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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte PHILIP M. GINSBERG, ANDREW C. GILBERT, and
HOWARD W. LUTNICK

Appeal 2018-004618
Application 12/883,683
Technology Center 3600

Before JENNIFER S. BISK, LARRY J. HUME, and
JULIET MITCHELL DIRBA, *Administrative Patent Judges.*

HUME, *Administrative Patent Judge.*

DECISION ON APPEAL

STATEMENT OF THE CASE

Pursuant to 35 U.S.C. § 134(a), Appellant,[1] Philip M. Ginsberg et al.,
appeals from the Examiner's decision rejecting claims 1–4, 6–10, 12, 14
and 15, which are all claims pending in the application. Appellant has
canceled claims 5, 11, and 13. *See generally*, Appeal Br. 22 *et seq.* ("Claims
Appendix"). We have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.

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[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 BGC
PARTNERS, INC. Appeal Br. 3.

CLAIMED SUBJECT MATTER[2]

The claims are directed to a systems and methods for anonymous electronic trading. *See* Spec. (Title). In particular, Appellant's disclosed embodiments and claimed invention "relate[] to systems and methods for electronic trading that enable traders to remain anonymous with each other while still allowing those traders to monitor counterparty risk." Spec. 1, ll. 17–19.

Claims 1 and 8, reproduced below, are representative of the subject matter on appeal (*emphases* added to contested prior-art limitations):

> 1.   An electronic trading system comprising:
>
> a first apparatus;
>
> a second apparatus;
>
> wherein the first apparatus is configured to:
>
>   receive a first indication of an order associated with a counterparty through a communication network, in which the order includes at least one of an order to buy a financial instrument and an order to sell a financial instrument, in which the order is defined by a plurality of order characteristics;
>
>   in response to receiving the first indication of the order, transmit, through the communication network, a second indication of the order to the second apparatus; and

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[2] Our decision relies upon Appellant's Appeal Brief ("Appeal Br.," filed Dec. 14, 2017); Reply Brief ("Reply Br.," filed Mar. 27, 2018); Examiner's Answer ("Ans.," mailed Feb. 1, 2018); Final Office Action ("Final Act.," mailed July 17, 2017); and the original Specification ("Spec.," filed Sept. 16, 2018) (ultimately claiming benefit of US 60/223,028 filed Aug. 4, 2000). We note Appellant does not make any substantive arguments in the Reply Brief.

in response to the first apparatus detecting an indication from the second apparatus over the communication network that a trade should be executed between the first apparatus and the second apparatus, facilitate execution of the trade automatically, wherein the second apparatus is configured to:

receive a counterparty setting associated with the counterparty;

switch the counterparty setting on to indicate that trades with the counterparty are permitted or off to indicate that trades with the counterparty are not permitted;

receive an indication of at least one order characteristic;

receive, through the communication network from the electronic trading system, the second indication of the order;

in response to receiving the second indication of the order, *determine whether the order satisfies a total dollar amount threshold*;

in response to determining that the order satisfies the total dollar amount threshold, render a graphical user interface with the order on a display device;

in response to determining that the order does not satisfy the total dollar amount threshold, withhold rendering the order on the display device; and

in response to determining that the at least one characteristic satisfies the total dollar amount threshold and the counterparty setting is switched on, transmit, through the communication network to the electronic trading system, the indication that the trade should be executed automatically.

8. An apparatus comprising:

a display device;

at least one processor to:

receive a counterparty setting associated with a counterparty;

switch the counterparty setting on to indicate that trades with the counterparty are permitted or off to indicate that trades with the counterparty are not permitted;

receive an indication of at least one order characteristic;

receive, through a communication network from an electronic trading system, an indication of an order associated with the counterparty, in which the order includes at least one of an order to buy a financial instrument and an order to sell a financial instrument, in which the order is defined by a plurality of order characteristics;

in response to receiving the indication of the order, *determine whether the order satisfies a total dollar amount threshold*;

in response to determining that the order satisfies the total dollar amount threshold, render a graphical user interface with the order on the display device; and

in response to determining that the order does not satisfy the total dollar amount threshold, withhold rendering the order on the display device; and

in response to determining that the order satisfies the total dollar amount threshold and the counterparty setting is switched on, transmit, through the communication network to the electronic trading system, an indication that the trade should be executed automatically.

REFERENCES

The Examiner relies upon the following prior art as evidence in rejecting the claims on appeal:

Silverman et al. ("Silverman")   US 5,136,501   Aug. 4, 1992

Togher et al. ("Togher")	US 6,014,627	Jan. 11, 2000
Murcko, Jr. ("Murcko")	US 6,578,014 B1	June 10, 2003
Foley et al. ("Foley")	US 7,475,046 B1	Jan. 6, 2009

REJECTIONS

R1.   Claims 1–4, 6–10, 12, 14, and 15 stand rejected under 35 U.S.C. § 101 as being directed to a judicial exception (abstract idea) without significantly more. Final Act. 2.

R2.   Claims 8–10, 12, 14, and 15 stand rejected under pre-AIA 35 U.S.C. § 103(a) as being unpatentable over the combination of Foley, Murcko, and Silverman. Final Act. 4.

R3.   Claims 1–4, 6, and 7 stand rejected under pre-AIA 35 U.S.C. § 103(a) as being unpatentable over the combination of Foley, Murcko, Silverman, and Togher. Final Act. 8.

CLAIM GROUPING

Based on Appellant's arguments (Appeal Br. 9–20) and our discretion under 37 C.F.R. § 41.37(c)(1)(iv), we decide the appeal of patent-ineligible subject matter Rejection R1 of claims 1–4, 6–10, 12, 14, and 15 on the basis of representative claim 1; we decide the appeal of obviousness Rejection R2 of claims 8–10, 12, 14, and 15 on the basis of representative claim 8; and we decide the appeal of obviousness Rejection R3 of claims 1–4, 6, and 7 on the basis of representative claim 1.[3]

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[3] "Notwithstanding any other provision of this paragraph, the failure of appellant to separately argue claims which appellant has grouped together shall constitute a waiver of any argument that the Board must consider the patentability of any grouped claim separately." 37 C.F.R. § 41.37(c)(1)(iv). In addition, when Appellant does not separately argue the patentability of

ISSUES AND ANALYSIS

In reaching this decision, we consider all evidence presented and all arguments actually made by Appellant. 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).

