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UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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*Ex parte* WAYNE NUNZIATA

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Appeal 2018-008720  
Application 13/481,053  
Technology Center 3600

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Before JOHN A. EVANS, JOHN P. PINKERTON, and  
MICHAEL M. BARRY, *Administrative Patent Judges*.

BARRY, *Administrative Patent Judge*.

DECISION ON APPEAL

Appellant<sup>1</sup> appeals under 35 U.S.C. § 134(a) from a final rejection of claims 1–3, 5, 7–10, 12, 14, and 15, which are all the pending claims. Claims 4, 6, 11, and 13 are canceled. *See* App. Br. 20–23 (Claims App’x). We have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.

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<sup>1</sup> Appellant identifies Colonial Surety Company as the real party in interest. App. Br. 2.

*Introduction*

Appellant's disclosed and claimed invention "generally relates to bonds, including insurance bonds, and, more particularly, to a system and method for improved bond purchasing." Spec. 1:16–17.

Claims 1 and 9 are independent; claim 1 is representative:

1. A computer-implemented method for collection and analysis of bond related information, said method being implemented by a computer system that comprises one or more physical processors executing one or more computer program instructions which, when executed, perform the steps of:

receiving, via a computer bond processing system, information from a user relating to a bond purchase request;

automatically validating said bond purchase request in the computer bond processing system dependent upon said the received information from the user relating to the bond purchase request, wherein the validating comprises determining an expiration date of a credit line of the user and comparing the expiration date with a current date;

automatically adjusting, via the computer bond processing system, the credit line of the user based on a bond status for each bond available to the user, the bond status including at least one of an open status and a lost status;

automatically increasing, via the computer bond processing system, the credit line of the user based on each lost status so that the user can submit a new bond purchase request with higher limits;

issuing a bond responsive to the bond purchase request to said user, in real-time,

contingent upon successful validation of said bond purchase request and based on the credit line of the user;

enabling said user to immediately obtain the issued bond, via an on-line computer device in communication with the computer bond processing system;

comparing, via the computer bond processing system, the bond purchase request and competing one or more bond purchase requests responsive to a report request received from the user;

generating, via the computer bond processing system, a report comprising comparison of bidding activity associated with the bond purchase request based on the performed comparison, wherein the bidding activity includes bid spread percentage; and

issuing Error and Omissions insurance, responsive to user's request.

App. Br. 19–20 (Claims App'x).

#### *The Pending Rejections*

1. The Examiner rejected claims 1–5, 7–12, 14, and 15 under 35 U.S.C. § 101 as directed to a patent-ineligible judicial exception. Final Act. 2–3; *see also* Ans. 4–9.

2. The Examiner rejected claims 1–5, 7–12, 14, and 15 under pre-AIA 35 U.S.C. § 112, first paragraph, as failing to comply with the written description requirement. Final Act. 4–5; *see also* Ans. 10–12.

### ANALYSIS

#### *A. Rejections of claims 4 and 11*

In the Final Office Action, the Examiner rejected claims 4 and 11 under 35 U.S.C. § 101 and pre-AIA 35 U.S.C. § 112, first paragraph, as failing to comply with the written description requirement. Final Act. 2–5. Appellant, however, had previously canceled claims 4 and 11. *See* Response to Non-Final Office Action 3, 5, 7 (filed October 2, 2017). Accordingly, the rejections of claims 4 and 11 under these grounds are moot.

*B. The § 101 rejection*

Appellant argues the Examiner erred in the § 101 rejection of independent claims 1 and 9, which recite similar limitations, and present no separate arguments for dependent claims 2, 3, 5, 7, 8, 10, 12, 14, and 15 (which, accordingly, stand or fall with their respective parent independent claims). App. Br. 6–14; 37 C.F.R. § 41.37(c)(1)(iv). For our analysis, we select claim 1 as representative.

