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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte MICHAEL R. ROOT and STEVEN A. ROOT

Appeal 2018-007826
Application 14/218,255¹
Technology Center 3600

Before HUNG H. BUI, ADAM J. PYONIN, and MICHAEL M. BARRY,
Administrative Patent Judges.

BUI, *Administrative Patent Judge.*

DECISION ON APPEAL

Appellant seeks our review under 35 U.S.C. § 134(a) from the Examiner’s Final Rejection of claims 1–20, which are all the claims pending in the application. Claims App. We have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.²

¹ We use the word “Appellant” to refer to “applicant(s)” as defined in 37 C.F.R. § 1.42. The real party in interest is Location IP, L.P. App. Br. 3.

² Our Decision refers to Appellant’s Appeal Brief (“App. Br.”) filed March 12, 2018; Examiner’s Answer (“Ans.”) mailed May 29, 2018; Final Office Action (“Final Act.”) mailed October 10, 2017; and original Specification (“Spec.”) filed March 18, 2014.

STATEMENT OF THE CASE

Appellant’s invention relates to “marketing and advertising using mobile positioning to guide a consumer to the specific location of a product in a store.” Spec. ¶ 2. According to Appellant, the “method compri[ses] (a) automatically determining a location of the mobile communication device; (b) automatically determining interests of the user in accordance with a user profile; and (c) automatically sending the user promotional information in accordance with the location and the interests, the promotional information including a specific location of a specific product.” Spec. ¶ 9; *see also* Abstract.

Claims 1 and 11 are independent. Claim 1 is illustrative of Appellant’s invention on appeal, reproduced below with a disputed limitation in italics:

1. A method for marketing to a user of a mobile communication device, the method comprising:

[1] receiving information regarding consumer purchases from one or more retail vendors;

[2] storing information regarding consumer preferences of the user in a consumer preferences database, the information regarding consumer preferences including the information regarding consumer purchases received from the one or more retail vendors;

[3] receiving information indicative of a real-time spatial location of the mobile communication device;

[4] determining, by an analysis unit, whether the mobile communication device is on and the real-time location of the mobile communication device is within a spatial range identified by a spatial range identifier of a retail store or marketing area;

[5] selecting, by the analysis unit, a product or service available at the retail store or marketing area based on the consumer preferences of the user; and

[6] *outputting, by the analysis unit, promotional information for transmittal to the mobile communication device in response to a determination that the mobile communication device is on and within the spatial range of the retail store or marketing area, the promotional information including a location of the product or service within the retail store or marketing area.*

App. Br. 15 (Claims App.) (bracketed reference numbers added).

EXAMINER'S REJECTIONS³ & REFERENCES

(1) Claims 1–20 stand rejected under 35 U.S.C. § 101 as being directed to a patent-ineligible abstract idea without significantly more. Final Act. 4–7.

(2) Claims 1–20 stand rejected under 35 U.S.C. § 103(a) as being obvious over Bradley et al. (US 2013/0290106 A1; published Oct. 31, 2013; “Bradley”) and Jiang et al. (US 2014/0258109 A1; published Sept. 11, 2014). Final Act. 7–14.

ANALYSIS

35 U.S.C. § 101

In support of the § 101 rejection of claims 1–20, the Examiner determines Appellant's claims are directed to providing “targeted advertising using mobile positioning [location information]” and include limitations that are similar or analogous to the claims found by the Federal Circuit to be an abstract idea in (1) *Affinity Labs of Texas, LLC v.*

³ Claims 1 and 11 were rejected under 35 U.S.C. § 112(a) or 35 U.S.C. § 112 (pre-AIA) first paragraph, as failing to comply with the written description requirement. Final Act. 3–4. However, the § 112(a) rejection was withdrawn and, as such, is no longer on appeal.

Amazon.com, 838 F.3d 1266 (Fed. Cir. 2016) (holding that “the concept of delivering user-selected media content to portable devices [(in a method for targeted advertising in which an advertisement is selected for delivery to the user of a portable device based on at least one piece of demographic information about the user)] is an abstract idea”) and (2) *Electric Power Group, LLC, v. Alstom*, 830 F.3d 1350 (Fed. Cir. 2016) (holding that the concept of “collecting information, analyzing it, and displaying certain results of the collection and analysis” is an abstract idea). Final Act. 4–5; *see also* Ans. 4.

