



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
14/682,168	04/09/2015	Zi Chu	1460-002U	8672
142227	7590	09/18/2019	EXAMINER	
Shutts & Bowen LLP Steven M. Greenberg, Esq. 525 Okeechobee Blvd # 1100 West Palm Beach, FL 33401			DICKERSON, TIPHANY B	
			ART UNIT	PAPER NUMBER
			3624	
			MAIL DATE	DELIVERY MODE
			09/18/2019	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte ZI CHU, ROBERT CHANG, SWAPNIL JAIN,
MURAT SOYUPAK, and HERAAD FARKHOUR¹

Appeal 2018-005536
Application 14/682,168
Technology Center 3600

Before JOSEPH A. FISCHETTI, BIBHU R. MOHANTY, and
PHILIP J. HOFFMANN, *Administrative Patent Judges*.

FISCHETTI, *Administrative Patent Judge*.

DECISION ON REQUEST FOR REHEARING

Appellants have filed a Request for Rehearing (hereinafter “Request”) under 37 C.F.R. § 41.52(a)(3) of our Decision entered on May 29, 2019 (hereinafter “Decision”). Our Decision affirmed the Examiner’s rejection under 35 U.S.C. § 101, and the rejection made under 35 U.S.C. § 103(a). Decision 17. For the reasons identified below, we *deny* the Request for Rehearing.

¹ Appellants identify the real party in interest as Twitter, Inc. App. Br. 2.

REQUEST FOR REHEARING ARGUMENTS

Appellants argue,

At pages 2 through 10 of the Appeal Brief, Appellants asserted the failure of Examiner to properly perform the “two-part Mayo analysis” as required by the M.P.E.P. 2016(I), who instead appeared to only to compare Appellants’ claims to those of Parker v. Flook¹ [1437 U.S. 584 (1978)] and CyberSource Corp. v. Retail Decisions, Inc.² [2 654 F.3d 1366 (Fed. Cir. 2016).] In response, at page 3 of the Examiner’s Answer, Examiner simply disagreed asserting that “the action applies the two-step framework while drawing similarity between the abstract ideas of Flook and Cybersource and” Appellants’ claimed invention. As well, in the Appeal Brief, applying the Mayo step 2A analysis, Appellants noted that Appellants’ claims recited a process that reflected a particular solution to a problem or a particular way to achieve a desired outcome, in accordance with the law of McRO, Inc. dba Planet Blue v. Bandai Namco Games America Inc.³ [3120 USPQ2d 1091(Fed. Cir. 2016)], and the memorandum of November 2, 2016⁴, [⁴citing Robert W. Bahr, *Memorandum - Recent Subject Matter Eligibility Decisions*], hereinafter the “November 2nd Memorandum”.

Request 2–3.

First, Appellants’ arguments, including those directed to now-superseded USPTO guidance, have been considered but are not persuasive of error. (*See* 2019 Revised Guidance (hereinafter “Guidance”), 84 Fed. Reg. 50, 51 (“Eligibility-related guidance issued prior to the Ninth Edition, R–08.2017, of the MPEP (published Jan. 2018) should not be relied upon.”)).

To the extent Appellants are arguing that the Examiner failed to

properly perform the “two-part Mayo analysis” and thus did not make a prima facie case, we disagree. All that is required of the USPTO to meet its prima facie burden is that the Examiner set forth the statutory basis of the rejection and the reference or references relied upon in a sufficiently articulate and informative manner as to meet the notice requirement of 35 U.S.C. § 132. As the statute itself instructs, the Examiner must “notify the applicant,” “stating the reasons for such rejection,” “together with such information and references as may be useful in judging of the propriety of continuing the prosecution of his application.” 35 U.S.C. § 132(a); *see also In re Jung*, 637 F.3d 1356, 1363 (Fed. Cir. 2011) (declining “to impose a heightened burden on examiners beyond the notice requirement of § 132”). Here, as we found above, the Examiner has made these findings as required by the statute. *See* Final Act. 2–6.

The Examiner, as well as our Decision, identify the required determinations for the “two–part Mayo analysis” in the record as follows: 1) “the Examiner found that the claims are ‘directed to abstract concepts involving a mathematical algorithm and mental processes to construct and ultimately predict user behaviors.’” Decision 8 (citing Final Act. 4).

2). The claim does not include additional elements that are sufficient to amount to significantly more than the judicial exception. While the claim recites at least one computer processor used to execute instructions performing the predictions, these elements are not enough to qualify as “significantly more” than being recited in the claim along with the abstract idea.

Decision 9–10 (citing Final Act. 5).

And, our Decision at pages 12–13 responds to Appellants’ solution/improvement argument finding it insufficient citing, e.g.,

Intellectual Ventures I LLC v. Capital One Fin. Corp., 850 F.3d 1342 (fed. Cir. 2017), and *See Elec. Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350, 1354 (Fed. Cir. 2016).

Appellants next argue,

But, at pages 3 and 4 of the Examiner’s Answer, Examiner while acknowledging Appellants’ foregoing assertion, disagreed stating that Appellants’ claimed process amounted to nothing more than an “algorithm”. Hence, Appellants concluded that Examiner implicitly argued that any “algorithm” necessarily reflects an abstract idea. In response, at page 3 of the Reply Brief, Appellants concluded that Examiner’s analysis was flawed on its face since the very definition of an algorithm is a “way of doing things” which in of itself, is a process. All method claims inherently are ways of doing things, yet not all method claims are reflective of abstract ideas. Thus, at page 3 of the Reply Brief, Appellants noted that the simple fact that Appellants had presented a method claim alone did not result in the method claim being abstract contrary to Examiner's implicit assertion. In the Decision, however, the Board did not take note of the foregoing arguments. Instead, the Board set forth a new basis of rejection under 35 U.S.C. § 101 in light of the guidelines of the United States Patent and Trademark Office issued on January 7, 2019⁵ [⁵84 Fed. Reg. 50], hereinafter, the “2019 Guidance”.