*§ 101 General Legal Framework and the USPTO Guidance*

An invention is patent-eligible if it claims a “new and useful process, machine, manufacture, or composition of matter.” 35 U.S.C. § 101. The Supreme Court, however, has long interpreted 35 U.S.C. § 101 to include implicit exceptions: “[I]aws of nature, natural phenomena, and abstract ideas” are not patentable. *E.g., Alice Corp. v. CLS Bank Int’l*, 573 U.S. 208, 216 (2014) (internal quotation marks and citation omitted).

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*. *Id.* 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 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); 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” in *Diamond v. Diehr*, 450 U.S. 175, 191 (1981).

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 (internal 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 requiring generic computer implementation fails to transform that abstract idea into a patent-eligible invention.” *Id.* at 212.

In early 2019, the PTO published revised guidance on the application of § 101. *2019 Revised Patent Subject Matter Eligibility Guidance*, 84 Fed. Reg. 50 (Jan. 7, 2019) (“Guidance”). Under the Guidance, we first look, in step one of the *Alice/Mayo* analysis, 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) (“prong one”); and
- (2) additional elements that integrate the judicial exception into a practical application (“prong two”) (*see* MPEP § 2106.05(a)–(c), (e)–(h)).<sup>2</sup>

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<sup>2</sup> All references to the MPEP are to the 9<sup>th</sup> ed., Rev. 08.2017 (Jan. 2018).

*See* Guidance, 84 Fed. Reg. at 53–55.

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 “significantly more” under step two of the *Alice/Mayo* analysis, i.e., whether the claim:

(3) adds a specific limitation beyond the judicial exception that are 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* Guidance, 84 Fed. Reg. at 56.

#### *Prima Facie Case*

Appellant argues the Examiner fails to set forth a *prima facie* case of ineligible subject matter under § 101 because the Examiner’s analysis “is not rooted in claim construction and does not account for all of the limitations in the claims.” App. Br. 13, *see id.* at 12–13; Reply Br. 9–10. We disagree.

First, contrary to Appellant’s assertions, “[t]here has never been a requirement for an examiner to make an on-the-record claim construction of every term in every rejected claim . . . in order to make out a *prima facie* rejection. *In re Jung*, 637 F.3d 1356, 1363 (Fed. Cir. 2011). Second, as discussed in further detail below, the Examiner’s rejection accounts for all the limitations in the claims. *See* Final Act. 2–3, 10; Ans. 4–5, 8–9; *see also* discussion *infra* (especially our response to Appellant’s argument that the Examiner “ignores explicit claim limitations.”).

Moreover, the Federal Circuit has repeatedly noted that “the prima facie case is merely a procedural device that enables an appropriate shift of the burden of production.” *Hyatt v. Dudas*, 492 F.3d 1365, 1369 (Fed. Cir. 2007) (citing *In re Oetiker*, 977 F.2d 1443, 1445 (Fed. Cir. 1992)). The court has held that the PTO carries its procedural burden of establishing a prima facie case when its rejection satisfies the requirements of 35 U.S.C. § 132 by notifying the applicant of the reasons for rejection, “together with such information and references as may be useful in judging of the propriety of continuing the prosecution of [the] application.” *Jung*, 637 F.3d at 1362. Thus, all that is required of the Office is that it set forth the statutory basis of the rejection in a sufficiently articulate and informative manner as to meet the notice requirement of 35 U.S.C. § 132. *Id.*; see also *Chester v. Miller*, 906 F.2d 1574, 1578 (Fed. Cir. 1990) (Section 132 “is violated when [the] rejection is so uninformative that it prevents the applicant from recognizing and seeking to counter the grounds for rejection.”).