The Examiner also determines the additional elements of an analysis unit (i.e., “processing unit” and “database”), when analyzed individually and as an ordered combination, do not amount to significantly more than the abstract idea because these additional elements: (1) are “generic computing elements”; (2) are “recited at a high level of generality and only perform generic functions of receiving, manipulating and transmitting information”; and (3) perform “operations that are generic, routine, and conventional.” Final Act. 6.

Legal Framework

To determine whether claims are patent eligible under § 101, we apply the Supreme Court’s two-step framework articulated in *Alice Corp. v. CLS Bank Int’l*, 573 U.S. 208 (2014). First, we determine whether the claims are directed to a patent-ineligible concept: laws of nature, natural phenomena, and abstract ideas. *Id.* at 216. If so, we then proceed to the second step to consider the elements of the claims “individually and ‘as an ordered combination’” to determine whether there are additional elements that “‘transform the nature of the claim’ into a patent-eligible application.” *Id.* at

217. In other words, the second step is to “search for an ‘inventive concept’—*i.e.*, an element or combination of elements that is ‘sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [ineligible concept] itself.’” *Id.* at 218 (alteration in original, internal quotation marks omitted).

The Federal Circuit has described the *Alice* step-one inquiry as looking at the “focus” of the claims, their “character as a whole,” and the *Alice* step-two inquiry as looking more precisely at what the claim elements add—whether they identify an “inventive concept” in the application of the ineligible matter to which the claim is directed. *See Elec. Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350, 1353 (Fed. Cir. 2016); *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1335–36 (Fed. Cir. 2016); *Internet Patents Corp. v. Active Network, Inc.*, 790 F.3d 1343, 1346 (Fed. Cir. 2015).

In an effort to achieve clarity and consistency in how the U.S. Patent and Trademark Office (the “Office”) applies the Supreme Court’s two-step framework, the Office has published revised guidance interpreting governing case law and establishing a prosecution framework for all patent-eligibility analysis under *Alice* and § 101 effective as of January 7, 2019. *2019 Revised Patent Subject Matter Eligibility Guidance*, 84 Fed. Reg. 50–57 (Jan. 7, 2019) (“2019 Revised Guidance”).

2019 Revised Guidance

Under the 2019 Revised Guidance, we first look under *Alice* step 1 or “Step 2A” to whether the claim recites:

- (1) Prong One: any judicial exceptions, including certain groupings of abstract ideas (*i.e.*, [i] mathematical concepts, [ii] mental processes—concepts performed in the human mind (including an observation, evaluation, judgment,

opinion), or [iii] certain methods of organizing human activity such as a fundamental economic practice or managing personal behavior or relationships or interactions between people); and

(2) Prong Two: additional elements that integrate the judicial exception into a practical application (*see* Manual of Patent Examining Procedure (“MPEP”) §§ 2106.05(a)–(c), (e)–(h)).⁴

See 2019 Revised Guidance, 84 Fed. Reg. at 51–52, 55, Revised Step 2A, Prong One (Abstract Idea) and Prong Two (Integration into A Practical Application). Only if a claim: (1) recites a judicial exception, and (2) does not integrate that exception into a practical application, do we then evaluate whether the claim provides an “inventive concept” under *Alice* step 2 or “Step 2B.” *See* 2019 Revised Guidance at 56; *Alice*, 573 U.S. at 217–18.

For example, we look to whether the claim:

- 1) adds a specific limitation beyond the judicial exception that is not “well-understood, routine, conventional” in the field (*see* MPEP § 2106.05(d)); or
- 2) simply appends well-understood, routine, and 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. at 56.

In the briefing, Appellant refers to prior USPTO guidance regarding § 101, including, for example: Robert W. Bahr, *Memorandum to Patent Examining Corps*, dated April 19, 2018. Reply Br. 4. In addition, both Appellant and Examiner employ the common law, analogy-driven approach suggested by the Federal Circuit in *Amdocs (Israel) Ltd. v. Openet Telecom*,

⁴ All references to the MPEP are to the Ninth Edition, Revision 08.2017 (rev. Jan. 2018).

