UNITED STATES PATENT AND TRADEMARK OFFICE

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PTOL-90A (Rev. 04/07)

UNITED STATES PATENT AND TRADEMARK OFFICE
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BEFORE THE PATENT TRIAL AND APPEAL BOARD
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Ex parte ROBERT D. REANY, DENNIS J. HILL,
SARA E. FIEBIGER, SUSAN E. RISKOVSKY,
and SANDEEP MALHOTRA
_____

Appeal 2018-005395[1]
Application 12/813,766[2]
Technology Center 3600
_____

Before HUBERT C. LORIN, AMEE A. SHAH, and
MATTHEW S. MEYERS, *Administrative Patent Judges*.

MEYERS, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Appellant appeals under 35 U.S.C. § 134(a) claims 1–5 and 7–21. We
have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.

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[1] Our decision references Appellant's Appeal Brief, filed November 20,
2017 ("Appeal Br.") and Reply Brief, filed May 1, 2018 ("Reply Br."), and
the Examiner's Answer, mailed March 1, 2018 ("Ans.") and the Final Office
Action, mailed May 3, 2017 ("Final Act.").
[2] We use the word "Appellant" to refer to "applicant" as defined in 37
C.F.R. § 1.42. Appellant identifies MasterCard International Incorporated as
the real party in interest. Appeal Br. 3.

CLAIMED INVENTION

Appellant's claims relate "generally to electronic commerce, and, more particularly, to electronic payment systems." Spec. 1:14–15.

Claims 1, 7, 12, and 18 are the independent claims on appeal. Claim 1, reproduced below with bracketed notations added, is illustrative of the claimed subject matter:

> 1. A method comprising the steps of:
>
> [a] facilitating, by at least one hardware processor configured by at least one memory coupled to said at least one hardware processor, placement of a hold amount against a payment card account of a customer, in response to said customer presenting a payment device, associated with said payment card account, in connection with a non-PIN, signature-based, dual-message transaction with a merchant, said presenting of said payment device being prior to a time when an amount of said transaction can be determined;
>
> [b] subsequent to said placement of said hold amount, immediately after said time when said amount of said transaction can be determined, facilitating, by said at least one hardware processor configured by said at least one memory coupled to said at least one hardware processor, an electronic transmission of an authorization advice message from an acquirer associated with said merchant to an issuer of said payment device via a computer network, said authorization advice message indicating said amount of said transaction; and
>
> [c] facilitating, by said at least one hardware processor configured by said at least one memory coupled to said at least one hardware processor, said issuer of said payment device releasing any portion of said hold amount which exceeds said amount of said transaction, reducing said hold amount to said amount of said transaction, immediately responsive to said authorization advice message.

REJECTION

Claims 1–5 and 7–21 are rejected under 35 U.S.C. § 101 as directed to a judicial exception without significantly more.

ANALYSIS

Patent-Ineligible Subject Matter

Under 35 U.S.C. § 101, an invention is patent-eligible if it claims a "new and useful process, machine, manufacture, or composition of matter." *See* 35 U.S.C. § 101. 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." *E.g.*, *Alice Corp. Pty. Ltd. v. CLS Bank Int'l*, 573 U.S. 208, 216 (2014).

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*. *See Alice,* 573 U.S. at 217–18 (citing *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66, 75–77 (2012)). In accordance with that framework, we first determine what concept the claim is "directed to." *See Alice*, 573 U.S. at 219 ("On their face, the claims before us are drawn to the concept of intermediated settlement, *i.e.,* the use of a third party to mitigate settlement risk."); *see also Bilski v. Kappos*, 561 U.S. 593, 611 (2010) ("Claims 1 and 4 in [P]etitioners' application explain the basic concept of hedging, or protecting against risk.").

Concepts determined to be abstract ideas, and thus patent ineligible, include certain methods of organizing human activity, such as fundamental economic practices (*Alice*, 573 U.S. at 219–20; *Bilski*, 561 U.S. at 611); mathematical formulas (*Parker v. Flook*, 437 U.S. 584, 594–95 (1978)); and mental processes (*Gottschalk v. Benson*, 409 U.S. 63, 67 (1972)). Concepts

determined to be patent eligible include physical and chemical processes, such as "molding rubber products" (*Diamond v. Diehr*, 450 U.S. 175, 191 (1981)); "tanning, dyeing, making water-proof cloth, vulcanizing India rubber, smelting ores" (*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 that "[a] claim drawn to subject matter otherwise statutory does not become nonstatutory simply because it uses a mathematical formula." *Diehr*, 450 U.S. at 176, and 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.* 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."), and 191 (citing *Benson* and *Flook*).