Here, the Examiner’s findings easily suffice to satisfy the notice requirement. In particular, the Examiner notified Appellant that the claims are directed to an abstract idea, i.e., “bond purchase and [a] related reporting service,” which the Examiner explains are “a fundamental economic activity and idea of itself similar to the concepts that have been identified as abstract by the courts, such as creating a contractual relationship . . . and comparing new and collecting information, analyzing it, and displaying certain results.” Final Act. 2–3 (citing *buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1355 (Fed. Cir. 2014); *Elec. Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350,

1354 (Fed. Cir. 2016)); *see also* Ans. 4–7, 9. The Examiner then notified Appellant that the claims

do not include additional elements that are sufficient to amount to significantly more than the judicial exception because [the] claims do not include an improvement to another technology or technical field, an improvement to the functioning of the computer itself, or meaningful limitations beyond generally linking the use of an abstract idea to a particular technological environment when considered both individually and as an ordered combination do not amount to significantly more than the abstract idea.

Final Act. 3; *see also* Ans. 7–9. The Examiner additionally notified Appellant that the claims recite generic computing elements for performing well-understood, routine and conventional activities. Final. Act. 3; *see also* Ans. 8–9.

Thus, the Examiner set forth a *prima facie* case of unpatentability by notifying Appellant of the reasons for the rejection “together with such information and references as may be useful in judging of the propriety of continuing the prosecution of [the] application.” 35 U.S.C. § 132. We are not persuaded that the rejection is “so uninformative that it prevents [Appellant] from recognizing and seeking to counter the grounds for rejection.” *Jung*, 637 F.3d at 1362.

*Alice/Mayo Step One, Guidance Step 2A, Prong One*  
*(Do the Claims Recite a Patent-Ineligible Concept?)*

Under the first prong of step 2A of the Guidance, we determine whether the independent claims recites a patent-ineligible concept.

Claim 1 recites a method that collects and analyzes bond related information by: receiving information from a user relating to a bond purchase request; validating the bond purchase request based on the received

information and by determining that user's credit line has not reached its expiration date; adjusting the credit line of the user based on a bond status (open or lost) for each bond available to the user; increasing the credit line of the user based on each lost status; issuing a bond responsive to the validated bond purchase request; enabling said user to obtain the issued bond; comparing the bond purchase request and competing bond purchase requests responsive to a report request received from the user; generating a report comprising comparison of bidding activity (including bid spread percentage) associated with the bond purchase request based on the performed comparison; and issuing Error and Omissions insurance, responsive to the user's request.

Under its broadest reasonable interpretation, claim 1 describes a concept for the collection, analysis, and display of data, which a person can perform mentally or with only pen and paper. For example, long before the advent of computers, governments, banks, and other organizations have been known to receive bond purchase data about different entities, analyze it, and produce reports comparing said data. *See, e.g.*, International Monetary Fund Annual Report 1970, 96–98 (1970), <https://www.imf.org/external/pubs/ft/ar/archive/pdf/ar1970.pdf> (last visited Sept. 6, 2019). Thus, claim 1 describes a method for implementing a mental process, which our guiding courts have found constitutes an abstract idea. *See Guidance*, 84 Fed. Reg. at 52 (describing mental processes as “concepts performed in the human mind (including an observation, evaluation, judgment, opinion)”). Contrary to Appellant's assertions (*see App. Br.* 11), that the claim recites various computing elements does not compel a different result. *See Guidance*, 84 Fed. Reg. at 52 n.14 (citing, e.g., *Versata Dev. Grp. v. SAP Am., Inc.*, 793

F.3d 1306, 1335 (Fed. Cir. 2015) (“Courts have examined claims that required the use of a computer and still found that the underlying, patent-ineligible invention could be performed via pen and paper or in a person’s mind.”))

Claim 1 also describes a method of organizing human activity in the form of a fundamental economic practice—i.e., a process for issuing bonds—including the steps of receiving a bond purchase request from a customer, validating the request, setting an appropriate credit line for the customer, issuing the bond to the customer, enabling the customer to obtain the bond, and issuing Error and Omissions insurance. The Supreme Court and Federal Circuit have found claims reciting fundamental economic practices such as this to be “squarely within the realm of ‘abstract ideas.’” *Alice*, 573 U.S. at 221; *see also* Guidance, 84 Fed. Reg. at 52, 52 n.13

In view of the foregoing, we agree with the Examiner’s characterization of the claims as being “directed to facilitating bond purchase and [a] related reporting service”—i.e., “a fundamental economic activity and idea of itself similar to the concepts that have been identified as abstract by the courts, such as creating a contractual relationship . . . and comparing new and collecting information, analyzing it, and displaying certain results.” Final Act. 2–3 (citing *buySAFE*, 765 F.3d at 1355; *Elec. Power Grp.*, 830 F.3d at 1354).

