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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte DOUGLAS RAYMOND MARTIN and
KENNETH JAMES MILLER

Appeal 2019-001831
Application 13/828,473
Technology Center 3600

Before ST. JOHN COURTENAY III, LARRY J. HUME, and
PHILLIP A. BENNETT, *Administrative Patent Judges*.

HUME, *Administrative Patent Judge*.

DECISION ON APPEAL

Pursuant to 35 U.S.C. § 134(a), Appellant,¹ Douglas Raymond Martin et al., appeals from the Examiner's decision rejecting claims 1, 2, 5, 6, 13, 14, and 20. Claims 3, 4, 7–12, and 15–19 are cancelled. We have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.

¹ We use the word “Appellant” to refer to “applicant” as defined in 37 C.F.R. § 1.42(a). Appellant identifies the real party in interest as Ford Global Technologies, LLC. Appeal Br. 2.

STATEMENT OF THE CASE²

The Invention

The claims are directed to systems and methods “for vehicle accessible ATM transactions.” Spec. ¶ 1.

Exemplary Claim

Claims 1 and 6, reproduced below, are representative of the subject matter on appeal (formatting added; *emphasis* added to contested prior-art limitations):

1. A system comprising:
an automated teller machine (ATM); and
an ATM-related processor configured to:
 - wirelessly connect to an approaching vehicle;
 - validate a transaction request based on comparison of a received *vehicle identifier and mobile device identifier, both received from the vehicle*, compared to account-associated stored identifiers in an identified account; and
 - provide transaction services over the wireless connection, following transaction-request validation, allowing a user to interact with the ATM using an in-vehicle display.

² Our decision relies upon Appellant’s Appeal Brief (“Appeal Br.,” filed Sept. 7, 2018); Reply Brief (“Reply Br.,” filed Dec. 27, 2018); Examiner’s Answer (“Ans.,” mailed Nov. 21, 2018); Final Office Action (“Final Act.,” mailed June 5, 2018); and the original Specification (“Spec.,” filed Mar. 14, 2013).

6. A system comprising:
a vehicle- based processor configured to:
provide account, *device-identifying and vehicle-identifying information, the device-identifying information retrieved from a mobile device*, responsive to an authorization request from an automated teller machine (ATM);
present a list of ATM-related services on a vehicle display for user interaction, responsive to an ATM confirming authorization based on the device-identifying and vehicle identifying information; and
transmit user requests input on the display to the ATM.

Prior Art

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

Chutorash et al. (“Chutorash”)	US 2010/0280956 A1	Nov. 4, 2010
McIntosh	US 8,177,127 B2	May 15, 2012

Rejections on Appeal

R1. Claims 6, 13, 14, and 20 stand rejected under 35 U.S.C. § 101 as being directed to patent-ineligible subject matter without significantly more. Final Act. 10.

R2. Claims 1, 2, 5, 6, 13, 14, and 20 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over the combination of McIntosh and Chutorash. Final Act. 5.

CLAIM GROUPING

Based on Appellant's arguments (Appeal Br. 6–14) and our discretion under 37 C.F.R. § 41.37(c)(1)(iv), we decide the appeal of patent-ineligible subject matter Rejection R1 of claims 6, 13, 14, and 20 on the basis of representative claim 6; we decide the appeal of obviousness Rejection R2 of claims 1, 2, and 5 on the basis of representative claim 1; and we decide the appeal of obviousness Rejection R2 of claims 6, 13, 14, and 20 on the basis of representative claim 6.³

ISSUES AND ANALYSIS

In reaching this decision, we consider all evidence presented and all arguments actually made by Appellant. To the extent Appellant has not advanced separate, substantive arguments for particular claims, or other issues, such arguments are waived. 37 C.F.R. § 41.37(c)(1)(iv); *In re Hyatt*, 211 F.3d 1367, 1373 (Fed. Cir. 2000) (determining an argument not first raised in the brief to the Board is waived on appeal).