Inc., 841 F.3d 1288, 1294 (Fed. Cir. 2016 to determine whether a patent claim recites an “abstract idea” under *Alice* — that is, to look at earlier cases with “a similar or parallel descriptive nature” — i.e., similar fact patterns. *Amdocs*, 841 F.3d at 1295. However, the Memorandum as well as other prior guidance have been superseded by the 2019 Revised Guidance. *See* 2019 Revised Guidance, 84 Fed. Reg. at 52. Our analysis comports with the 2019 Revised Guidance in reviewing the rejection under § 101, as discussed below. *See* October 2019 Update: Subject Matter Eligibility (“It is the rejection under § 101, and not any alleged failure to comply with the 2019 PEG, that is reviewed by the Patent Trial and Appeal Board.”).

Alice/Mayo—Step 1 (Abstract Idea)

Step 2A—Prongs 1 and 2 identified in the Revised Guidance

Step 2A—Prong 1

Appellant argues independent claims 1 and 11 are not directed to an abstract idea because (1) these claims are not similar or analogous to the claims in *Affinity Labs*, and (2) “the claims [in *Affinity Labs*] were actually directed to streaming media rather targeted advertising” whereas Appellant’s claims “are directed to media systems that deliver content to a handheld wireless electronic device.” App. Br. 9. Appellant argues claims 1 and 11 are similar to the claims in *SimpleAir, Inc. v. Google Inc.*, 136 F. Supp. 3d 745 (E.D. Tex. 2015), where the district court determined that (1) “using a central broadcast server to package and transmit data from an online information source to remote computing devices” is not an abstract idea, and (2) “the invention of this application is more analogous to ‘using a central broadcast server to package and transmit data from an online information source to remote computing devices,’ which [the district] [] court has held is patentable [].” App. Br. 8–9; *see also* Reply Br. 2–3.

Appellant’s arguments are not persuasive. At the outset, we note Appellant’s reliance on *SimpleAir* is misplaced, because district court decisions are not binding legal authority on the Board. Appellant’s characterization of *Affinity Labs* is also incorrect. In *Affinity Labs*, the claims are directed to “a broadcast system in which a cellular telephone located outside the range of a regional broadcaster (1) requests and receives network-based content from the broadcaster via a streaming signal, (2) is configured to wirelessly download an application for performing those functions, and (3) contains a display that allows the user to select particular content.” *Affinity Labs*, 838 F.3d. at 1256; *see also* U.S. Patent No. 7,970,379. The Federal Circuit held *Affinity’s* patent claims are directed to “the idea itself,” i.e., an abstract idea, because these claims addressed the function of wirelessly communicating regional broadcast content to an out-of-region recipient, but did not specify how to perform that function, i.e., it specified “the general concept of out-of-region delivery of broadcast content through the use of conventional devices, without offering any technological means of effecting that concept.” *Affinity Labs*, 838 F.3d. at 1260.

Regardless, we also review patent eligibility under § 101 *de novo* (*Dealertrack, Inc. v. Huber*, 674 F.3d 1315, 1333 (Fed. Cir. 2012)) in light of the 2019 Revised Guidance. In doing so, we first observe that Appellant’s Specification describe the claims as relating to “marketing and advertising using mobile positioning [location information] to guide a consumer to the specific location of a product in a store.” Spec. ¶ 2. According to Appellant, the “method compris[es] (a) automatically determining a location of the mobile communication device; (b) automatically determining interests of the user in accordance with a user

profile; and (c) automatically sending the user promotional information in accordance with the location and the interests, the promotional information including a specific location of a specific product.” Spec. ¶ 9; Abstract. The promotional information “sent to the user’s mobile device can include specific product information, electronic coupons or other special offers.”

Spec. ¶ 3. The invention address the business problem that,

“[i]f the targeted marketing material concerns a particular product, such as a product selected in accordance with the user’s profile, merely directing the user to a store will not allow the user to locate the product. If the user enters the store and uses a store directory to determine the aisle in which the product is located, the user will be at least as likely to find competing products.”

Spec. ¶ 7.