We disagree with Appellant's arguments with respect to claims 1–4, 6–10, 12, 14 and 15 and, unless otherwise noted, we incorporate by reference herein and adopt as our own: (1) the findings and reasons set forth by the Examiner in the action from which this appeal is taken, and (2) the reasons and rebuttals set forth in the Examiner's Answer in response to Appellant's arguments. We highlight and address specific findings and arguments regarding claims 1 and 8 for emphases as follows.

1.   § 101 Rejection R1 of Claims 1–4, 6–10, 12, 14, 15

Issue 1

Appellant argues (Appeal Br. 9–12) the Examiner's rejection of claim 1 under 35 U.S.C. § 101 as being directed to patent-ineligible subject matter is in error. These contentions present us with the following issue:

Under the USPTO's Revised Guidance, informed by our governing case law concerning 35 U.S.C. § 101, is claim 1 patent-ineligible under § 101?

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dependent claims, the claims stand or fall with the claims from which they depend. *In re King*, 801 F.2d 1324, 1325 (Fed. Cir. 1986).

Principles of Law

A.   35 U.S.C. § 101

An invention is patent-eligible if it is a "new and useful process, machine, manufacture, or composition of matter." 35 U.S.C. § 101.[4] However, the Supreme Court has long interpreted 35 U.S.C. § 101 to include implicit exceptions: "[l]aws of nature, natural phenomena, and abstract ideas" are not patentable. *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66, 70 (2012) (brackets in original) (citing *Diamond v. Diehr*, 450 U.S. 175, 185 (1981)).

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 Corp. v. CLS Bank Int'l*, 573 U.S. 208, 217–18 (2014) (citing *Mayo*, 566 U.S. at 75–77). 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);

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[4] This threshold analysis of whether a claim is directed to one of the four statutory categories of invention, i.e., a process, machine, manufacture, or composition of matter, is referred to as "*Step 1*" in the USPTO's patent-eligibility analysis under § 101. MPEP § 2106.

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" (*Diehr*, 450 U.S. at 191); "tanning, dyeing, making water-proof cloth, vulcanizing India rubber, smelting ores" (*id.* at 182 n.7 (quoting *Corning v. Burden*, 56 U.S. 252, 267–68 (1853))); 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 "[a] claim drawn to subject matter otherwise statutory does not become nonstatutory simply because it uses a mathematical formula." *Diehr*, 450 U.S. at 187; *see also id.* at 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.* (citation omitted) (citing *Benson* and *Flook*); *see, e.g.*, *id.* at 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.").

Abstract ideas may include, but are not limited to, fundamental economic practices, methods of organizing human activities, and mathematical formulas or relationships. *Alice*, 573 U.S. at 217–21. Under this guidance, we must therefore ensure at step one that we articulate what

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the claims are directed to with enough specificity to ensure the step one inquiry is meaningful. *Id.* at 217 ("[W]e tread carefully in construing this exclusionary principle lest it swallow all of patent law.").

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). "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.* (alterations in original) (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.*

B.   USPTO Revised Guidance

The PTO recently published revised guidance in the Federal Register concerning the application of § 101. *2019 Revised Patent Subject Matter Eligibility Guidance*, 84 Fed. Reg. 50 (January 7, 2019) (hereinafter "Revised Guidance") (https://www.govinfo.gov/content/pkg/FR-2019-01-07/pdf/2018-28282.pdf).

Under the Revised 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);[5] 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)).[6]

See Revised Guidance 52–53.

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.[7]

See Revised Guidance 56.

Step 2A(i) – Abstract Idea

Informed by our judicial precedent, the Revised Guidance extracts and synthesizes key concepts identified by the courts as abstract ideas to explain that the abstract idea exception includes the following groupings of subject matter, when recited as such in a claim limitation:

(a) Mathematical concepts—mathematical relationships, mathematical formulas or equations, mathematical calculations;

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[5] Referred to as "*Revised Step 2A, Prong 1*" in the Revised Guidance (hereinafter "*Step 2A(i)*").

[6] Referred to as "*Revised Step 2A, Prong 2*" in the Revised Guidance (hereinafter "*Step 2A(ii)*").

[7] Items (3) and (4) continue to be collectively referred to as "*Step 2B*" of the Supreme Court's two-step framework, described in *Mayo* and *Alice*.

(b) Certain methods of organizing human activity —
fundamental economic principles or practices (including
hedging, insurance, mitigating risk); commercial or legal
interactions (including agreements in the form of contracts;
legal obligations; advertising, marketing or sales activities or
behaviors; business relations); managing personal behavior or
relationships or interactions between people (including social
activities, teaching, and following rules or instructions); and

(c) Mental processes—concepts performed in the human
mind (including an observation, evaluation, judgment, opinion).

Revised Guidance 52 (footnotes omitted).

Under the Revised Guidance, if the claim does not recite a judicial

exception (a law of nature, natural phenomenon, or subject matter within the

enumerated groupings of abstract ideas above), then the claim is patent-

eligible at *Step 2A(i)*. This determination concludes the eligibility analysis,

except in situations identified in the Revised Guidance.[8]

However, if the claim recites a judicial exception (i.e., an abstract idea

enumerated above, a law of nature, or a natural phenomenon), the claim

requires further analysis for a practical application of the judicial exception

in *Step 2A(ii)*.

Step 2A(ii) – Practical Application

If a claim recites a judicial exception in *Step 2A(i)*, we determine

whether the recited judicial exception is integrated into a practical

application of that exception in *Step 2A(ii)* by: (a) identifying whether there

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[8] In the rare circumstance in which an examiner believes a claim limitation
that does not fall within the enumerated groupings of abstract ideas should
nonetheless be treated as reciting an abstract idea, the procedure described in
of the Guidance for analyzing the claim should be followed. *See* Revised
Guidance, Section III.C.

