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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte MIKE LEBER

Appeal 2017-011338
Application 13/401,748¹
Technology Center 3600

Before MAHSHID D. SAADAT, ALLEN R. MacDONALD, and
JOHN P. PINKERTON, *Administrative Patent Judges*.

PINKERTON, *Administrative Patent Judge*.

DECISION ON APPEAL

Appellant appeals under 35 U.S.C. § 134(a) from the Examiner's Final Rejection of claims 1–6, 8–18, and 20–22, which constitute all the claims pending in this application. Claims 7 and 19 are cancelled. We have jurisdiction under 35 U.S.C. § 6(b).

We affirm.

¹ The real party in interest identified by Appellant is Hurricane Electric.
App. Br. 3.

STATEMENT OF THE CASE

Introduction

Appellant's described and claimed invention relates generally to the facilitation of secure financial transactions. *See Spec.* ¶ 1.²

Claim 1 is representative and reads as follows:

1. A method for facilitating at least a portion of a secure electronic financial transaction, the method comprising:

prior to receiving an electronic transaction request, defining a transaction template that comprises a set of established transaction specifications that define contents of acceptable digital instruments, the digital instrument further comprising payment instructions that define how payments to payees are authorized, wherein only electronic transaction requests that correspond to the transaction template are available for authorization;

generating a unique payee identifier that represents a payee;

combining, by a payor device, the unique payee identifier with a digital instrument that has been digitally signed³ to create a secure instrument that cannot be surreptitiously presented to an electronic transaction processing system by any other party;

receiving an electronic transaction request from the payor device over a secure application programming interface, the electronic transaction request comprising the unique payee identifier and the secure instrument that has been digitally signed by at least one payor, the digital signature being encrypted using an encryption type that is selected by a payment processor;

² Our Decision refers to the Final Office Action mailed June 30, 2016 ("Final Act."), Appellant's Appeal Brief filed April 27, 2017 ("App. Br.") and Reply Brief filed September 6, 2017 ("Reply Br."), the Examiner's Answer mailed July 10, 2017, and the original Specification filed February 21, 2012 ("Spec.").

³ This appears to be a typographical error, and we interpret "signed" as "signed" in order to preserve validity of the claim.

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verifying an identity of at least one of the payor and the payee using a digital security protocol;

verifying the digital signature using the selected encryption type;

comparing the electronic transaction request to the transaction template; and

authorizing a payment to the payee according to payment instructions included in the secure instrument if the electronic transaction request corresponds with the transaction template.

App. Br. 23–24 (Claims App.).

Rejections on Appeal

Claim 1 stands rejected under 35 U.S.C. § 112, first paragraph, as failing to comply with the written description requirement.

Claims 1–6, 8–18, and 20–22 stand rejected under 35 U.S.C. § 101 because the claimed invention is directed to patent-ineligible subject matter.

ANALYSIS

Rejection of Claim 1 under § 112, first paragraph

Claim 1 recites, “wherein only electronic transaction requests that correspond to the transaction template are available for authorization.” App. Br. 23. The Examiner finds the aforementioned limitation is not found within Appellant’s Specification. *See* Final Act. 3; *see also* Ans. 2–3. Appellant argues paragraphs 38, 41, and 51 of Appellant’s Specification describe a transaction template, and, more specifically, describe an electronic transaction request being analyzed to verify that the contents of a digital instrument comply with a transaction template. *See* App. Br. 8–9; *see also* Reply Br. 3–5. Thus, according to Appellant, Appellant’s Specification provides sufficient written description support for the aforementioned

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limitation. *See* App. Br. 9.

The Federal Circuit has consistently held that 35 U.S.C. § 112, first paragraph, contains a written description requirement separate from enablement. *See Ariad Pharmaceuticals, Inc. v. Eli Lilly and Co.*, 598 F.3d 1336, 1351 (Fed. Cir. 2010) (en banc). To satisfy the written description requirement, an applicant must convey with reasonable clarity to those skilled in the art that, as of the filing date sought, he or she was in possession of the invention, and that the invention, in that context is whatever is now claimed. *See Vas-Cath, Inc. v. Mahurkar*, 935 F.2d 1555, 1563–64 (Fed. Cir. 1991).

