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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte RICK L. LEOS

Appeal 2018-003540
Application 13/842,944
Technology Center 3600

Before JOHN A. JEFFERY, JENNIFER L. McKEOWN, and
JOYCE CRAIG, *Administrative Patent Judges*.

CRAIG, *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 1–20, which constitute all the claims pending in this application. *See* Final Act. 1. We have jurisdiction under 35 U.S.C. § 6(b).

We affirm.

¹ We use the word Appellant to refer to “applicant” as defined in 37 C.F.R. § 1.42. Appellant identifies the real party in interest as Toyota Motor Sales, U.S.A., Inc. Appeal Br. 4.

CLAIMED SUBJECT MATTER

The claims are directed to a method for generating vehicle repair estimate reports based on predictive estimating. Spec. Title. Claim 1, reproduced below, is illustrative of the claimed subject matter:

1. A method for generating a vehicle repair estimate report based on predictive estimating, and transmitting said vehicle repair estimate report to a client device, comprising the steps of:

(a) providing, by at least one master server, a graphical user interface to said client device;

(b) requesting, by said at least one master server, vehicle identification information from said client device via said graphical user interface;

(c) receiving, by said at least one master server, said vehicle identification information from said client device via said graphical user interface;

(d) validating, by said at least one master server and at least one database, said vehicle identification information;

(e) generating, by said at least one master server and said at least one database, a listing of major vehicle parts associated with said vehicle identification information;

(f) transmitting, by said at least one master server, to said client device via said graphical user interface said listing of major vehicle parts associated with said vehicle identification information;

(g) requesting, by said at least one master server, said client device to select a major vehicle part from said listing, via said graphical user interface;

(h) receiving, by said at least one master server, said selected major vehicle part from said client device, via said graphical user interface;

(i) determining, by said at least one master server and said at least one database in response to said receiving said selected major part, stored relevant vehicle repair information relating to said selected major vehicle part, said relevant vehicle repair information includes a second vehicle part for which damage is

likely and replacement is recommended when said selected major vehicle part is damaged and replacement is desired;

(j) determining, by said at least one master server and said at least one database, repair instructions for said selected major vehicle part and said second vehicle part;

(k) generating, by said at least one master server and said at least one database, said vehicle repair estimate report based on predictive estimating, wherein said vehicle repair estimate report comprises a price of said second vehicle part, an indication that said second vehicle part is a one-time use part, and corresponding vehicle repair information;

(l) customizing, by said at least one master server and said at least one database, said vehicle repair estimate report based on at least one of a preference associated with a recipient of said vehicle repair estimate report, an attribute associated with said selected major vehicle part or an attribute associated with said second vehicle part;

(m) transmitting, by said at least one master server, said vehicle repair estimate report to said client device via said graphical user interface; and

(n) providing, by said at least one master server, said client device an option to request for removal of said second vehicle part from said vehicle repair estimate report via said graphical user interface, and if said at least one master server receives from said client device said request to remove said second vehicle part, then generating, using said at least one master server and said at least one database, an updated vehicle repair estimate report based on predictive estimating removing said second vehicle part, and transmitting, using said at least one master sever, said updated vehicle repair estimate report to said client device via said graphical user interface.

REJECTIONS

Claims 1–20 stand rejected under 35 U.S.C. § 101 because the claimed invention is directed to patent-ineligible subject matter. Final Act. 4.

Claims 1–5 and 12–15 stand rejected under pre-AIA 35 U.S.C. § 103(a) as unpatentable over the combination of Esser et al. (US 8,650,068 B2, issued Feb. 11, 2014) (“Esser”) and I-CAR Advantage Online (“One-Time Use Fasteners,” dated Dec. 11, 2006) (“I-Car”). Final Act. 8.

Claims 6–10 stand rejected under pre-AIA 35 U.S.C. § 103(a) as unpatentable over the combination of Esser, Watts (US 2011/025804 A1, published Oct. 20, 2011), I-CAR, and Dutra et al. (US 2003/0154111 A1, published Aug. 14, 2003) (“Dutra”). Final Act. 14.

Claim 11 stands rejected under pre-AIA 35 U.S.C. § 103(a) as unpatentable over the combination of Esser and I-CAR. Final Act. 20.

Claims 16–20 stand rejected under pre-AIA 35 U.S.C. § 103(a) as unpatentable over the combination of Esser, I-CAR, and Dutra. Final Act. 23.

