



UNITED STATES PATENT AND TRADEMARK OFFICE

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

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
14/509,856	10/08/2014	Pierpaolo Abbatiello	19487.525	8404
107193	7590	06/16/2020	EXAMINER	
Keller Jolley Preece/Facebook 1010 North 500 East Suite 210 North Salt Lake, UT 84054			KAZIMI, HANI M	
			ART UNIT	PAPER NUMBER
			3691	
			NOTIFICATION DATE	DELIVERY MODE
			06/16/2020	ELECTRONIC

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

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

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

docketing@kjpip.com
grolley@kjpip.com
ljohnson@kjpip.com

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte PIERPAOLO ABBATIELLO, LAUREN BETH TUCKER, and
STEPHEN MOORE DAVIS

Appeal 2020-001350
Application 14/509,856
Technology Center 3600

Before JOSEPH L. DIXON, JOHNNY A. KUMAR, and
SCOTT E. BAIN, *Administrative Patent Judges*.

DIXON, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Pursuant to 35 U.S.C. § 134(a), Appellant¹ appeals from the Examiner's decision to reject Claims 1–20. Final Act. 1. 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 (2018). Appellant identifies the real party in interest as Facebook, Inc. Appeal Br. 2.

CLAIMED SUBJECT MATTER

The claims are directed to a performing risk checks for electronic remittances. Claim 1, reproduced below, is illustrative of the claimed subject matter:

1. A method comprising:
 - receiving a request, from a client device of a sender, to electronically transfer funds;*
 - accessing information from a social network about the sender;*
 - determining, by at least one processor, a first risk level associated with the sender to transfer funds based on the accessed information from the social network about the sender;*
 - determining, by the at least one processor, that the first risk level associated with the sender is below a first predetermined threshold;*
 - based on the first risk level associated with the sender being below the first predetermined threshold:*
 - determining, by the at least one processor, a list of potential recipients comprising a plurality of potential recipients likely to be selected by the sender to receive the funds; and*
 - providing the list of potential recipients to the client device of the sender for display via a user interface;*
 - receiving, from the client device of the sender, a selection of a recipient from the list of potential recipients, wherein the sender and the recipient are associated via the social network;*
 - accessing information from the social network about the recipient;*
 - analyzing, by at least one processor, the information from the social network about the sender and the recipient to determine a level of activity of the sender relative to a destination country associated with the recipient;*
 - determining, by the at least one processor, a second risk level associated with the request to transfer funds based on the*

Appeal 2020-001350
Application 14/509,856

determined level of activity of the sender relative to the destination country associated with the recipient;
if the second risk level is below a second predetermined threshold, proceeding with the request to electronically transfer funds to the recipient; and
if the second risk level is above the second predetermined threshold, canceling the request to electronically transfer funds to the recipient.

Claim 1 (emphases added)

REFERENCES

The prior art relied upon by the Examiner is:

Golan et al. (“Golan”)	US 2005/0097320 A1	May 5, 2005
Sanin et al. (“Sanin”)	US 2012/0159647 A1	June 21, 2012
Karpenko et al. (“Karpenko”)	US 2013/0144785 A1	June 6, 2013

REJECTIONS

Claims 1–20 stand rejected under 35 U.S.C. § 101 because 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.

Claims 1–20 stand rejected under 35 U.S.C. § 103 as being unpatentable over Sanin in view of Golan in further view of Karpenko.²

OPINION

35 U.S.C. § 101

Patent eligibility under 35 U.S.C. § 101 is a question of law that is reviewable *de novo*. See *Dealertrack, Inc. v. Huber*, 674 F.3d 1315, 1333 (Fed. Cir. 2012).

² This § 103 rejection has been withdrawn by the Examiner. Final Act. 7; Ans. 3. Therefore, this rejection is not before us.

1. Legal Principles

An invention is patent eligible if it claims a “new and useful process, machine, manufacture, or composition of matter.” 35 U.S.C. § 101. However, the Supreme Court has long interpreted 35 U.S.C. § 101 to include implicit exceptions: “[l]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).