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.

The seven identified "practical application" sections of the MPEP,[9] cited in the Revised Guidance under *Step 2A(ii)*, are:

(1)   MPEP § 2106.05(a) Improvements to the Functioning of a Computer or To Any Other Technology or Technical Field

(2)   MPEP § 2106.05(b) Particular Machine

(3)   MPEP § 2106.05(c) Particular Transformation

(4)   MPEP § 2106.05(e) Other Meaningful Limitations

(5)   MPEP § 2106.05(f) Mere Instructions To Apply An Exception

(6)   MPEP § 2106.05(g) Insignificant Extra-Solution Activity

(7)   MPEP § 2106.05(h) Field of Use and Technological Environment

See Revised Guidance 55.

If the recited judicial exception is integrated into a practical application as determined under one or more of the MPEP sections cited above, then the claim is not directed to the judicial exception, and the patent-eligibility inquiry ends. *See* Revised Guidance 54. If not, then analysis proceeds to *Step 2B*.

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[9] *See* MPEP §§ 2106.05(a)–(c), (e)–(h). Citations to the MPEP herein refer to revision [R-08.2017]. Sections 2106.05(a), (b), (c), and (e) are indicative of integration into a practical application, while §§ 2106.05(f), (g), and (h) relate to limitations that are not indicative of integration into a practical application.

Step 2B – "Inventive Concept" or "Significantly More"

Under our reviewing courts' precedent, it is possible that a claim that does not "integrate" a recited judicial exception under *Step 2A(ii)* is nonetheless patent eligible. For example, the claim may recite additional elements that render the claim patent eligible even though one or more claim elements may recite a judicial exception.[10] The Federal Circuit has held claims eligible at the second step of the *Alice/Mayo* test (USPTO *Step 2B*) because the additional elements recited in the claims provided "significantly more" than the recited judicial exception (e.g., because the additional elements were unconventional in combination).[11] Therefore, if a claim has been determined to be directed to a judicial exception under *Revised Step 2A*, we must also evaluate the additional elements individually and in combination under *Step 2B* to determine whether they provide an inventive concept (i.e., whether the additional elements amount to significantly more than the exception itself).[12]

Under the Revised Guidance, we must consider in *Step 2B* whether an additional element or combination of elements: (1) "Adds a specific limitation or combination of limitations that are not well-understood,

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[10] *See, e.g.*, *Diehr*, 450 U.S. at 187.

[11] *See, e.g.*, *Amdocs, Ltd. v. Openet Telecom, Inc.*, 841 F.3d 1288, 1300, 1304 (Fed. Cir. 2016); *BASCOM Global Internet Services, Inc. v. AT&T Mobility LLC*, 827 F.3d 1341, 1349–52 (Fed. Cir. 2016); *DDR Holdings v. Hotels.com, L.P.*, 773 F.3d 1245, 1257–59 (Fed. Cir. 2014).

[12] The patent eligibility inquiry may contain underlying issues of fact. *Mortg. Grader, Inc. v. First Choice Loan Servs. Inc.*, 811 F.3d 1314, 1325 (Fed. Cir. 2016). In particular, "[t]he question of whether a claim element or combination of elements is well-understood, routine and conventional to a skilled artisan in the relevant field is a question of fact." *Berkheimer v. HP Inc.*, 881 F.3d 1360, 1368 (Fed. Cir. 2018).

routine, conventional activity in the field, which is indicative that an inventive concept may be present;" or (2) "simply appends well-understood, routine, conventional activities previously known to the industry, specified at a high level of generality, to the judicial exception, which is indicative that an inventive concept may not be present." *See* Revised Guidance, Section III.B.[13]

In the *Step 2B* analysis, an additional element (or combination of elements) is not well-understood, routine or conventional unless the examiner finds an evidentiary basis, and expressly supports a rejection in writing with, one or more of the following:

> 1.   A citation to an express statement in the specification or to a statement made by an applicant during prosecution that demonstrates the well-understood, routine, conventional nature of the additional element(s). . . .

> 2.   A citation to one or more of the court decisions discussed in MPEP § 2106.05(d)(II) as noting the well-understood, routine, conventional nature of the additional element(s).

> 3.   A citation to a publication that demonstrates the well-understood, routine, conventional nature of the additional element(s). . . .

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[13] In accordance with existing *Step 2B* guidance, an Examiner's finding that an additional element (or combination of elements) is well understood, routine, conventional activity must be supported with at least one of the four specific types of evidence required by the USPTO *Berkheimer* Memorandum, as shown above. For more information concerning evaluation of well-understood, routine, conventional activity, *see* MPEP § 2106.05(d), as modified by the USPTO *Berkheimer* Memorandum (USPTO Commissioner for Patents Memorandum dated Apr. 19, 2018, "Changes in Examination Procedure Pertaining to Subject Matter Eligibility, Recent Subject Matter Eligibility Decision (*Berkheimer v. HP, Inc.*)" (hereinafter "*Berkheimer Memo*").

> 4. A statement that the examiner is taking official notice of the well-understood, routine, conventional nature of the additional element(s). . . .

See Berkheimer Memo 3–4.

If the Examiner or the Board determines under *Step 2B* that the element (or combination of elements) amounts to significantly more than the exception itself, the claim is eligible, thereby concluding the eligibility analysis.

However, if a determination is made that the element and combination of elements do not amount to significantly more than the exception itself, the claim is ineligible under *Step 2B*, and the claim should be rejected for lack of subject matter eligibility.

Analysis

Step 1 – Statutory Category

Claim 1, as a system (device) claim, recites one of the enumerated categories of eligible subject matter in 35 U.S.C. § 101. Therefore, the issue before us is whether it is directed to a judicial exception without significantly more.

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

The Examiner determined that claim 1 "describes sending and receiving orders (for financial instrument) using a device via a network, and counterparty rules for displaying and/or executing such orders. This concept is a type of 'organizing human activity' similar to those found by the courts to be abstract." Final Act. 2.

