UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte JAY BRADLEY DOYLE

Appeal 2009-004404
Application 10/158,696
Technology Center 3600

Decided: November 12, 2009


FETTING, Administrative Patent Judge.

DECISION ON APPEAL
STATEMENT OF THE CASE

James Bradley Doyle (Appellant) seeks review under 35 U.S.C. § 134 (2002) of a final rejection of claims 1-3 and 5-8, the only claims pending in the application on appeal.

We have jurisdiction over the appeal pursuant to 35 U.S.C. § 6(b) (2002).

SUMMARY OF DECISION

We AFFIRM.

THE INVENTION

The Appellant invented a method for motivating persons in a predetermined business field, such as independent business owners (Specification 1:4-6).

An understanding of the invention can be derived from a reading of exemplary claim 1, which is reproduced below [bracketed matter and some paragraphing added].

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1 Our decision will make reference to the Appellant’s Appeal Brief (“App. Br.,” filed December 13, 2007) and Reply Brief (“Reply Br.,” filed May 21, 2008), and the Examiner’s Answer (“Ans.,” mailed March 21, 2008), and Final Rejection (“Final Rej.,” mailed May 14, 2007).
1. A method for motivating a group of persons in a predetermined business field comprising the steps of:

  [1] selecting at least two teams from the group of persons, each team having a plurality of persons each of which is engaged in the business field,

  [2] identifying a plurality of business activity categories which relate favorably to success in the business field,

  [3] inputting effort expended by each person on each team in each activity category at predetermined time intervals over a predetermined time duration,

  [4] assigning a score to each person in each category during each time interval,

  [5] tabulating the assigned scores in each category for each team over said time duration, and

  [6] motivating persons on said at least two teams by naming a winning team as a result of said tabulation.

THE REJECTIONS

The Examiner relies upon the following prior art:

Pearson et al. 5,018,736 May 28, 1991


Claims 1-3 and 5-8 stand rejected under 35 U.S.C. § 101 as being directed toward non-statutory subject matter.

2 The Examiner has withdrawn the previously asserted rejection of claims 1-3 and 5-8 under 35 U.S.C. 112, first paragraph, for a lack of enablement, and 35 U.S.C. 112, second paragraph, as being incomplete for omitting essential steps (Ans. 2-3).
Claims 1-3 and 5-8 stand rejected under 35 U.S.C. § 103(a) as unpatentable over Pearson and Brewer.

ISSUES

The issues pertinent to this appeal are:

• Whether the Appellant has sustained the burden of showing that the Examiner erred in rejecting claims 1-3 and 5-8 under 35 U.S.C. § 101 as being directed towards non-statutory subject matter.
  - This pertinent issue turns on whether the recited method steps are tied to a particular machine or apparatus or whether the recited method transforms an article into a different state or thing.

• Whether the Appellant has sustained the burden of showing that the Examiner erred in rejection claims 1-3 and 5-8 under 35 U.S.C. § 103(a) as unpatentable over Pearson and Brewer.
  - This pertinent issue turns on whether Pearson and Brewer describe the all of the limitations of claim 1.

FACTS PERTINENT TO THE ISSUES

The following enumerated Findings of Fact (FF) are believed to be supported by a preponderance of the evidence.

Facts Related to the Prior Art
Pearson

01. Pearson is directed to an interactive contest system which allows remotely located participants to compete by optimizing the performance of their team rosters through the selection and trading of players (Pearson 1:5-9).

02. Pearson describes a contest that is based on a score by a team roster that is composed of a number of athletes (players) and the score is generated based on the actual performances of the individual players on the team during the term of the contest (Pearson 2:48-64).

03. A central controller handles all of the necessary data handling and the participant interfaces (Pearson 2:65-67). The controller accesses the contest roster and a statistical database used to evaluate a contest player’s performance in specific categories, such as runs, hits, runs batted in, and homeruns for baseball (Pearson 3:1-5 and 11:3-15). A player is evaluated on a daily or weekly basis as a function of that player’s statistical performance, and this evaluated quantity is added a week-to-date score and a contest-to-date score (Pearson 3:6-14). A contest participant’s team roster performance is determined by summing the individual scores of all of the players on the participant’s team roster (Pearson 3:16-19). Competition among the participants is based upon a comparison of the team roster point totals for a given period of time (Pearson 3:58-60). A participant wins the
competition by maintaining the team roster which generates the most points during the time period (Pearson 3:60-62).

Brewer

04. Brewer is directed to a discussion of Motorola’s Total Customer Satisfaction Worldwide Team Competition (Brewer ¶ 5).

05. The competition beings with all of the teams presenting their problem solving efforts at the local level and are judged by quality-control officials (Brewer ¶ 6). The top 22 teams are selected for a full day competition and are awarded points by senior managers for performance in specific criteria (Brewer ¶ 6). These criteria include teamwork, project selection, quality of analysis, quality of suggested remedies, results, institutionalization, and presentation (Brewer ¶ 6). A winning team was selected and awarded a gold medal (Brewer ¶ 10). The goal of the competition began as a way to increase teamwork, but now has resulted in employees taking it upon themselves to focus on customer satisfaction and product quality (Brewer ¶ 13). The competitors are motivated by top-management recognition and by recognition from their peers around the world (Brewer ¶ 14).