For the reasons discussed herein, we reverse the Examiner's patent-ineligible subject matter Rejection R1 of claims 6, 13, 14, and 20. However, we disagree with Appellant's arguments with respect to obviousness Rejection R2 of claims 1, 2, 5, 6, 13, 14, and 20, and, unless otherwise noted, we incorporate by reference herein and adopt as our own: (1) the

³ “Notwithstanding any other provision of this paragraph, the failure of appellant to separately argue claims which appellant has grouped together shall constitute a waiver of any argument that the Board must consider the patentability of any grouped claim separately.” 37 C.F.R. § 41.37(c)(1)(iv). In addition, when Appellant does not separately argue the patentability of dependent claims, the claims stand or fall with the claims from which they depend. *In re King*, 801 F.2d 1324, 1325 (Fed. Cir. 1986).

findings and reasons set forth by the Examiner in the action from which this appeal is taken, and (2) the reasons and rebuttals set forth in the Examiner's Answer in response to Appellant's arguments. We highlight and address specific findings and arguments regarding independent claims 1 and 6 for emphasis as follows.

1. § 101 Rejection R1 of Claims 6, 13, 14, and 20

Issue 1

Appellant argues (Appeal Br. 6–11; Reply Br. 2–3) the Examiner's rejection of claim 6 under 35 U.S.C. § 101 as being directed to patent-ineligible subject matter is in error. These contentions present us with the following issue:

Under the USPTO's Revised Guidance, informed by our governing case law concerning 35 U.S.C. § 101, is claim 6 patent ineligible under § 101?

Principles of Law

A. 35 U.S.C. § 101

An invention is patent eligible if it is a “new and useful process, machine, manufacture, or composition of matter.” 35 U.S.C. § 101.⁴ However, the Supreme Court has long interpreted 35 U.S.C. § 101 to include implicit exceptions: “[I]aws of nature, natural phenomena, and abstract ideas” are not patentable. *Mayo Collaborative Servs. v. Prometheus Labs.*,

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

Inc., 566 U.S. 66, 70 (2012) (brackets in original) (citing *Diamond v. Diehr*, 450 U.S. 175, 185 (1981)). “Eligibility under 35 U.S.C. § 101 is a question of law, based on underlying facts.” *SAP Am., Inc. v. InvestPic, LLC*, 898 F.3d 1161, 1166 (Fed. Cir. 2018).

In determining whether a claim falls within an excluded category, we are guided by the Supreme Court’s two-step framework, described in *Mayo* and *Alice*. *Alice Corp. v. CLS Bank Int’l*, 573 U.S. 208, 217–18 (2014) (citing *Mayo*, 566 U.S. at 75–77). In accordance with that framework, we first determine what concept the claim is “directed to.” See *Alice*, 573 U.S. at 219 (“On their face, the claims before us are drawn to the concept of intermediated settlement, *i.e.*, the use of a third party to mitigate settlement risk.”); see also *Bilski v. Kappos*, 561 U.S. 593, 611 (2010) (“Claims 1 and 4 in petitioners’ application explain the basic concept of hedging, or protecting against risk . . .”).

Concepts determined to be abstract ideas, and thus patent ineligible, include certain methods of organizing human activity, such as fundamental economic practices (*Alice*, 573 U.S. at 219–20; *Bilski*, 561 U.S. at 611); mathematical formulas (*Parker v. Flook*, 437 U.S. 584, 594–95 (1978)); and mental processes (*Gottschalk v. Benson*, 409 U.S. 63, 67 (1972)). Concepts determined to be patent eligible include physical and chemical processes, such as “molding rubber products” (*Diehr*, 450 U.S. at 191); “tanning, dyeing, making water-proof cloth, vulcanizing India rubber, smelting ores” (*id.* at 182 n.7 (quoting *Corning v. Burden*, 56 U.S. 252, 267–68 (1853))); and manufacturing flour (*Benson*, 409 U.S. at 69 (citing *Cochrane v. Deener*, 94 U.S. 780, 785 (1876))).