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*, 573 U.S. at 217–18 (citing *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66, 75–77 (2012)). In accordance with that framework, under Step 2A, 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” (*Diamond v. Diehr*, 450 U.S. 175, 191 (1981)); “tanning, dyeing, making water-proof cloth, vulcanizing India rubber, smelting ores” (*id.* at 182 n.7 (quoting *Corning v. Burden*, 56 U.S.

Appeal 2020-001350
Application 14/509,856

252, 267–68 (1854)); and manufacturing flour (*Benson*, 409 U.S. at 69 (citing *Cochrane v. Deener*, 94 U.S. 780, 785 (1876))).

If, under Step 2A, the claim is “directed to” an abstract idea, then, under Step 2B, “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 (quotation marks 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.* (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.*

On January 7, 2019, the U.S. Patent and Trademark Office (“USPTO”) published revised patent subject matter eligibility guidance. *See* 2019 Revised Patent Subject Matter Eligibility Guidance, 84 Fed. Reg. 50, 2019 (“Revised Guidance”). Under the Revised Guidance, Step 2A of the *Alice* two-step framework is divided in two prongs. For Step 2A, Prong 1, we look to whether the claim recites any judicial exceptions falling into certain groupings of abstract ideas (*e.g.*, mathematical concepts, certain methods of organizing human activity such as a fundamental economic practice, or mental processes). For Step 2A, Prong 2, if the claim recites such a judicial exception, we look to whether the claim recites any additional elements that integrate the judicial exception into a practical application (*see* Manual of Patent Examining Procedure (“MPEP”) § 2106.05(a)–(c), (e)–(h)).

Only if a claim recites a judicial exception and does not integrate that exception into a practical application, do we then determine, under Step 2B

Appeal 2020-001350
Application 14/509,856

of the *Alice* two-step framework, whether the claim adds a specific limitation beyond the judicial exception that is not “well-understood, routine, conventional” in the field (*see* MPEP § 2106.05(d)) or simply appends well-understood, routine, conventional activities previously known to the industry, specified at a high level of generality, to the judicial exception.

2. Examiner’s Findings and Conclusions

In the Final Action and Answer, for Step 2A of the *Alice* two-step framework, and for Step 2A, Prongs 1 and 2 of the Revised Guidelines, the Examiner maintains that Claim 1 is directed to the abstract idea of “organizing human business activity” and that “[t]he claims here are not directed to a specific improvement to computer functionality.” Final Act. 4; Ans. 5. Specifically, the Examiner maintains, “other than reciting one or more servers/processors and a client device nothing in the claim precludes the limitations from practically being performed by organizing human business activity.” Final Act. 4. The Examiner also maintains that the claims “are directed to the use of conventional or generic technology (computer/server) in a well-known environment.” Ans. 5. The Examiner maintains that “the claim encompasses the activities that can be performed manually between the users and a third party” and that “limitations are directed to an abstract idea because they are business interactions/sale activity that falls within the enumerated group of ‘certain methods of organizing human activity’ in the [Revised Guidelines].” Final Act. 4. The Examiner also maintains that the “servers/processors” recited in Claim 1 are “recited at a high level of generality, i.e., as a generic processor performing a generic computer function of processing data” and, as a result, “they do not impose any meaningful limits on practicing the abstract idea.” Final Act. 5.

Appeal 2020-001350
Application 14/509,856

In this light, the Examiner maintains that “[t]he technology implemented in the instant application is useful to solve a business problem, but the additional elements are not a technological solution to a technological problem” and, instead, “simply limit the abstract ideas to a particular technological environment.” Ans. 5.

In the Final Action and Answer, for Step 2B of the *Alice* two-step framework, the Examiner maintains that the servers/processors are “additional elements” and that, when viewed individually and in combination, perform “purely generic computer functions.” Final Act. 5. The Examiner further maintains that “there is no inventive concept sufficient to transform the claimed subject matter into a patent-eligible application.” Final Act. 5. The Examiner essentially maintains that claims do “not effect an improvement to another technology or technical field ... amount to an improvement to the functioning of a computer itself ... move beyond a general link of the user of an abstract idea to a particular technological environment.” Ans. 6. Thus, the Examiner maintains that “the claim does not amount to significantly more than the recited abstract idea” and “is not patent eligible.” Final Act. 6.