Request 3–4.

First, we disagree with Appellants that the Board erred in failing to respond to an argument made in its Reply Brief when that argument should have been made in its Appeal brief. That is, Appellants direct us to the Examiner’s Answer at pages 3 and 4 which is where the Appellants say the Examiner made the algorithm finding that the “claimed process amounted to nothing more than an ‘algorithm.’” *Id.* at 3. However, the Examiner first made this finding that the “invention is directed to abstract concepts

involving a mathematical algorithm and mental processes” in the Final Action dated June 5, 2007 as follows:

In other words, the claimed invention is directed to abstract concepts involving a mathematical algorithm and mental processes to construct and ultimately predict user behaviors. These concepts involve mathematical relationships as well as mental processes that can be performed using pen and paper which both have been established as abstract ideas by courts. For example, in *Flook*,¹ [¹*Parker v. Flook*, 437 U.S. 584 (1978)] a formula for updating alarm limits was deemed ineligible and in *CyberSource*,² [²*CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366 (Fed. Cir. 2011)] mental processes such as processes that can be performed by pen and paper alone were deemed ineligible. Here, identifying a set of features for each user, splitting the dataset, executing a discretization model and logistic regression model, and calculating a churn probability is an algorithm. The ultimate goal is determining that the user is likely to churn based on thresholds and targeting the user based on using rules to detect or analyze data (as in *Fairwarning*³), [³*Fairwarning IP, LLC v. Iatric Sys., Inc.*, 120 USPQ2d 1293 (Fed. Cir. 2016)] is also an abstract concept.

Final Act. 4–5.

Thus, Appellants should have responded to this argument in its Appeal Brief, but did not. Appellants now maintain in their Request at page 4 that because their Reply Brief argues the Examiner’s “algorithm finding,” “the Board did not take note of the foregoing arguments [in the Reply Brief],” that error occurred. Request 4.

We disagree with Appellants. Appellants’ Appeal Brief did not respond to the Examiner’s “algorithm finding” where it should have been raised, and Appellants have not shown good cause as to why the argument was not raised in the Appeal Brief. *See* 37 C.F.R. § 41.41(b)(2) (Any

argument raised in the reply brief which was not raised in the appeal brief, or is not responsive to an argument raised in the examiner's answer, including any designated new ground of rejection, will not be considered by the Board for purposes of the present appeal, unless good cause is shown.). The Board could not have overlooked what was not presented to it. *Cf. DeSilva v. DiLeonardi*, 181 F.3d 865, 867 (7th Cir. 1999) (“[An appeal] brief must make all arguments accessible to the judges, rather than ask them to play archaeologist with the record.”).

Appellants next maintain that because:

the 2019 Guidance dramatically differs from that analysis presented by the Examiner in the Examiner's Answer. . . . [T]he Appellants were not afforded an opportunity to demonstrate under Prong Two of Mayo step 2A how Appellants additionally claimed elements reflected an improvement in the technical field of social network service management[.]

Request 4–5.

Appellants' argument is not persuasive as to error because the law applied by the Examiner's Answer is the same substantive law followed by the Guidance.

This guidance does not constitute substantive rulemaking and does not have the force and effect of law. The guidance sets out agency policy with respect to the USPTO's interpretation of the subject matter eligibility requirements of 35 U.S.C. 101 in view of decisions by the Supreme Court and the Federal Circuit. The guidance was developed as a tool for internal USPTO management and does not create any right or benefit, substantive or procedural, enforceable by any party against the USPTO. Rejections will continue to be based upon the substantive law, and it is those rejections that are appealable to the Patent Trial and Appeal Board (PTAB) and the courts. All USPTO personnel are, as a matter of internal agency

management, expected to follow the guidance. Failure of USPTO personnel to follow the guidance, however, is not, in itself, a proper basis for either an appeal or a petition.

Guidance, 84 Fed. Reg. at 51.

Appellants also argue, “As can be seen, the Honorable Board found that Sharp taught the transmitting of messages to subscribers based upon their risk to churn. But, the Board overlooked the required claim language that the message must ‘*suggest a course of interaction with the social network.*’” Request 8.

We disagree with Appellants because our Decision explicitly identifies a course of interaction with the social network stating:

one of ordinary skill in the art would understand that the marketing message would respond in the same media in which the user was interacting, e.g. *social network to social network as a kind-for-kind response. See KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 418 (2007) (In making the obviousness determination one “can take account of the inferences and creative steps that a person of ordinary skill in the art would employ.” Emphasis added).

Decision 16.

Our finding here responds to the limitation “suggest[ed] *a course of interaction with the social network*” by suggesting that interaction be kind-for-kind i.e., social network to social network. In other words, the finding uses the same interaction platform as the suggested course of interaction.

Appeal 2018-005536
Application 14/682,168

CONCLUSION OF LAW

For the reasons above, we are not convinced that Appellants have shown, with particularity, points believed to have been misapprehended or overlooked in our Decision. *See* 37 C.F.R. § 41.52(a)(1) (2011).

REHEARING DENIED