In *Diehr*, the claim at issue recited a mathematical formula, but the Supreme Court held “a claim drawn to subject matter otherwise statutory does not become nonstatutory simply because it uses a mathematical formula.” *Diehr*, 450 U.S. at 187; *see also id.* at 191 (“We view respondents’ claims as nothing more than a process for molding rubber products and not as an attempt to patent a mathematical formula.”). Having said that, the Supreme Court also indicated that a claim “seeking patent protection for that formula in the abstract . . . is not accorded the protection of our patent laws, and this principle cannot be circumvented by attempting to limit the use of the formula to a particular technological environment.” *Id.* (citation omitted) (citing *Benson* and *Flook*); *see, e.g., id.* at 187 (“It is now commonplace that an *application* of a law of nature or mathematical formula to a known structure or process may well be deserving of patent protection.”).

Abstract ideas may include, but are not limited to, fundamental economic practices, methods of organizing human activities, and mathematical formulas or relationships. *Alice*, 573 U.S. at 217–21. Under this guidance, we must therefore ensure at step one that we articulate what the claims are directed to with enough specificity to ensure the step one inquiry is meaningful. *Id.* at 217 (“[W]e tread carefully in construing this exclusionary principle lest it swallow all of patent law.”).

If the claim is “directed to” an abstract idea, we turn to the second step of the *Alice* and *Mayo* framework, where “we must examine the elements of the claim to determine whether it contains an ‘inventive concept’ sufficient to ‘transform’ the claimed abstract idea into a patent-eligible application.” *Alice*, 573 U.S. at 221 (citation omitted). “A claim

that recites an abstract idea must include ‘additional features’ to ensure ‘that the [claim] is more than a drafting effort designed to monopolize the [abstract idea].’” *Id.* (alterations in original) (quoting *Mayo*, 566 U.S. at 77). “[M]erely requir[ing] generic computer implementation[] fail[s] to transform that abstract idea into a patent-eligible invention.” *Id.*

B. USPTO Revised Guidance

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

Under the Revised Guidance, we first look to whether the claim recites:

(1) any judicial exceptions, including certain groupings of abstract ideas (i.e., mathematical concepts, certain methods of organizing human activity such as a fundamental economic practice, or mental processes);⁵ and

(2) additional elements that integrate the judicial exception into a practical application (*see* Manual for Patent Examining Procedure (“MPEP”) §§ 2106.05(a)–(c), (e)–(h)).⁶

See Revised Guidance 52–53.

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

⁶ Referred to as “*Revised Step 2A, Prong 2*” in the Revised Guidance (hereinafter “*Step 2A(ii)*”).

Only if a claim (1) recites a judicial exception and (2) does not integrate that exception into a practical application, do we then look to whether the claim:

(3) adds a specific limitation beyond the judicial exception that is not “well-understood, routine, conventional” in the field (*see* MPEP § 2106.05(d)); or

(4) simply appends well-understood, routine, conventional activities previously known to the industry, specified at a high level of generality, to the judicial exception.⁷

See Revised Guidance 56.

Step 2A(i) – Abstract Idea

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

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

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

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

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

Revised Guidance 52 (footnotes omitted).

Under the Revised Guidance, if the claim does not recite a judicial exception (a law of nature, natural phenomenon, or subject matter within the enumerated groupings of abstract ideas above), then the claim is patent eligible at *Step 2A(i)*. This determination concludes the eligibility analysis, except in situations identified in the Revised Guidance.⁸

However, if the claim recites a judicial exception (i.e., an abstract idea enumerated above, a law of nature, or a natural phenomenon), the claim requires further analysis for a practical application of the judicial exception in *Step 2A(ii)*.

Step 2A(ii) – Practical Application

If a claim recites a judicial exception in *Step 2A(i)*, we determine whether the recited judicial exception is integrated into a practical application of that exception in *Step 2A(ii)* by: (a) identifying whether there are any additional elements recited in the claim beyond the judicial exception(s); and (b) evaluating those additional elements individually and in combination to determine whether they integrate the exception into a practical application.