We conclude claim 1 does not recite the judicial exceptions of either natural phenomena or laws of nature. We evaluate, *de novo*, whether claim 1 recites an abstract idea based upon the Revised Guidance.

First, we look to the Specification to provide context as to what the claimed invention is directed to. In this case, the Specification discloses "[t]he present invention relates to systems and methods for anonymous electronic trading. More particularly, the present invention relates to systems and methods for electronic trading that enable traders to remain anonymous with each other while still allowing those traders to monitor counterparty risk." Spec. 1, ll. 15–19.

Appellant's Abstract describes the invention as:

> Systems and methods for anonymous electronic trading that allow a trader to hide his or her identity and inhibit trading interactions are provided. Using these systems and methods, a trader can, using various trading interfaces, control a level of trading anonymously and configure warnings that are provided to protect against inadvertent completion of potential-risk-involved trades.

Spec. 19 (Abstract).

In TABLE 1 below, we identify in *italics* the specific claim limitations in claim 1 that we conclude recite an abstract idea. We additionally identify in **bold** the additional (non-abstract) claim limitations that are generic computer components and techniques, and underline limitations representing extra or post-solution activity:

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TABLE 1

Independent Claim 1	Revised Guidance
An electronic trading system comprising:	A system (device) is a statutory subject matter class. *See* 35 U.S.C. § 101.
[L1] **a first apparatus**; [L2] **a second apparatus**;[14] wherein the first apparatus is configured to: [L3] <u>receive a first indication of an order</u> associated with a counterparty through **a communication network**, in which the order includes at least one of an order to buy a financial instrument and an order to sell a financial instrument, in which the order is defined by a plurality of order characteristics;	Receiving information, i.e., data gathering, is merely insignificant extra-solution activity that does not add significantly more to the abstract idea to render the claimed invention patent-eligible. Revised Guidance 55, n.31.
in response to receiving the first indication of the order, [L4] <u>transmit, through the communication network, a second indication</u> of the order to the second apparatus; and	Transmitting information, e.g., for display, is insignificant extra-solution activity. Revised Guidance 55, n.31; *and see buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1355 (Fed. Cir. 2014) (computer receives and sends information over a network).
in response to the first apparatus detecting an indication from the second	

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[14] We determine the claimed first and second "apparatus" comprises generic computer components and techniques based upon Appellant's disclosure. *See* Appeal Br. 5 ("Summary of Claimed Subject Matter") (citing Spec. 5, ll. 10–25; 6, ll. 1–15; and Fig. 1).

Independent Claim 1	Revised Guidance
apparatus over the communication network that a trade should be executed between the first apparatus and the second apparatus,	
[L5] *facilitate execution of the trade* automatically,	"Facilitating execution of [a] trade" is an abstract idea, i.e., a certain method of organizing human activity in the form of a commercial interaction that includes sales activities and business relations. *See* Revised Guidance 52.
wherein the second apparatus is configured to:	
[L6] <u>receive a counterparty setting</u> associated with the counterparty;	Receiving information, i.e., data gathering, is merely insignificant extra-solution activity that does not add significantly more to the abstract idea to render the claimed invention patent-eligible. Revised Guidance 55, n.31.
[L7] *switch the counterparty setting on to indicate that trades with the counterparty are permitted or off to indicate that trades with the counterparty are not permitted*;	Selecting whether to permit or not permit trades with a counterparty is an abstract idea, i.e., a certain method of organizing human activity in the form of a commercial interaction that includes sales activities and business relations. *See* Revised Guidance 52. Alternatively, this function could be viewed as a mental process, i.e., an "observation, evaluation, judgment, opinion" which could be performed as a mental process. *See* Revised Guidance 52.
[L8] <u>receive an indication</u> of at least one order characteristic;	Receiving information such as an indication, i.e., data gathering, is merely insignificant extra-solution activity that does not add significantly more to the abstract idea to render the claimed

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Independent Claim 1	Revised Guidance
	invention patent-eligible. Revised Guidance 55, n.31.
[L9] <u>receive, through the communication network from the electronic trading system,</u> the second indication of the order;	Receiving information, such as an indication of the order, i.e., data gathering, is merely insignificant extra-solution activity that does not add significantly more to the abstract idea to render the claimed invention patent-eligible. Revised Guidance 55, n.31. Communicating or transmitting information is insignificant post-solution activity. Revised Guidance 55, n.31; *see also* MPEP § 2106.05(g); *and see buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1355 (Fed. Cir. 2014) (computer receives and sends information over a network).
in response to receiving the second indication of the order, [L10] *determine whether the order satisfies a total dollar amount threshold*;	Determining is an abstract idea, i.e., an "observation, evaluation, judgment, opinion" which could be performed as a mental process. *See* Revised Guidance 52.
in response to determining that the order satisfies the total dollar amount threshold, [L11] <u>render a **graphical user interface** with the order on **a display device**</u>;	Transmitting or rendering information such as a GUI for display is insignificant extra-solution activity. Revised Guidance 55, n.31. As claimed, a graphical user interface (GUI) is a generic computer component.

Independent Claim 1	Revised Guidance
[L12] *in response to determining that the order does not satisfy the total dollar amount threshold,* *withhold rendering the order on the display device*; and	Withholding rendering a display based on a determination that a condition has or has not been met is an abstract idea, i.e., an "observation, evaluation, judgment, opinion" which could be performed as a mental process. *See* Revised Guidance 52.
in response to determining that the at least one characteristic satisfies the total dollar amount threshold and the counterparty setting is switched on,	
[L13] <u>transmit, through the communication network to the electronic trading system, the indication</u> that the trade should be executed automatically.	Communicating or transmitting information is insignificant post-solution activity. Revised Guidance 55, n.31; *see also* MPEP § 2106.05(g); *and see buySAFE,* 765 F.3d at 1355 (computer receives and sends information over a network).

Claims App.

