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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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*Ex parte* NICHOLAS BROWN, SHAWN D. LINDBERG,  
JOEY MOUNARATH, RYAN W. SCHOFIELD,  
JOSH SUMNER, and JON WATKINS

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Appeal 2018-003488  
Application 11/584,839  
Technology Center 3600

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Before JEAN R. HOMERE, ADAM J. PYONIN, and  
JEREMY CURCURI, *Administrative Patent Judges*.

HOMERE, *Administrative Patent Judge*.

DECISION ON APPEAL

I. STATEMENT OF THE CASE<sup>1</sup>

Pursuant to 35 U.S.C. § 134(a), Appellant<sup>2</sup> appeals from the Examiner's decision to reject claims 1–3, 9–13, 19–23, 27, and 28. Appeal Br. 1. Claims 4–8, 14–18, and 24–26 have been canceled. Claims App. We have jurisdiction under 35 U.S.C. § 6(b). We affirm.

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<sup>1</sup> We refer to the Specification, filed October 23, 2006 (“Spec.”); Final Office Action, mailed April 24, 2017 (“Final Act.”); Appeal Brief, filed August 18, 2017 (“Appeal Br.”); and Examiner's Answer, mailed December 14, 2017 (“Ans.”).

<sup>2</sup> 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 eBay, Inc. Appeal Br. 3.

## II. CLAIMED SUBJECT MATTER

According to Appellant, the claimed subject matter relates to a method and system for automatically disposing of referrals in an online marketplace. Spec. ¶ 1. As depicted in Figures 4 and 5, a referred party (501) sends a referral (510) to electronically notify a marketplace host (410) of a problem or concern (e.g. fraudulent registration, transaction, identity theft, compromised account, spam) regarding a transaction on the marketplace. *Id.* ¶¶ 18, 27– 29. Upon receiving the referral (510), a data gatherer (605) at the host (410) uses data provided in the referral (510) to obtain from databases (606) related information, which a policy engine (610) uses to automatically identify and select a policy that most closely matches the referral (510). *Id.* ¶ 30, Figure 6. Then, the policy engine (610) forwards the selected policy to a consequence package engine (620) to automatically assign to the referral (510) a suitable consequence package, which is executed to dispose of the referral. *Id.* ¶¶ 31–32, Figure 12.

Of the rejected claims, claims 1, 11, and 21 are independent. Claim 1, reproduced below with disputed limitations emphasized in *italics*, is illustrative of the claimed subject matter:

1. A method comprising:

receiving a referral at a computer system having a memory for storage of processing instructions and referral data objects, the referral being a structured data object with defined data fields, the referral including referral information identifying a referred party, the referral information further including transactional information corresponding to a transaction in an online marketplace, the referral being a notification from the referred party to a marketplace host to inform the marketplace host of a problem or concern regarding operation of the online marketplace;

executing the processing instructions on the computer system to

automatically obtain referred party information related to the referred party in response to the receiving of the referral;

executing the processing instructions on the computer system to cause the computer system to automatically select a policy from a plurality of policies in a policy data structure, at least one of the policies associated with a set of processing instructions that are automatically executed by the computer system and including *first triggering parameters that are used to selectively vary a first threshold at which the policy will be triggered, the first triggering parameters being automatically modifiable based on temporal criteria*, the automatic selection of the policy being performed without human intervention based on a looking-up of the referral in the policy data structure to identify the policy, based on the referred party information, and based on the first triggering parameters;

executing the processing instructions on the computer system to cause the computer system to automatically select a consequence package from a plurality of consequence packages in a consequence package data structure, at least one of the consequence packages including a set of processing instructions that are automatically executed by the computer system and including second triggering parameters that are used to selectively vary a second threshold at which the consequence package will be triggered, the automatic selection performed without human intervention based on a looking-up of the selected policy in the consequence package data structure to automatically identify the consequence package and automatically assign the consequence package to the referral based on the selected policy and in response to the selection of the policy, at least one of the policies corresponding to a plurality of candidate consequence packages;

and executing the processing instructions on the computer system to activate the selected consequence package to automatically produce a disposition for the referral in response to the receiving of the referral. (Emphasis added).