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

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

- (1) MPEP § 2106.05(a) Improvements to the Functioning of a Computer or To Any Other Technology or Technical Field
- (2) MPEP § 2106.05(b) Particular Machine
- (3) MPEP § 2106.05(c) Particular Transformation
- (4) MPEP § 2106.05(e) Other Meaningful Limitations
- (5) MPEP § 2106.05(f) Mere Instructions To Apply An Exception
- (6) MPEP § 2106.05(g) Insignificant Extra-Solution Activity
- (7) MPEP § 2106.05(h) Field of Use and Technological Environment

See Revised Guidance 55.

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

Step 2B – “Inventive Concept” or “Significantly More”

Under our reviewing courts’ precedent, it is possible that a claim that does not “integrate” a recited judicial exception under *Step 2A(ii)* is nonetheless patent eligible. For example, the claim may recite additional

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

elements that render the claim patent eligible even though a judicial exception is recited in a separate claim element.¹⁰ The Federal Circuit has held claims eligible at the second step of the *Alice/Mayo* test (USPTO *Step 2B*) because the additional elements recited in the claims provided “significantly more” than the recited judicial exception (e.g., because the additional elements were unconventional in combination).¹¹ Therefore, if a claim has been determined to be directed to a judicial exception under *Revised Step 2A*, we must also evaluate the additional elements individually and in combination under *Step 2B* to determine whether they provide an inventive concept (i.e., whether the additional elements amount to significantly more than the exception itself).¹²

Under the Revised Guidance, we must consider in *Step 2B* whether an additional element or combination of elements: (1) “Adds a specific limitation or combination of limitations that are not well-understood, routine, conventional activity in the field, which is indicative that an inventive concept may be present;” or (2) “simply appends well-understood, routine, conventional activities previously known to the industry, specified

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

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

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

at a high level of generality, to the judicial exception, which is indicative that an inventive concept may not be present.” *See Revised Guidance, Section III.B.*¹³

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

1. A citation to an express statement in the specification or to a statement made by an applicant during prosecution that demonstrates the well-understood, routine, conventional nature of the additional element(s). . . .
2. A citation to one or more of the court decisions discussed in MPEP § 2106.05(d)(II) as noting the well-understood, routine, conventional nature of the additional element(s).
3. A citation to a publication that demonstrates the well-understood, routine, conventional nature of the additional element(s). . . .
4. A statement that the examiner is taking official notice of the well-understood, routine, conventional nature of the additional element(s). . . .

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

See Berkheimer Memo.

The analysis in *Step 2B* further determines whether an additional element or combination of elements:

(a) Adds a specific limitation or combination of limitations that are not well-understood, routine, conventional activity in the field, which is indicative that an inventive concept may be present; or

(b) 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.

Revised Guidance, *and see Berkheimer Memo.*

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

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

Analysis

Step 1 – Statutory Category

Claim 6, as a system (machine) claim, recites one of the enumerated categories of eligible subject matter in 35 U.S.C. § 101. Therefore, the issue before us is whether it is directed to a judicial exception without significantly more.

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

The Examiner determined the claimed invention is directed to a judicial exception (i.e., a law of nature, a natural phenomenon, or an abstract idea) without significantly more. Specifically, the Examiner determined Claim 6 is directed to

[T]he steps or functions of “provide . . .” and “present . . .” are similar to concepts that have been identified as abstracts by the courts as found in *Classen* and *Perkin-Elmer* which involved functions of collecting and comparing data to determine a risk level. The function of “transmit . . .” is also similar to a concept that was identified as abstract by the courts as found in *Cyberfone* which involved using categories to organize, store and transmit information.

Final Act. 11.

We evaluate, *de novo*, whether claim 6 recites an abstract idea based upon the Revised Guidance. In applying the Revised Guidance, we conclude claim 6 recites a judicial exception of certain method of organizing human activity — commercial interactions, and thus an abstract idea.

First, we look to the Specification to provide context as to what the claimed invention is directed to. In this case, the Specification describes that the invention relates to “a method and apparatus for vehicle accessible ATM transactions.” Spec. ¶ 1.