For the reasons argued in Appellant’s Briefs, we agree with Appellant that paragraphs 38, 41, and 51 of Appellant’s Specification provide sufficient written description support for the claimed “wherein only electronic transaction requests that correspond to the transaction template are available for authorization,” as recited in claim 1. Accordingly, we do not sustain the rejection of claim 1 under 35 U.S.C. § 112, first paragraph.

Rejection of Claims 1–6, 8–18, and 20–22 under § 101

Applicable Law

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. Pty Ltd. v. CLS Bank Int’l*, 134 S. Ct. 2347, 2354 (2014) (internal quotation marks and citation omitted).

The Supreme Court, in *Alice*, reiterated the two-step framework previously set forth in *Mayo Collaborative Services v. Prometheus*

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Laboratories, Inc., 566 U.S. 66, 75–77 (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*, 134 S. Ct. at 2355. The first step in the analysis is to “determine whether the claims at issue are directed to one of those patent-ineligible concepts.” *Id.* For example, abstract ideas include, but are not limited to, fundamental economic practices, methods of organizing human activities, an idea of itself, and mathematical formulas or relationships. *Id.* at 2355–2357. The “directed to” inquiry asks not whether “the claims *involve* a patent-ineligible concept,” but instead whether, “considered in light of the specification, . . . ‘their character as a whole is directed to excluded subject matter.’” *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1335 (Fed. Cir. 2016) (internal citations omitted). In that regard, we determine whether the claims “focus on a specific means or method that improves the relevant technology” or are “directed to a result or effect that itself is the abstract idea and merely invoke generic processes and machinery.” *McRO, Inc. v. Bandai Namco Games Am. Inc.*, 837 F.3d 1299, 1314 (Fed. Cir. 2016).

If, at the first stage of the *Alice* analysis, we conclude that the claim is not directed to a patent-ineligible concept, it is considered patent eligible under § 101 and the inquiry ends. *Rapid Litig. Mgmt. Ltd. v. CellzDirect, Inc.*, 827 F.3d 1042, 1047 (Fed. Cir. 2016).

If the claims are directed to a patent-ineligible concept, the second step in the analysis is to consider the elements of the claims “individually and ‘as an ordered combination’” to determine whether there are additional elements that “‘transform the nature of the claim’ into a patent-eligible application.” *Alice*, 134 S. Ct. at 2355 (quoting *Mayo*, 566 U.S. at 79, 78). In other words, the second step is to “search for an “‘inventive concept’”—

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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.* (brackets in original) (quoting *Mayo*, 566 U.S. at 72–73). The prohibition against patenting an abstract idea “cannot be circumvented by attempting to limit the use of the formula to a particular technological environment’ or adding ‘insignificant post solution activity.’” *Bilski v. Kappos*, 561 U.S. 593, 610–611 (2010) (internal citation omitted).

The Office recently published revised guidance on the application of 35 U.S.C. § 101. USPTO’s January 7, 2019 Memorandum, *2019 Revised Patent Subject Matter Eligibility Guidance*, Federal Register Vol. 84, No. 4, 50–57 (“Memorandum”). Under the revised guidance, we first look to whether the claim recites: any judicial exceptions, including certain groupings of abstract ideas (*i.e.*, mathematical concepts, certain methods of organizing human interactions such as fundamental economic practices, or mental processes); and additional elements that integrate the judicial exception into a practical application. *See* Memorandum at 54–55. Only if a claim recites a judicial exception and does not integrate that exception into a practical application, do we then look to whether the claim adds a specific limitation beyond the judicial exception that is not “well-understood, routine, conventional” in the field. *See* Memorandum at 56.