### III. REFERENCES

The Examiner relies upon the following references:

Name <sup>3</sup>	Reference	Date	Filed
Jones	US 2001/000114 A1	May 10, 2001	Dec. 11, 2000
Pomerance	US 2002/0010591 A1	Jan. 24, 2002	Feb. 26, 2001
Hung	US 2002/0159475 A1	Oct. 31, 2002	Apr. 27, 2002
Lyons	US 2005/0114164 A1	May 26, 2005	June 30, 2010
Krishnan	US 2006/0213975 A1	Sep. 28, 2006	Mar. 25, 2005

### IV. REJECTIONS<sup>4</sup>

Claims Rejected	35 U.S.C. §	Basis/References
1–3, 9–13, 19–23, 27, 28	101	Patent eligibility
1–3, 11–13, 21–23	103(a)	Krishnan, Jones, Lyons, Pomerance
9, 10, 19, 20, 27, 28	103(a)	Krishnan, Jones, Lyons, Pomerance, Hung

### V. ANALYSIS

#### *1. Patent Eligibility Rejection*

An invention is patent-eligible if it claims a “new and useful process, machine, manufacture, or composition of matter.” 35 U.S.C. § 101. 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. *E.g.*, *Alice Corp. v. CLS Bank Int’l*, 573 U.S. 208, 216 (2014).

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<sup>3</sup> All reference citations are to the first named inventor only.

<sup>4</sup> The Examiner withdrew the 112 rejections. Ans. 3–4.

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*, 573 U.S. at 217–18 (citing *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66, 75–77 (2012)). 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); 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” (*Diamond v. Diehr*, 450 U.S. 175, 191 (1981)); “tanning, dyeing, making water-proof cloth, vulcanizing India rubber, smelting ores” (*Diehr*, 450 U.S. at 182 n.7 (quoting *Corning v. Burden*, 56 U.S. 252, 267–68 (1854))); 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 that “[a] claim drawn to subject matter otherwise statutory does not become nonstatutory simply because it uses a mathematical formula.” *Diehr*, 450 U.S. at 176, 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.* (citing *Benson and Flook*), and 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.”).

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. “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.* (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.*

The PTO recently published revised guidance on the application of section 101. *2019 Revised Patent Subject Matter Eligibility Guidance*, 84 Fed. Reg. 50–57 (Jan. 7, 2019) (“2019 PEG”). Under the 2019 PEG, 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); and

- (2) additional elements that integrate the judicial exception into a practical application (*see* MPEP § 2106.05(a)–(c), (e)–(h)).<sup>5</sup>

*See* 2019 PEG, 52, and 55–56. Only if a claim: (1) recites a judicial exceptional; and (2) does not integrate that exception into a practical application, does the office 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.

*See* 2019 PEG at 56.

We analyze the patent-eligibility rejection with the principles identified above in mind.

#### *Examiner’s Findings and Conclusions*

In the first step of the Alice inquiry, the Examiner determines claims 1–3, 9–13, 19–23, 27, and 28 are directed to the abstract idea of “managing referrals.” Ans. 4. According to the Examiner, the underlying steps of “receiving a referral, obtaining referred party information, automatically selecting a policy, identifying a consequence, and activating the consequence package” are all steps which can be performed by a human mentally or using a pen and paper. *Id.* at 5. The Examiner determines that these concepts have all been identified as being directed to mental processes. *Id.* In particular, the Examiner avers the following:

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<sup>5</sup> All references to the MPEP are to Rev. 08.2017 (Jan. 2018).

Several cases have found concepts relating to processes of comparing data that can be performed mentally abstract, such as comparing information regarding a sample or test subject to a control or target data (*Ambry, Myriad CAFC*), collecting and comparing known information (*Classen*), comparing data to determine a risk level (*Perkin-Elmer*), diagnosing an abnormal condition by performing clinical tests and thinking about the results (*In re Grams*), obtaining and comparing intangible data (*Cybersource*), and comparing new and stored information and using rules to identify options (*SmartGene*).