In the briefing, Appellant refers to prior USPTO guidance regarding § 101, including (1) December 2016 Memorandum, (2) April 2018 Memorandum and (3) May 2018 Training. Appeal Br. 7–9. However, this prior guidance and update have been superseded by the 2019 Revised Guidance. *See* Revised Guidance at 52. As such, our *de novo* review will

not address the sufficiency of the Examiner’s rejection against the cited prior guidance. Rather, our analysis will comport with the 2019 Revised Guidance. We will also review patent eligibility under section 101 *de novo* as discussed below. *Dealertrack, Inc. v. Huber*, 674 F.3d 1315, 1333 (Fed. Cir. 2012).

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

TABLE 1

Independent Claim 6	Revised Guidance
A system comprising: a vehicle-based processor configured to:	Generic computer component, i.e., a processor, and a generic vehicle.
[L1] provide account, device-identifying and vehicle-identifying information, the device-identifying information retrieved from a mobile device , responsive to an authorization request from an automated teller machine (ATM) ;	Receiving or obtaining information, i.e., data gathering, is insignificant extra-solution activity. Revised Guidance 55, n.31; <i>see also</i> MPEP § 2106.05(g).
[L2] <i>present a list of ATM-related services</i> on a vehicle display for user interaction, responsive to an ATM confirming authorization based on the device-	Presenting a list of services based on (“responsive to”) an authorization, i.e., data, is an abstract idea, i.e., “a certain method of organizing human activity – commercial interactions.” <i>See</i> Revised Guidance 52. Moreover, transmitting or outputting information for display may be considered as

Independent Claim 6	Revised Guidance
identifying and vehicle identifying information; and	insignificant post-solution activity. Revised Guidance 55, n.31; <i>see also</i> MPEP § 2106.05(g); <i>and see buySAFE, Inc. v. Google, Inc.</i> , 765 F.3d 1350, 1355 (Fed. Cir. 2014) (determining a claim reciting a computer that receives and sends information over a network is directed to an abstract idea); <i>Intellectual Ventures I LLC v. Capital One Fin. Corp.</i> , 850 F.3d 1332, 1340 (Fed. Cir. 2017) (holding that displaying data is an abstract idea).
[L3] transmit user requests input on the display to the ATM .	Transmitting or outputting information is insignificant post-solution activity. Revised Guidance 55, n.31; <i>see also</i> MPEP § 2106.05(g); <i>and see buySAFE</i> , 765 F.3d at 1355 (determining a claim reciting a computer that receives and sends information over a network is directed to an abstract idea).

Appeal Br. 14 (Claims App.).

We determine that claim 6 recites a certain method of organizing human activity in the form of a commercial interaction, i.e., a business relation. This type of activity, i.e., presenting a list of services, in this case, ATM-related services, in response to an authorization received after confirmation of identifying information in limitation L2, for example, and then transmitting user requests in limitation L3, and aside from any computer-related aspects, includes longstanding conduct that existed well before the advent of computers and the Internet, and could be carried out by

a human with pen and paper. *See CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1375 (Fed. Cir. 2011).¹⁴

Thus, under *Step 2A(i)*, we agree with the Examiner that limitations L1 through L3, i.e., providing account and vehicle data, and presenting a list of services after authentication, and then transmitting user requests, involves functions of collecting, comparing, and transmitting data, and thus is a judicial exception. Ans. 12. We conclude claim 6, under our Revised Guidance, recites a judicial exception of certain method of organizing human activity — commercial interactions, and thus an abstract idea.

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

If the claims are directed to a patent-ineligible concept, as we conclude above, we proceed to the “practical application” *Step 2A(ii)* in which we determine whether the recited judicial exception is integrated into a practical application of that exception by: (a) identifying whether there are any additional elements recited in the claim beyond the judicial exception(s); and (b) evaluating those additional elements individually and in combination