Appellant’s Arguments⁴

Appellant contends the claims are eligible under the first step of *Alice* because they are not directed to an abstract idea. *See* App. Br. 11. More

⁴ Appellant argues claims 1–6, 8–18, and 20–22 as a group, focusing on independent claims 1, 11, and 22. *See* App. Br. 9–20. Although Appellant argues the Office has not provided an explanation as to why each of the

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specifically, Appellant contends the Examiner provides no support for the assertion that the claims are directed to a “fundamental economic practice,” and more specifically that facilitating a secure electronic transaction is a “fundamental economic practice,” which Appellant alleges amounts to taking Official Notice. *See* App. Br. 10. Appellant further contends none of the claims are directed to a concept that any court has identified as an abstract idea, and the Examiner wrongly analogized the claims to the claims in *SmartGene, Inc. v. Advanced Biological Laboratories, SA*, 555 Fed. Appx. 950 (Fed. Cir. 2014), *Cyberfone Systems, LLC v. CNN Interactive Group, Inc.*, 558 Fed. Appx. 988 (Fed. Cir. 2014), and *Digitech Image Technologies, LLC v. Electronics for Imaging, Inc.*, 758 F.3d 1344 (Fed. Cir. 2014), as none of the facts considered in these cases have any relevance to the facts of the instant application on appeal. *See* App. Br. 14–15; *see also* Reply Br. 11. Appellant also contends the claims are directed to improvements in computer-related technology (*i.e.*, electronic financial transactions and cybersecurity), and the claims provide improvements in a technological field of cyber-secure electronic transactions. *See* App. Br. 12; *see also* Reply Br. 9–11. As argued by Appellant, the claimed solution to securing electronic financial transactions is rooted in technology, cannot be performed in a human mind or accomplished using pen and paper, and is not

dependent claims is patent-ineligible (*see* App. Br. 20–21), Appellant fails to proffer any separate arguments for the patent-eligibility of the dependent claims, and thus, the argument for the separate eligibility of claims 2–6, 8–10, 12–18, and 20–21 is not persuasive. We consider claims 1, 11, and 22 to be representative of the claimed subject matter on appeal and, therefore, we decide the rejection of claims 2–6, 8–10, 12–18, and 20–21 on the basis of representative claims 1, 11, and 22. *See* 37 C.F.R. § 41.37(c)(1)(iv).

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merely an improvement to the underlying financial transaction. *See* App. Br. 12–13; *see also* Reply Br. 6.

In addition, Appellant contends the claims are eligible under the second step of *Alice* because the claims as a whole amount to significantly more than the purported abstract idea. *See* App. Br. 16. More specifically, Appellant contends the claims recite additional limitations (*e.g.*, a payor device and a transaction authorization system) that are significantly more than an abstract idea, similar to Example 21 provided in Appendix 1 of the Office’s guidance issued in the July 2015 Update on Subject Matter Eligibility (“July 2015 Update”). *See* App. Br. 16–17. As further contended by Appellant, the claims are similar to the claims in *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245 (Fed. Cir. 2014) because the claims address an Internet-centric problem of securing electronic financial transactions over a network, and, thus, are necessarily rooted in computer technology. *See* App. Br. 17. Appellant also contends the claims are similar to the claims in *BASCOM Global Internet Services, Inc. v. AT&T Mobility LLC*, 827 F.3d 1341 (Fed. Cir. 2016) because, even if the claims recite known and conventional elements, the claims are directed to a non-conventional and non-generic arrangement of those elements. *See* App. Br. 17. As further contended by Appellant, the claims, taken as a whole, improve the cyber security of a transaction processing system and are significantly more than the purported abstract idea of facilitating secure financial transactions. *See* App. Br. 18; *see also* Reply Br. 6–7. Appellant also contends the steps recited in the claims are not well-understood, routine, or conventional functions as evidenced by the absence of any prior-art rejections under 35 U.S.C. §§ 102 and/or 103. *See* App. Br. 19–20; *see also* Reply Br. 7–9. Appellant further contends the claims are similar to the claims in *McRO*

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because the claims do not preempt the relevant technological space. *See* App. Br. 20; *see also* Reply Br. 6–7. Further, in the Reply Brief, Appellant argues the claims are similar to the claims in *Amdocs Ltd. v. Opnet Telecom, Inc.*, 841 F.3d 1288 (Fed. Cir. 2016) because the claims provide an unconventional technological solution (*i.e.*, using digital security features in combination which provide a party’s identity) to a technological problem (*i.e.*, fraud that is common in digital transaction processing). *See* Reply Br. 12–13.

