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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
13/495,604	06/13/2012	Megan C. Berry	880417-0117-US00	6936
134795	7590	10/02/2020	EXAMINER	
MICHAEL BEST & FRIEDRICH LLP (DC) 790 N WATER ST SUITE 2500 MILWAUKEE, WI 53202			PURI, VENAY	
			ART UNIT	PAPER NUMBER
			3624	
			NOTIFICATION DATE	DELIVERY MODE
			10/02/2020	ELECTRONIC

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

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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* MEGAN C. BERRY, HERBERT F. FRYMARK JR, FELIX G.  
MEALE, ERIC ROSENBLATT, and DWAYNE D. SEEGARS

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Appeal 2019-002716  
Application 13/495,604  
Technology Center 3600

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Before BRUCE T. WIEDER, TARA L. HUTCHINGS, and  
ROBERT J. SILVERMAN, *Administrative Patent Judges*.

HUTCHINGS, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Appellant<sup>1</sup> appeals under 35 U.S.C. § 134(a) from the Examiner's rejection of claims 1–5, 7, 10–12, and 14–17. An oral hearing in this appeal was held on May 11, 2020. We have jurisdiction under 35 U.S.C. § 6(b).

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<sup>1</sup> We use the term “Appellant” to refer to “applicant” as defined in 37 C.F.R. § 1.42. Our decision references Appellant's Appeal Brief (“Appeal Br.,” filed Aug. 14, 2018) and Reply Brief (“Reply Br.,” filed Feb. 21, 2019), and the Examiner's Answer (“Ans.,” mailed Dec. 21, 2018), and Final Office Action (“Final Act.,” mailed Dec. 29, 2017). Appellant identifies Fannie Mae as the real party in interest. Appeal Br. 2.

We AFFIRM, designating the affirmance as a NEW GROUND OF REJECTION, pursuant to 37 C.F.R. § 41.50(b).

### CLAIMED INVENTION

The claimed invention “relates generally to an automated valuation mode (AVM) to rank and display comparables for a subject property, and more particularly to including and excluding comparables from displayed rankings.” Spec. ¶ 1.

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

1. A method of determining rankings for comparable properties, the method comprising:

[(a)] accessing, by a computer, property data corresponding to a set of properties within a geographic area;

[(b)] applying, by the computer, a comparable selection model to the property data to generate a set of comparable properties based on a subject property;

[(c)] generating, by the computer, a first ranking that ranks the set of comparable properties based on similarity of the set of comparable properties to the subject property, the first ranking being generated according to results of an application of the comparable selection model;

[(d)] altering, by the computer, the set of properties to produce a first altered set of properties;

[(e)] altering, by the computer, the first altered set of properties based on input from a user to produce a second altered set of properties and applying the comparable selection model to the second altered set of properties to generate an updated set of comparable properties, the input from the user comprising a map adjustment corresponding to the geographic area that produces an updated geographic area, the updated set of comparable properties being automatically generated in accordance with the

updated geographic area resulting from the map image adjustment;

[(f)] generating, by the computer, a second ranking that ranks the updated set of comparable properties based on the similarity of the updated set of comparable properties to the subject property, the second ranking being generated according to another application of the comparable selection model that is separate from the application of the comparable selection model used to generate the first ranking;

[(g)] determining a set of value adjustments based on differences in explanatory variables between the subject property and each of a plurality of comparable properties in the second altered set of properties after the set of comparable properties is determined and altered to produce the second altered set of properties; and

[(h)] displaying a list of the updated set of comparable properties, including the first ranking and the second ranking for each property in the list, wherein

[(i)] the comparable selection model utilizes a hedonic regression and applies exclusion rules to the property data.

#### REJECTIONS

Claims 1–5, 7, 10–12, and 14–17 are rejected under 35 U.S.C. § 101 as directed to a judicial exception without significantly more.

Claims 1–3, 7, 10–12, 14, and 15 are rejected under 35 U.S.C. § 103(a) as unpatentable over Kim (US 2005/0154657 A1, pub. July 14, 2005), Smintina (US 2012/0158748 A1, pub. June 21, 2012), and Hong (US 2013/0218864 A1, pub. Aug. 22, 2013).