Appellant argues the Examiner “over-generalizes and mischaracterizes the subject matter as presently claimed” and “ignores explicit claim limitations.” App. Br. 9; Reply Br. 7–8. We do not agree. The Examiner has identified and considered the underlying steps of claim 1 as a basis for describing and explaining the recited abstract ideas. *See, e.g.*, Final

Act. 2–3, 7; Ans. 4–5. For example, in determining that claim 1 is directed to an abstract idea, the Examiner identifies relevant steps recited in claim 1 and then explains the abstract idea those steps describe. Final Act. 2–3. The Examiner also explains, and we agree, that the recited steps of adjusting the credit line and issuing Error and Omission “are abstract elements relevant to the abstract idea of bond purchasing” and, although specific, do not render claim 1 patent-eligible because even “[a] specific abstract idea is nonetheless an abstract idea.” *Id.* at 7. Contrary to Appellant’s assertions, the Examiner’s approach is consistent with Supreme Court and Federal Circuit precedent, which support reasonably synthesizing the claim language when identifying a recited abstract idea. *See, e.g., Bilski*, 561 U.S. at 611 (“Claims 1 and 4 in [P]etitioners’ application explain the basic concept of hedging, or protecting against risk. . . . The concept of hedging, described in claim 1 and reduced to a mathematical formula in claim 4, is an unpatentable abstract idea, just like the algorithms at issue in *Benson* and *Flook*.”). We note that those claim elements not addressed while identifying the recited abstract idea are addressed as additional limitations in *Step 2A*, *Prong Two* or *Step 2B* of the § 101 analysis.

Certainly, Appellant has narrowed claim 1 by reciting how the bond purchase request is validated (by “determining an expiration date of a credit line of the user and comparing the expiration date with a current date”) and criteria for adjusting or increasing a user’s credit line. But limiting an abstract idea to a particular field of use does not convert an otherwise ineligible concept into an inventive one. *See Guidance*, 84 Fed. Reg. at 55, *id.* nn. 31–32. Moreover, that the claimed method may perform a specific set of rules does not necessarily render the claim non-abstract. *See, e.g.,*

*Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 716 (Fed. Cir. 2014) (determining for a specific method of advertising and content distribution, that “each of [the] eleven steps merely instructs the practitioner to implement the abstract idea with routine, conventional activities,” and that although “some of the eleven steps were not previously employed in this art,” that was “not enough—standing alone—to confer patent eligibility upon the claims at issue.”); *accord Netflix, Inc. v. Rovi Corp.*, 114 F. Supp. 3d 927, 942 (N.D. Cal. 2015), *aff’d*, 670 F. App’x 704 (Fed. Cir. 2016).

*Guidance Step 2A, Prong One Conclusion*

Thus, in accordance with the Guidance, claim 1 recites abstract ideas that fall within the mental processes and organizing human activities groupings. *See* Guidance, 84 Fed. Reg. at 52. Here, we note that claim 1’s recitation of more than one abstract idea does not make the claim any less abstract. *See, e.g., RecogniCorp, LLC v. Nintendo Co. LTD.*, 855 F.3d 1322, 1327 (Fed. Cir. 2017) (“Adding one abstract idea . . . to another abstract idea . . . does not render the claim non-abstract.”). Because claim 1 recites a judicial exception (i.e., an abstract idea), we next proceed to the Guidance step 2A prong two to consider whether each of the claims integrates its recited judicial exception into a practical application. *See* Guidance, 84 Fed. Reg. at 54. Before proceeding, we note that any differences between the abstract ideas the Examiner has identified and the abstract ideas we identify for claim 1 do not give rise to a reversible error—they do not amount to a change in the thrust of the rejection.