Appellant additionally filed a Supplemental Reply Brief on September 24, 2018, to further respond to the Examiner’s Answer. However, Appellant “may file only a single reply brief to an examiner’s answer.”

37 C.F.R. § 41.41(a). Thus, we have not considered the arguments in Appellant’s Supplemental Reply Brief.⁵

Further, Appellant’s Appeal Brief and Reply Brief, as well as the Final Office Action and Examiner’s Answer, were all filed before the issuance of new Office guidance in the Memorandum. However, we analyze the claims and the Examiner’s rejection under § 101 under the Office guidance detailed in the Memorandum.

Step One of Alice

Prong 1: Whether Claims Are Directed to an Abstract Idea

The Examiner finds the claims are directed toward facilitating a secure electronic transaction, where facilitating a secure electronic

⁵ Even assuming that the filing of Appellant’s Supplemental Reply Brief was permitted, the arguments in Appellant’s Supplemental Reply Brief are not persuasive, as the Examiner has provided sufficient evidence to establish that the claims recite well-understood, routine, and conventional activity for the reasons described *infra*.

transaction is a fundamental economic practice, and thus, the claims are directed toward an abstract idea. *See* Final Act. 4, 7; *see also* Ans. 3–4. The Examiner additionally found the claims are also directed to mathematical concepts and mental processes. *See* Final Act. 5–7. However, we do not reach these additional findings because, considering the focus of claims 1, 11, and 22 as a whole, in view of Appellant’s Specification, we agree with the Examiner that claims 1, 11, and 22 are directed to a fundamental economic practice (*i.e.*, facilitating a secure electronic transaction), which the Office Guidance identifies as a certain method of organizing human activity that is an abstract idea. *See* Memorandum at 52.

Consistent with the Examiner’s findings, we find claim 1 is directed to a method for facilitating a secure electronic financial transaction comprising: (1) “defining a transaction template that comprises a set of established transaction specifications that define contents of acceptable digital instruments, the digital instrument further comprising payment instructions that define how payments to payees are authorized”; (2) “generating a unique payee identifier that represents a payee”; (3) “combining . . . the unique payee identifier with a digital instrument that has been digitally [signed] to create a secure instrument that cannot be surreptitiously presented to an electronic transaction processing system by any other party”; (4) “receiving an electronic transaction request . . . the electronic transaction request comprising the unique identifier and the secure instrument that has been digitally signed by at least one payor, the digital signature being encrypted using [a selected] encryption type”; (5) “verifying an identity of at least one of the payor and the payee using a digital security protocol”; (6) “verifying the digital signature using the selected encryption type”; (7) “comparing the electronic transaction request to the transaction template”;

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and (8) “authorizing a payment to the payee according to payment instructions included in the secure instrument if the electronic transaction request corresponds with the transaction template”. App. Br. 23–24. We further find claim 11 is directed to a similar method and claim 22 is directed to a similar system. *See* App. Br. 26–27, 29–30.

We agree with the Examiner that the aforementioned recited steps are steps of a fundamental economic practice, which is a certain method of organizing human activities that is an abstract idea. *See* Final Act. 3–4; *see also* Memorandum at 52. Consistent with the Examiner’s findings, and contrary to Appellant’s argument that claims 1, 11, and 22 are not similar to any idea previously found to be abstract, we see no meaningful difference between the claims and similar claims our reviewing court has found are directed to an abstract idea. *See, e.g., Alice*, 134 S. Ct. at 2356 (holding the concept of intermediated settlement is an abstract idea directed to a “fundamental economic practice long prevalent in our system of commerce” (citation omitted)); *see also buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1353–1354 (Fed. Cir. 2014) (citing cases where contractual relations at issue constituted fundamental economic practices, and noting that forming or manipulating economic relations may involve an abstract idea); *OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1362 (Fed. Cir. 2015) (““automatic pricing method and apparatus for use in electronic commerce””); *Content Extraction & Transmission LLC v. Wells Fargo Bank, Nat’l Ass’n*, 776 F.3d 1343, 1347 (Fed. Cir. 2014) (explaining that claims directed to “the mere formation and manipulation of economic relations” and “the performance of certain financial transactions” have been held to involve abstract ideas); *Ultrameercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 715 (Fed. Cir. 2014) (holding that claims reciting a method of using advertising