¹⁴ Our reviewing court recognizes that “[a]n abstract idea can generally be described at different levels of abstraction.” *Apple, Inc. v. Ameranth, Inc.*, 842 F.3d 1229, 1240 (Fed. Cir. 2016). That need not and, in this case does not, “impact the patentability analysis.” *Id.* at 1241. Further, “[t]he Board’s slight revision of its abstract idea analysis does not impact the patentability analysis.” *Id.* Moreover, merely combining several abstract ideas does not render the combination any less abstract. *RecogniCorp, LLC v. Nintendo Co.*, 855 F.3d 1322, 1327 (Fed. Cir. 2017) (“Adding one abstract idea (math) to another abstract idea . . . does not render the claim non-abstract.”); *see also FairWarning IP, LLC v. Iatric Sys., Inc.*, 839 F.3d 1089, 1093–94 (Fed. Cir. 2016) (determining the pending claims were directed to a combination of abstract ideas).

to determine whether they integrate the exception into a practical application.

We conclude none of the claim limitations in claim 6 clearly addresses a need or improvement in the field of computer technology.

As to the specific limitations, we find limitation L1 identified in TABLE 1 above recites insignificant data gathering. *See* MPEP § 2106.05(g). Data gathering, as performed by the steps or function in Appellant’s claims, is a classic example of insignificant extra-solution activity. *See, e.g., In re Bilski*, 545 F.3d 943, 963 (Fed. Cir. 2008) (en banc), *aff’d sub nom, Bilski v. Kappos*, 561 U.S. 593 (2010).

We also determine limitation L3 in claim 6 recites insignificant post-solution activity. The Supreme Court guides that the “prohibition against patenting abstract ideas ‘cannot be circumvented’ by . . . adding ‘insignificant postsolution activity.’” *Bilski*, 561 U.S. at 610–11 (quoting *Diehr*, 450 U.S. at 191–92).

We conclude each of the limitations of claim 6 recite either abstract ideas or extra-solution activity as identified in TABLE 1 in *Step 2A(i)*, *supra*, and none of the limitations integrate the judicial exception into a practical application as determined under one or more of the MPEP sections cited above. The claim as a whole merely uses instructions to implement the abstract idea on a computer or, alternatively, merely uses a computer as a tool to perform the abstract idea.

Under analogous circumstances, the Federal Circuit has held that “[t]his is a quintessential ‘do it on a computer’ patent: it acknowledges that [such] data . . . was previously collected, analyzed, manipulated, and

displayed manually, and it simply proposes doing so with a computer. We have held such claims are directed to abstract ideas.” *Univ. of Fla. Research Found., Inc. v. Gen. Elec. Co.*, 916 F.3d 1363, 1367 (Fed. Cir. 2019).

Therefore, on this record, Appellant has not shown an improvement to computer technology or practical application under the guidance of MPEP section 2106.05(a) (“Improvements to the Functioning of a Computer or to Any Other Technology or Technical Field”) or section 2106.05(e) (“Other Meaningful Limitations”). Nor does Appellant advance any arguments in the Brief(s) that are directed to the *Bilski* machine-or-transformation test, which would only be applicable to method (process) claims, none of which are on appeal. *See* MPEP §§ 2106.05(b) (Particular Machine) and 2106.05(c) (Particular Transformation).

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

Step 2B – “Inventive Concept” or “Significantly More”

If the claims are directed to a patent-ineligible concept, as we conclude above, we proceed to the “inventive concept” step. For *Step 2B* we must “look with more specificity at what the claim elements add, in order to determine ‘whether they identify an “inventive concept” in the application of the ineligible subject matter’ to which the claim is directed.” *Affinity Labs of Tex., LLC v. DIRECTV, LLC*, 838 F.3d 1253, 1258 (Fed. Cir. 2016) (quoting *Elec. Power Grp.*, 830 F.3d at 1353).

In applying step two of the *Alice* analysis, our reviewing court guides we must “determine whether the claims do significantly more than simply

describe [the] abstract method” and thus transform the abstract idea into patentable subject matter. *Ulramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 715 (Fed. Cir. 2014). We look to see whether there are any “additional features” in the claims that constitute an “inventive concept,” thereby rendering the claims eligible for patenting even if they are directed to an abstract idea. *Alice*, 573 U.S. at 221. Those “additional features” must be more than “well-understood, routine, conventional activity.” *Mayo*, 566 U.S. at 79.