*Alice/Mayo Step One, Guidance Step 2A, Prong Two*  
*(Do the Claims Integrate the Abstract Idea into a Practical Application?)*

To determine whether the judicial exception is integrated into a practical application, we identify whether there are “*any additional elements recited in the claim beyond the judicial exception(s)*” and evaluate those elements to determine whether they integrate the judicial exception into a practical application. Guidance, 84 Fed. Reg. at 54–55 (emphasis added); *see also* MPEP § 2106.05(a)–(c), (e)–(h).

Claim 1 additionally recites the computer-related terms of “computer-implemented,” “computer system,” “one or more physical processors,” “executing one or more computer program instructions,” “computer bond processing system,” “on-line computer device,” “in real-time,” and “automatically.”<sup>3</sup>

Although these computer-related recitations add a certain level of specificity to the claim, they do not constitute an improvement to “the functioning of the computer itself” or “any other technology or technical field;” rather, they constitute use of generic components for automating otherwise routine human activities. *See* MPEP § 2106.05(a) (quoting *Alice*, 573 U.S. at 225). Neither do these computer limitations qualify as applying the judicial exception with “a particular machine,” because they perform conventional functions and require no more than general purpose computer equipment. *See* MPEP § 2106.05(b); *see also Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709,716–17 (Fed. Cir. 2014); *TLI Communications LLC v. AV Automotive LLC*, 823 F.3d 607, 613 (Fed. Cir. 2016) (explaining that

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<sup>3</sup> Similarly, independent claim 9 recites computer-related terms of “a memory,” “a processor,” and “execute a plurality of instructions,” and “automatically,” “real-time,” and “print . . . via an on-line computer device.”

mere recitation of concrete or tangible components is not an inventive concept). “In order for the addition of a machine to impose a meaningful limit on the scope of a claim, it must play a significant part in permitting the claimed method to be performed, rather than function solely as an obvious mechanism for permitting a solution to be achieved more quickly.” *SiRF Tech., Inc. v. Int’l Trade Comm’n*, 601 F.3d 1319, 1333 (Fed. Cir. 2010).

Similarly, we are not persuaded that claim 1 effects a particular transformation of the recited components, which are simply used for their ordinary purposes, or that it adds any other meaningful (technological) limitations, i.e., limitations beyond simply “linking the use” of the abstract idea to generic technology. *See* MPEP § 2106.05 (c), (e)–(f), (g)–(h) (Use of well-known limitations beyond the judicially excepted matter constitutes “insignificant extra-solution activity” (g) and claim limitations “merely indicating a field of use or technological environment in which to apply a judicial exception do not amount to significantly more” (h).).

More specifically, we disagree with Appellant’s contentions that the claims “encompass a technological process” (App. Br.10) or that “they clearly relate to improvements to the technology field of analytical bond processing systems” (*id.* at 11–12). The focus of the claims is on a process for issuing a bond and reporting on bond purchase requests using a computer and software as a tool, not on an improvement in the computer or software itself as a tool. *See* Revised Guidance, 84 Fed. Reg. at 55 (explaining that courts have identified “merely us[ing] a computer as a tool to perform an abstract idea” as insufficient to integrate the judicial exception into a practical application); *Elec. Power Grp.*, 830 F.3d at 1354. Further, the claim’s application to bond processing merely indicates the field of use or

technological environment in which to apply the recited abstract idea and does not amount to significantly more. *See Revised Guidance*, 84 Fed. Reg. at 55, 55 n.32. Also, claim 1’s recitations of “receiving” data, “enabling said user to . . . obtain the issued bond,” and “generating . . . a report” are the type of extra-solution activity (i.e., in addition to the judicial exception) the courts have determined insufficient to transform judicially excepted subject matter into a patent-eligible application.<sup>4</sup> *See MPEP* § 2106.05(g); 84 Fed. Reg. at 55, 55 n.31; *see Bancorp Servs, L.L.C. v. Sun Life Assur. Co. of Can.*, 771 F. Supp. 2d 1054, 1066 (E.D. Mo. 2011) *aff’d*, 687 F.3d 1266 (Fed. Cir. 2012) (explaining that “storing, retrieving, and providing data . . . are inconsequential data gathering and insignificant post solution activity).