In the instant case, like *SmartGene*, the claims are comparing new and stored information (the received referral information, which is used to identify a policy, based on a comparison of the referral information to policy information), and then rules are used to identify options (the consequence packages are paired with policies and one is chosen based on rules). Therefore, based on the above, the claims are directed to an idea of itself.

*Id.*

At *Alice* step 2, the Examiner determines the claims do not recite additional elements sufficient to amount to significantly more than the abstract idea of sending and receiving review messages. *Id.* 6. According to the Examiner, Appellant has not explained how the additional claim recitations amount to significant more than the abstract idea of managing referrals. *Id.* In particular, the Examiner avers that

[A]ppellant does not show how these limitations are "improvements to another technology or technical field, improvements to the functioning of the computer itself, applying the judicial exception with, or by use of a particular machine, effecting a transformation or reduction of a particular article to a different state or thing, adding a specific limitation other than what is well-understood, routine, and conventional in the field, or adding unconventional steps that confine the claim to a particular useful application, or other meaningful limitations

beyond generally linking the use of the judicial exception to a particular technological environment".

*Id.*

Further, the Examiner determines that merely automating (i.e., without human intervention) a task previously performed by humans does not negate the abstract idea at the center of that task. *Id.* Because the Specification indicates that the purpose of the invention is to reduce recurring expenses to manage the disposition of referrals, as opposed to improving the functioning of the computer, the Examiner submits that such automation of the task is not an improvement of the computer itself. *Id.* at 6–7 (citing Spec. ¶¶ 5, 6, *Enfish*), *id.* at 11–20. Furthermore, the Examiner avers there is no indication that the combination of elements improves the functionality of the computer or any other technology. *Id.* Instead, the Examiner determines that the claimed steps merely describe receiving, automatically comparing, selecting, and delivering data over a network, which are routine functions performed by a generic computer. *Id.* Therefore, the Examiner submits that, unlike in *DDR Holdings*, the proposed solution is not rooted in technology. *Id.* at 10.

According to the Examiner, consistent with the notice requirements of §132, the final rejection provides sufficient rational underpinnings to support the conclusion that the claim elements are well-understood, routine, and conventional activities already known in managing referrals. *Id.* at 8. Additionally, the Examiner avers that a lack of preemption does not demonstrate that the claims are patent eligible. *Id.* at 9, 20.

#### *Appellants' Contentions*

In the first step of the Alice inquiry, Appellant argues while the claims may be related to the idea of disposing of a referral, the recited steps are

directed the implementation of the idea, and not the idea itself. Appeal Br. 16. According to Appellant, as in *Enfish*, the claims in the present application recite an improvement in the area of computer processing because it allows the computer to process referrals without human intervention. *Id.* at 20. Likewise, Appellant argues the claimed data structures and threshold are a specific type of data structure designed to improve the way the computer stores and retrieves data in memory. *Id.* Further, Appellant argues that, contrary to the Examiner’s assertion, the data structure comprising a policy data structure with a first threshold and a consequence package data structure with a second threshold improves how the computer manages the information to process referrals without human intervention. *Id.* at 21. According to Appellant, maintaining the policies and the first triggering parameters in the same data structure improves the overall processing speed of the computer. *Id.* at 21–22.

In the second step of the Alice inquiry, Appellant argues that, under *Bascom*, the Examiner’s conclusory statement without a rational underpinning or analysis is insufficient to establish that that the claim elements are well-understood, routine, and conventional the cited claim elements. *Id.* at 22–23. According to Appellant, the claims instead recite specific improvements that amount to significantly more than the abstract idea of managing referrals and thereby render the claims patent eligible. *Id.* at 26. Further, Appellant argues that, as in *DDR Holdings*, the “automatic disposition of a referral in an electronic commerce environment is a technological problem that is solved by the use of the cited data structures and thresholds for invoking policies and consequence packages.” *Id.* at 27 (emphasis omitted). Additionally, Appellant argues that because the claims

do not preempt every application of the idea of disposing of a referral, and the Examiner fails to consider the implication of the claim, as a whole, including the recited automatic disposing of a referral in an electronic commerce environment, the patent eligibility rejection is reversible error. *Id.* at 27–29.