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." *See Alice*, 573 U.S. at 221 (quotations 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.* (quoting *Mayo*, 566 U.S. at 77). "[M]erely requir[ing] generic computer implementation[] fail[s] to transform that abstract idea into a patent-eligible invention." *Id.*

The PTO recently published revised guidance on the application of § 101. *See 2019 Revised Patent Subject Matter Eligibility Guidance*, 84 Fed. Reg. 50 (Jan. 7, 2019) ("2019 Revised Guidance, 84 Fed. Reg."). Under that 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, i.e., that "apply, rely on, or use the judicial exception in a manner that imposes a meaningful limit on the judicial exception, such that the claim is more than a drafting effort designed to monopolize the judicial exception." *See* 2019 Revised Guidance, 84 Fed. Reg. 53; *see also* 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 2019 Revised Guidance, 84 Fed. Reg. 56.

Appellant argues claims 1–5 and 7–21 as a group. *See* Appeal Br. 7–
10; *see also* Reply Br. 11–13. We select independent claim 1 as
representative. Claims 2–5 and 7–21 stand or fall with independent claim 1.
See 37 C.F.R. § 41.37(c)(1)(iv).

With regard to the first step of the *Mayo/Alice* framework, the
Examiner states that the claims recite the abstract idea of "placing an issuer
hold on an account for automated fuel dispenser transactions in an electronic
payment system." Final Act. 4. The Examiner characterizes independent
claim 1 as:

> a concept involving human activity related to commercial
> practices and managing relationships or transactions between
> people, similar to concepts found by the courts to be abstract such
> as processing loan information as in *Dealertrack*, managing an
> insurance policy as in *Bancorp* and mitigating settlement risk as
> in *Alice Corp v. CLS Bank International*.

Id. at 5.

In response, Appellant argues that "the present application is not
directed to a mere hold on an account, but rather to the novel and non-
obvious method including reducing a hold amount to an amount of a
transaction." Appeal Br. 7–8; *see also* Reply Br. 7–8.

Under the first prong of step 2A of the 2019 Revised Guidance,
we first determine if the claims recite an abstract idea. In this regard,
the Specification is titled "METHOD AND APPARATUS FOR
ADDRESSING ISSUER HOLD FOR AUTOMATED FUEL DISPENSER
TRANSACTIONS IN AN ELECTRONIC PAYMENT SYSTEM," and
"relates generally to electronic commerce, and, more particularly, to

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electronic payment systems." Spec. 1:14–15. According to the Specification,

> [d]ue to rising fuel prices, there has been an increase in consumer and media interest in the so-called "excessive hold" topic, as well as increased attention from policymakers. When using a *credit* [or debit] card to purchase gasoline and pay at the pump, the card is typically presented at the beginning of the transaction before the amount of gasoline to be purchased, and thus the price, has been determined. It is possible that a person could present a valid credit card, but one which has insufficient credit available to purchase the amount of gasoline ultimately pumped into the vehicle. To protect gas station operators, a hold may be placed against the account to ensure sufficient funds to complete the purchase.

Id. at 1:18–26. The Specification identifies, however, that

> [t]here has been concern about the impact of holding Demand Deposit Account (DDA) funds based on estimated fuel purchases instead of actual purchase amounts for purchases where signature *debit* cards were used. In addition to the lack of availability of these funds, some consumers have reported that they have experienced overdraft fees resulting from excessive holds.

Id. at 1:27–32. To address these concerns, the present invention "provide[s] techniques for addressing issuer hold for automated fuel dispenser transactions in an electronic payment system." *Id.* at 2:1–2. The Specification also discloses that the present "invention can provide substantial beneficial technical effects" based upon: (1) "[c]ompatibility with current industry practices and existing system capabilities" and (2) being "[a]nalogous to single-message advice mechanism thus minimizing the impact to the involved parties." *Id.* at 3:1–6.