Consistent with Appellant’s Specification, limitations of claim 1’s recited “method for marketing to a user of a mobile communication device,” under their broadest reasonable interpretation, recite (1) collecting “information regarding consumer preferences” and “information indicative of [] spatial location of the mobile communication device”; (2) analyzing such information, i.e., whether “the [] location of the mobile communication device is within a spatial range [] of a retail store” and then (3) presenting (outputting) “promotional information [including a location of the product or service within the retail store] for transmittal to the mobile communication device” when “the mobile communication device is on and within the spatial range [] of a retail store,” which are known business activities used to promote targeted advertisements to end users—a fundamental economic practice in our system of commerce. *See* Spec. ¶¶ 2–10.

Such activities are squarely within the realm of abstract ideas, like (1) the risk hedging in *Bilski v. Kappos*, 130 S. Ct. 3218 (2010); (2) the intermediated settlement in *Alice*, 573 U.S. at 220; (3) verifying credit card transactions in *CyberSource*, 654 F.3d 1366, 1370 (Fed. Cir. 2011); (4) guaranteeing transactions in *buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1354 (Fed. Cir. 2014); (5) distributing products over the Internet in *Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709 (Fed. Cir. 2014); (6) determining a price of a product offered to a purchasing organization in *Versata Dev. Grp., Inc. v. SAP America, Inc.*, 793 F.3d 1306 (Fed. Cir. 2015); and (7) pricing a product for sale in *OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359 (Fed. Cir. 2015). Collecting, analyzing, and outputting promotional information (i.e., specific product information, electronic coupons or other special offers) to end users is also a building block of a market economy and, like risk hedging and intermediated settlement, is an “abstract idea” beyond the scope of § 101. *See Alice*, 573 U.S. at 220.

As further recognized by the Examiner, collecting, analyzing, and outputting promotional information (i.e., specific product information, electronic coupons or other special offers) to end users is also analogous to the claims identified by the Federal Circuit as directed to an abstract idea in *Affinity Labs* (holding that “the concept of delivering user-selected media content to portable device” is an abstract idea under § 101). *Ans. 4; see also Electric Power Group*, 830 F.3d at 1353 (holding that the concept of “collecting information, analyzing it, and displaying certain results of the collection and analysis” is an abstract idea under § 101).

We, therefore, conclude limitations (1)–(6) in Appellant’s claim 1 recite collecting, analyzing, and outputting promotional information (i.e.,

specific product information, electronic coupons or other special offers) to end users based on location information, which is “a fundamental economic practice” as identified in the Revised Guidance, and thus, an abstract idea. See 2019 Revised Guidance (*Revised Step 2A, Prong One*), 84 Fed. Reg. at 52, 54. According to the Federal Circuit, “collecting information, including when limited to particular content (which does not change its character as information), as within the realm of abstract ideas.” *Electric Power Group*, 830 F.3d at 1353; see also, e.g., *Internet Patents Corp. v. Active Network, Inc.*, 790 F.3d 1343, 1346 (Fed. Cir. 2015); *OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1363 (Fed. Cir. 2015); *Content Extraction & Transmission LLC v. Wells Fargo Bank, Nat’l Ass’n*, 776 F.3d 1343, 1347 (Fed. Cir. 2014); *Digitech Image Techs., LLC v. Elecs. for Imaging, Inc.*, 758 F.3d 1344, 1351 (Fed. Cir. 2014); *CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d at 1370. Likewise, “analyzing information by steps people go through in their minds, or by mathematical algorithms, without more,” is “essentially mental processes within the abstract-idea category. See, e.g., *TLI Commc’ns*, 823 F.3d 607, 613 (Fed. Cir. 2016); *Digitech*, 758 F.3d at 1351; *SmartGene, Inc. v. Advanced Biological Labs., SA*, 555 F. App’x 950, 955 (Fed. Cir. 2014); *Bancorp Servs., L.L.C. v. Sun Life Assurance Co. of Canada (U.S.)*, 687 F.3d 1266, 1278 (Fed. Cir. 2012); *CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1372 (Fed. Cir. 2011); *SiRF Tech., Inc. v. Int’l Trade Comm’n*, 601 F.3d 1319, 1333 (Fed. Cir. 2010); see also *Mayo*, 132 S. Ct. at 1301; *Parker v. Flook*, 437 U.S. 584, 589–90 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 67 (1972). And the Federal Circuit has recognized that merely presenting the results of abstract processes of collecting and analyzing information, without more (such as

identifying a particular tool for presentation), is abstract as an ancillary part of such collection and analysis. *See, e.g., Content Extraction*, 776 F.3d at 1347; *Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d at 715.