Claim 4 is rejected under 35 U.S.C. § 103(a) as unpatentable over Kim, Smintina, Hong, and Villena (US 2006/0218005 A1, pub. Sept. 28, 2006).

Claim 5 is rejected under 35 U.S.C. § 103(a) as unpatentable over Kim, Smintina, Hong, and Dugan (US 5,857,174, iss. Jan. 5, 1999).

Claims 16 and 17 are rejected under 35 U.S.C. § 103(a) as unpatentable over Kim, Smintina, Hong, and Dupray (US 2010/0063829 A1, pub. Mar. 11, 2010).

## ANALYSIS

### *Patent-Ineligible Subject Matter*

Appellant argues the pending claims as a group. Appeal Br. 15–26. We select independent claim 1 as representative. The remaining claims stand or fall with claim 1. *See* 37 C.F.R. §41.37(c)(1)(iv).

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

The Supreme Court, in *Alice*, reiterated the two-step framework previously set forth in *Mayo Collaborative Services v. Prometheus Laboratories, Inc.*, 566 U.S. 66 (2012), “for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of those concepts.” *Alice Corp.*, 573 U.S. at 217. The first step in that analysis is to “determine whether the claims at issue are directed to one of those patent-ineligible concepts.” *Id.* If the claims are not directed to a patent-ineligible concept, e.g., an abstract idea, the inquiry ends. Otherwise, the inquiry proceeds to the second step where the elements of the claims are considered “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.* (quoting *Mayo*,

566 U.S. at 79, 78). This is “a 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 217–18 (alteration in original).

In rejecting the pending claims under 35 U.S.C. § 101, the Examiner determined that the claims are directed to “transmitting a set of categorized collected data of properties.” Final Act. 8–9; *see also* Ans. 7. The Examiner found that this concept is analogous to concepts of “gathering intangible data,” “analyzing collected information,” and “transmitting a set of categorized collected data of properties,” a combination of concepts that the courts have determined to be abstract ideas. Final Act. 9. The Examiner also determined that the claims do not include additional elements, considered individually and as an ordered combination, sufficient to amount to significantly more than the abstract idea itself. *Id.* at 9–10; *see also* Ans. 7–10.

After Appellant’s Appeal Brief was filed, and the Examiner’s Answer mailed, the U.S. Patent and Trademark Office (the “USPTO”) published revised guidance for use by USPTO personnel in evaluating subject matter eligibility under 35 U.S.C. § 101. 2019 REVISED PATENT SUBJECT MATTER ELIGIBILITY GUIDANCE, 84 Fed. Reg. 50, 57 (Jan. 7, 2019) (the “Revised Guidance”). That guidance revised the USPTO’s examination procedure with respect to the first step of the *Mayo/Alice* framework by (1) “[p]roviding groupings of subject matter that [are] considered an abstract idea”; and (2) clarifying that a claim is not “directed to” a judicial exception if the judicial exception is integrated into a practical application of that exception. *Id.* at 50. The Revised Guidance, by its terms, applies to all

applications, and to all patents resulting from applications, filed before, on, or after January 7, 2019. *Id.*<sup>2,3</sup>

*Step One of the Mayo/Alice Framework (Revised Guidance, Step 2A)*

The first step in the *Mayo/Alice* framework, as mentioned above, is to determine whether the claims at issue are “directed to” a patent-ineligible concept, e.g., an abstract idea. *Alice Corp.*, 573 U.S. at 217. This first step, as set forth in the Revised Guidance (i.e., Step 2A), is a two-prong test; in Step 2A, Prong One, we look to whether the claim recites a judicial exception, e.g., one of the following three groupings of abstract ideas: (1) mathematical concepts; (2) certain methods of organizing human activity, e.g., fundamental economic principles or practices, commercial or legal interactions; and (3) mental processes. Revised Guidance, 84 Fed. Reg. at 54. If so, we next consider whether the claim includes additional elements, beyond the judicial exception, that “integrate the [judicial] exception into a practical application,” i.e., that apply, rely on, or use the judicial exception in a manner that imposes a meaningful limit on the

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<sup>2</sup> The Revised Guidance supersedes MANUAL OF PATENT EXAMINING PROCEDURE (“MPEP”) § 2106.04(II) and also supersedes all versions of the USPTO’s “Eligibility Quick Reference Sheet Identifying Abstract Ideas.” *See* Revised Guidance, 84 Fed. Reg. at 51 (“Eligibility-related guidance issued prior to the Ninth Edition, R-08.2017, of the MPEP (published Jan. 2018) should not be relied upon.”). Accordingly, Appellant’s arguments challenging the sufficiency of the Examiner’s rejection will not be addressed to the extent those arguments are based on now superseded USPTO guidance.