ANALYSIS

Rejection of Claims 1–20 Under 35 U.S.C. § 101

Appellant argues that the Examiner’s rejection of claims 1–20 under 35 U.S.C. § 101 as directed to patent-ineligible subject matter is in error. Appeal Br. 17–31. To the extent Appellant has not advanced separate, substantive arguments for particular claims, or other issues, such arguments are waived. 37 C.F.R. § 41.37(c)(1)(iv). Appellant argues claims 1–20 as a group. Appeal Br. 17, 31. Given our discretion under 37 C.F.R. § 41.37(c)(1)(iv), we decide the § 101 rejection of claims 1–20 based on representative claim 1.

Legal Standard

“Whether a claim is drawn to patent-eligible subject matter is an issue of law that we review de novo.” *SiRF Tech., Inc. v. Int’l Trade Comm’n*, 601 F.3d 1319, 1331 (Fed. Cir. 2010).

The Supreme Court’s two-step framework guides our analysis of patent eligibility under 35 U.S.C. § 101. *Alice Corp. v. CLS Bank Int’l*, 573 U.S. 208, 217 (2014). In addition, the Office published revised guidance for evaluating subject matter eligibility under 35 U.S.C. § 101, specifically with respect to applying the *Alice* framework. USPTO, 2019 Revised Patent Subject Matter Eligibility Guidance, 84 Fed. Reg. 50 (Jan. 7, 2019) (“Office Guidance”). If a claim falls within one of the statutory categories of patent eligibility (i.e., a process, machine, manufacture, or composition of matter) then the first inquiry is whether the claim is directed to one of the judicially recognized exceptions (i.e., a law of nature, a natural phenomenon, or an abstract idea). *Alice*, 573 U.S. at 217. As part of this inquiry, we must “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 Tex., LLC v. DIRECTV, LLC*, 838 F.3d 1253, 1257 (Fed. Cir. 2016). Per Office Guidance, this first inquiry has two prongs of analysis (i) does the claim recite a judicial exception (e.g., an abstract idea), and (ii) if so, is the judicial exception integrated into a practical application. 84 Fed. Reg. at 54. Under the Office Guidance, if the judicial exception is integrated into a practical application, *see infra*, the claim is patent eligible under § 101. 84 Fed. Reg. at 54–55. If the claim is directed to a judicial exception (i.e., recites a judicial exception and does not integrate the exception into a

practical application), the next step is to determine whether any element, or combination of elements, amounts to significantly more than the judicial exception. *Alice*, 573 U.S. at 217; 84 Fed. Reg. at 56. If the claim is “directed to” an abstract idea, we turn to the second step of the *Alice* and *Mayo* framework, where “we must examine the elements of the claim to determine whether it contains an “inventive concept” sufficient to ‘transform’ the claimed abstract idea into a patent-eligible application.” *Alice*, 573 U.S. at 221 (citation omitted).

To summarize, under the current Office Guidance, we first look to whether the claim recites:

(1) any judicial exceptions, including certain groupings of abstract ideas (i.e., mathematical concepts, certain methods of organizing human activity such as a fundamental economic practice, or mental processes); and

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

Only if a claim (1) recites a judicial exception and (2) does not integrate that exception into a practical application, do we then look to whether the claim:

(3) adds a specific limitation beyond the judicial exception that is not “well-understood, routine, conventional” in the field (see MPEP § 2106.05(d)); or

(4) simply appends well-understood, routine, conventional activities previously known to the industry, specified at a high level of generality, to the judicial exception.

See Office Guidance.

Step 1

Claim 1, as a method claim, falls within the process category of § 101. *See* Office Guidance, 84 Fed. Reg. at 53–54 (citing MPEP §§ 2106.03, 2106.06).

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

The Examiner determined that claim 1 is directed to facilitating a transaction between potential buyers and sellers of the vehicle parts and repair services, which is a fundamental economic practice and a certain method of organizing human activity related to sales and marketing, and thus an abstract idea. Final Act. 6. We identify the following steps as part of the recited abstract idea:

- validating . . . said vehicle identification information;
- generating . . . a listing of major vehicle parts associated with said vehicle identification information;
- determining . . . a second vehicle part for which damage is likely and replacement is recommended when said selected major vehicle part is damaged and replacement is desired;
- generating . . . said vehicle repair estimate report based on predictive estimating, wherein said vehicle repair estimate report comprises a price of said second vehicle part, an indication that said second vehicle part is a one-time use part, and corresponding vehicle repair information; and
- customizing, by said at least one master server and said at least one database, said vehicle repair estimate report based on at least one of a preference associated with a recipient of said vehicle repair estimate report, an attribute associated with said selected major vehicle part or an attribute associated with said second vehicle part.

Consistent with Appellant’s description of the claims and the Examiner’s determination, we conclude that the limitations we summarize above recite a method for generating a vehicle repair estimate report, which is fairly

characterized as a commercial interaction, and which falls into the “certain methods of organizing human activity” category of abstract ideas. *See* Office Guidance, 84 Fed. Reg. at 52.