Additionally, the Examiner maintains that the Examiner’s analysis for Claim 1 applies to “all statutory categories of invention including claims 11 and 19” and that “the dependent claims 2-10, 12-18 and 20 do not resolve the issues raised in the independent claims.” Final Act. 6.

3. *Appellant’s Arguments*

In the Appeal Brief, for Step 2A of the *Alice* two-step framework and, Prongs 1 and 2 of the Revised Guidelines, relying on *Amdocs* and *Core Wireless*, Appellant contends that the claims “are not directed to an abstract idea because the claims provide an unconventional technological solution to

Appeal 2020-001350
Application 14/509,856

a technological problem” and “are directed toward an improved user interface for electronic devices.”³ Appeal Br. 9, 14. Referencing *Amdocs*, Appellant contends “the claims in the present case do not present a situation where general-purpose computer components are merely added to ‘human commercial or business or transactional activities/interactions,’” but instead “determin[e] a system and user process for a remittance transaction based on a plurality of risk checks associated with a sender and the transaction.” Appeal Br. 11. Referencing *Core Wireless*, Appellant contends “the present claims improve usability and efficiency of a user interface.” Appeal Br. 14. Thus, Appellant contends that “the claims are not directed to an abstract idea” and are eligible at least on this basis. Appeal Br. 15.

In the Appeal Brief, for Step 2B of the *Alice* two-step framework, relying on *McRO*, Appellant contends that assuming, *arguendo*, that the claims are directed to an abstract idea, “the independent claims, when viewed as an ordered combination of steps, include non-conventional and non-generic limitations that provide a way of performing an electronic peer-to-peer payment transaction that is different than conventional systems.”⁴ Appeal Br. 15. Appellant contends that “conventional electronic funds remittance systems” would not perform claimed limitations and, “under the rationale for determining that the claims in *McRO* were eligible under § 101, the present claims include significantly more than an abstract idea because the claims include an ‘ordered combination of claimed steps, using

³ *Amdocs (Israel) Ltd. v. Openet Telecom, Inc.*, 841 F.3d 1288 (Fed. Cir. 2016); *Core Wireless Licensing S.A.R.L. v. LG Elec., Inc.*, 880 F. 3d 1356 (Fed. Cir. 2018)

⁴ *McRO, Inc. v. Bandai Namco Games Am. Inc.*, 837 F.3d 1299 (Fed. Cir. 2016).

unconventional rules.”⁵ Thus, Appellant contends that the claims include significantly more than the abstract idea and are patent-eligible. Appeal Br. 18.

In the Reply Brief, for both Steps 2A and 2B, Appellant argues that the Examiner misapplies the case law and reaches a conclusion without providing an explanation of how the claims do not provide an unconventional technological solution and comparing the claims to any existing case law that supports the Examiner’s conclusion. Reply Br. 3. Appellant further argues that the Examiner erroneously ignores the problem and solution at issue. Reply Br. 6. Appellant specifically argues that the claims solve a number of problems unique to electronic funds transfers and do so by “performing multiple risk checks based on social network information at various stages of a remittance transaction provides additional security and improved user interface capabilities.” Reply Br. 6. Appellant further contends that the Examiner misconprehends the nature of the claimed invention and the technical problems solved by the claimed invention. Reply Br. 6. Appellant also argues that the claims describe a system that

provid[es] a list of potential recipients for display, or prevent[s] the display of the list, based on a risk level of the sender customizes the sender’s experience within an application for remittance transactions by making certain user interface elements and capabilities available contingent on the sender’s risk level meeting a threshold.

Thereby, Appellant argues, the claimed invention thus enables or disables certain application interfaces based on a sender’s risk level to prevent high-risk users from accessing certain features of the application. Reply Br. 6.