### *Our Review*

Applying the guidance set forth in the 2019 PEG, we determine whether the Examiner has erred in rejecting the claims as being directed to patent ineligible subject matter.

In revised step 1 of 2019 PEG, we consider whether the claimed subject matter falls within the four statutory categories of patent-eligible subject matter identified by 35 U.S.C. § 101: process, machine, manufacture, or composition of matter. Because independent claim 1 recites a “method” including a number of steps, claim 1 falls within the process category of patent-eligible subject matter. Because independent claim 11 recites a “non-transitory machine-readable storage medium” including instructions, when executed by a computer, performs various functions, claim 11 falls within the manufacture category of patent-eligible subject matter. Because independent claim 21 recites a “system” including a computer for performing various functions, claim 21 falls within a machine category of patent-eligible subject matter.

In prong 1 of revised step 2A of the 2019 PEG, we determine whether any judicial exception to patent eligibility is recited in the claims. The guidance identifies three judicially-excepted groupings of abstract ideas: (1) mathematical concepts; (2) certain methods of organizing human activity such as fundamental economic practices; and (3) mental processes.

Independent claim 1 recites, *inter alia*, the following steps performed by a computer:

- (1) Receiving a referral ;
- (2) Obtaining referred party information;
- (3) automatically selecting a policy;
- (4) Identifying a consequence package;
- (5) Activating the selected consequence package.

At the outset, we note Appellant does not dispute the Examiner's determination that these limitations relate to the idea of "managing referrals," which can be performed by a human mentally or using a pen and paper. Appeal Br. 16–18. Therefore, we agree with the Examiner that sending and receiving messages between parties to process and resolve a complaint or concern is the kind of data exchange activity that has been identified by our reviewing court as a mental process. *See e.g., Cyberfone*. Additionally, we determine these limitations are steps of "managing personal behavior or relationships or interactions between people (including social activities, teaching, and following rules or instructions)," which the 2019 PEG provides are "[c]ertain methods of organizing human activity." 84 Fed. Reg. 52. Accordingly, independent claims 1, 11, and 21 recite the judicial exceptions of a mental process and a method of organizing human activity. Having determined that the claims recite a judicial exception, our analysis under the 2019 PEG turns now to determining whether there are "additional elements that integrate the judicial exception into a practical application." *See* MPEP § 2106.05(a)–(c), (e)–(h). "Integration into a practical application" requires an additional element or a combination of additional elements in the claim to 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 exception. 84 Fed. Reg. 53.

Appellant’s claims 1, 11, and 21 recite a computer-related limitation, (e.g., a computer system). We do not find the computer-related limitation is sufficient to integrate the judicial exception into a practical application. The Specification does not provide additional details about the computer system that would distinguish it from any generic processing device with storage in a client-server or distributed network environment. Spec. ¶¶ 19–22.

Although we do not dispute that the computer system includes specific instructions for automatically processing and disposing a received referral, Appellant has not persuasively explained how the claimed data structures and thresholds improve the way the computer stores and retrieves data in memory. *See* MPEP § 2106.05(a). Rather, the claims merely adapt the method of organizing human activity and mental process of processing and resolving a referral to an execution of steps performed by the computer system. *See Credit Acceptance*, 859 F.3d 1044, 1055 (Fed. Cir. 2017) (“Our prior cases have made clear that mere automation of manual processes using generic computers does not constitute a patentable improvement in computer technology.”); *see also Bancorp Services, L.L.C. v. Sun Life Assurance Co. of Canada (U.S.)*, 687 F.3d 1266, 1278 (Fed. Cir. 2012) (A computer “employed only for its most basic function . . . does not impose meaningful limits on the scope of those claims.”). Further, Appellant’s identified improvements are improvements to the abstract idea, not improvements to a technology or computer functionality. Thus, on the record before us, the cited claim limitations do not improve the functionality of the computer

system by performing operations to dispose of a referral, nor do they achieve an improved technological result in conventional industry practice. *McRO, Inc. v. Bandai Namco Games Am., Inc.*, 837 F.3d 1299, 1316 (Fed. Cir. 2016).