Under the broadest reasonable interpretation standard,[15] we conclude limitations L1 through L13 recite functionality that would ordinarily occur when carrying out certain methods of organizing human activity, including

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[15] During prosecution, claims must be given their broadest reasonable interpretation when reading claim language in light of the specification as it would be interpreted by one of ordinary skill in the art. *In re Am. Acad. of Sci. Tech. Ctr.*, 367 F.3d 1359, 1364 (Fed. Cir. 2004). Under this standard, we interpret claim terms using "the broadest reasonable meaning of the words in their ordinary usage as they would be understood by one of ordinary skill in the art, taking into account whatever enlightenment by way of definitions or otherwise that may be afforded by the written description contained in the applicant's specification." *In re Morris*, 127 F.3d 1048, 1054 (Fed. Cir. 1997).

commercial agreements in the form of sales activities or business relations such as order processing involving a counterparty. *See* Final Act. 2–3. For example, providing an option or indication that trades with a counterparty are permitted, or an indication that trades with the counterparty are not permitted is an operation that generally occurs whenever counterparty trading is contemplated. Further, determining whether the order satisfies a total dollar amount threshold or not, and predicating the approval or withholding of the order execution is commonly done when executing trades, whether initiated person-to-person, on paper, or using a computer.

We determine that claim 1, overall, while reciting mental steps, also recites a certain method of organizing human activity. This type of activity, i.e., facilitating execution of a trade, is an abstract idea, i.e., a certain method of organizing human activity in the form of a commercial interaction that includes sales activities and business relations. We conclude each of limitations L1 through L13, for example, and aside from any computer-related aspects, includes longstanding conduct that existed well before the advent of computers and the Internet, and could be carried out by a human 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*.").[16]

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[16] Our reviewing court recognizes that "[a]n abstract idea can generally be described at different levels of abstraction." *Apple, Inc. v. Ameranth, Inc.*, 842 F.3d 1229, 1240 (Fed. Cir. 2016). That need not and, in this case does not, "impact the patentability analysis." *Id.* at 1241. Further, "[t]he Board's slight revision of its abstract idea analysis does not impact the patentability analysis." *Id*. Moreover, merely combining several abstract ideas does not render the combination any less abstract. *RecogniCorp, LLC v. Nintendo*

Therefore, under *Step 2A(i)*, we agree with the Examiner that claim 1's electronic trading system recites an abstract idea, e.g., the combination of abstract steps recited in each of limitations L5, L7, L10, and L12. We conclude claim 1, under our Revised Guidance, recites a judicial exception of facilitating execution of a trade, i.e., a certain method of organizing human activity in the form of a commercial interaction that includes sales activities and business relations, and thus is an abstract idea.

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

If the claims recite a judicial exception, as we conclude above, we proceed to the "practical application" *Step 2A(ii)* in which we 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.

As to the specific limitations, we find limitations L3, L6, L8, and L9 recite insignificant data gathering. *See* MPEP § 2106.05(g). Data gathering, as performed by the steps or function in Appellant's claims, is a classic example of insignificant extra-solution activity. *See, e.g.*, *In re Bilski*, 545 F.3d 943, 963 (Fed. Cir. 2008) (en banc), *aff'd sub nom*, *Bilski v. Kappos*, 561 U.S. 593 (2010).

Co., 855 F.3d 1322, 1327 (Fed. Cir. 2017) ("Adding one abstract idea (math) to another abstract idea . . . does not render the claim non-abstract."); *see also FairWarning IP, LLC v. Iatric Sys., Inc.*, 839 F.3d 1089, 1093–94 (Fed. Cir. 2016) (determining the pending claims were directed to a combination of abstract ideas).

We also find limitations L4, L11, and L13 recite insignificant post solution activity. The Supreme Court guides that the "prohibition against patenting abstract ideas 'cannot be circumvented' [by] adding 'insignificant postsolution activity.'" *Bilski*, 561 U.S. at 610–11 (quoting *Diehr*, 450 U.S. at 191–92). On this record, we are of the view that Appellant's claims do not operate the recited generic computer components (*see* limitations L1, L2, and L3) in an unconventional manner to achieve an improvement in computer functionality. *See* MPEP § 2106.05(a).

In addition to the steps L3 through L13, i.e., abstract steps identified in Step 2A(i), *supra*, and the data gathering and extra/post-solution activity also identified above, claim 1 further recites L1 "a first apparatus," L2 "a second apparatus," a portion of L3 recites "a communication network," and limitation L11 recites "a graphical user interface" and "a display device."

We find these limitations merely recite generic computer components (*see Step 2B, infra*), and none of these limitations integrate the judicial exception of facilitating execution of a trade into a practical application as determined under one or more of the MPEP sections cited above. The claim 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.

Under analogous circumstances, the Federal Circuit has held that "[t]his is a quintessential 'do it on a computer' patent: it acknowledges that [such] data . . . was previously collected, analyzed, manipulated, and displayed manually, and it simply proposes doing so with a computer. We have held such claims are directed to abstract ideas." *Univ. of Fla. Research Found., Inc. v. Gen. Elec. Co.*, 916 F.3d 1363, 1367 (Fed. Cir. 2019); *see*

also Elec. Power Grp., LLC v. Alstom S.A., 830 F.3d 1350, 1351 (Fed. Cir. 2016) ("Though lengthy and numerous, the claims do not go beyond requiring the collection, analysis, and display of available information in a particular field, stating those functions in general terms, without limiting them to technical means for performing the functions that are arguably an advance over conventional computer and network technology.").

Therefore, the claim 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. Thus, on this record, Appellant has not shown an improvement or practical application under the guidance of MPEP section 2106.05(a) ("Improvements to the Functioning of a Computer or to Any Other Technology or Technical Field") or section 2106.05(e)("Other Meaningful Limitations").

Accordingly, we conclude the abstract idea is not integrated into a practical application, and thus the claim is directed to the judicial exception.

Step 2B – "Inventive Concept" or "Significantly More"

If the claims are directed to a judicial exception, and not integrated into a practical application, 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*, 838 F.3d at 1258.

In applying step two of the *Alice* analysis, our reviewing court guides we must "determine whether the claims do significantly more than simply describe [the] abstract method" and thus transform the abstract idea into patentable subject matter. *Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709,

715 (Fed. Cir. 2014). 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.