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as an exchange or currency are directed to an abstract idea). Further, the fact that the financial transaction is electronic does not impart patent-eligibility to the claims, as the recitation of “electronic” merely amounts to a statement to use a computing system to process the financial transaction. “[I]f a patent’s recitation of a computer amounts to a mere instruction to ‘implemen[t]’ an abstract idea ‘on ... a computer,’ that addition cannot impart patent eligibility.” *Alice*, 134 S. Ct. at 2358 (quoting *Mayo*, 566 U.S. at 84).

We disagree with Appellant’s argument that the Examiner is effectively taking Official Notice that the claims are directed to a fundamental economic practice, as the Examiner has made sufficient findings that the claims are similar to claims that courts have previously identified as a fundamental economic practice. *See* Final Act. 4, 7. Further, we are not persuaded by Appellant’s argument that the claims are not directed to a concept that has been identified by a court as an abstract idea, as Appellant fails to persuasively rebut the Examiner’s findings that claims 1, 11, and 22 are directed to a fundamental economic practice, similar to the fundamental economic practice identified by the courts in *Alice*, *Bilski*, *buySAFE*, and *Ultramercial*. *See* Final Act. 7. Thus, Appellant fails to persuasively rebut the Examiner’s findings that claims 1, 11, and 22 are directed to a fundamental economic practice.

We also are not persuaded by Appellant’s arguments that the claims do not seek to tie up or otherwise preempt an abstract idea.

While preemption may signal patent ineligible subject matter, the absence of complete preemption does not demonstrate patent eligibility. . . . Where a patent’s claims are deemed only to disclose patent ineligible subject matter under the *Mayo*

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framework, as they are in this case, preemption concerns are fully addressed and made moot.

Ariosa Diagnostics, Inc. v. Sequenom, Inc., 788 F.3d 1371, 1379 (Fed. Cir. 2015); *see also OIP Techs. Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1362–1363 (Fed. Cir. 2015) (“that the claims do not preempt all price optimization or may be limited to price optimization in the e-commerce setting do not make them any less abstract”).

Prong 2: Whether Claims Integrate Abstract
Idea Into a Practical Application⁶

The Examiner finds the claims do not include an improvement to another technology or technical field, an improvement to the functioning of the computer itself, or meaningful limitations beyond generally linking the use of an abstract idea to a particular technological environment. *See* Final Act. 4; *see also* Ans. 4. The Examiner further finds the claims merely recite limitations that are instructions to implement the abstract idea on a computer and require no more than a generic computer to perform generic functions. *See* Final Act. 4–5. More specifically, the Examiner finds independent claims 1, 11, and 22 recite steps which either can be performed by any general-purpose computer or are insignificant extra-solution operations. *See* Final Act. 5–6. The Examiner further finds the focus of the claims are not on an improvement in computers as tools, but on certain abstract ideas that use computers as tools. *See* Ans. 7.

⁶ We acknowledge that some of these considerations may be properly evaluated under the second step of *Alice* (Step 2B of Office guidance as identified in the Memorandum). Solely for purposes of maintaining consistent treatment within the Office, we evaluate them under the first step of *Alice* (Step 2A of Office guidance as identified in the Memorandum). *See* Memorandum at 54–55.

We agree with the Examiner's findings that the claims do not recite elements (or a combination of elements) that are either an improvement to the functioning of an underlying computer or an improvement to another technology or technical field. *See* Final Act. 4. We conclude Appellant's argued improvement (*i.e.*, preventing fraudulent financial transactions) is not a technological improvement, but, instead is an improvement to the underlying fundamental economic practice of facilitating a secure electronic financial transaction.