Taking independent claim 1 as representative, the claimed subject matter recites a method including steps for: (1) placing a hold on a

customer's account in response to presentation of a payment device,[3] i.e., "facilitating . . . placement of a hold amount against a payment card account of a customer . . . in connection with a . . . dual-message transaction with a merchant . . . prior to a time when an amount of said transaction can be determined" (step [a]); (2) once the amount of the transaction has been determined, transmitting an authorization message indicating the actual amount of the transaction, i.e., "immediately after . . . said transaction can be determined, facilitating . . . an electronic transmission of an authorization advice message . . . indicating said amount of said transaction" (step [b]); and (3) releasing any portion of the hold amount which is greater than the actual amount of the transaction in response to the authorization message, i.e., "facilitating . . . releasing any portion of said hold amount which exceeds said amount of said transaction, reducing said hold amount to said amount of said transaction, immediately responsive to said authorization advice message" (step [c]).

Understood in light of the Specification, we agree with the Examiner that independent claim 1 broadly recites "placing and releasing a hold on an account involved in a pending transaction, which is an abstract idea." Final Act. 3. We also agree with the Examiner that "[t]his is a concept involving human activity related to commercial practices and managing relationships or transactions between people." *Id.* at 5; *see also Smart Sys. Innovations, LLC v. Chicago Transit Auth.*, 873 F.3d 1364, 1372 (Fed. Cir. 2017) (holding claims to verifying (authenticating) payment information directed

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[3] "For example, one such device can be a contact device such as card 102. Card 102 can include an integrated circuit (IC) chip 104 having a processor portion 106 and a memory portion 108." Spec. 5:10–12.

to an abstract idea under *Alice* step one); *Smartflash LLC v. Apple LLC*, 680 F. Appx. 977, 982-83 (Fed. Cir. 2017) (holding claims to controlling access to content data based on verification of payment information patent ineligible); *CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1370-73 (Fed. Cir. 2011) (holding claims to a computer-implemented system for "verifying the validity of a credit card transaction over the Internet" patent ineligible); and *Inventor Holdings, LLC v. Bed Bath & Beyond Inc.*, 876 F.3d 1372 (Fed. Cir. 2017) (claims directed to the use of a POS terminal to transmit transaction-related information and to process payments held invalid under 35 U.S.C. § 101). Therefore, when viewed through the lens of the 2019 Revised Guidance, the Examiner's analysis depicts the claimed subject matter as being directed to ineligible subject matter which may be categorized as one of the ineligible "methods of organizing human activity" that include "fundamental economic principles or practices (including hedging, insurance, mitigating risk)" and "commercial or legal interactions (including agreements in the form of contracts; legal obligations; advertising, marketing or sales activities or behaviors; business relations)," and thus an abstract idea. *See* 2019 Revised Guidance, 84 Fed. Reg. 52.

Having concluded that claim 1 recites a judicial exception, i.e., an abstract idea, we turn to the second prong of step 2A of the 2019 Revised Guidance and determine whether the claims recite a practical application of the recited judicial exception. Here we look to see if, for example: (i) any additional elements of the claims reflects an improvement in the functioning of a computer or to another technological field; (ii) an application of the judicial exception with, or by use of, a particular machine; (iii) a transformation or reduction of a particular article to a different state or thing;

or (iv) a use of the judicial exception in some other meaningful way beyond generally linking the use of the judicial exception to a particular technological environment. *See* 2019 Revised Guidance, 84 Fed. Reg. at 55; *See also* MPEP § 2106.05(a)–(c), (e)–(h).

The only additional elements recited in claim 1, beyond the abstract idea, are "at least one hardware processor configured by at least one memory coupled to said at least one hardware processor," "a payment device," and "computer network"—elements that, as the Examiner observed, "are recited at a high level of generality and are recited as performing generic computer functions routinely used in computer applications." Final Act. 5 (citing Spec. 5:8–31, 6:6–8, and 9:1–4). We find no indication in the Specification that the operations recited in claim 1 require any specialized computer hardware or other inventive computer components, i.e., a particular machine, invoke any assertedly inventive programming, or that the claimed invention is implemented using other than generic computer components to perform generic computer functions. *See DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245, 1256 (Fed. Cir. 2014) ("[A]fter *Alice*, there can remain no doubt: recitation of generic computer limitations does not make an otherwise ineligible claim patent-eligible.").