Step 2A—Prong 2 (Integration into Practical Application)

Under *Step 2A, Prong Two* of the Revised Guidance, we next determine if the claims recite additional limitations (i.e., additional limitations beyond the judicial exception) that integrate the judicial exception into a practical application. Here, we discern no additional element (or combination of elements) recited in Appellant’s claims 1 or 11 that integrates the judicial exception into a practical application. *See* Revised Guidance, 84 Fed. Reg. at 54–55 (“Prong Two”). For example, Appellant’s additional elements (i.e., “analysis unit” and “mobile communication device”) recited in claims 1 and 11 do not (1) improve the functioning of a computer or other technology, (2) are not applied with any particular machine (except for generic computer components), (3) do not effect a transformation of a particular article to a different state, and (4) are not applied in any meaningful way beyond generally linking the use of the judicial exception to a particular technological environment, such that the claim as a whole is more than a drafting effort designed to monopolize the exception. *See* MPEP §§ 2106.05(a)–(c), (e)–(h).

For business-centric inventions such as Appellant’s invention involving collecting, analyzing, and outputting promotional information (i.e., specific product information, electronic coupons or other special offers) to end users based on location information, the “integration into a practical application” prong requires consideration of whether the claims provide “a technical solution to a technical problem” as required by the Federal

Circuit's precedential decisions such as in (1) *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245, 1257 (Fed. Cir. 2014) and (2) *Amdocs (Isr.) Ltd. v. Openet Telecom, Inc.*, 841 F.3d 1288 (Fed. Cir. 2016). See MPEP § 2106.05(a).

For example, the Federal Circuit found *DDR's* claims are patent-eligible under § 101 because *DDR's* claims: (1) do not merely recite “the performance of some business practice known from the pre-Internet world” previously disclosed in *Bilski* and *Alice*; but instead (2) provide a technical solution to a technical problem unique to the Internet, *i.e.*, a “solution . . . necessarily rooted in computer technology in order to overcome a problem specifically arising in the realm of computer networks.” *DDR*, 773 F.3d at 1257. Likewise, the Federal Circuit also found *Amdocs'* claims patent-eligible under § 101 because like *DDR*, *Amdocs'* claims “entail[] an unconventional technological solution (enhancing data in a distributed fashion) to a technological problem (massive record flows which previously required massive databases)” and “improve the performance of the system itself.” *Amdocs*, 841 F.3d at 1300, 1302.

However, collecting, analyzing, and outputting promotional information (*i.e.*, specific product information, electronic coupons or other special offers) to end users based on location information in the manner recited in Appellant's claims 1 and 11 does not provide a “technical solution to a technical problem” as contemplated by the Federal Circuit in *DDR* and *Amdocs*. See MPEP § 2106.05(a). For example, Appellant's claimed solution that collects, analyzes, and outputs promotional information to end users does not provide a technical solution to a technical problem unique to the Internet, *i.e.*, a “solution . . . necessarily rooted in computer technology

in order to overcome a problem specifically arising in the realm of computer networks.” *DDR*, 773 F.3d at 1257. Nor does Appellant’s invention entail, like *Amdocs*, any “unconventional technological solution (enhancing data in a distributed fashion) to a technological problem (massive record flows which previously required massive databases)” and “improve the performance of the system itself.” *Amdocs*, 841 F.3d at 1300, 1302.

The focus of Appellant’s invention is not to improve the performance of computers or any underlying technology; instead, the focus is to use generic computer components as a tool to (1) gather “information regarding consumer preferences” and “information indicative of [] spatial location of the mobile communication device”; (2) analyze such information, i.e., the location of the mobile communication device relative to “a retail store or marketing area,” and then (3) present (output) “promotional information [including a location of the product or service within the retail store or marketing area] for transmittal to the mobile communication device” (*see* Spec. ¶¶ 9–11; Abstract). However, utilizing generic computer components (i.e., “analysis unit” and “mobile communication device”) to output promotional information is insufficient to show “integration into a practical application.” *See* MPEP § 2106.05(f). Instead, these generic computer components are simply the “automation of the fundamental economic concept,” *OIP Techs.*, 788 F.3d at 1362–63. “[M]erely requiring generic computer implementation,” “does not move into [§] 101 eligibility territory.” *buySAFE*, 765 F.3d at 1354.