Facts Related To The Level Of Skill In The Art

06. Neither the Examiner nor the Appellant has addressed the level of ordinary skill in the pertinent art personnel management and employee performance. We will therefore consider the cited prior art as representative of the level of ordinary skill in the art. See
Okajima v. Bourdeau, 261 F.3d 1350, 1355 (Fed. Cir. 2001)

(“[T]he absence of specific findings on the level of skill in the art does not give rise to reversible error ‘where the prior art itself reflects an appropriate level and a need for testimony is not shown’”) (quoting Litton Indus. Prods., Inc. v. Solid State Sys. Corp., 755 F.2d 158, 163 (Fed. Cir. 1985).

Facts Related To Secondary Considerations

07. There is no evidence on record of secondary considerations of non-obviousness for our consideration.

PRINCIPLES OF LAW

101 – Eligible Processes

The law in the area of patent-eligible subject matter for process claims has recently been clarified by the Federal Circuit in, In re Bilski, 545 F.3d 943 (Fed. Cir. 2008) (en banc), petition for cert. filed, 77 USLW 3442 (U.S. Jan. 28, 2009) (No. 08-964).

The en banc court in Bilski held that “the machine-or-transformation test, properly applied, is the governing test for determining patent eligibility of a process under § 101.” Bilski, 545 F.3d at 956. The court in Bilski further held that “the ‘useful, concrete and tangible result’ inquiry is inadequate [to determine whether a claim is patent-eligible under § 101.]” Bilski, 545 F.3d at 959-60.

The court explained the machine-or-transformation test as follows: “A claimed process is surely patent-eligible under § 101 if: (1) it is tied to a particular machine or apparatus, or (2) it transforms a particular article into a
different state or thing.” *Bilski*, 545 F.3d at 954 (citations omitted). The court explained that “the use of a specific machine or transformation of an article must impose meaningful limits on the claim’s scope to impart patent-eligibility” and “the involvement of the machine or transformation in the claimed process must not merely be insignificant extra-solution activity.” *Bilski*, 545 F.3d at 961-62 (citations omitted).

The court declined to decide under the machine implementation branch of the inquiry whether or when recitation of a computer suffices to tie a process claim to a particular machine. *Bilski*, 545 F.3d at 962. As to the transformation branch of the inquiry, however, the court explained that transformation of a particular article into a different state or thing “must be central to the purpose of the claimed process.” *Id.* As to the meaning of “article,” the court explained that chemical or physical transformation of physical objects or substances is patent-eligible under § 101. *Id.* The court also explained that transformation of data is sufficient to render a process patent-eligible if the data represents physical and tangible objects, *i.e.*, transformation of such raw data into a particular visual depiction of a physical object on a display. *Bilski*, 545 F.3d at 962-63. The court further noted that transformation of data is insufficient to render a process patent-eligible if the data does not specify any particular type or nature of data and does not specify how or where the data was obtained or what the data represented. *Bilski*, 545 F.3d at 962 (citing *In re Abele*, 684 F.2d 902, 909 (CCPA 1982) (process claim of graphically displaying variances of data from average values is not patent-eligible) and *In re Meyer*, 688 F.2d 789, 792-93 (CCPA 1982) (process claim involving undefined “complex system”
and indeterminate “factors” drawn from unspecified “testing” is not patent-
eligible).

Obviousness

A claimed invention is unpatentable if the differences between it and
the prior art are “such that the subject matter as a whole would have been
obvious at the time the invention was made to a person having ordinary skill
in the art.” KSR Int’l Co. v. Teleflex Inc., 550 U.S. 398, 406 (2007); Graham

In Graham, the Court held that that the obviousness analysis is
bottomed on several basic factual inquiries: “[(1)] the scope and content of
the prior art are to be determined; [(2)] differences between the prior art and
the claims at issue are to be ascertained; and [(3)] the level of ordinary skill
in the pertinent art resolved.” Graham, 383 U.S. at 17. See also KSR, 550
U.S. at 406. “The combination of familiar elements according to known
methods is likely to be obvious when it does no more than yield predictable
results.” Id. at 416.