We add that the above-noted recited functions can also be performed mentally by merely thinking about these identifications and determinations, or writing them down—both involving mere observation and logical reasoning. *See* Office Guidance, 84 Fed. Reg. at 52 (listing exemplary mental processes including observation and evaluation). Mental processes remain unpatentable even when automated to reduce the burden on the user of what once could have been done with pen and paper. *See CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1375 (Fed. Cir. 2011) (“That purely mental processes can be unpatentable, even when performed by a computer, was precisely the holding of the Supreme Court in *Gottschalk v. Benson.*”).

We are not persuaded by Appellant’s conclusory argument “that a human could not mentally perform the steps of the claims at issue in the present application.” Appeal Br. 22. It is well settled that mere attorney arguments and conclusory statements, which are unsupported by factual evidence, are entitled to little probative value. *In re Geisler*, 116 F.3d 1465, 1470 (Fed. Cir. 1997); *see also In re Pearson*, 494 F.2d 1399, 1405 (CCPA 1974) (attorney argument is not evidence). Therefore, the “validating,” “generating,” and “determining” steps fall squarely within the mental processes category of the agency’s guidelines, and claim 1 recites an abstract idea for that additional reason.

Because we agree with the Examiner that the claim recites an abstract idea, we proceed to Prong Two of Step 2A to determine if the idea is integrated into a practical application, in which case the claim as a whole would not be “directed to” merely an abstract idea.

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

Because we determined that claim 1 recites a patent-ineligible concept, we next determine whether the recited judicial exception is integrated into a practical application of that exception by: (a) identifying whether there are any additional elements recited in the claim beyond the judicial exception(s); and (b) evaluating those additional elements individually and in combination to determine whether they integrate the exception into a practical application.

We use the term “additional elements” for claim features, limitations, or steps that the claim recites beyond the identified judicial exception. *See* Office Guidance at 55 n.24. In claim 1, the additional elements include the “providing,” “requesting,” “receiving,” and “transmitting” steps, as well as the recited “master server,” “graphical user interface,” “client device,” and “database” limitations.

The Examiner determined that none of the additional limitations is sufficient to amount to significantly more than the judicial exception because “the technological structure is merely recited to perform the steps of the invention.” Final Act. 6.

We agree with the Examiner. Claim 1 can readily be understood as simply adding conventional computer components to well-known business practices. *See Alice*, 134 S. Ct. at 2358–60. The Court in *Alice* made clear

that a claim directed to an abstract idea does not move into section 101 “eligibility territory” by “merely requir[ing] generic computer implementation.” *Alice*, 573 U.S. at 221; *see also buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1354 (Fed. Cir. 2014). Therefore, the implementation of the method on a computer does not, itself, make it eligible for a patent under § 101 and does not make it any less abstract.

Appellant argues that the Examiner erred because the claims are directed to an improvement to an existing technological process. Appeal Br. 17. Appellant argues that similar to the specification in *McRO, Inc. v. Bandai Namco Games America Inc.*, 837 F.3d 1299 (Fed. Cir. 2016), Appellant’s Specification describes problems with prior graphical user interfaces associated with vehicle repair estimates. *Id.* at 18 (citing Spec. ¶ 4). Appellant also argues that, similar to the claims in *McRO*, the claims here “improve the previously manually performed process of generating vehicle repair estimates by using a rule predictive estimating.” *Id.* at 19 (citing Spec. ¶ 51). Appellant argues that “the use of predictive estimating in the present claims automates the previously manually performed process, which was tedious, subject to errors and inconsistencies, and vulnerable to subjectivity.” *Id.* at 20.

Appellant’s arguments are not persuasive. Appellant’s claims are not similar to the claims found eligible in *McRO*, which recited a “specific . . . improvement in computer animation” using “unconventional rules” that related “subsequences of phonemes, timings, and morph weight sets” to automatically animate lip synchronization and facial expressions for three-dimensional characters that only human animators could previously produce.

McRO, 837 F.3d at 1302–03, 1307–08, 1313–15. In *McRO*, “the incorporation of the claimed rules” improved an existing technological process. *McRO*, 837 F.3d at 1314.

In contrast, claim 1 does not improve an existing technological process. See *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1335–36 (Fed. Cir. 2016) (distinguishing between claims wherein the focus of the claims is on an improvement in computer capabilities and those that invoke a computer as a tool). Here, claim 1 merely adapts to a technological setting (comprising a generic master server, database, client device, and graphical user interface) the concept of generating and displaying a report. Appellant does not claim to have invented a new user interface, database, master server, or any other improvement in the computer technology underlying the claims. See *BSG Tech., LLC v. BuySeasons, Inc.*, 899 F.3d 1281, 1287–88 (Fed. Cir. 2018) (“The claims do not recite any improvement to the way in which such databases store or organize information . . . an improvement to the information stored by a database is not equivalent to an improvement in the database’s functionality . . . the database serves in its ‘ordinary capacity’ of storing . . . information.”). Considering claim 1 as a whole, then, Appellant’s invention lacks a technical solution to a technical problem like the claims in *McRO*.

