideration, implicated here, that is “indicative that an additional element (or combination of elements) may have integrated the exception into a practical application” (*id.* at 55) is if “[a]n additional element reflects an improvement in the functioning of a computer, or an improvement to other technology or technical field” (*id.*)

Cf. McRO, Inc. v. Bandai Namco Games America Inc., 837 F.3d 1299, 1316 (Fed. Cir. 2016) (“When looked at as a whole, claim 1 is directed to a patentable, technological improvement over the existing, manual 3–D animation techniques.”). In that regard, we can consider such technological advancements in the step one analysis of the *Alice* framework. This is consistent with the case law. *See Ancora Techns., Inc. v. HTC America, Inc.*, 908 F.3d 1343, 1347 (Fed. Cir. 2018) (“We have several times held claims to pass muster under *Alice* step one when sufficiently focused on such improvements.”)

Nonetheless, as we have explained, the construction to be given the claims is unsettled. The record insufficiently supports the construction advanced by the Examiner as being the only proper construction. This prevents us from accurately articulating what the claims are directed to and then reaching a determination as to whether what the claims are directed to is a patent-ineligible concept under step one of the *Alice* framework. We do not reach step two of the *Alice* framework.

For the foregoing reasons, we are not placed in a position to do a meaningful review of this rejection.

NEW GROUND OF REJECTION

Claims 1–6, 9–16, 19, and 20 are rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter, which Appellant regards as the invention.

For the reasons discussed, the claims and the Specification fail to inform those skilled in the art about the scope of the relationship between the image merging feature and the revenue generating feature with any reasonable certainty. “[U]nder the broadest reasonable interpretation when

read in light of the Specification, [the relationship between the image merging feature and the revenue generating feature] is vague and unclear, and a person having ordinary skill in the art would not be able to discern the metes and bounds of the claimed invention in light of this claim language.” *Ex parte McAward*, 2015–006416 (PTAB Aug. 25, 2017) (precedential). Accordingly, claims 1–6, 9–16, 19, and 20 are rejected under 35 U.S.C. § 112, second paragraph, as indefinite for failing to particularly point out and distinctly claim Appellant’s invention.

CONCLUSION

The decision of the Examiner to reject claims 1–6, 9–16, 19, and 20 under 35 U.S.C. §101 for claiming patent-ineligible subject matter is reversed *pro forma*.

Claims 1–6, 9–16, 19, and 20 are newly rejected under 35 U.S.C. § 112, second paragraph.

Claims Rejected	35 U.S.C. §	Reference(s)/ Basis	Affirmed	Reversed	New Ground
1–6, 9–16, 19, 20	101	Eligibility		1–6, 9–16, 19, 20	
1–6, 9–16, 19, 20	112 ¶ 2	Indefiniteness			1–6, 9–16, 19, 20
Overall Outcome				1–6, 9–16, 19, 20	1–6, 9–16, 19, 20

NEW GROUND

This decision contains a new ground of rejection pursuant to 37 C.F.R. § 41.50(b). 37 C.F.R. § 41.50(b) provides that “[a] new ground of rejection pursuant to this paragraph shall not be considered final for judicial review.” 37 C.F.R. § 41.50(b) also provides that the Appellant, WITHIN

TWO MONTHS FROM THE DATE OF THE DECISION, must exercise one of the following two options with respect to the new ground of rejection to avoid termination of the appeal as to the rejected claims:

- (1) *Reopen prosecution.* Submit an appropriate amendment of the claims so rejected or new evidence relating to the claims so rejected, or both, and have the matter reconsidered by the examiner, in which event the proceeding will be remanded to the examiner
- (2) *Request rehearing.* Request that the proceeding be reheard under § 41.52 by the Board upon the same record

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

REVERSED; 37 C.F.R. § 41.50(b)