We further agree with the Examiner's findings that the claims merely recite elements that generally link the use of the fundamental economic practice to a computing system that includes an electronic transaction processing system and a payor device, where Appellant's Specification discloses the computing system can be any type of computing system known in the art, such as a computing system including one or more processors and memory (*i.e.*, a particular technological environment). *See* Final Act. 4–5; *see also* Spec. ¶¶ 58, 65. Further, in view of Appellant's Specification, and consistent with the Examiner's findings, the claims do not recite an additional element that: applies or uses an abstract idea to effect a particular treatment or prophylaxis; implements an abstract idea with, or uses the abstract idea in conjunction with a particular machine; effects a transformation of a particular article; uses the abstract idea in some other meaningful way beyond generally linking the use of the abstract idea to a particular technological environment; or otherwise integrates the abstract idea into a practical application. *See* Memorandum at 55.

We are not persuaded by Appellant's argument that the claims are directed to an improvement to computer-related technology or an improvement in a technological field. As previously discussed, Appellant's

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argued improvement does not actually improve the technology of securing electronic transactions, but instead improves the underlying fundamental economic practice of facilitating a secure electronic financial transaction by linking the economic practice to a particular technological environment that performs operations that either merely apply the economic practice on a computing system, or are merely extra-solution operations. *See* Final Act. 5–6 (identifying the steps of independent claims 1, 11, and 22, and further characterizing the steps either as operations that may be performed by any general-purpose computer, or as extra-solution operations).

Appellant’s argument that the claims are similar to the claims in Example 21 of the July 2015 Update is also not persuasive. Consistent with the Examiner’s findings, unlike claim 2 in Example 21 of the July 2015 Update, which recites a solution necessarily rooted in computer technology (*i.e.*, triggering an activation of a stock viewer application to enable a connection of a remote computer) to solve an Internet-centric problem (*i.e.*, alerting a subscriber with time-sensitive information when a subscriber’s computer is offline), the claims merely recite an improvement to the underlying fundamental economic practice of facilitating a secure electronic financial transaction. *See* Ans. 5–6.

We are further not persuaded by Appellant’s argument that the claims are similar to the claims in *DDR Holdings*. In *DDR Holdings*, the disputed claims solved an Internet-specific problem (*i.e.*, third-party merchants luring a host website’s visitor traffic away from the host website in response to clicking on a merchant’s advertisement link displayed on the host site) with an Internet-based solution (*i.e.*, generating a composite web page displaying product information from the third-party merchant, but retaining the host website’s “look and feel”) that was “necessarily rooted in computer

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technology in order to overcome a problem specifically arising in the realm of computer networks.” *DDR Holdings*, 773 F.3d at 1257–1258. That is not the case here. Instead, consistent with the Examiner’s findings, the claims merely recite an improvement to the underlying fundamental economic practice of facilitating a secure electronic financial transaction. *See* Ans. 5–6.

We are also not persuaded by Appellant’s argument that the claims are similar to the claims in *BASCOM*. The court in *BASCOM* noted an inventive concept can be found in a non-conventional and non-generic arrangement of known, conventional pieces. *See BASCOM*, 827 F.3d at 1350. However, the claims are distinguishable from those in *BASCOM*. In *BASCOM*, the system claims were directed to a “content filtering system for filtering content retrieved from an Internet computer network,” which the court held were directed to an abstract idea. *Id.* at 1348–1349. The court further held the claims included an inventive concept in the ordered combination of system components, including a local client computer and a remote ISP server connected to the client computer and Internet computer network providing for “the installation of a filtering tool at a specific location, remote from the end-users, with customizable filtering features specific to each end user.” *Id.* at 1350. Appellant has failed to establish that the claims here include a similar or analogous arrangement or “ordered combination” of components, and, instead, rely on the absence of prior-art rejections under 35 U.S.C. §§ 102, 103 as evidence that the arrangement is non-conventional and non-generic. *See* App. Br. 17. However, this argument conflates the standards of novelty under 35 U.S.C. § 102 and non-obviousness under 35 U.S.C. § 103(a) with the requirements of patent-eligible subject matter under 35 U.S.C. § 101. A lack of prior art does not direct a claim towards

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statutory subject matter. As the Supreme Court has said, “[t]he ‘novelty’ of any element or steps in a process, or even of the process itself, is of no relevance in determining whether the subject matter of a claim falls within the § 101 categories of possibly patentable subject matter.” *Diamond v. Diehr*, 450 U.S. 175, 188–189 (1981).