Appellant next argues that claim 1 is analogous to the claims in *DDR Holdings v. Hotels.com*, 773 F.3d 1245, 1258–59 (Fed. Cir. 2014). Appeal Br. 24. Appellant argues that “the claims override the routine and conventional sequence of events (i.e., being provided a blank sheet)

ordinarily triggered when an estimator drafts a vehicle repair estimate report,” similar to the claims at issue in *DDR*. *See id.* at 26.

We note that, although the Federal Circuit in *DDR Holdings* held claims “necessarily rooted in computer technology” to be patent eligible, the court issued a relevant warning that “not all claims purporting to address Internet-centric challenges are eligible for patent.” *DDR Holdings*, 773 F.3d at 1258. Here, claim 1 is not directed to a solution that “is necessarily rooted in computer technology in order to overcome a problem specifically arising in the realm of computer networks,” as in *DDR*.

Considering claim 1 as a whole, then, Appellant’s invention lacks a technical solution to a technical problem like the claims in *McRO* and *DDR*. Claim 1 as a whole merely uses instructions to implement the abstract idea on a computer or, alternatively, merely uses a computer as a tool to perform the abstract idea.

Moreover, several of the additional elements involve insignificant extra-solution activity, which the courts have found insufficient to integrate the judicial exception into a practical application. *See* Office Guidance, 4 Fed. Reg. 55. The additional “receiving” and “transmitting” steps are insignificant extra-solution activity. MPEP § 2106.05(g); *see also, e.g., buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1355 (“That a computer receives and sends the information over a network—with no further specification—is not even arguably inventive.”). The additional “providing” and “requesting” steps amount to the mere transmission of information (providing a graphical user interface, requesting vehicle identification

information, requesting that the client device select a major vehicle part), and thus are also insignificant extra-solution activity. *See id.*

Thus, the additional limitations do not integrate the judicial exception into a practical application. More particularly, the claims do not recite (i) an improvement to the functionality of a computer or other technology or technical field (*see* MPEP § 2106.05(a)); (ii) a “particular machine” to apply or use the judicial exception (*see* MPEP § 2106.05(b)); (iii) a particular transformation of an article to a different thing or state (*see* MPEP § 2106.05(c)); or (iv) any other meaningful limitation (*see* MPEP § 2106.05(e)). *See* 84 Fed. Reg. at 55. Rather, claim 1 recites an abstract idea as identified in Step 2A(i), *supra*, and none of the limitations integrates the judicial exception into a practical application.

Therefore, because the abstract idea is not integrated into a practical application, we conclude that the claim is directed to the judicial exception. Step 2B — “Inventive Concept” or “Significantly More”

If the claims are directed to a patent-ineligible concept, as we conclude above, we proceed to the “inventive concept” step. For Step 2B we must “look with more specificity at what the claim elements add, in order to determine ‘whether they identify an “inventive concept” in the application of the ineligible subject matter’ to which the claim is directed.” *Affinity Labs of Texas, LLC v. DIRECTV, LLC*, 838 F.3d 1253, 1258 (Fed. Cir. 2016) (quoting *Elec. Power Grp.*, 830 F.3d at 1353). We look to see whether there are any “additional features” in the claims that constitute an “inventive concept,” thereby rendering the claims eligible for patenting even if they are directed to an abstract idea. *Alice*, 573 U.S. at 221. Those “additional

features” must be more than “well-understood, routine, conventional activity.” *Mayo*, 566 U.S. at 79.

We find no element or combination of elements recited in Appellant’s claim 1 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. As discussed *supra*, we are not persuaded the additional computer elements transform the abstract idea into a patent eligible invention. 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).

Moreover, we agree with the Examiner that Appellant’s arguments concerning the applicability of the holding of *Amdocs (Israel) Ltd. V. Openet Telecom, Inc.*, 841 F.3d1288, 1300–01 (Fed. Cir. 2016). (Appeal Br. 29–30) are unpersuasive, as there is nothing recited in claim 1 that can be considered directed to the operation of generic components in an unconventional manner. Ans. 7.

Appellant argues that the approach of the present application is unconventional because a comprehensive relevant parts list associated with the major vehicle part being repaired is provided to the estimator. Appeal Br. 30. Appellant argues that this unconventional approach is not cited in any cited prior art references and “achieves a technological solution to the problem of prior art GUIs providing inadequate starting points for generation of the vehicle repair estimate reports.” *Id.*

We agree with the Examiner that, unlike the claimed invention in *Amdocs*, which is directed to the manner and format in which the data itself was stored, here, the claims cannot be considered a “technical solution” as opposed to a non-technical solution applied to a computing environment. *See* Ans. 7.