Limitations referenced in *Alice* that are not enough to qualify as “significantly more” when recited in a claim with an abstract idea include, as non-limiting or non-exclusive examples: adding the words “apply it” (or an equivalent) with an abstract idea¹⁵; mere instructions to implement an abstract idea on a computer¹⁶; or requiring no more than a generic computer to perform generic computer functions that are well-understood, routine, and conventional activities previously known to the industry.¹⁷

The patent-eligibility inquiry may contain underlying issues of fact. *Mortg. Grader*, 811 F.3d at 1325. In particular, “[t]he question of whether a claim element or combination of elements is well-understood, routine and conventional to a skilled artisan in the relevant field is a question of fact.” *Berkheimer*, 881 F.3d at 1368. *See Berkheimer Memo*. In particular, the *Berkheimer Memo* points out that a combination of elements is found to be

¹⁵ *Alice*, 573 U.S. at 221–23.

¹⁶ *Alice*, 573 U.S. at 222–23.

¹⁷ *Alice*, 573 U.S. at 225 (explaining using a computer to obtain data, adjust account balances, and issue automated instructions involves computer functions that are well-understood, routine, conventional activities).

well-understood, conventional, or routine, only if an examiner expressly finds 1) a citation to an express statement in the specification, 2) a citation to a court decision noting the well-understood, routine, conventional nature of the combination of elements, 3) a citation to a publication that demonstrates the well-understood, routine, conventional nature of the combination of elements, or 4) a statement of official notice of the well-understood, routine, conventional nature of the combination. *Id.* at pp. 3–4.

Appellant argues the Examiner failed to provide sufficient evidence showing routine, conventional, or well-understood claims. Appeal Br. 8–9. Appellant also argues that more than a review of the individual components is required – because, as in *BASCOM*, an inventive concept can be found in the non-conventional arrangement of known, conventional pieces. *Id.* at 6.

We agree with Appellant that an inventive concept *might* be found in the non-conventional arrangement of the known, conventional elements recited in claim 6, and the Examiner erred by not making at least one of the four types of factual findings required by *Berkheimer*.

Accordingly, on the record before us, for essentially the reasons articulated by Appellant in the Appeal Brief (6, 8–9), we do not sustain the Examiner’s rejection of claims 6, 13, 14, and 20 under 35 U.S.C. § 101, as directed to patent-ineligible subject matter.

2. § 103(a) Rejection R2 of Claims 1, 2, 5, 6, 13, 14, and 20

Issue 2

Appellant argues (Appeal Br. 11–14; Reply Br. 4) the Examiner’s rejection of claims 1 and 6¹⁸ under 35 U.S.C. § 103(a) as being obvious over the combination of McIntosh and Chutorash is in error. These contentions present us with the following issue:

Did the Examiner err in finding the cited prior art combination teaches or suggests a “*vehicle identifier and mobile device identifier, both received from the vehicle,*” as recited in claim 1 (emphasis added), and did the Examiner err in finding the cited prior art combination teaches or suggests a “*device-identifying and vehicle-identifying information, the device-identifying information retrieved from a mobile device,*” as recited in claim 6 (emphasis added)?

Analysis

Although Appellant admits Chutorash’s teaching of transmitting a VIN along with a transaction request combined with McIntosh’s system “could solve part of the problem,” Appellant contends, however:

1) there is still no transmission of a mobile device identifier from the vehicle *in addition to* the vehicle identifier (claims 1, 6 and 14), 2) there is no retrieval of the mobile device identifier from the mobile device *by* the vehicle (claims 6 and 14); and 3) the portions of Chutorash cited as relating to a mobile phone (68 and 69) merely teach that the mobile phone is a payment information source.

¹⁸ We group claims 1, 2, and 5 together, and also group claims 6, 13, 14, and 20. *See Claim Grouping, supra.*

Appeal Br. 13.

We are not persuaded by Appellant’s arguments because the arguments are not commensurate with the scope of the claims. Appellant argues “there is no retrieval of the mobile device identifier from the mobile device *by* the vehicle.” Appeal Br. 13. However, both independent claims 1 and 6 recite “*from* the vehicle” not “*by* the vehicle.” *Id.* (emphasis added).