<sup>3</sup> The USPTO issued an update on October 17, 2019 (the “October 2019 Update: Subject Matter Eligibility,” available at [https://www.uspto.gov/sites/default/files/documents/peg\\_oct\\_2019\\_update.pdf](https://www.uspto.gov/sites/default/files/documents/peg_oct_2019_update.pdf)) (hereinafter “October 2019 Update”) clarifying the Revised Guidance in response to comments received from the public.

judicial exception, such that the claim is more than a drafting effort designed to monopolize the judicial exception (“Step 2A, Prong Two”). *Id.* at 54–55. Only if the claim (1) recites a judicial exception and (2) does not integrate that exception into a practical application do we conclude that the claim is “directed to” the judicial exception, e.g., an abstract idea. *Id.*

We are not persuaded here that the Examiner failed to identify an abstract idea, overgeneralized the claim language, or otherwise erred in determining that claim 1 is directed to an abstract idea. *See* Appeal Br. 16–17. The Federal Circuit has explained that “the ‘directed to’ inquiry applies a stage-one filter to claims, considered in light of the specification, based on whether ‘their character as a whole is directed to excluded subject matter.’” *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1335 (Fed. Cir. 2016) (quoting *Internet Patents Corp. v. Active Network, Inc.*, 790 F.3d 1343, 1346 (Fed. Cir. 2015)). It asks whether the focus of the claims is on a specific improvement in relevant technology or on a process that itself qualifies as an “abstract idea” for which computers are invoked merely as a tool. *See id.* at 1335–36. Here, it is clear from the Specification (including the claim language) that claim 1 focuses on an abstract idea, and not on any improvement to technology and/or a technical field.

The Specification is titled “A SYSTEM AND METHOD FOR INCLUDING AND EXCLUDING SPECIFIC COMPARABLES,” and describes, in the Background section, that conventional automated valuation models (AVMs), which estimate property values, have been based upon predetermined, fixed, inflexible geographical data sets. Spec. ¶¶ 2, 4. The geographical data set defines a neighborhood for the real estate valuation. *Id.* ¶ 3. Therefore, an incorrectly defined neighborhood (or geographical



area) misses relevant comparable sales and/or includes irrelevant comparable sales, causing inaccurate valuations. *Id.* Appellant describes that instead of “fixed geographical standards to define the area subject to automated valuation,” AVM systems need to “accommodate a more tailored approach to property value estimations.” *Id.* ¶ 4.

The claimed invention is intended to address this shortcoming. Claim 1, thus, recites a method of determining rankings for comparable properties comprising: “accessing . . . property data corresponding to a set of properties within a geographic area” (step (a)); “applying . . . a comparable selection model to the property data to generate a set of comparable properties based on a subject property” (step (b)); generating . . . a first ranking that ranks the set of comparable properties based on similarity of the set of comparable properties to the subject property, the first ranking being generated according to results of an application of the comparable selection model” (step (c)); “altering . . . the set of properties to produce a first altered set of properties” (step (d));

altering . . . the first altered set of properties based on input from a user to produce a second altered set of properties and applying the comparable selection model to the second altered set of properties to generate an updated set of comparable properties, the input from the user comprising a map adjustment corresponding to the geographic area that produces an updated geographic area, the updated set of comparable properties being . . . generated in accordance with the updated geographic area resulting from the map image adjustment [(step (e))];

generating . . . a second ranking that ranks the updated set of comparable properties based on the similarity of the updated set of comparable properties to the subject property, the second ranking being generated according to another application of the comparable selection model that is separate from the application

of the comparable selection model used to generate the first ranking [(step (f))];

determining a set of value adjustments based on differences in explanatory variables between the subject property and each of a plurality of comparable properties in the second altered set of properties after the set of comparable properties is determined and altered to produce the second altered set of properties [(step (g))]; and

displaying a list of the updated set of comparable properties, including the first ranking and the second ranking for each property in the list [(step (h))], wherein

the comparable selection model utilizes a hedonic regression and applies exclusion rules to the property data [(step (i))].