Furthermore, for the reasons discussed above, the “generating” limitation forms part of the abstract idea. The relevant question is not whether the abstract idea involves well-understood, routine, and conventional activities, but rather whether the additional elements do. *See, e.g., Bridge & Post, Inc. v. Verizon Commc’ns, Inc.*, 778 F. App’x 882, 892 (Fed. Cir. 2019) (“At *Alice* step two we assess ‘whether the claim limitations other than the invention’s use of the ineligible concept to which it was directed were well-understood, routine, and conventional.’” (quoting *BSG Tech LLC v. BuySeasons, Inc.*, 899 F.3d 1281, 1290 (Fed. Cir. 2018)); *BSG Tech*, 899 F.3d at 1290 (“[T]he relevant inquiry is not whether the claimed invention as a whole is unconventional or non-routine. . . . 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.” (first emphasis added)). Because the “generating . . . a listing of major vehicle parts associated with said vehicle identification information” limitation forms part of the abstract idea, the Examiner was not required to show that this limitation is well understood, routine, and conventional. Moreover, as explained above, the “transmitting” step is insignificant extra-solution activity. Nothing in the claim or Specification indicates that the listing of major vehicle parts is

transmitted in a way that is not well-understood, routine, or conventional.
See, e.g., Spec. Fig 4 (406), ¶ 68.

Moreover, the novelty of any element or steps in a process, or even of the process itself, is of no relevance in determining whether the subject matter of a claim falls within the § 101 categories of possibly patentable subject matter. *Diamond v. Diehr*, 450 U.S. 175, 188–89 (1981). Our reviewing court further guides that “[e]ligibility and novelty are separate inquiries.” *Two-Way Media Ltd. v. Comcast Cable Commc’ns, LLC*, 874 F.3d 1329, 1340 (Fed. Cir. 2017); *see also Affinity Labs of Tex., LLC v. DIRECTV, LLC*, 838 F.3d 1253, 1263 (Fed. Cir. 2016) (holding that “[e]ven assuming” that a particular claimed feature was novel does not “avoid the problem of abstractness”).

Appellant does not direct our attention to anything in the Specification that indicates the computer components perform anything other than well-understood, routine, and conventional functions, such as receiving and sending data, looking up data in a database, and storing data in a database. *See buySAFE*, 765 F.3d at 1355; *In re TLI Commc’ns LLC Patent Litig.*, 823 F.3d 607, 614 (Fed. Cir. 2016) (server that receives data, extracts classification information from the received data, and stores the digital images insufficient to add an inventive concept); *Alice*, 573 U.S. at 225–26 (receiving, storing, sending information over networks insufficient to add an inventive concept); *OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1363 (Fed. Cir. 2015) (sending messages over a network).

In addition, referring to the recited “master server,” the Specification describes that

[i]t is understood by those skilled in the art that master server 14 can take many different forms, including but not limited to a web server, file server, database server, proxy server, FTP server, and any other server configured with the appropriate processing, memory and storage capacity to handle the load of servicing a plurality of clients.

Spec. ¶ 31. Similarly, the Specification describes that the recited “client device” can take many different forms, “including but not limited to a desktop computer, laptop computer, tablet computer, cellular smart phone, or any computer with a suitable operating system.” *Id.* at ¶ 28. With regard to the recited “database,” the Specification describes generically that “[d]atabase 15a stores a database of vehicle identification information.” Spec. ¶¶ 46, 65. The written description also provides no details about the graphical user interface that are not routine or conventional. *See, e.g.*, Spec. ¶¶ 30 (describing generic display).

Because the Specification describes the additional elements in general terms, without describing the particulars, we conclude the claim limitations may be broadly but reasonably construed as reciting conventional computer components and techniques, particularly in light of Appellant’s Specification, as cited above. *See Berkheimer Memo*² § III.A.1; Spec. ¶¶ 28, 30, 31, 46, and 65.

² “Changes in Examination Procedure Pertaining to Subject Matter Eligibility, Recent Subject Matter Eligibility Decision (*Berkheimer v. HP, Inc.*)” at 3 (Apr. 19, 2018) (explaining that a specification that describes additional elements “in a manner that indicates that the additional elements are sufficiently well-known that the specification does not need to describe the particulars of such additional elements to satisfy 35 U.S.C. § 112(a)” can show that the elements are well understood, routine, and conventional).