⁵ *Id.* at 1095

Appeal 2020-001350
Application 14/509,856

Finally, Appellant argues that “Appellant’s Specification (e.g., at ¶¶ [0011], [0034]-[0035], [0089]-[0091])” describes how “the claimed invention provides improved security and user interfaces for computing systems involved in electronic remittance transactions.” Reply Br. 7.

4. Discussion

Appellant argues Claims 1–20 as a group. Appeal Br. 9. We select Claim 1 to represent the group. *See* 37 C.F.R. § 41.37(c)(1)(iv).

a. Step 2A, Prongs 1 and 2

For Step 2A, Prong 1, of the Revised Guidance, we agree with the Examiner and find that the emphasized portions of Claim 1, reproduced above (*see supra* at 2), recites elements that fall within the abstract idea grouping of certain methods of organizing human activity. Final Act. 4. The Revised Guidance requires us to evaluate whether the claim recites a judicial exception (*e.g.*, an abstract idea). According to the Revised Guidance, to determine whether a claim recites an abstract idea, we must identify limitations that fall within one or more of the designated subject matter groupings of abstract ideas. According to the October 2019 Patent Eligibility Guidance Update produced by the USPTO, “a claim recites a judicial exception when the judicial exception is ‘set forth’ or ‘described’ in the claim.” *See* October 2019 Patent Eligibility Guidance Update Revised Patent Subject Matter Eligibility Guidance, https://www.uspto.gov/sites/default/files/documents/peg_oct_2019_update.pdf (“October Update”). The Revised Guidance lists certain methods of organizing human activity as one such grouping and characterizes certain methods of organizing human activity as including, *inter alia*, “fundamental economic principles or practices” and “commercial or legal interactions.”

Appeal 2020-001350
Application 14/509,856

84 Fed. Reg. at 52. We find that the elements of Claim 1 describe this judicial exception.

Specifically, we find that Claim 1 recites elements of an international commercial funds transfer, which is a fundamental economic practice. For example, Claim 1 recites, *inter alia*, “receiving a request, from a . . . sender, to electronically transfer funds,” “accessing information . . . about the sender,” “determining . . . a first risk level associated with the sender,” “based on the first risk level . . . determining . . . a list of potential recipients,” “receiving . . . a selection of a recipient,” “accessing information . . . about the recipient,” “determine a level of activity of the sender relative to a destination country associated with the recipient,” “determining . . . a second risk level associated with the request,” and either “proceeding with the request” or “canceling the request.” We find that these limitations describe the basic/fundamental idea behind international commercial funds transfers because international commercial funds transfers involve, to some degree, a received request, an initial risk assessment, identification of potential recipients, further refining of the initial risk assessment based on characteristics of the transfer such as the parties and countries involved, and a decision on whether to proceed with or cancel the transfer based on the refined risk assessment. Thus, we find Claim 1 recites elements that fall within the abstract idea grouping of certain methods of organizing human activity, namely, fundamental economic practices.

For Step 2A, Prong 2, of the Revised Guidance, we find that Claim 1, as a whole, does not integrate the recited mental process into a practical application of the abstract idea. The Revised Guidance states that “[a] claim that integrates a judicial exception into a practical application will apply, rely on, or use the judicial exception in a manner that imposes a meaningful

Appeal 2020-001350
Application 14/509,856

limit on the judicial exception, such that the claim is more than a drafting effort designed to monopolize the judicial exception.” 84 Fed. Reg. at 53. The Revised Guidance further states that integration should be evaluated by “[i]dentifying whether there are any additional elements recited in the claim beyond the judicial exception(s)” and, based on certain considerations, “evaluating those additional elements individually and in combination to determine whether they integrate the exception into a practical application.” 84 Fed. Reg. at 54–55. The Revised Guidance identifies considerations such as whether additional elements yield an improvement to a particular technology or a computer itself, correspond to the implementation of the judicial exception with a particular machine, and/or apply the judicial exception in some way beyond simply linking the judicial exception to a particular technological environment. *See* MPEP § 2106.05(a)–(c), (e)–(h).