These limitations, when given their broadest interpretation, recite a method for ranking comparable properties. The concept of “ranking comparable properties,” as set forth above by limitations (a) through (i) of claim 1, pertains to sales activities or behaviors (i.e., a commercial interaction), which is one of the certain methods of organizing human activity and, therefore, an abstract idea. *See* Revised Guidance, 84 Fed. Reg. at 52.

Having concluded that claim 1 recites a judicial exception, i.e., an abstract idea (Step 2A, Prong One), we next consider whether the claim recites additional elements that integrate the judicial exception into a practical application (Step 2A, Prong Two).

Beyond the abstract idea, claim 1 recites a “computer” for performing steps (a)–(f), and “automatically” generating the updated set of comparable properties based on a “map image adjustment” from the user. However, Appellant’s Specification makes clear that the claimed invention is implemented using generic computer components to perform generic

computer functions. *See, e.g.*, Spec. ¶¶ 29–31. For example, the Specification describes that the “functions described herein may be implemented on any conventional computing or electronic device.” Spec. ¶ 29; *see also id.* (“Any computer system . . . may be used”). Consistent with this disclosure, the Specification describes the map image adjustment and automatic generation of an updated set of properties at a high level of generality. *See, e.g.*, Spec. ¶ 24 (identifying various generic computer technologies for performing the recited functionality). For example, the Specification provides that the “user adjusts the map through a scrolling feature, click-zoom feature, or data entry feature (such as entering a zip code or city), [and] the altered comparable property set automatically changings in accordance with the new geographic area displayed on the map image.” *Id.* In another example, the user directly selects individual properties from a map image to include or exclude in the updated property set. *Id.* In yet another example, the “user creates or defines a boundary through a default shape tool, a free-hand sketch tool, or a combination of both.” *Id.* The user also could use a generic “drawing tool” to form shapes over the map image. *Id.*

We find no indication in the Specification that the operations recited in claim 1 require any specialized computer hardware or other inventive computer components, i.e., a particular machine, invoke any allegedly inventive programming, or that the claimed invention is implemented using other than generic computer components to perform generic computer functions. *See DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245, 1256 (Fed. Cir. 2014) (“[A]fter *Alice*, there can remain no doubt: recitation

of generic computer limitations does not make an otherwise ineligible claim patent-eligible.”).

We also find no indication in the Specification that the claimed invention effects a transformation or reduction of a particular article to a different state or thing. Nor do we find anything of record, short of attorney argument, that attributes an improvement in technology and/or a technical field to the claimed invention or that otherwise indicates that the claimed invention integrates the abstract idea into a “practical application,” as that phrase is used in the Revised Guidance.<sup>4</sup>

Appellant argues that the § 101 rejection cannot be sustained because “claim 1 entails the automatic updating of a comparable listing based upon map image manipulation by the user.” Appeal Br. 21. Then, the updated comparable listing is ranked and the display updates accordingly. *Id.* Appellant contends that these claim limitations are “necessarily rooted in computer technology,” and the claimed invention “overcomes problems arising from prior user interfaces.” *Id.*; *see also* Reply Br. 15.

Yet, contrary to Appellant’s arguments in the Appeal Brief, Appellant’s Specification does not describe the solution as necessarily rooted in technology or the problem as a technological problem. Instead, Appellant’s Specification describes the invention as seeking to solve a real

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<sup>4</sup> The Revised Guidance references MPEP § 2106.05(a)–(c) and (e) in describing the considerations that are indicative that an additional element or combination of elements integrates the judicial exception, e.g., the abstract idea, into a practical application. Revised Guidance, 84 Fed. Reg. at 55. If the recited judicial exception is integrated into a practical application, as determined under one or more of these MPEP sections, the claim is not “directed to” the judicial exception.

estate challenge: accurately defining a neighborhood, or geographic area, for relevant comparable sales to include in a real estate valuation. Spec. ¶ 4. Put simply, here, the “improvement” is to better define the data set being operated on by allowing the user to adjust a map. And “[a]s many cases make clear, even if a process of collecting and analyzing information is ‘limited to particular content’ or a particular ‘source,’ that limitation does not make the collection and analysis other than abstract.” *SAP Am.*, 898 F.3d at 1168.