Considering the claim elements both individually and as an ordered combination, we conclude claim 1 does not have an inventive concept because the claim, in essence, merely recites various computer-based elements along with no more than mere instructions to implement the identified abstract idea using the computer-based elements.

Appellant also argues that claim 1 is patent-eligible because its practice does not preempt practice by others. Appeal Br. 30. While preemption may signal patent ineligible subject matter, the absence of complete preemption “does not demonstrate patent eligibility, where a patent’s claims are deemed only to disclose patent ineligible subject matter under the *Mayo* framework, as they are in this case, preemption concerns are fully addressed and made moot.” *Ariosa Diagnostics, Inc. v. Sequenom, Inc.*, 788 F.3d 1371, 1379 (Fed. Cir. 2015); *see also OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1362–63 (Fed. Cir. 2015) (“that the claims do not preempt all price optimization or may be limited to price optimization in the e-commerce setting do not make them any less abstract”).

Because the claims fail under both the Step 2A and Step 2B analyses, we sustain the Examiner’s § 101 rejection of independent claim 1 and grouped claims 2–20, not argued separately with particularity.

Rejections of Claims 1–20 Under 35 U.S.C. § 103(a)

We have reviewed the rejections of claims 1–20 in light of Appellant’s arguments that the Examiner erred. We have considered in this decision only those arguments Appellant actually raised in the Briefs. Any

other arguments Appellant could have made, but chose not to make, in the Briefs are waived. *See* 37 C.F.R. § 41.37(c)(1)(iv).

Appellant's arguments are not persuasive of error. We agree with and adopt as our own the Examiner's findings of facts and conclusions as set forth in the Answer and in the Action from which this appeal was taken. We provide the following explanation for emphasis.

Appellant contends the Examiner erred because the cited portions of Esser do not teach or suggest "determining . . . a second vehicle part for which damage is likely and replacement is recommended when said selected major vehicle part is damaged and replacement is desired," as recited in claim 1. Appeal Br. 32. Appellant argues that "the primary user in Esser is a car owner, not a car repair professional," and thus "would not know what a one-time use part is, much less care about which particular one-time use part should be replaced." *Id.* at 32–33. Appellant further argues that Esser teaches away from the disputed limitation because Esser "merely bases the suggested services off a simple criteria—make and model" and therefore fails to teach or suggest the recited "determining" step. *Id.* at 33.

We are not persuaded that the Examiner erred. The actual claim language requires "determining . . . stored relevant vehicle repair information relating to said selected major vehicle part, said relevant vehicle repair information includes a second vehicle part for which damage is likely and replacement is recommended when said selected major vehicle part is damaged and replacement is desired." Appeal Br. 42–43. We agree with the Examiner that claim 1 does not recite or depend on the nature of the user.

Ans. 8. Moreover, the disputed “determining” step does not recite or require a one-time use part. *See id.* at 9.

The Examiner found that Esser teaches informing the user of additional repairs to related secondary parts that may need to be performed at the time service on the first part is performed. Final Act. 9–10 (citing Esser cols. 7:7–23, 9:51–10:10). Appellant has not persuasively rebutted the Examiner’s findings or persuaded us that the cited sections of Esser do not at least suggest the disputed limitation. The test for obviousness is not whether the claimed invention is expressly taught or suggested in any one or all of the references, but whether the claimed subject matter would have been obvious to those of ordinary skill in the art in light of the combined teachings of those references. *See In re Keller*, 642 F.2d 413, 425 (CCPA 1981).

Appellant’s “teaching away” argument is not persuasive because Appellant has not identified where Esser actually criticizes, discredits, or otherwise discourages “determining . . . a second vehicle part for which damage is likely and replacement is recommended when said selected major vehicle part is damaged and replacement is desired.” *See In re Fulton*, 391 F.3d 1195, 1201 (Fed. Cir. 2004); *DePuy Spine, Inc. v. Medtronic Sofamor Danek, Inc.*, 567 F.3d 1314, 1327 (Fed. Cir. 2009) (“A reference does not teach away, however, if it merely expresses a general preference for an alternative invention but does not ‘criticize, discredit, or otherwise discourage’ investigation into the invention claimed”) (citing *Fulton*).

For these reasons, we are not persuaded that the Examiner erred in finding that the combination of Esser, Watts, and I-CAR teaches or suggests the disputed “determining” limitation, as recited in claim 1.