Limitations referenced in *Alice* that are not enough to qualify as "significantly more" when recited in a claim with an abstract idea include, as non-limiting or non-exclusive examples: adding the words "apply it" (or an equivalent) with an abstract idea[17]; mere instructions to implement an abstract idea on a computer[18]; or requiring no more than a generic computer to perform generic computer functions that are well-understood, routine and conventional activities previously known to the industry.[19]

Evaluating representative claim 1 under step 2 of the *Alice* analysis, we conclude it lacks an inventive concept that transforms the abstract idea of facilitating execution of a trade into a patent-eligible application of that abstract idea.

The patent eligibility inquiry may contain underlying issues of fact. *Mortg. Grader*, 811 F.3d at 1325. In particular, "[t]he question of whether a claim element or combination of elements is well-understood, routine and

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[17] *Alice*, 573 U.S. at 221–23.

[18] *Alice*, 573 U.S. at 222–23, *e.g*., simply implementing a mathematical principle on a physical machine, namely a computer.

[19] *Alice*, 573 U.S. at 225 (explaining using a computer to obtain data, adjust account balances, and issue automated instructions involves computer functions that are well-understood, routine, conventional activities).

conventional to a skilled artisan in the relevant field is a question of fact."

Berkheimer, 881 F.3d at 1368.

As evidence of the conventional nature of the recited "first apparatus," "second apparatus," "communication network" in system claim 1; "display device," "at least one processor," "communication network," and "electronic trading system" in apparatus claim 8; and "memory," "at least one processor," and "communication network" in system claim 14, the Specification discloses:

> Turning first to FIG. 1, an example of hardware 100 that may be used to implement one embodiment of the present invention is shown. As illustrated, hardware 100 may include one or more local workstations 102 and one or more remote workstations 104 that may be used by traders to view trading data and enter trading commands. Workstations 102 and 104 may be any suitable means for presenting data and, in preferred embodiments of this invention, accepting input. For example, workstations 102 and 104 may be personal computers, laptop computers, mainframe computers, dumb terminals, data displays, Internet browsers, Personal Digital Assistants (PDAs), two-way pagers, wireless terminals, portable telephones, etc., or any combination of the same.

> To orchestrate trading between traders using workstations 102 and 104, the workstations preferably submit commands to, and receive data to be displayed from, a processor 106. In alternative embodiments, however, workstations may communicate with additional processors, or include processors to orchestrate trading in a distributed fashion without requiring processor 106. In yet other embodiments, processor 106 may be connected to an external trading system (not shown) that controls trading by the traders. Processor 106, and any additional processors, may be any suitable circuitry or devices capable of processing data such as microprocessors, personal computers, network servers, mainframe computers, dedicated computer systems, etc.

Spec. 5, ll. 10–31.

Thus, 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 Appellants' Specification, as quoted above.[20]

With respect to this step of the analysis, Appellant argues, "[t]he claimed features do recite improvement to GUI structures, such as the 'counterparty switch' and the rendering of orders. For example, claim 8 recites 'switch the counterparty setting on to indicate that trades with the counterparty are permitted or off to indicate that trades with the counterparty are not permitted.'" Appeal Br. 11. "[C]laim 8, and similarly claim 1, recites a counterparty switch and different actions that can be executed based on the counterparty switch setting and the total dollar amount threshold. As such, the claims are not simply setting, selecting, and displaying data as alleged by the Examiner. The Examiner oversimplifies the claims by looking at them generally and failing to account for the specific claimed requirements." Appeal Br. 12.

In response, the Examiner concludes, "[t]he claimed invention is not on an improvement in computers as tools by improving the functioning of the computer, but on certain independently abstract ideas that use computers as tools." Ans. 4. "Nothing in the claims, understood in light of the

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[20] Claim terms are to be given their broadest reasonable interpretation, as understood by those of ordinary skill in the art and taking into account whatever enlightenment may be had from the Specification. *In re Morris*, 127 F.3d 1048, 1054 (Fed. Cir. 1997).

specification, requires anything other than off-the-shelf, conventional computer, network, and display technology. The Courts have repeatedly held that such invocations of computers and networks that are not even arguably inventive are 'insufficient to pass the test of an inventive concept in the application' of an abstract idea." *Id*. We agree with the Examiner's factual findings and legal conclusions.

We agree with the Examiner, and are not persuaded by Appellant's reliance upon *Trading Technologies* in arguing the claims are directed to patent-eligible subject matter because of the recitation of a graphical user interface. Appeal Br. 9 (citing *Trading Technologies International, Inc. v. CQG, INC*., 675 Fed.Appx. 1001 (Fed. Cir. 2017) (unpublished decision)). We are not persuaded because, as the Examiner pointed out in the Final Action:

> Examiner respectfully disagrees. In *TTI*, the Court recognized that the focus of the invention was directed to the "structure" of the GUI that addressed a specific problem in the state of the art. In the *TTI* decision, the Court agreed the patents are directed to improvements in existing graphical user interface devices that have no "pre-electronic trading analog," and recite more than "'setting, displaying, and selecting' data or information that is visible on the [graphical user interface] device."

> The Court further explained that the claim require specific, structured GUI paired with a prescribed functionality directly related to the GUI's structure that addresses to and resolves a specifically identified problem in the prior state of the art.

> The instant invention has nothing to do with the "structure" of a GUI. Rather, the apparatuses are configured to "receiving data" from counterparties similar to "'setting, displaying, and selecting' data or information that is visible on the [graphical user interface] device."

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> Therefore, *TTI* decision does not apply to the claimed
> invention.

Final Act. 9–10.

We agree with the Examiner's analysis. Moreover, in the event of
further prosecution, we invite the Examiner's attention as to whether there is
adequate written description support under 35 U.S.C. § 112, first paragraph
for the recitation of "render a graphical user interface with the order on a
display device," as recited in claim 1.[21]

The MPEP, based upon our precedential guidance, provides additional
considerations with respect to analysis of the well-understood, routine, and
conventional nature of the recited computer-related components.