We also find no indication in the Specification that the claimed invention effects a transformation or reduction of a particular article to a different state or thing. Nor do we find anything of record, short of attorney argument, that attributes an improvement in technology and/or a technical field to the claimed invention or that otherwise indicates that the claimed invention integrates the abstract idea into a "practical application," as that phrase is used in the 2019 Revised Guidance.

Appellant argues that "the combination of the claimed hardware processor, acquirer and issuer perform functions (e.g., "'*releasing any portion of said hold amount which exceeds said amount of said transaction, reducing said hold amount to said amount of said transaction, immediately responsive to said authorization advice message*') that are not merely generic." Appeal Br. 9. However, as described above, we find no indication in the Specification that the steps recited in claim 1 require any specialized computer hardware or other inventive computer components, or that the claimed invention is implemented using other than generic components operating in their normal, routine, and expected manner.

Here, the Specification describes that the present "invention employ[s] features of an existing authorization advice message (based on ISO 8583) in a new way to communicate, in realtime, the final purchase amount from the merchant and/or acquirer to the issuer immediately after the purchase is completed." Spec. 5:4–7. However, the Specification further discloses that

> [m]essages within a network such as network 138 and/or network 208, may, in at least some instances, conform to the International Organization for Standardization (ISO) Standard 8583, *Financial transaction card originated messages — Interchange message specifications*, which is the ISO standard for systems that exchange electronic transactions made by cardholders using payment cards.

Id. at 11:12–16. The Specification also describes the "payment device" as being "ISO 7816-compliant contact cards 20 or devices or NFC (Near Field Communications) or ISO 14443-compliant proximity cards or devices." *Id.* at 10:19–21. As such, the generic devices perform the generically claimed functions of receiving and transmitting data over a network.

Appellant argues that

> the claimed limitations describe a process that differs from the routine and conventional sequence of events normally conducted in connection with a non-PIN, signature-based, dual-message transaction with a merchant, such as holding Demand Deposit Account (DDA) funds based on estimated fuel purchases instead of actual purchase amounts for purchases where signature debit cards were used, similar to the unconventional sequence of events in *DDR*.

Appeal Br. 10; *see also* Reply Br. 13.

However, we find no parallel to the claims in *DDR Holdings*. In that case, the Federal Circuit determined that the claims addressed the problem of retaining website visitors who, if adhering to the routine, conventional functioning of Internet hyperlink protocol, would be transported instantly away from a host's website after clicking on an advertisement and activating a hyperlink. *See DDR Holdings*, 773 F.3d at 1257. The court noted that "the claims at issue here specify how interactions with the Internet are manipulated to yield a desired result–a result that overrides the routine and conventional sequence of events ordinarily triggered by the click of a hyperlink." *Id.* at 1258. The Federal Circuit, thus, held that the claims were directed to statutory subject matter because they claim a solution "necessarily rooted in computer technology in order to overcome a problem specifically arising in the realm of computer networks." *Id.* at 1257.

Independent claim 1 does not, for example, purport to override the conventional sequence of events ordinarily triggered by the click of a hyperlink to recite an invention that is "not merely the routine or conventional use of the Internet." *Id.* at 1259. Nor does it purport to improve the functioning of the computer itself. Nor does it effect an improvement in any other technology or technical field. Instead, claim 1,

viewed as a whole and in light of the Specification, amounts to nothing significantly more than an instruction to apply the abstract idea of "placing and releasing a hold on an account involved in a pending transaction" according to ISO standards using conventional and generic components, which under our precedents, is not enough to transform an abstract idea into a patent-eligible invention. Final Act. 3; *see also Alice*, 573 U.S. at 226.

Appellant further argues that "[t]he combination of the claimed hardware processor, acquirer and issuer perform functions . . . solve the problem of 'the impact of holding Demand Deposit Account (DDA) funds based on estimated fuel purchases instead of actual purchase amounts for purchases where signature debit cards were used' with overdraft fees resulting from excessive holds." Reply Br. 13 (citing Spec. 1:18–32). However, the focus of independent claim 1 is not on any technological advancement, but rather on the implementation of the abstract idea, "for which computers are invoked merely as a tool." *See Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1336 (Fed. Cir. 2016).

Turning to Step 2B of the 2019 Revised Guidance, we determine whether the additional elements: (1) add a specific limitation or combination of limitations that is not well-understood, routine, and 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* 2019 Revised Guidance, 84 Fed. Reg. 56.