Here, the limitations of Claim 1 require for the request to be received “from a client device of a sender” and for the potential recipients to be displayed on a “user interface” of a display of the client device. The limitations of Claim 1 are also performed “by at least on processor” and require for the “information” about the sender and selected recipient to be accessed from social networks “about” the sender and recipient. However, we find that these additional elements do not integrate the certain methods of organizing human activity of Claim 1 into a practical application. For instance, we do not find that these additional elements yield an improvement in the functioning of a computer itself or to the particular technology of electronic funds transfer, neither do we find that these additional elements are any particular machine that is necessary to implement the judicial exception or transform something to a different state. Additionally, we do not find that these additional elements apply the abstract idea in a

meaningful way to any particular technological environment. In this light, we agree with the Examiner’s conclusion that these additional elements of Claim 1 “do not impose any meaningful limits on practicing the abstract idea.” Final Act. 5. Moreover, we do not agree with Appellant’s contention that the limitations of Claim 1 “provide an unconventional technological solution to a technological problem” and provide an “improved user interface for electronic devices.” Appeal Br. 9, 14. Thus, we find that Claim 1, as a whole, does not integrate the recited certain methods of organizing human activity into a practical application of the abstract idea.

Therefore, based on our analysis under the Revised Guidance, we agree with the Examiner that Claim 1 is directed to an abstract idea. As a result, we focus our attention on Step 2B of the *Alice* two-step framework.

b. Step 2B

For Step 2B, we are not persuaded by Appellant’s argument that Claim 1 recites significantly more than the abstract idea itself. Step 2B of the *Alice* two-step framework requires us to determine whether any element, or combination of elements, in the claim is sufficient to ensure that the claim amounts to significantly more than the judicial exception. *Alice*, 573 U.S. at 221. As discussed in the previous section, we agree with the Examiner’s findings that the additional elements, when considered individually and in an ordered combination, correspond to nothing more than a generic computing structure used to implement the certain methods of organizing human activity. See Final Act. 5. In other words, we find that the additional elements, as claimed, are well-understood, routine, and conventional and “behave exactly as expected according to their ordinary use.” See *In re TLI Commc’ns LLC Patent Litig.*, 823 F.3d 607, 615 (Fed. Cir. 2016). For

Appeal 2020-001350
Application 14/509,856

example, Appellant’s Specification describes the computing environment in which the invention is performed. *See* Spec. ¶¶ [44] “client devices include computing devices such as mobile devices (e.g., smartphones, tablets), laptops, desktops, or any other type of computing device,” [57] “Each of the components 206-218, 230-240, and 236-254 can communicate with each other using any suitable communication technologies,” [67], [129] “Although this disclosure describes measuring relationship coefficient in a particular manner, this disclosure contemplates measuring affinity coefficient in any suitable manner,” [160] “any other suitable computing device,” [161], [169], [339]-[357]. Moreover, Appellant’s Specification at the proffered paragraphs (“e.g., at ¶¶ [0011], [0034]-[0035], [0089]-[0091]”) merely identifies examples where the claimed invention provides improved risk calculation and user interfaces for computing systems involved in electronic remittance transactions. *See* Reply Br. 7. However, even with such disclosure, Appellant’s Specification gives no indication that the computing environment is anything other than a well-understood, routine, and conventional computing environment. Thus, implementing the abstract idea with these generic computer components “fail[s] to transform that abstract idea into a patent-eligible invention.” *Alice*, 573 U.S. at 221. Therefore, we agree with the Examiner that Claim 1 does not provide significantly more than the abstract idea itself.

5. Conclusion

Therefore, because Claim 1 is directed to the abstract idea of certain methods of organizing human activity and does not provide significantly more than the abstract idea itself, we agree with the Examiner that Claim 1 is ineligible for patenting and affirm the Examiner’s rejections of Claims 1–20 under 35 U.S.C. § 101.

DECISION SUMMARY

Claims Rejected	35 U.S.C. §	Reference(s)/Basis	Affirmed	Reversed
1-20	101	Eligibility	1-20	
Overall Outcome			1-20	

TIME PERIOD FOR 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). *See* 37 C.F.R. § 1.136(a)(1)(iv).

AFFIRMED