A claim for a new abstract idea is still an abstract idea. *See Synopsys, Inc. v. Mentor Graphics Corp.*, 839 F.3d 1138, 1151 (Fed. Cir. 2016). “No matter how much of an advance in the finance field the claims recite, the

advance lies entirely in the realm of abstract ideas, with no plausibly alleged innovation in the non-abstract application realm.” *See SAP America, Inc. v. InvestPic, LLC*, 898 F.3d 1161, 1163 (Fed. Cir. 2018).

For these reasons, we are not persuaded that Appellant’s argument that “additional elements” recited in claims 1 and 11 integrate the abstract idea into a practical application.

Alice/Mayo—Step 2 (Inventive Concept)
Step 2B identified in the Revised Guidance

Under the 2019 Revised Guidance, 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 adds a specific limitation beyond the judicial exception that is not “well-understood, routine, conventional” in the field (*see* MPEP § 2106.05(d)); or, 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. at 56. However, we find no element or combination of elements recited in Appellant’s claims 1 and 11 that contain any “inventive concept” or add anything “significantly more” to transform the abstract concept into a patent-eligible application. *Alice*, 573 U.S. 208 at 221.

Appellant argues the Examiner has not provided evidence to show that “specific technical features” recited in claims 1 and 11 are “well-understood, routine, conventional” as per *Berkheimer v. HP Inc.*, 881 F.3d 1360, 1366 (Fed. Cir. 2018), including:

- receiving information regarding consumer purchases received from the one or more retail vendors;
- storing information regarding consumer preferences of the user;

- determining whether a mobile communication device is on and the real-time location of the mobile communication device is within a spatial range (identified by a spatial range identifier) of a retail store or marketing area;
- storing a location of a product or service within a retail store or marketing area;
- selecting a product or service available at the retail store or marketing area based on the consumer preferences of the user; and
- outputting promotional information for transmittal to the mobile communication device in response to a determination that the mobile communication device is on and within the spatial range of the retail store or marketing area, the promotional information including the location of the product or service within the retail store or marketing area.

Reply Br. 4.

Appellant’s argument is not persuasive. In *Berkheimer*, the Federal Circuit held “[w]hether something [(i.e., any additional elements beyond the abstract idea)] is well-understood, routine, and conventional to a skilled artisan at the time of the patent is a factual determination.” *Berkheimer*, 881 F.3d 1369. However, *Berkheimer* is limited to *Alice* step 2 and is only applicable after a determination is made that a patent claim is directed to an abstract idea under *Alice* step 1. The question of whether a claim is directed to an abstract idea under *Alice* step 1 is still a question of law. *See, e.g., In re Wang*, 737 Fed. App’x 534, 535 (Fed. Cir. 2018); *Intellectual Ventures I LLC v. Capital One Fin. Corp.*, 850 F.3d 1332, 1338 (Fed. Cir. 2017); *Versata Dev. Grp., Inc. v. SAP Am., Inc.*, 793 F.3d 1306, 1331 (Fed. Cir. 2015) (“We review questions concerning compliance with the doctrinal requirements of § 101 of the Patent Act (and its constructions) as questions of law, without deference to the trial forum.”). As previously discussed, we

find the additional elements beyond the abstract idea recited in Appellant’s claims 1 and 11 (i.e., “analysis unit” and “mobile communication device”) do not transform the abstract idea into a patent eligible invention. As our reviewing court has observed, “after *Alice*, there can remain no doubt: recitation of generic computer limitations does not make an otherwise ineligible claim patent-eligible.” *DDR*, 773 F.3d at 1256 (citing *Alice*, 573 U.S. at 222).