Appellant also unpersuasively argues that claim 1, similar to the claims in *Core Wireless*,<sup>5</sup> “are directed to an improved, unified, interface which increases the efficiency of using computing bond processing systems.” Reply Br. 9. In *Core Wireless*, the court concluded the claims were not directed to an abstract idea, but rather were “directed to an improved user interface for computing devices.” *Core Wireless*, 880 F.3d at 1362. The court noted that “[a]lthough the generic idea of summarizing information certainly existed prior to the invention, . . . these claims recite a specific improvement over prior systems.” *Core Wireless*, 880 F.3d at 1362–63. Here, although claim 1 recites various computing elements, as discussed further in *Alice/Mayo*, step two, Appellant does not identify anything in the

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<sup>4</sup> This analysis applies equally to claim 9’s similar recitations of “solicit information relating to a bond purchase request from a user” and “enable said user to . . . obtain and print the issued bond.”

<sup>5</sup> *Core Wireless S.A.R.L. v. LG Elecs., Inc.*, 880 F.3d 1356, 1363 (Fed. Cir. 2018).

claims or the Specification to indicate that these elements amount to an improvement over conventional computing elements, let alone interfaces.

We also are not persuaded by Appellant’s argument that the claims cannot recite generic computer functions because there is no prior art rejection. App. Br. 11–12. Subject-matter eligibility under 35 U.S.C. § 101 is a requirement separate from other patentability inquiries. *See Mayo*, 566 U.S. 66, 90 (recognizing that the § 101 inquiry and other patentability inquiries “might sometimes overlap,” but that “shift[ing] the patent-eligibility inquiry entirely to these [other] sections risks creating significantly greater legal uncertainty, while assuming that those sections can do work that they are not equipped to do”); *see also Diehr*, 450 U.S. at 188–89 (“[t]he ‘novelty’ of any element or steps in a process, or even of the process itself, is of no relevance in determining whether the subject matter of a claim falls within the § 101 categories of possibly patentable subject matter”).

In sum, we find no evidence that the recited combination of computer components is unconventional or non-generic because it is merely performing the functions of receiving (or soliciting), validating, adjusting, increasing, issuing, enabling, comparing, and generating data in a normal and routine way, as any other generic and conventional computing system would do.

*Guidance Step 2A, Prong Two Conclusion*

Because claim 1 recites a judicial exception and does not integrate it into a practical application, we next proceed under the Guidance to *Alice/Mayo* step two, to consider whether the claim recites significantly more than its recited exception. Guidance, 84 Fed. Reg. at 54.

*Alice/Mayo Step Two; Guidance Step 2B*

In step two of the *Alice/Mayo* analysis, we consider whether there are additional limitations that, individually or as an ordered combination, ensure the claims amount to “significantly more” than the abstract idea. *Alice*, 573 U.S. at 217–18 (citing *Mayo*, 566 U.S. at 72–73, 77–79). As stated in the Guidance, many of the considerations to determine whether the claims amount to “significantly more” under step two of the *Alice* framework are already considered as part of determining whether the judicial exception has been integrated into a practical application. Guidance, 84 Fed. Reg. at 56. Thus, at this point of our analysis, we determine if the independent claims add a specific limitation, or combination of limitations, that is not well-understood, routine, conventional activity in the field; or whether, in addition to the recited judicial exception, they recite only well-understood, routine, conventional activities at a high level of generality. *Id.*

Here, Appellant’s claim 1 does not recite specific limitations (or a combination of limitations) that are beyond what was well-understood, routine, and conventional. The Examiner determines, and we agree, that the additional technological limitations recited in claim 1 constitute the use of technology that was well-known to those of ordinary skill prior to the invention. Final Act. 3, 9; Ans. 7. The Examiner’s determination is amply supported by the Specification, which discloses that the invention may be implemented as a general-purpose computing system and describes the claimed technological features at no more than a generic level, using such technology for routine, well understood, and conventional purposes. *See, e.g.*, Fig. 1A, Spec. 8:7–13:20. There is no evidence of any special

technological improvement or advance for the computer-related components recited in claim 1.