Appellant next contends the Examiner erred because Esser does not teach or suggest “generating . . . said vehicle repair estimate report based on predictive estimating, wherein said vehicle repair estimate report comprises a price of said second vehicle part, an indication that said second vehicle part is a onetime use part, and corresponding vehicle repair information.” Appeal Br. 36. Appellant argues that the cited portions of Esser merely teach calculations used for determining labor cost of performing a service on a vehicle, and a total estimate of the cost to perform the selected service, including parts. *Id.* Appellant argues that the term “predictive estimating” means “using a comprehensive listing prepared by the vehicle manufacturer as a starting point for an estimator when he/she prepares a vehicle repair estimate.” *Id.*

We are not persuaded that the Examiner erred. The Examiner found that Esser teaches the disputed limitation by building a total estimate that includes a price range for every part, and a range of labor and time values using advanced statistical techniques and an econometric model. Final Act. 10 (citing Esser col. 7:50–9:50). The Examiner also found that I-CAR teaches that a vehicle part is a one-time use part. *Id.* at 11 (citing I-CAR 2).

Appellant has not persuasively rebutted the Examiner’s findings. Moreover, we agree with the Examiner that Appellant’s proffered

interpretation³ of “predictive estimating” is not the broadest, reasonable interpretation consistent with the Specification. Our reviewing court guides that “[t]hrough understanding the claim language may be aided by the explanations contained in the written description, it is important not to import into a claim limitations that are not a part of the claim.” *SuperGuide Corp. v. DirecTV Enters., Inc.*, 358 F.3d 870, 875 (Fed. Cir. 2004). “We have cautioned against reading limitations into a claim from the preferred embodiment described in the specification, even if it is the only embodiment described, absent clear disclaimer in the specification.” *In re Am. Acad. of Sci. Tech. Ctr.*, 367 F.3d 1359, 1369 (Fed. Cir. 2004). Because “applicants may amend claims to narrow their scope, a broad construction during prosecution creates no unfairness to the applicant or patentee.” *In re ICON Health and Fitness, Inc.*, 496 F.3d 1374, 1379 (Fed. Cir. 2007) (internal citation omitted).

Applying this guidance here, we conclude that a broad but reasonable interpretation of representative claim 1 supports the Examiner’s response in the Answer that Appellant’s argument is not commensurate with any of the recitations of the claim[] itself” and “inadequately calls upon any suggestion of meaning from the disclosure in light of its alternative plain meaning.”

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³ As an initial matter of claim construction, we give the claim its broadest reasonable interpretation consistent with the Specification. *See In re Morris*, 127 F.3d 1048, 1054 (Fed. Cir. 1997). “In the patentability context, claims are to be given their broadest reasonable interpretations . . . limitations are not to be read into the claims from the specification.” *In re Van Geuns*, 988 F.2d 1181, 1184 (Fed. Cir. 1993) (citations omitted).

For these reasons, we are not persuaded that the Examiner erred in finding that the combination of Esser, Watts, and ICAR teaches or suggests the disputed “generating” limitation of claim 1.

Appellant further contends the Examiner erred because there is no motivation to combine the teachings of Esser and Watts with regard to the “providing” limitation, as recited in claim 1. Appeal Br. 37. In particular, Appellant argues that “Esser has no motivation to identify parts individually because its audience is a non-technical car owner, who is unable to identify car parts, much less appreciate a significance in their inclusion in the repairs.” *Id.* at 38. Appellant also argues that, although Esser teaches a list of services presented to a nontechnical car owner to choose from, Esser does not teach or suggest a selection of parts, as claim 1 requires. *Id.*

We are not persuaded of Examiner error. We find the Examiner provided “articulated reasoning with some rational underpinning to support the legal conclusion of obviousness.” *In re Kahn*, 441 F.3d 977, 988 (Fed. Cir. 2006); Final Act. 11. As discussed above, we are not persuaded by Appellant’s argument that claim 1 requires a certain type of user.

Moreover, Appellant’s argument does not address the rejection actually made by the Examiner. Nonobviousness cannot be established by attacking the references individually when the rejection is predicated upon a combination of prior art disclosures. *See In re Merck & Co.*, 800 F.2d 1091, 1097 (Fed. Cir. 1986). Here, the Examiner relied on Watts in combination with Esser and I-CAR as teaching or suggesting the “providing” limitation. Final Act. 11.

Appellant's argument that Esser does not teach identifying parts individually is not persuasive in light of Figure 2H, relied on by the Examiner. Figure 2H of Esser identifies, for example, an alternator, a starting and charging system, an alternator belt, and a battery. Esser Fig. 2H.

In light of the cited teachings of Esser and Watts, Appellant has failed to persuade us that the Examiner erred in combining the teachings of Esser and Watts.

Appellant next argues that the Examiner erred in combining Esser and I-CAR. Appeal Br. 38. Appellant argues that "the 'user' in Esser is not the 'user' of interest in I-CAR" because "[t]he 'user' in Esser is a non-technical vehicle owner, and the audience (the 'user') in I-CAR is a vehicle repair technician." Appeal Br. 39.