Here, Appellant refers to limitations recited in claims 1 and 11 that are part of the abstract idea identified under *Alice* step 1, and argues the Examiner has to provide evidence to show these limitations are “well-understood, routine, and conventional” under *Alice* step 2. Reply Br. 4. The law is clear, however, that the claim element(s) to be considered under *Alice* step 2 cannot be part of the abstract idea itself. *Berkheimer*, 890 F.3d at 1374 (Moore, J., concurring) (“*Berkheimer* . . . leave[s] untouched the numerous cases from [the Federal Circuit] which have held claims ineligible because the only alleged ‘inventive concept’ is the abstract idea.”); *BSG Tech LLC v. BuySeasons, Inc.*, 899 F.3d 1281, 1283 (Fed. Cir. 2018) (indicating same). “Groundbreaking, innovative, or even brilliant discovery does not by itself satisfy the § 101 inquiry.” *Ass’n for Molecular Pathology v. Myriad Genetics, Inc.*, 133 S. Ct. 2107, 2117 (2013).

Because Appellant’s independent claims 1 and 11 are directed to a patent-ineligible abstract concept and do not recite an “inventive concept” or provide a solution to a technical problem under the second step of the *Alice* analysis, we sustain the Examiner’s § 101 rejection of independent claims 1 and 11, and their dependent claims 2–10 and 12–20 not separately argued.

35 U.S.C. § 103(a)

Appellant argues Examiner error in the rejection of independent claims 1 and 11 together as a group, from which we select claim 1 as representative. App. Br. 10–13; 37 C.F.R. § 41.37(c)(1)(iv). In support of the § 103(a) rejection of claim 1, the Examiner finds Bradley teaches most aspects of Appellant’s claimed “method for marketing to a user of a mobile communication device,” including: “outputting . . . promotional information [including a location of the product or service within the retail store or marketing area] for transmittal to the mobile communication device in response to a determination that the mobile communication device is on and within the spatial range of the retail store or marketing area.” Final Act. 7–9 (citing Bradley ¶¶ 3, 4, 8, 14, 120, 122, 157, 309, Fig. 15). The Examiner then relies on Jiang for teaching “information regarding consumer purchases [is] received from one or more retail vendors” in order to support the conclusion of obviousness. Final Act. 9 (citing Jiang ¶ 109).

Appellant only disputes the Examiner’s factual finding regarding Bradley. In particular, Appellant argues Bradley does not teach or suggest the disputed limitation: “outputting . . . promotional information [including a location of the product or service within the retail store or marketing area] for transmittal to the mobile communication device in response to a determination that the mobile communication device is on and within the spatial range of the retail store or marketing area,” as recited. App. Br. 10–13; Reply Br. 1–2. According to Appellant,

Nowhere does *Bradley* contemplate outputting the promotional information to the communication device in response to a determination that the communication device is on and within the spatial range identified by a spatial range identifier of the retail

store or marketing area as required by the independent claims. Instead, the system of *Bradley*, as discussed above, outputs promotional information for transmission to the communication device in response to receiving a request from a user. Furthermore, nowhere in *Bradley* is there any contemplation of determining and outputting data in response to a determination that the communicator device is on as required by the claims because the system of *Bradley* responds to a request signal from the communicator device. Because *Bradley* discloses a system that responds to a request for outputting promotional information instead of outputting the promotional information in response to a determination that the communication device is within the spatial range of a store or marketing area - and because *Bradley* never determines whether a communication device is on prior to outputting promotional information - *Bradley* fails to teach or suggest outputting the promotional information to the communication device in response to a determination the communication device is on and within the spatial range identified by a spatial range identifier of the retail store or marketing area, as required by the independent claims.

App. Br. 12 (emphasis added).

Appellant's arguments are not persuasive. Further, we find the Examiner has provided a comprehensive response to Appellant's arguments supported by evidence. Ans. 7–8. As such, we adopt the Examiner's findings and explanations provided therein, as discussed below. *Id.* For additional emphasis, we note *Bradley* teaches “systems and methods for product-directed routing of shoppers within a mercantile environment,” (*Bradley* ¶ 2) i.e., marketing to a user of a mobile device based on its location (*Bradley* ¶¶ 8, 13) and providing directions to items of interest (product or service) within a retail store (*Bradley* ¶ 3), including providing promotions (i.e., coupons or offers) on a user's mobile device based on the user's profile, so that the user can locate the item of interest in the retail

store relative to the location of the user's mobile device (Bradley ¶¶ 16–17, 21).