*Conclusion*

Appellant does not persuade us of reversible error in the § 101 rejection of independent claim 1. For similar reasons, Appellant has not persuaded us of reversible error in the § 101 rejection of independent claim 9, which recites similar limitations, and the § 101 rejection of dependent claims 2, 3, 5, 7, 8, 10, 12, 14, and 15, which Appellant does not argue separately with particularity.

*C. The § 112 rejection*

Compliance with the written description requirement is a question of fact that is context sensitive. *Ariad Pharms., Inc. v. Eli Lilly & Co.*, 598 F.3d 1336, 1351 (Fed. Cir. 2010) (en banc) (“[T]he level of detail required to satisfy the written description requirement varies depending on the nature and scope of the claims and on the complexity and predictability of the relevant technology.”). The test is whether the disclosure “conveys to those skilled in the art that the inventor had possession of the claimed subject matter as of the filing date.” *Id.* The Specification must adequately describe the claimed subject matter, but “the exact terms need not be used *in haec verba.*” *Lockwood v. Am. Airlines*, 107 F.3d 1565, 1572 (Fed. Cir. 1997).

Claim 1 recites, in relevant part, “comparing . . . the bond purchase request and competing one or more bond purchase requests . . . ; [and] generating . . . a report comprising comparison of bidding activity associated with the bond purchase request based on the performed comparison, wherein the bidding activity includes bid spread percentage.” The Examiner determines the Specification lacks written description support for

“comparing . . . the bid spread percentage between bond purchase request [sic] with competing one or more bond purchase requests” because “there is no written content as to how or what specific comparison [sic] are performed (i.e. formulas, algorithms, sequence of mathematical steps, process of determination, for example) in order to ‘allow the client to perform an in depth analysis of their competitor’s bidding history’ . . . such that any person skilled in the art can make and use the invention.” Final Act. 4–5 (quoting Spec. 17:22–23); *see also* Ans. 10–12.

Appellant argues the Examiner errs because

(1) the feature of “comparing . . . the bond purchase request with competing one or more bond purchase requests” is at least impliedly taught by the present application as it was originally filed; and (2) art to which the claimed invention belongs is mature and the predictable nature of the art mandates a generally lower showing of possession.

App. Br. 15; Reply Br. 10–11. More specifically, Appellant cites the Specification’s description of “using a comparison of user’s bidding results to competitor’s bids” and asserts that one “of ordinary skill in the art would understand that such a disclosure at least implies the calculation of competitor’s spread percentage, especially in view of the maturity and predictability of the subject art.” App. Br. 15 (citing Spec. 17:19–23). Appellant further cites Figure 11’s illustration of an exemplary report including bidding comparison percentages and asserts that one “of ordinary skill in the art would understand that such a disclosure at least implies (and arguably expressly describes) how to perform such comparison.” *Id.* at 16 (citing Fig. 11). In that regard, Appellant asserts that “one of ordinary skill in the art simply by looking at FIG. 11 would have understood that, for

example, Competitor Spread % can be calculated using the following formula:

$$\text{Competitor Spread\%} = (1 - \text{Competitor Bid} / \text{My Bid}) * 100\%.” \textit{Id.}$$

The Examiner responds that the cited portion of the Specification “at best provides written description support for comparing client’s bidding results to that of a competitor,” but not “for the claimed comparing of the bond purchase request with the competing ones because the comparison of past record is fundamentally different from the comparison of bidding request that are current.” Ans. 10. In response to Appellant’s citation of Figure 11, the Examiner cites the accompanying disclosure in the Specification and asserts that “[n]o comparing of bond purchase request [sic] is described.” *Id.* at 11 (citing Spec. 17:8–18). The Examiner also dismisses the equation Appellant presents in the Appeal Brief, because “one skilled in art cannot know for certain that claimed comparing is performed using such equation,” and asserts that “[i]n fact, nowhere in the Original Disclosure discusses how the claimed comparison is performed.” *Id.* at 11–12.