Because claim steps 1–5, outlined above, do not (1) provide any technical solution to a technical problem as required by *DDR Holdings*;<sup>6</sup> (2) provide any particular practical application as required by *BASCOM*;<sup>7</sup> or (3) entail an unconventional technological solution to a technological problem as required by *Amdocs*,<sup>8</sup> we agree with the Examiner’s determination that Appellant’s claims 1, 11, and 21 are directed to an abstract idea that is not integrated into a practical application.

*Alice/Mayo—Step 2 (Inventive Concept)*

Turning to step 2 of the *Alice/Mayo* framework, we look to whether the claim: (a) recites a specific limitation or combination of limitations that are not well-understood, routine, conventional activity in the field; or (b) simply appends well-understood, routine, conventional activities previously known to the industry, specified at a high level of generality, to the judicial

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<sup>6</sup> See *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245 (Fed. Cir. 2014). The Federal Circuit found *DDR*’s claims are patent-eligible under 35 U.S.C. § 101 because *DDR*’s claims: (1) do not merely recite “the performance of some business practice known from the pre-Internet world” previously disclosed in *Bilski* and *Alice*; but instead (2) provide a technical solution to a technical problem unique to the Internet, i.e., a “solution ... necessarily rooted in computer technology in order to overcome a problem specifically arising in the realm of computer networks.” *DDR*, 773 F.3d at 1257.

<sup>7</sup> See *BASCOM Glob. Internet Servs., Inc. v. AT&T Mobility LLC*, 827 F.3d 1341 (Fed. Cir. 2016).

<sup>8</sup> See *Amdocs Ltd. v. Openet Telecom, Inc.*, 841 F.3d 1288 (Fed. Cir. 2016).

exception. 2019 PEG, 56. We discern no additional element or combination of elements recited in Appellant’s independent claims 1, 11, and 21 that contains any “inventive concept” or adds anything “significantly more” to transform the abstract concept into a patent-eligible application. *Alice*, 573 U.S. at 221. Appellant does not direct our attention to any portion of the Specification indicating that the claimed processor performs anything other than well-understood, routine, and conventional functions, such as receiving and processing. *See Elec. Power Group, LLC v. Alstom S.A.*, 830 F.3d 1350, 1355 (“Nothing in the claims, understood in light of the [S]pecification, requires anything other than off-the-shelf, conventional computer, network, and display technology for gathering, sending, and presenting the desired information.”); *see also buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1355 (Fed. Cir. 2015) (“That a computer receives and sends information over a network—with no further specification is not even arguably inventive.”); and *Alice*, 573 U.S. at 224–26 (receiving, storing, sending information over networks insufficient to add an inventive concept). Instead, Appellant’s claimed subject matter simply uses generic computer components (computer system) to perform the abstract idea of a host processing and resolving a referral received from a client. Appeal Br. 21; *see also* Spec. ¶¶ 18–22. As noted above, the use of a generic computer does not alone transform an otherwise abstract idea into patent-eligible subject matter. As our reviewing court has observed, “after *Alice*, there can remain no doubt: recitation of generic computer limitations does not make an otherwise ineligible claim patent-eligible.” *DDR*, 773 F.3d at 1256 (citing *Alice*, 573 U.S. at 223).

Because the discussed claim elements only recite generic computer functions that are well-understood, routine, and conventional, the claim is