As recognized by the Examiner, Bradley teaches Appellant's claimed "outputting . . . promotional information [including a location of the product or service within the retail store or marketing area] for transmittal to the mobile communication device in response to a determination that the mobile communication device is on and within the spatial range of the retail store or marketing area," in the context Bradley's computing system (server) used to determine (1) whether a mobile device is on (i.e., when the user engages mobile device) and (2) whether the mobile device location is within a spatial range of a store, and then generate a "reply message" or a response (e.g., promotional information) to a user's mobile device Ans. 7–8 (citing Bradley ¶¶ 79–80, 127–130).

Nevertheless, Appellant argues Bradley only describes "outputting promotional information in response to a scan from a user device, rather than in response to 'a determination that the mobile communication device is on and within the spatial range of the retail store or marketing area,'" as recited in claims 1 and 11. Reply Br. 2 (citing Bradley ¶ 127, Fig. 2A). However, Appellant's argument is not persuasive because, according to Bradley, (1) "these scans are indicative of interest in various subjects, goods, and/or services . . . serve as a basis for an individual customer tracking system" (Bradley ¶ 120), (2) "CTIS (code triggered information server) may be triggered by the user selecting an internet link [], by making decisions within a virtual world [], and/or the like), or alternatively, (3) any "additional user-input information" can trigger the scan and determine the location of the user's mobile device (Bradley ¶ 122). For example, Bradley describes an

embodiment providing targeted and contextual directions to the user related to a store at a shopping mall as follows:

“Here, a user is a frequent shopper at the particular shopping mall, and is interested in a Ralph Lauren article of clothing (209). The user engages their digital device to direct them to stores or outlets where they have the Ralph Lauren product of interest (206). This engagement could be in a variety of manners, such as code scanning, selection of a digital icon, etc. The digital device will determine the time and location of the engagement by the user (210), here determining that the user is present at a mall frequented by the user (213). A Scan Message is generated by the digital device (215), and, in this embodiment, is then sent to a server (220). The server receives and recognizes the Scan Message (225). The server then queries the user’s profile (230), which may be stored on the user’s digital device, may be stored on the server system, and/or may utilize the combined data stores consisting of the user’s local data store and the data store maintained on a server system. Here, the server accesses recent user activity, which reflects shopping for Ralph Lauren products (232c) . . . The server, after accessing the user’s profile (which reflects user preferences, recent shopping history, location history, etc.) determines the location of the product of interest to the user (231), which may be a local (within the shopping mall) store or a store within a particular range specified by the user . . . Once the server has formulated a Reply Message, which contains the pertinent Directions data (241), it may send the Reply Message to the user’s digital device (245). [T]he user’s digital device . . . may display the response in a map form depicting the location or locations of the item of interest, here the Ralph Lauren product, in a tri-level mapping formula (see FIG. 3*b*), here depicting a shopping mall. The response to the user may also reflect other locations carrying the product of interest (such as if a particular size or color of the item of interest is not available in the shopping mall where the user is presently located).

Bradley ¶ 130. Because Bradley’s scan can be any user’s input, Bradley’s response indicating “promotional information” is generated in response to “a determination that the mobile communication device is on and within the spatial range of the retail store or marketing area,” as recited in claims 1 and 11.

For these reasons, we are not persuaded of Examiner error. Accordingly, we sustain the Examiner’s obviousness rejection of independent claims 1 and 11 and their respective dependent claims 2–10 and 12–20, which Appellant does not argue separately.

CONCLUSION

On the record before us, we conclude Appellant has not demonstrated the Examiner erred in rejecting claims 1–20 under 35 U.S.C. § 101 and under 35 U.S.C. § 103(a).

DECISION

As such, we AFFIRM the Examiner’s rejection of claims 1–20 under 35 U.S.C. § 101 and under 35 U.S.C. § 103(a).

DECISION SUMMARY

Claims Rejected	35 U.S.C. §	Basis	Affirmed	Reversed
1–20	101	Non-Statutory	1–20	
1–20	103	Obviousness	1–20	
Overall Outcome			1–20	

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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).

AFFIRMED