We agree with Appellant the Examiner errs in the written description rejection. First, the Specification’s disclosure of comparing bidding results, including bidding comparison percentages, of a client to those of a competitor provides adequate written description disclosure of “comparing . . . the bond purchase request and competing one or more bond purchase requests.” *See* Spec. 17:19–23. Figure 11 illustrates this disclosure with an account management report titled “My Bid vs. Competitors,” including a comparison of a user’s bidding results with competitors’ bidding results. Fig. 11. We disagree with the Examiner that the claim requires the bids or bond purchase requests being compared to be “current.” Rather, a plain and

ordinary reading of claim language encompasses comparing bids or bond purchase requests that occurred *in the past*, in accordance with Appellant’s disclosures of comparing bidding results.

Second, Figure 11’s display of a report including competitor spread % beside a winning spread % provides adequate written description support for “a report comprising comparison of bidding activity associated with the bond purchase request based on the performed comparison, wherein the bidding activity includes bid spread percentage.” Fig. 11. Because the Specification is viewed from the perspective of one of ordinary skill, in some instances, Appellant may rely on that which is “well-known in the art” for meeting the written description requirement. *See Falko–Gunter Falkner v. Inglis*, 448 F.3d 1357, 1366–68 (Fed. Cir. 2006). This principle applies here, especially because “the field of this invention is a predictable art such that a lower level of detail is required to satisfy the written description requirement than for unpredictable arts.” *Hologic, Inc. v. Smith & Nephew, Inc.*, 884 F.3d 1357, 1361 (Fed. Cir. 2018). Thus, as Appellant explains, and we agree, Figure 11 provides adequate written description support for the disputed limitation because one of ordinary skill in the art would recognize that the displayed “Winning Spread %” and “Competitor Spread %” refer to the user and competing “bid spread percentage[s]” as claimed and know how these values were calculated using data readily available straight from the report. *See App. Br. 16.*

We disagree with the Examiner’s assertion that the claim lacks written description support because there are no formulae, algorithms, or the like, explaining the claimed bid spread percentage comparison to “allow the client to perform an in depth analysis of their competitor’s bidding history”

(Final Act 11). The Examiner’s assertion is not commensurate with the scope of the claim because it relies on a limitation—“allow the client to perform an in depth analysis of their competitor’s bidding history”—recited in the Specification (Spec. 17), not the claims. Care should be taken to avoid reading limitations of the Specification into the claims. *E.g.*, *E-Pass Techs., Inc. v. 3Com Corp.*, 343 F.3d 1364, 1369 (Fed. Cir. 2003). Moreover, the Examiner’s assertion is unavailing because the mere absence of explanatory examples in the Specification does not compel a determination that there is a failure to comply with the written description requirement. *Falko–Gunter Falkner v. Inglis*, 448 F.3d 1357, 1366 (Fed. Cir. 2006).

Accordingly, we do not sustain the Examiner’s rejection of claims 1–3, 5, 7–10, 12, 14, and 15 under 35 U.S.C. § 112, first paragraph.

#### DECISION

We do not reach the 35 U.S.C. § 101 and pre-AIA 35 U.S.C. 112, first paragraph, rejections of claims 4 and 11, because the rejections are moot.

We affirm the 35 U.S.C. § 101 rejection of claims 1–3, 5, 7–10, 12, 14, and 15.

We reverse the 35 U.S.C. § 112 rejection of claims 1–3, 5, 7–10, 12, 14, and 15.

Because we affirm at least one ground of rejection with respect to each claim on appeal, the Examiner’s decision is affirmed. *See* 37 C.F.R. § 41.50(a)(1).

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