Appellant further contends that “other aspects of the claim recite improvements in computer technology.” Appeal Br. 22; *see also* Reply Br. 15. In this regard, Appellant contends that claim is rooted “in computer technology in order to overcome a problem specifically arising in relation to altering the property characteristics and comparable property lists, generating rankings, and using hedonic regression.” Appeal Br. 22. Appellant asserts that claim 1 is a “technically grounded process that actually provides the requisite computer improvements, providing more efficient and superior results.” *Id.*; *see also id.* at 23 (charging that the Examiner erred in discounting the claimed features as analyzing gathered data, and not considering the claim as a whole); *see also* Reply Br. 15.

Yet, Appellant does not persuasively argue how the claimed method improves computer functionality. In addition to the abstract idea, claim 1 recites performing steps (a) through (f) using a generic computer and “automatically” updating an updated set of properties. However, no improvement in computer functionality is apparent. *See Customedia Techs., LLC v. Dish Network Corp.*, 951 F.3d 1359, 1364 (Fed. Cir. 2020) (“To be a patent-eligible improvement to computer functionality, we have required the

claims to be directed to an improvement in the functionality of the computer or network platform itself.”).

The ordered combination of steps (a) through (i), as recited in claim 1, may well improve a process for ranking comparable properties that results in more efficient and superior results. However, the improvement focuses “on selecting certain information, analyzing it using mathematical techniques, and reporting or displaying the results of the analysis. That is all abstract.” *SAP Am., Inc.*, 898 F.3d at 1167.

We also are not persuaded that there is any parallel between claim 1 and the claims at issue in *McRO, Inc. v. Bandai Namco Games America Inc.*, 837 F.3d 1299 (Fed. Cir. 2016). Appeal Br. 23–25. Appellant asserts that the Federal Circuit in *McRO* “held that “[t]he claimed process uses a combined order of specific rules that renders information into a specific format that is then used and applied to create desired results”” Appeal Br. 23 (quoting *McRO*, 837 F.3d at 1315). Appellant argues that claim 1, like the claims at issue in *McRO*,

include a specific process or a specific structure that provides an improved technological result, i.e., an updatable ranked listing of comparable properties with separate and distinct applications of a valuation model that is a new means for assessing and updating listings of comparable properties against a correspondingly updatable map image.

*Id.* at 24.

Yet, the Federal Circuit did not premise its determination that the claim in *McRO* was patent eligible merely on the specificity of the claimed animation scheme. Instead, the court determined that the claim at issue was patent eligible because, when considered as a whole, the claim was directed to a technological improvement over existing, manual 3-D animation

techniques and used limited rules in a process specifically designed to achieve an improved technological result in conventional industry practice. *See McRO*, 837 F.3d at 1316. In particular, the Federal Circuit found that the claimed rules allow computers to produce accurate and realistic lip synchronization and facial expressions in animated characters that previously could only be produced by human animators. *Id.* at 1313.

Here, an updatable ranked listing of comparable properties with separate and distinct applications of a valuation model, may well improve a business process, i.e., determining rankings for comparable properties. However, we are not persuaded that it achieves an improved technological result analogous to that obtained in *McRO*.

Contrary to Appellant's assertion, we also find no parallel here between claim 1 and the patent-eligible claim 1 in Example 37 of the USPTO's "Subject Matter Eligibility Examples: Abstract Ideas," available at [https://www.uspto.gov/sites/default/files/documents/101\\_examples\\_37to42\\_20190107.pdf](https://www.uspto.gov/sites/default/files/documents/101_examples_37to42_20190107.pdf) (hereinafter "Eligibility Examples"). Reply Br. 16–17. Appellant argues that claim 1, like claim 1 of Example 37, recites "a specific manner to better determine property valuation and provide rankings for separate instances of property valuation corresponding to updated property sets, as well as a corresponding graphical user interface that displays the information concurrently." *Id.* at 17.