Addressing the second step of the *Mayo/Alice* framework, the
Examiner states the claims "do not include additional elements that are
sufficient to amount to significantly more than the judicial exception
because the additional elements when considered both individually and as an
ordered combination do not amount to significantly more than the abstract
idea." Final Act. 5. More particularly, the Examiner states

> [t]he payment device is described as containing components
> which are well known in the art (see [S]pecification on page 5,
> lines 8–31). The memory is described as general purpose
> memory (see [S]pecification, page 6, lines 6–8). Finally the
> hardware processor is described as a general purpose processor
> (see [S]pecification on page 9, lines 1–4). None of the
> limitations, considered as an ordered combination, provide
> eligibility, because taken as a whole, the claims simply instruct
> the practitioner to implement the abstract idea with routine,
> conventional activity.

(*Id.*). We agree with the Examiner that the additional elements taken alone
or in combination do not result in anything more than conventional computer
implementation. And, considered as an ordered combination, the "at least
one hardware processor configured by at least one memory coupled to said
at least one hardware processor," "payment device," and "computer
network" recited by independent 1 add nothing that is not already present
when the limitations are considered separately. Viewed as a whole,
independent claim 1 simply recites a series of steps related to the abstract
idea of "placing and releasing a hold on an account involved in a pending
transaction." Final Act. 3; *see also Ultramercial, Inc. v. Hulu, LLC*, 772
F.3d 709, 716 (Fed. Cir. 2014) ("[T]he claimed sequence of steps comprises
only 'conventional steps, specified at a high level of generality,' which is
insufficient to supply an 'inventive concept.'") (citing *Alice*, 573 U.S. at

221). The claims do not, for example, purport to improve the functioning of the computer itself. Nor do they effect an improvement in any other technology or technical field, as discussed above with respect to prong two of step 2A. Instead, independent claim 1 amounts to nothing significantly more than an instruction to apply the abstract idea according to ISO standards using conventional and generic components, which under our precedents, is not enough to transform an abstract idea into a patent-eligible invention. *See Alice,* 573 U.S. at 226.

Appellant argues that the claimed combination of additional elements recited by independent claim 1 represents significantly more than the abstract idea because "they are a practical implementation of the alleged abstract idea that performs a transaction, including the placement and release of a hold, in a non-conventional and non-generic way." Reply Br. 12 (emphasis omitted). According to Appellant,

> [t]he combination of the steps (e.g., placing a hold against an account in response to presenting a payment device, transmitting an authorization advice message indicating an amount of a transaction, and releasing a portion of the hold that exceeds the amount of the transaction) operates in a nonconventional and non-generic way to ensure that excessive holds on accounts in connection with certain types of payments, such as fuel purchases, can be released "immediately responsive to said authorization advice message."

Appeal Br. 10. Appellant contends that "the claimed combination of additional elements presents a specific, discrete implementation of the alleged abstract idea" and is therefore analogous to the situation in *BASCOM Global Internet Servs., Inc. v. AT&T Mobility LLC*, 827 F.3d 1341 (Fed. Cir. 2016); *see also* Appeal Br. 9 ("[T]he claims clearly encompass an element,

or combination of elements, sufficient to ensure that the claims amount to significantly more than the alleged abstract idea."), and 10.).

However, Appellant does not persuasively explain how, and we do not see how, Appellant's claim 1 parallels the claims in *BASCOM*, which recited a "non-conventional and non-generic arrangement of known, conventional pieces" within a network, the arrangement of elements being "a technical improvement over [the] prior art ways of filtering." *See BASCOM*, 827 F.3d at 1350. In *BASCOM*, the court determined that "[b]y taking a prior art filter solution (one-size-fits-all filter at the ISP server) and making it more dynamic and efficient (providing individualized filtering at the ISP server), the claimed invention represents a 'software-based invention[ ] that improve[s] the performance of the computer system itself.'" *Id.*

In contrast, independent claim 1 does not require any non-conventional and non-generic arrangement of known computer components on a network. Nor does Appellant show in the claim that the solution is technology-based, a technical improvement over conventional and routine ways of "placing and releasing a hold on an account involved in a pending transaction," or an improvement to the performance of the computer system itself. Instead, as discussed above, independent claim 1 operates in a manner that "conform[s] to the International Organization for Standardization (ISO) Standard 8583 . . . which is the ISO standard for systems that exchange electronic transactions made by cardholders using payment cards." Spec. 11:12–16.