> Another consideration when determining whether a claim
> recites significantly more than a judicial exception is whether
> the additional elements amount to more than a recitation of the
> words "apply it" (or an equivalent) or are more than mere
> instructions to implement an abstract idea or other exception on
> a computer. As explained by the Supreme Court, in order to
> transform a judicial exception into a patent-eligible application,
> the additional element or combination of elements must do
> "'more than simply stat[e] the [judicial exception] while adding
> the words 'apply it'". *Alice Corp. v. CLS Bank*, 573 U.S. 208,
> 134 S. Ct. 2347, 2357, 110 USPQ2d 1976, 1982-83 (2014)
> (quoting *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*,
> 566 U.S. 66, 72, 101 USPQ2d 1961, 1965). Thus, for example,
> claims that amount to nothing more than an instruction to apply

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[21] Appellant cites the Specification at p. 10, ll. 14–32; p. 11, ll. 15–32; p. 12,
ll. 1–17, and Figures 4–5 of the disclosure for support for the claimed GUI.
Appeal Br. 5 ("Summary of Claimed Subject Matter"). We have reviewed
the cited sections of the Specification, and do not find any disclosure of
rendering a "graphical user interface," as claimed. Although the Board is
authorized to reject claims under 37 C.F.R. § 41.50(b), no inference should
be drawn when the Board elects not to do so. *See* Manual of Patent
Examining Procedure (MPEP) 1213.02.

> the abstract idea using a generic computer do not render an
> abstract idea eligible. *Alice Corp.*, 134 S. Ct. at 2358, 110
> USPQ2d at 1983. *See also* 134 S. Ct. at 2389, 110 USPQ2d at
> 1984 (warning against a § 101 analysis that turns on "the
> draftsman's art") . . . .
>
>   In *Alice Corp.*, the claim recited the concept of
> intermediated settlement as performed by a generic computer.
> The Court found that the recitation of the computer in the claim
> amounted to mere instructions to apply the abstract idea on a
> generic computer. 134 S. Ct. at 2359-60, 110 USPQ2d at 1984.
> The Supreme Court also discussed this concept in an earlier
> case, *Gottschalk v. Benson*, 409 U.S. 63, 70, 175 USPQ 673,
> 676 (1972), where the claim recited a process for converting
> binary-coded decimal (BCD) numerals into pure binary
> numbers. The Court found that the claimed process had no
> substantial practical application except in connection with a
> computer. *Benson*, 409 U.S. at 71-72, 175 USPQ at 676. The
> claim simply stated a judicial exception (e.g., law of nature or
> abstract idea) while effectively adding words that "apply it" in a
> computer. *Id.*

MPEP § 2106.05(f) ("Mere Instructions To Apply An Exception").

With respect to the *Step 2B* analysis, we conclude, similar to *Alice*, the
recitation of a system including generic components, including rendering a
graphical user interface as recited in claim 1, as argued by Appellants, and
similarly for claims 8 and 14, is simply not enough to transform the patent-
ineligible abstract idea here into a patent-eligible invention under *Step 2B*.
See Alice, 573 U.S. at 221 ("[C]laims, which merely require generic
computer implementation, fail to transform [an] abstract idea into a patent-
eligible invention.").

We conclude the claims fail the *Step 2B* analysis because claim 1, 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.

Therefore, in light of the foregoing, we conclude, under the Revised Guidance, that each of Appellant's independent claims 1, 8, and 14, considered as a whole, is directed to a patent-ineligible abstract idea that is not integrated into a practical application and does not include an inventive concept. Accordingly, we sustain the Examiner's § 101 rejection of independent claim 1, and grouped claims 2–4, 6–10, 12, 14, and 15 which fall therewith. *See* Claim Grouping, *supra*.

2.   § 103(a) Rejection R2 of Claims 8–10, 12, 14, and 15

Issue 2

Appellant argues (Appeal Br. 13–16) the Examiner's rejection of claim 8 under 35 U.S.C. § 103(a) as being obvious over the combination of Foley, Murcko, and Silverman is in error. These contentions present us with the following issue:

Did the Examiner err in finding the cited prior art combination teaches or suggests an apparatus that includes "at least one processor to," *inter alia*, (1) "switch the counterparty setting on to indicate that trades with the counterparty are permitted or off to indicate that trades with the counterparty are not permitted;" and (2) "in response to receiving the indication of the order, determine whether the order satisfies a total dollar amount threshold," as recited in claim 8?

Principles of Law

"[O]ne cannot show non-obviousness by attacking references individually where . . . the rejections are based on combinations of

references." *In re Keller*, 642 F.2d 413, 426 (CCPA 1981). "The test for obviousness is not whether the features of a secondary reference may be bodily incorporated into the structure of the primary reference . . . . Rather, the test is what the combined teachings of those references would have suggested to those of ordinary skill in the art." *Id.* at 425.

Analysis

Limitation (1) – Switch Counterparty Setting

The "Examiner interprets the setting of the switch to either on or off as simply a selection via a 'check box' by a trader to select a counterparty to trade with." Final Act. 5 (citing Foley col. 2, ll. 12–37). Foley discloses "[t]he first party offering to buy shares from or sell shares to one or more selected counterparties selects the one or more counterparties from the users identified by the system as engaging in recent trade or order activity in particular stocks." Foley col. 2, ll. 30–33.

Appellant contends:

> *Foley* teaches that a user can use an input device to select anonymous partners from a list. However, Appellants submit that **selecting anonymous partners from a list is not one in the same as the on or off counterparty switch recited in claim 8**. There is a high degree of separation between selecting anonymous partners from a list and setting a counterparty switch on or off. The Examiner is using impermissible hindsight reasoning to bridge the gap between the claimed switch and Foley's list.

Appeal Br. 14.

We are not persuaded by Appellant's argument because the portion of Foley cited by Appellant and the Examiner does not teach or suggest that the counterparties are "anonymous," just that they are "selected." We find a

"selected counterparty" using Foley's list is not required to be anonymous.
More importantly, the rejection is for obviousness for which the test is what
the reference combination *would have suggested* to a person of ordinary skill
in the art. *See Keller*, 642 F.2d at 425.