We are not persuaded of Examiner error. We find the Examiner provided "articulated reasoning with some rational underpinning to support the legal conclusion of obviousness." *Kahn*, 441 F.3d at 988; Final Act. 11. As discussed above, we are not persuaded by Appellant's argument that claim 1 requires a certain type of user.

Thus, Appellant has not persuaded us that the Examiner erred in combining the teachings of Esser and I-CAR.

Appellant also provides three Internet articles "touting the merits of the new system" as evidence of secondary considerations of non-obviousness. Appeal Br. 40. The Patent Owner asserts that the articles demonstrate "a longfelt but unsolved need" and "overcoming the failure of others." *Id.* Exhibit A is a summary of the inventor's speech given at a California Autobody Association Glendale-Foothill Chapter meeting.

Exhibit B is a summary of the inventor's speech given at Centennial College. *Id.*, Ex. B. Exhibit C is an announcement and registration form for a talk by the inventor at the California Autobody Association San Diego Chapter. *Id.*, Ex. C.

Because of the strength of the obviousness rejection and the subjective nature of the evidence presented, we remain unpersuaded by Appellant's evidence of secondary considerations. Although evidence pertaining to secondary considerations must be taken into account, such evidence does not necessarily control the obviousness conclusion. *See, e.g., Pfizer, Inc. v. Apotex, Inc.*, 480 F.3d 1348, 1372 (Fed. Cir. 2007) ("the record establish[ed] such a strong case of obviousness" that allegedly unexpectedly superior results were ultimately insufficient to overcome obviousness conclusion). Facts established by rebuttal evidence must be evaluated along with the facts on which the conclusion of a prima facie case was reached, not against the conclusion itself. *See In re Eli Lilly & Co.*, 902 F.2d 943 (Fed. Cir. 1990).

Here, the evidence presented establishes that the inventor spoke about a software product to several automobile-related groups. Appellant argues that Exhibit A "mentions one-time use parts as a particular area of improvement provided by the technology." Appeal Br. 40. Appellant also argues that the presence of the articles and their positive description of the claimed technology indicates a long-felt but unsolved need. *Id.*

We are not persuaded by Appellant's arguments. The relevance of long-felt need and the failure of others to the issue of obviousness depends on several factors. First, the need must have been a persistent one that was recognized by those of ordinary skill in the art. *In re Gershon*, 372 F.2d 535,

539 (CCPA 1967) (“Since the alleged problem in this case was first recognized by appellants, and others apparently have not yet become aware of its existence, it goes without saying that there could not possibly be any evidence of either a long felt need in the . . . art for a solution to a problem of dubious existence or failure of others skilled in the art who unsuccessfully attempted to solve a problem of which they were not aware.”); *Orthopedic Equipment Co., Inc. v. All Orthopedic Appliances, Inc.*, 707 F.2d 1376 (Fed. Cir. 1983) (noting that although the claimed invention achieved the desirable result of reducing inventories, there was no evidence of any prior unsuccessful attempts to do so). Appellant has not presented persuasive evidence that a persistent need was felt and recognized by those of ordinary skill in the art.

Second, the long-felt need must not have been satisfied by another before the invention by applicant. *Newell Companies v. Kenney Mfg. Co.*, 864 F.2d 757, 768 (Fed. Cir. 1988) (noting that although at one time there was a long-felt need for a “do-it-yourself” window shade material which was adjustable without the use of tools, a prior art product fulfilled the need by using a scored plastic material which could be torn); *see also id.* (“[O]nce another supplied the key element, there was no long-felt need or, indeed, a problem to be solved . . .”). There is no evidence in the record before us as to whether any long-felt need was satisfied by another before invention by Appellant.

Third, the invention must in fact satisfy the long-felt need. *In re Cavanagh*, 436 F.2d 491 (CCPA 1971). Here, there is no objective evidence of a long-felt need or of the satisfaction of that need.

Accordingly, we sustain the Examiner's § 103(a) rejection of independent claims 1, 6, 11, and 16, as well as the Examiner's § 103(a) rejection of dependent claims 2–5, 7–10, 12–15, and 17–20, argued as a group with claim 1. *Id.* at 41.

DECISION

We affirm the decision of the Examiner rejecting claims 1–20.

DECISION SUMMARY

Claims Rejected	35 U.S.C. §	Reference(s)/Basis	Affirmed	Reversed
1–20	101	Eligibility	1–20	
1–5, 12–15	103(a)	Esser, Watts, I-CAR	1–5, 12–15	
6–10	103(a)	Esser, Watts, I-CAR, Dutra	6–10	
11	103(a)	Esser, I-CAR	11	
16–20	103(a)	Esser, I-CAR, Dutra	16–20	
Overall Outcome:			1–20	

TIME PERIOD FOR RESPONSE

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