Appellant further argues that the Examiner failed to establish that the additional elements of independent claim 1 are well-understood, routine, and conventional, to a skilled artisan in the relevant field, in view of *Berkheimer*

v. HP, Inc., 881 F.3d 1360 (Fed. Cir. 2018) and the Office's April 19, 2018

Memorandum entitled, "Changes in Examination Procedure Pertaining to

Subject Matter Eligibility, Recent Subject Matter Eligibility Decision

(*Berkheimer v. HP, Inc.*)" (hereinafter "*Berkheimer* Memo").[4] Reply Br.

11–12.

 Appellant's argument is not persuasive, at least because it could not

be clearer from *Alice*, that under step two of the *Mayo/Alice* framework

(i.e., step 2B), the elements of each claim are considered both individually

and "as an ordered combination" to determine whether the additional

elements, i.e., the elements *other* than the abstract idea itself, "transform the

nature of the claim" into a patent-eligible application. *Alice Corp.*,

573 U.S. at 217; *see also Mayo*, 566 U.S. at 72–73 (Requiring that "a

process that focuses upon the use of a natural law also contain *other*

elements or a combination of elements, sometimes referred to as an

'inventive concept,' sufficient to ensure that the patent in practice amounts

to significantly more than a patent upon the natural law itself.") (emphasis

added). *See also* Ans. 3–5. Stated differently, the inventive concept under

step two of the *Mayo/Alice* test cannot be the abstract idea itself:

> It is clear from *Mayo* that the "inventive concept" cannot be the
> abstract idea itself, and *Berkheimer* . . . leave[s] untouched the
> numerous cases from this court which have held claims ineligible
> because the only alleged "inventive concept" is the abstract idea.

Berkheimer v. HP, Inc., 890 F.3d 1369, 1374 (Fed. Cir. 2018) (Moore, J.,

concurring); *see also BSG Tech LLC v. BuySeasons, Inc.*, 899 F.3d 1281,

1290–91 (Fed. Cir. 2018) ("Our precedent has consistently employed this

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[4] Available at https://www.uspto.gov/sites/default/files/documents/memo-
berkheimer-20180419.pdf.

same approach. If a claim's only 'inventive concept' is the application of an abstract idea using conventional and well-understood techniques, the claim has not been transformed into a patent-eligible application of an abstract idea.").

As discussed above, there is no indication here that the steps, recited in independent claim 1, require any specialized computer or inventive computer components — the Specification indicates just the opposite. *See, e.g.*, Spec. 5:4–13:14. Here, the only claim elements in independent claim 1 beyond the abstract idea are the claimed "at least one hardware processor configured by at least one memory coupled to said at least one hardware processor," "payment device," and "computer network," i.e., generic componentry, operating in its routine and ordinary capacity to send, receive, and process data in order to "plac[e] and releas[e] a hold on an account involved in a pending transaction." *See Ultramercial*, 772 F.3d at 715 (sequence of receiving, selecting, offering for exchange, display, allowing access, and receiving payment recited an abstraction); *see also Inventor Holdings*, 876 F.3d at 1378 (holding that sequence of data retrieval, analysis, modification, generation, display, and transmission was abstract); and *Two-Way Media Ltd. v. Comcast Cable Commc'ns, LLC*, 874 F.3d 1329, 1339 (Fed. Cir. 2017) (holding sequence of processing, routing, controlling, and monitoring was abstract).

Appellant's other arguments, including those directed to now-superseded USPTO guidance, have been considered but are not persuasive of error. *See* 2019 Revised Guidance, 84 Fed. Reg. 51 ("Eligibility-related guidance issued prior to the Ninth Edition, R-08.2017, of the MPEP (published Jan. 2018) should not be relied upon.").

We are not persuaded, on the present record, that the Examiner erred in rejecting independent claim 1 under 35 U.S.C. § 101. Therefore, we sustain the Examiner's rejection of independent claim 1, and claims 2–5 and 7–21, which fall with independent claim 1.

CONCLUSION

In summary:

Claims Rejected	35 U.S.C. §	Reference(s)/Basis	Affirmed	Reversed
1–5, 7–21	101	Eligibility	1–5, 7–21	

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