The Examiner further finds "the nature of the 'switch' is not disclosed
in the claim . . . . [because e]ven though[] the Specification and Figures
disclose the 'switch' as [a] checkbox, the interpretation . . . [of] the claims is
much broader. Anything can represent a 'switch' as recited in the claims."
Ans. 7.

We agree with the Examiner's broad but reasonable interpretation that
the recitation of "switch the counterparty switch on to indicate that trades
with the counterparty are permitted or off to indicate that trades . . . are not
permitted" reads on the cited disclosure of Foley, i.e., selecting a
counterparty.

Limitation (2) – Order Satisfies a Total Dollar Amount Threshold

The Examiner finds "Silverman teaches that the at least one order
characteristic is a satisfaction of a total dollar amount threshold; and
automatic execution of order based on order characteristic." Final Act. 7
(citing Silverman col. 3, ll. 18–38, col. 19, ll. 3–8, col. 20, ll. 26–28). From
this citation, we find Silverman discloses a gross counterparty credit limit.
See, *e.g.*, Foley col. 3, ll. 18–38.

Appellant contends Silverman's disclosed "credit limit" does not
teach or suggest the recited "total dollar amount threshold." Appeal Br. 16.

The Examiner responds by finding "the 'total dollar amount
threshold' as claimed is simply the 'warning limits' as illustrated in [ ] fig. 6

of the instant application." Ans. 7. The Examiner offers further explanation on pages 8 and 9 of the Answer. For example, the Examiner also finds "[g]iven the broadest reasonable interpretation, Silverman's gross counterparty credit limit is equivalent to the total dollar amount threshold as these limits determines whether or not a trade is executed (and not for display purposes)." Ans. 9 (citing Silverman col. 3, ll. 18–38, col. 19, ll. 3–8).

In light of the Examiner's findings, we are not persuaded by Appellant's argument above.

Appellant makes follow-on arguments based upon the assumption that the reference combination does not teach or suggest either the claimed "counterparty switch" or the claimed "total dollar amount threshold." *See* Appeal Br. 16. According to Appellant, "[a]s noted above, none of the cited references teach the counterparty switch. Furthermore, none of the cited references teach, for example, rendering or not rendering the order based on a total dollar amount threshold. Finally, none of the references teach, for example, transmitting a trade with an automatic execution indicator based on the counterparty switch and the total dollar amount threshold." *Id*.

Based on our adopted findings of the Examiner regarding the teaching or suggestion of a counterparty switch and total dollar amount threshold, as discussed above, we are not persuaded by Appellant's additional arguments.

Therefore, based upon the findings above, on this record, we are not persuaded of error in the Examiner's reliance on the cited prior art combination to teach or suggest the disputed limitations of claim 8, nor do we find error in the Examiner's resulting legal conclusion of obviousness.

Accordingly, we sustain the Examiner's obviousness rejection of independent claim 8, and grouped claims 9, 10, 12, 14, and 15, which fall therewith. *See* Claim Grouping, *supra*.

3. <u>§ 103 Rejection R3 of Claims 1–4, 6, and 7</u>

Issue 3

Appellant argues (Appeal Br. 17–19) the Examiner's rejection of claim 1 under 35 U.S.C. § 103(a) as being obvious over the combination of Foley, Murcko, Silverman, and Togher is in error. These contentions present us with the following issue:

Did the Examiner err in finding the cited prior art combination teaches or suggests "[a]n electronic trading system" that includes a first apparatus and a second apparatus, "wherein the second apparatus is configured to," *inter alia*, (1) "switch the counterparty setting on to indicate that trades with the counterparty are permitted or off to indicate that trades with the counterparty are not permitted" and, (2) "in response to receiving the second indication of the order, determine whether the order satisfies a total dollar amount threshold," as recited in claim 1?

Analysis

The Examiner makes similar findings and conclusions with respect to Rejection R3 of claim 1 to those for Rejection R2 of claim 8, for essentially identical disputed limitations. *Compare* Final Act. 8–9 *with* Final Act. 4–9.

Appellant makes essentially identical arguments concerning claim 1 and for claim 8, with the additional argument that "*Togher* does not cure the deficiencies in the other cited references." Appeal Br. 19.

For the same reasons and conclusions set forth with respect to Rejection R2 of claim 1, we are not persuaded the Examiner erred in rejecting claim 1 over the combination of Foley, Murcko, Silverman, and Togher.

Accordingly, we sustain the Examiner's obviousness rejection of independent claim 1, and grouped claims 2–4, 6, and 7, which fall therewith. *See* Claim Grouping, *supra*.

REPLY BRIEF

We note Appellant did not advance any arguments in the Reply Brief. Reply Br. 1–2.

CONCLUSIONS

(1)   Under our Revised Guidance, governed by relevant case law, claims 1–4, 6–10, 12, 14, and 15 are patent-ineligible under 35 U.S.C. § 101,and we sustain the rejection.

(2)   The Examiner did not err with respect to obviousness Rejection R2 of claims 8–10, 12, 14, and 15 under 35 U.S.C. § 103(a) over the cited prior art combination of record, and we sustain the rejection.

(3)   The Examiner did not err with respect to obviousness Rejection R3 of claims 1–4, 6, and 7 under 35 U.S.C. § 103(a) over the cited prior art combinations of record, and we sustain the rejections.

DECISION SUMMARY

Claims Rejected	35 U.S.C. §	Basis/References	Affirmed	Reversed
1–4, 6–10, 12, 14, 15	101	Subject Matter Eligibility	1–4, 6–10, 12, 14, 15	
8–10, 12, 14, 15	103	Foley, Murcko, Silverman	8–10, 12, 14, 15	
1–4, 6, 7	103	Foley, Murcko, Silverman, Togher	1–4, 6, 7	
Overall Outcome			1–4, 6–10, 12, 14, 15	

FINALITY AND 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)(1)(iv). *See* 37 C.F.R. § 41.50(f).

AFFIRMED