As noted by Appellant, claim 1 of Example 37 involves "automatically moving the most used icons to a position on the GUI closest to the start icon of the computer system based on the determined amount of use." Appeal Br. 17; *see also* Eligibility Examples, 2. This is easily distinguished from Appellant's claim 1, which does not recite a user

interface, much less an interface with a specific manner of functioning that results in an improved user interface for electronic devices. *See* Eligibility Examples 2–3. At best, claim 1 suggests using a generic user interface in its ordinary capacity for receiving “input from the user comprising a map adjustment” (step (e)) and “displaying a list of the updated set of the updated set of comparable properties” (step (h)). Our understanding is supported by the Specification. *See* Spec. ¶ 47 (describing interfaces as “any interface suited for input and output of communication data”); *see also id.* ¶ 24 (describing generic functions that can be used to update the map image).

We also are not persuaded of Examiner error by Appellant’s argument regarding preemption. Appeal Br. 19–20. There is no dispute that the Supreme Court has described “the concern that drives [the exclusion of abstract ideas from patent-eligible subject matter] as one of pre-emption.” *Alice Corp.*, 573 U.S. at 216. Yet, as Appellant, in fact, acknowledges (*see* Reply Br. 11–12), characterizing preemption as a driving concern for patent eligibility is not the same as characterizing preemption as the sole test for patent eligibility. “The Supreme Court has made clear that the principle of preemption is the basis for the judicial exceptions to patentability” and “[f]or this reason, questions on preemption are inherent in and resolved by the § 101 analysis.” *Ariosa Diagnostics, Inc. v. Sequenom, Inc.*, 788 F.3d 1371, 1379 (Fed. Cir. 2015) (citing *Alice Corp.*, 573 U.S. at 216). “[P]reemption may signal patent ineligible subject matter [but] the absence of complete preemption does not demonstrate patent eligibility.” *Id.*

We conclude, for the reasons outlined above, that claim 1 recites a method of organizing human activity, i.e., an abstract idea, and that the additional elements recited in the claim are no more than generic computer



components used as tools to perform the recited abstract idea. As such, they do not integrate the abstract idea into a practical application. *See Alice Corp.*, 573 U.S. at 223–24 (“[W]holly generic computer implementation is not generally the sort of ‘additional featur[e]’ that provides any ‘practical assurance that the process is more than a drafting effort designed to monopolize the [abstract idea] itself.’” (quoting *Mayo*, 566 U.S. at 77)). Accordingly, we agree with the Examiner that claim 1 is directed to an abstract idea.

*Step Two of the Mayo/Alice Framework (Revised Guidance, Step 2B)*

Having determined under step one of the *Mayo/Alice* framework that claim 1 is directed to an abstract idea, we next consider under Step 2B of the Revised Guidance, the second step of the *Mayo/Alice* framework, whether claim 1 includes additional elements or a combination of elements that provides an “inventive concept,” i.e., whether the additional elements amount to “significantly more” than the judicial exception itself. Revised Guidance, 84 Fed. Reg. at 56. As stated in the Revised Guidance, many of the considerations to determine whether the claims amount to “significantly more” under step two of the *Alice* framework have been considered as part of determining whether the judicial exception has been integrated into a practical application. *Id.* Thus, at this point of our analysis, we determine if the claims add a specific limitation, or combination of limitations, that is not well-understood, routine, conventional activity in the field, or simply appends well-understood, routine, conventional activities at a high level of generality. *Id.*

On the record before us, claim 1 fails to recite specific limitations (or a combination of limitations) that are not well-understood, routine, and

conventional. Rather, the additional elements (i.e., generating the updated set of comparable properties “automatically”; a computer) are generic computer components and actions recited at a high level of generality, none of which Appellant persuasively argues is beyond what was well-understood, routine, and conventional in the art.