devoid of an inventive concept. *See Alice*, 573 U.S. at 217. Appellant is reminded that “the ‘inventive concept’ [under step two of the *Mayo/Alice* test] cannot be the abstract idea itself” and “*Berkheimer* . . . leave[s] untouched the numerous cases from this court which have held claims ineligible because the only alleged ‘inventive concept’ is the abstract idea.” *Berkheimer v. HP Inc.*, 890 F.3d 1369, 1374 (Fed. Cir. 2018) (Moore, J., concurring). “It 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). We, therefore, agree with the Examiner that the computer functions recited in the claims were, in fact, generic, and are met by numerous case law establishing that using a generic computer to expedite and automate processes traditionally performed manually, or that are otherwise abstract, is a well-understood, routine, and conventional use of such computers. Final Act. 10; *see also, e.g., Intellectual Ventures I LLC v. Symantec Corp.*, 838 F.3d 1307, 1321 (Fed. Cir. 2016) (utilizing an intermediary computer to forward information); and *Bancorp Services, L.L.C.*, 687 F.3d at 1278 (“The computer required by some of Bancorp’s claims is employed only for its most basic function, the performance of repetitive calculations, and as such does not impose meaningful limits on the scope of those claims.”).

To the extent Appellant argues the claims necessarily contain an “inventive concept” based on their alleged novelty or non-obviousness over the cited references, Appellant misapprehends the controlling precedent. Although the second step in the *Alice/Mayo* framework is termed a search

for an “inventive concept,” the analysis is not an evaluation of novelty or non-obviousness, but, rather, a search for “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 217–218. A novel and nonobvious claim directed to a purely abstract idea is, nonetheless, patent-ineligible. *See Mayo*, 566 U.S. at 90.

Appellant is further reminded that, in many cases, “relying on a computer to perform routine tasks more quickly or more accurately is insufficient to render a claim patent eligible.” *OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1363 (Fed. Cir. 2015) (citing *Alice*, 573 U.S. at 224) (“[U]se of a computer to create electronic records, track multiple transactions, and issue simultaneous instructions” is not an inventive concept.); *see also, e.g., Intellectual Ventures I LLC v. Capital One Bank*, 792 F.3d 1363, 1370 (“[M]erely adding computer functionality to increase the speed or efficiency of the process does not confer patent eligibility on an otherwise abstract idea.”). Therefore, the functions recited in independent claims 1, 11, and 21 do not add any meaningful limitations beyond generally linking the abstract idea to the particular technological environment. *See* Final Act 10–11.

Appellant’s arguments asserting that the claims do not block others from using the abstraction do not persuade us that the claims are directed to patent eligible material. Pre-emption is not a separate test for eligibility.

To be clear, the proper focus is not preemption *per se*, for some measure of preemption is intrinsic in the statutory right granted with every patent to exclude competitors, for a limited time, from practicing the claimed invention. *See* 35 U.S.C. § 154. Rather, the animating concern is that claims should not be coextensive with a natural law, natural phenomenon, or

abstract idea; a patent-eligible claim must include one or more substantive limitations that, in the words of the Supreme Court, add “significantly more” to the basic principle, with the result that the claim covers significantly *less*. See *Mayo*[, 566 U.S. at 72–73]. Thus, broad claims do not necessarily raise § 101 preemption concerns, and seemingly narrower claims are not necessarily exempt.

*CLS Bank Int’l v. Alice Corp. Pty. Ltd.*, 717 F.3d 1269, 1281 (Fed. Cir. 2013) (Lourie, J., concurring), *aff’d*, 573 U.S. 208; see also *Ariosa Diagnostics, Inc. v. Sequenom, Inc.*, 788 F.3d 1371, 1379 (Fed. Cir. 2015) (“While preemption may signal patent ineligible subject matter, the absence of complete preemption does not demonstrate patent eligibility.”). Because we find the claimed subject matter covers patent-ineligible subject matter, the pre-emption concern is necessarily addressed. “Where a patent’s claims are deemed only to disclose patent ineligible subject matter under the *Mayo* framework, . . . preemption concerns are fully addressed and made moot.” *Ariosa Diagnostics*, 788 F.3d at 1379.

Because Appellant’s claims 1, 11, and 21 are directed to a patent-ineligible abstract concept and do not recite something “significantly more” under the second prong of the *Alice* analysis, we sustain the Examiner’s rejection of independent claims 1, 11, and 21 under 35 U.S.C. § 101.

Appellant does not present additional arguments for dependent claims 2, 3, 9–13, 19–23, 27, and 28. Accordingly, for the same reasons as set forth for independent claims 1, 11, and 21, we sustain the Examiner’s 35 U.S.C. § 101 rejection of dependent claims 2, 3, 9–13, 19–23, 27, and 28.