We agree with the Examiner’s findings because we find McIntosh’s customer entering a PIN into a cell phone while inside the vehicle teaches or at least suggests Claim 1’s mobile device identifier or any other identifier (including a VIN the customer can also type in) “received *from* the vehicle.” Final Act. 5–6, citing McIntosh, col. 9, 52–66, col. 10, 2–48. We also find Chutorash’s vehicle control system sending a vehicle identifier along with the transaction signal for use as an authentication factor, and only allowing access if it recognizes *both the card information and the VIN* teaches or at least suggests “a received vehicle identifier . . . received from the vehicle.” Final Act. 7, citing Chutorash ¶¶ 104, 105.

We agree with the Examiner’s findings and legal conclusion, and emphasize that the Examiner’s ultimate legal conclusion of obviousness is based upon the *combined* teachings of the cited references. “[T]he law does not require that the references be combined for the reasons contemplated by the inventor.” *In re Beattie*, 974 F.2d 1309, 1312 (Fed. Cir. 1992). “[A]ny need or problem known in the field of endeavor at the time of invention and addressed by the patent can provide a reason for combining” references. *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 420 (2007). Moreover, for a prima facie case of obviousness to be established, the references need not

recognize the same problem solved by the Appellant. *See In re Kemps*, 97 F.3d 1427, 1430 (Fed. Cir. 1996).

We further note Appellant has not demonstrated that the Examiner's proffered combination of references would have been "uniquely challenging or difficult for one of ordinary skill in the art." *See Leapfrog Enters., Inc. v. Fisher-Price, Inc.*, 485 F.3d 1157, 1162 (Fed. Cir. 2007) (citing *KSR*, 550 U.S. at 420). Although Appellant has not specifically alleged the Examiner relied upon improper hindsight, Appellant has not provided objective evidence of secondary considerations which our reviewing court guides "operates as a beneficial check on hindsight." *Cheese Sys., Inc. v. Tetra Pak Cheese and Powder Sys.*, 725 F.3d 1341, 1352 (Fed. Cir. 2013).

Therefore, based upon the findings above, on this record, we are not persuaded of error in the Examiner's reliance on the cited prior art combination to teach or suggest the disputed limitations of representative independent claims 1 or 6, nor do we find error in the Examiner's resulting legal conclusion of obviousness.

Accordingly, we sustain the Examiner's obviousness rejection R2 of independent claims 1 and 6, and grouped claims 2, 5, 13, 14, and 20, which variously fall therewith. *See Claim Grouping, supra*.

REPLY BRIEF

To the extent Appellant *may* advance new arguments in the Reply Brief (Reply Br. 2–4) not in response to a shift in the Examiner's position in the Answer, arguments raised in a Reply Brief that were not raised in the Appeal Brief or are not responsive to arguments raised in the Examiner's

Answer will not be considered except for good cause (*see* 37 C.F.R. § 41.41(b)(2)), which Appellant has not shown.

CONCLUSIONS

(1) Under our Revised Guidance, as governed by relevant case law, we conclude claims 6, 13, 14, and 20 are patenteligible under 35 U.S.C. § 101, and we do not sustain Rejection R1.

(2) The Examiner did not err with respect to obviousness Rejection R2 of claims 1, 2, 5, 6, 13, 14, and 20 under 35 U.S.C. § 103(a) over the cited prior art combinations of record, and we sustain the rejection.

DECISION SUMMARY

Claims Rejected	35 U.S.C. §	Basis / References	Affirmed	Reversed
6, 13, 14, 20	101	Subject Matter Eligibility		6, 13, 14, 20
1, 2, 5, 6, 13, 14, 20	103	Obviousness McIntosh and Chutorash	1, 2, 5, 6, 13, 14, 20	
Overall Result			1, 2, 5, 6, 13, 14, 20	

FINALITY AND RESPONSE

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a)(1)(iv). *See* 37 C.F.R. § 41.50(f).

AFFIRMED