Citing the Federal Circuit’s decision in *Berkheimer v. HP Inc.*, 881 F.3d 1360 (Fed. Cir. 2018), Appellant argues that the § 101 rejection is deficient, and should be reversed, because the “Examiner’s bald assertions that the additional elements in the pending claims are well-understood, routine, and conventional is improper.” Appeal Br. 18. Appellant takes the position here that the inventive concept is the combination of claimed features, i.e., the claimed invention itself; and Appellant argues that the § 101 rejection cannot be sustained because the Examiner has offered no evidence that this “inventive concept” is well-understood, routine and conventional. *See id.* at 17–19. Yet, “the relevant inquiry [under step two of the *Mayo/Alice* framework (i.e., step 2B)] is not whether the claimed invention as a whole is unconventional or non-routine.” *BSG Tech LLC v. BuySeasons, Inc.*, 899 F.3d 1281, 1290 (Fed. Cir. 2018). Instead, the question is whether the claim includes additional elements, i.e., elements other than the abstract idea itself, that “‘transform the nature of the claim’ into a patent-eligible application.” *Alice Corp.*, 573 U.S. at 217 (quoting *Mayo*, 566 U.S. at 79, 78). Here, Appellant does not identify any additional elements (i.e., elements that are *not* part of the abstract idea), considered individually or in combination, that are sufficient to amount to significantly more than the judicial exception. Therefore, Appellant’s argument is unpersuasive.

To the extent Appellant maintains that claim 1 is patent eligible because the claim is novel and/or non-obvious, Appellant misapprehends the controlling precedent. Appeal Br. 19 (arguing that “the prior art fails to disclose, even in combination, various features recited in Appellant’s claim 1”). Neither a finding of novelty nor a non-obviousness determination automatically leads to the conclusion that the claimed subject matter is patent eligible. A novel and non-obvious claim directed to a purely abstract idea is, nonetheless, patent ineligible. *See Mayo*, 566 U.S. at 90.

We are not persuaded, on the present record, that the Examiner erred in rejecting independent claim 1 under 35 U.S.C. § 101. Therefore, we sustain the Examiner’s rejection of claim 1, and claims 2–5, 7, 10–12, and 14–17, which fall with claim 1. Because our rationale differs from the Examiner, we designate our affirmance as a new ground of rejection.

#### *Obviousness*

##### *Independent Claims 1 and 12, and Dependent Claims 3, 5–15, and 17*

Claim 1 calls for generating a first ranking that ranks a set of comparable properties within a geographic area (limitations (a)–(c)), altering the set of properties to produce a first altered set of properties (limitation (d)), altering the first altered set of properties produce a second altered set of properties, where the user makes a map image adjustment to generate the updated geographic area (limitation (e)), generating a second ranking that ranks the updated set of comparable properties (limitation (f)), and displaying a list of an updated set of comparable properties, including a first ranking and a second ranking for each property in the list (limitation (h)). Claim 12 recites similar language.

We are persuaded by Appellant’s argument that the Examiner erred in rejecting independent claims 1 and 12 under 35 U.S.C. § 103(a) because neither Kim nor Smintina, individually or in combination, discloses or suggests

altering, by the computer, the first altered set of properties based on input from a user to produce a second altered set of properties and applying the comparable selection model to the second altered set of properties to generate an updated set of comparable properties, the input from the user comprising a map adjustment corresponding to the geographic area that produces an updated geographic area, the updated set of comparable properties being automatically generated in accordance with the updated geographic area resulting from the map image adjustment [limitation (e)];

generating, by the computer, a second ranking that ranks the updated set of comparable properties based on the similarity of the updated set of comparable properties to the subject property, the second ranking being generated according to another application of the comparable selection model that is separate from the application of the comparable selection model used to generate the first ranking [limitation (f)];

and “displaying a list of the updated set of comparable properties including the first ranking and the second ranking for each property in the list [limitation (h)],” as recited in claim 1, and similarly recited in claim 12. *See* Appeal Br. 7–13; *see also* Reply Br. 2–10.