## 2. *Obviousness Rejection*

### 1. *Claims 1, 11, and 21*

Appellant argues that the Examiner erred in finding that the combination of Krishnan, Jones, Lyons, Pomerance, and Hung teaches or suggests “first triggering parameters being automatically modifiable based on temporal criteria”, as recited independent claim 1. Appeal Br. 39. In particular, Appellant argues that Jones’s disclosure of times for sending alert messages does not teach or suggest parameters that are automatically modifiable. *Id.* at 39–40 (citing Jones ¶¶ 97–116). According to Appellant, Jones does not indicate that the times for sending alerts are equivalent to “triggering parameters that are used to selectively vary a first threshold at which the policy will be triggered,”... or that either the “times for sending alert messages” or the “alert messages” themselves are “automatically modifiable based on temporal criteria.” *Id.* at 40.

Appellant’s argument is persuasive of reversible Examiner error. As a preliminary matter, we note that the Examiner relies upon Krishnan’s disclosure of an administrator overriding a basic policy concerning the expiration of points previously credited to a customer’s account for referral of another customer as teaching triggering parameters that are used to selectively vary a threshold at which the policy will be triggered. Ans. 23 (citing Krishnan ¶¶ 51–53, 191–202). Further, the Examiner relies on Jones’s disclosure of an alerting system that sends alerts to a customer at times preset by an administrator pending the resolution to the customer’s generated trouble ticket to teach a modifiable trigger based on temporal criteria. *Id.* (citing Jones ¶¶ 97–116). The cited portions of Krishnan’s expiration policy teach or suggest a policy retrieved in response to a

customer's referral (request to audit history of points previously awarded to the customer's account), and an administrator overriding the policy to restore the expired points to the customer's account. The cited portions of Jones would complement Krishnan to allow the administrator to send alerts to the customer at preset times while the history of the customer's account is under audit. Although the ordinarily-skilled artisan would appreciate that the administrator could modify the preset times for sending alerts, we agree with Appellant that neither the alert messages nor the times for sending the alert messages taught by Jones teach or suggest a threshold for triggering Krishnan's expiration policy. Because Krishnan's expiration policy is triggered in response to receiving a customer's referral irrespective of times for escalating the trouble ticket, modifying the preset times for sending the alert messages would have no impact upon the Jones policy. Accordingly, we agree with Appellant that the proposed combination falls short of teaching or suggesting the disputed limitations.

Because Appellant has shown at least one reversible error in the rejection of claim 1, we need not reach Appellant's remaining arguments. Accordingly, we do not sustain the Examiner's obviousness rejection of independent claim 1. Likewise, we do not sustain the rejections of claims 2, 3, 9-13, 19-23, 27, and 28, which recite the disputed limitations.

## VI. CONCLUSION

We affirm the Examiner's patent eligibility rejections of claims 1-3, 9-13, 19-23, 27, and 28 under 35 U.S.C. § 101. We reverse the Examiner's obviousness rejections of claims 1-3, 9-13, 19-23, 27, and 28 under 35 U.S.C. § 103(a). Because we have affirmed at least one ground of

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rejection with respect to each claim on appeal, the Examiner's decision is affirmed. *See* 37 C.F.R. § 41.50(a)(1).

## VII. DECISION SUMMARY

In summary:

<b>Claims Rejected</b>	<b>35 U.S.C. §</b>	<b>Reference(s)/Basis</b>	<b>Affirmed</b>	<b>Reversed</b>
1-3, 9-13, 19-23, 27, 28	101	Patent eligibility	1-3, 9-13, 19-23, 27, 28	
1-3, 11-13, 21-23	103(a)	Krishnan, Jones, Lyons, Pomerance		1-3, 11-13, 21-23
9, 10, 19, 20, 27, 28	103(a)	Krishnan, Jones, Lyons, Pomerance, Hung		9, 10, 19, 20, 27, 28
<b>Overall Outcome</b>			1-3, 9-13, 19-23, 27, 28	

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

**AFFIRMED**