We are further not persuaded by Appellant’s argument that the claims are similar to the claims in *Amdocs*. Unlike the claims in *Amdocs*, which provided an “unconventional technological solution . . . to a technological problem” that “improve[d] the performance of the system itself” (*Amdocs*, 841 F.3d 1288 at 1302), Appellant’s claims merely recite an improvement to the underlying fundamental economic practice of facilitating a secure electronic financial transaction, as previously described.

We are also not persuaded by Appellant’s argument that the Examiner has not considered the claims as a whole. Instead we agree with the Examiner that the rejection under 35 U.S.C. § 101 includes a thorough analysis of the claims as a whole, including individual elements and an ordered combination of the elements. *See* Ans. 7.

Thus, we conclude the claims do not integrate the abstract idea into a practical application. Accordingly, we conclude the claims are directed to an abstract idea.

Step Two of Alice

Regarding step two of the *Alice* analysis, the Examiner finds the elements of the claims, when considered individually or in combination, do not recite substantially more than the abstract idea. *See* Final Act. 4. With respect to whether the claims recite elements that are well-understood, routine, and conventional, the Examiner further finds the combination of elements in the claims other than the abstract idea amount to no more than a

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recitation of generic computer structure performing generic computer functions that are well-understood, routine, and conventional activities previously known to the pertinent industry. *See id.* In support of this finding, the Examiner cited Appellant's Specification. *See* Final Act. 7 (citing Spec. ¶ 65); *see also* Ans. 4 (citing Spec. ¶ 65).

For the reasons stated by the Examiner, we agree with the Examiner's findings and conclusions that the combination of elements in the claims other than the abstract idea are no more than well-understood, routine, and conventional activities previously known in the industry and specified at a high level of generality. *See* Final Act. 4; *see also* Ans. 4. Consistent with the Examiner's findings, evidence that the claimed functionality is well-understood, routine, and conventional is found in Appellant's Specification, which describes that the components of a computing system that may be used to implement the disclosed embodiments are computer components typically found in computing systems and represent computer components that are well-known in the art. *See* Spec. ¶¶ 58, 65. As Appellant's Specification discloses that any general purpose computer is capable of implementing the claimed functionality, the Specification serves as evidence that the claimed functionality is well-understood, routine, and conventional.

We are not persuaded by Appellant's arguments that the absence of any prior-art rejections under 35 U.S.C. §§ 102 and/or 103 is evidence that the steps recited in the claims are not well-understood, routine, or conventional. As previously described, this argument conflates the standards of novelty under 35 U.S.C. § 102 and non-obviousness under 35 U.S.C. § 103(a) with the requirements of patent-eligible subject matter under 35 U.S.C. § 101. Thus, although our reviewing court recently held that "[t]he patent eligibility inquiry may contain underlying issues of fact" (*see*

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Berkheimer v. HP Inc., 881 F.3d 1360, 1365 (Fed. Cir. 2018)), we determine that Appellant's argument is insufficient to raise an issue of fact requiring the Examiner to present additional evidence showing that any aspect of the claims is well-understood, routine, and conventional in the art.

The other relevant considerations regarding whether the claims are directed to something significantly more than an abstract idea have previously been discussed with respect to the first step of *Alice*. Thus, we conclude the claims are not directed to something significantly more than the abstract idea.

Accordingly, for the reasons discussed above, we sustain the Examiner's rejection of claims 1, 11, and 22 under 35 U.S.C. § 101. For the same reasons, we sustain the rejection of claims 2–6, 8–10, 12–18, and 20–21, which are not separately argued, under 35 U.S.C. § 101.

DECISION

We reverse the Examiner's rejection of claim 1 under 35 U.S.C. § 112, first paragraph.

We affirm the Examiner's rejection of claims 1–6, 8–18, and 20–22 under 35 U.S.C. § 101.

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

AFFIRMED