The Examiner relies on Kim for limitations (f) and (h), and a combination of Kim and Smintina for limitation (e), as recited in claim 1, and similarly recited in claim 12. Final Act. 11–13 (citing Kim ¶¶ 35, 41, 47, 48, 51, Figs. 6, 8; Smintina ¶¶ 42, 55)), 16. Specifically, the Examiner correctly acknowledges that Kim “does not teach adjusting rankings based on a map adjustment.” Final Act. 13. However, as set forth above, claims 1

and 12 require more than adjusting a map and ranking properties. Additionally, the claims call for the user's manipulation of the map to generate an updated set of comparable properties (a subset of the set of properties ranked by a first ranking), generate a second ranking of the updated set of comparable properties, and display the updated set of properties including both the first ranking from the set of properties and the second ranking from the updated set of properties. Because Kim does not teach creating a subset of data (i.e., updating the set of comparable properties), Kim also fails to teach the limitations, described above, that act upon both the set of data and its subset. Smintina does not cure the deficiencies.

The Examiner relies on Smintina to teach "map adjustment to adjust rankings of real estate properties." Final Act. 13; *see also id.* at 12 (citing Smintina ¶¶ 42, 55). Smintina at paragraph 42 teaches that a "certain radius relative to a known place" can be used to "allow[] a user to identify properties on a map." Paragraph 55 of Smintina discloses that "[t]he object market represents a local real estate market including but not limited to city, zip code, a given customizable radius or polygon area, and so on." Thus, while Smintina teaches customizing a geographical area for a set of properties, Smintina, like Kim, fails to teach creating a subset of properties in a geographic area by a map manipulation (i.e., an updated set of properties), generating a first ranking based on the set of properties and a second ranking based on the subset, much less displaying a list of properties in the subset, including both the first ranking and second ranking for each property in the subset, as called for in claims 1 and 12.

In view of the foregoing, we do not sustain the Examiner’s rejection of independent claims 1 and 12 under 35 U.S.C. § 103(a), and dependent claims 2, 3, 7, 10, 11, 14, and 15.

*Dependent Claims 4, 5, 16, and 17*

The additional art relied on in the rejections of claims 4, 5, 16, and 17 under 35 U.S.C. § 103(a) does not cure the deficiencies in the Examiner’s rejection of the independent claims. Therefore, we do not sustain the Examiner’s rejections of dependent claims 4, 5, 16, and 17 for the same reasons set forth above with respect to the independent claims.

CONCLUSION

In summary:

<b>Claims Rejected</b>	<b>35 U.S.C. §</b>	<b>Reference(s) /Basis</b>	<b>Affirmed</b>	<b>Reversed</b>	<b>New Ground</b>
1–5, 7, 10–12, 14–17	101	Eligibility	1–5, 7, 10–12, 14–17		1–5, 7, 10–12, 14–17
1–3, 7, 10–12, 14, 15	103(a)	Kim, Smintina, Hong		1–3, 7, 10–12, 14, 15	
4	103(a)	Kim, Smintina, Hong, Villena		4	
5		Kim, Smintina, Hong, Dugan		5	
16, 17		Kim, Smintina,		16, 17	

Claims Rejected	35 U.S.C. §	Reference(s) /Basis	Affirmed	Reversed	New Ground
		Hong, Dupray			
<b>Overall Outcome</b>			1–5, 7, 10–12, 14–17		1–5, 7, 10–12, 14–17

37 C.F.R. § 41.50(b) provides “[a] new ground of rejection pursuant to this paragraph shall not be considered final for judicial review.”

37 C.F.R. § 41.50(b) also provides that the Appellant, WITHIN TWO MONTHS FROM THE DATE OF THE DECISION, must exercise one of the following two options with respect to the new ground of rejection to avoid termination of the appeal as to the rejected claims:

(1) *Reopen prosecution*. Submit an appropriate amendment of the claims so rejected or new evidence relating to the claims so rejected, or both, and have the matter reconsidered by the examiner, in which event the proceeding will be remanded to the examiner. . . .

(2) *Request rehearing*. Request that the proceeding be reheard under § 41.52 by the Board upon the same Record. The request for rehearing must address any new ground of rejection and state with particularity the points believed to have been misapprehended or overlooked in entering the new ground of rejection and also state all other grounds upon which rehearing is sought.

Further guidance on responding to a new ground of rejection can be found in MPEP § 1214.01.

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

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AFFIRMED; 37 C.F.R. § 41.50(b)