ANALYSIS

Claims 1-3 and 5-8 rejected under 35 U.S.C. § 101 as being directed
toward non-statutory subject matter

The Examiner found that claims 1-3 and 5-8 failed to produce a useful,
concrete, and tangible results (Ans. 5-8). The Appellant contends that the
specification clearly sets forth a useful method (App. Br. 7) and that 35
U.S.C. § 101 does not require a real world result (Reply Br. 1-2).
We disagree with the Appellant. The current test to determine whether the subject matter of method claims 1-3 and 5-8 is directed towards statutory subject matter is the machine-or-transformation test, as described in *Bilski*. Independent claim 1 recites a method for motivating a group of persons. Claim 1 only recites steps and does not recite the use of any machine or apparatus. As such, the method steps in claim 1 are not tied to a particular machine or apparatus. Although some of the steps recite the tabulation of values, these steps are not limited to a particular machine or apparatus. Additionally, the steps recited by the claims are for motivating persons through the use of a competition. The motivation of individuals does not transform an article into a different state or thing. Dependant claims 2-3 and 5-8 also fail to tie the method steps to a particular machine or apparatus or transform an article into a different state or thing. As such, claims 1-3 and 5-8 fail to satisfy the both prongs of the machine-or-transformation test and are rejected under 35 U.S.C. § 101 as being directed towards non-statutory subject matter.

**Claims 1-3 and 5-8 rejected under 35 U.S.C. § 103(a) as unpatentable over Pearson and Brewer**

The Appellant first contends that Pearson and Brewer fail to describe the step of motivating the persons on the teams by naming a winning team as a result of the score or tabulation, as required by limitation [6] of claim 1 (App. Br. 8). The Appellant specifically argues that Pearson and Brewer fail to describe that the game participants themselves form the team and therefore it is the participants that are motivated (App. Br. 8).
We disagree with the Appellant. Limitation [6] requires motivating the persons on the teams by naming a winning team based on a compiled score. Brewer describes a competition used by Motorola that motivates employees, who are organized into teams, by declaring a winner (FF 05). Brewer further describes that competition participants are motivated by receiving recognition from top-management and their peers (FF 05). As such, Brewer explicitly describes that competition participants are motivated by naming a winning team, as required by limitation [6] of claim 1.

As discussed supra, the Examiner has relied on Brewer to describe limitation [6] and therefore the Appellant's contention Pearson fails to describe the step of motivating persons does not persuade us of error on the part of the Examiner because the Appellant responds to the rejection by attacking the references separately, even though the rejection is based on the combined teachings of the references. Nonobviousness cannot be established by attacking the references individually when the rejection is predicated upon a combination of prior art disclosures. See In re Merck & Co. Inc., 800 F.2d 1091, 1097 (Fed. Cir. 1986).

The Appellant further contends that there is no motivation to combine Pearson and Brewer. We disagree with the Appellant. Pearson is concerned with creating an interactive competition (FF 01). Pearson accomplishes this goal by creating a system that enables users to create a roster of athletes and the user is awarded an aggregate score based on the individual scores earned by the athletes (FF 02). Brewer is also concerned with creating a competition (FF 04). Brewer accomplishes this by allowing competition participants align themselves into teams and create a solution to a customer satisfaction problem at Motorola (FF 05). A person with ordinary skill in
the art would have recognized to combine Brewer and Pearson in order to
motivate competition participants by declaring a winner to the competition
and using this as an incentive for employees to participate in the
competition. As such, Pearson and Brewer are concerned about the same
problem and a person with ordinary skill in the art would have been lead to
combine their teachings.

The Appellant additionally contends that Pearson and Brewer fail to
describe selecting two or more teams, as required by limitation [1] of claim
1 (App. Br. 9-10). We disagree with the Appellant. Pearson describes a
competition between at least two participants by comparing the aggregate
score of a first participant’s team roster against the aggregate score of a
second participant’s team roster (FF 03). That is, each participant’s roster is
a team and all of the teams are selected and compared to determine a winner.
Furthermore, Brewer describes that multiple teams participate on the local
level and teams are selected from this batch to participate on the global level
(FF 05). As such, both Pearson and Brewer to explicitly describe selecting
two or more teams.

The Appellant further contends that Pearson and Brewer fail to describe
identifying a plurality of business activity categories which relate favorable
to success in the business field, as required by limitation [2] of claim 1 (App.
Br. 9-10). We disagree with the Appellant. Pearson describes that
collecting statistical information on categories related to the athlete’s
performance (FF 03). Each of these categories, such as runs and hits, are
related to the success of the athlete in that sporting event, such as baseball.
Furthermore, Brewer explicitly describes that teams set out to solve
problems that are directly related to a customer satisfaction problem in
Motorola and teams are evaluated on the categories of teamwork, project selection, and quality of analysis, quality of suggested remedies, results, institutionalization, and presentation (FF 05). These categories are related to the success of a business field and business activity. As such, Pearson and Brewer explicitly describe limitation [2] of claim 1.

The Appellant additionally contends that Pearson and Brewer fail to describe inputting the effort expended by each team member in each category and then assigning a score to each person in each category during a time interval, as required by limitations [3] and [4] (App. Br. 10).

We disagree with the Appellant. Pearson describes that a player on the team roster is evaluated based on that player’s performance in each of the tracked categories and that player receives a numerical quantity for that performance (FF 03). The competition tracks this performance of the player over a given period of competition time and the participant with the most aggregated points (accrued by players on the participant’s roster) is the winner (FF 03). As discussed supra, Brewer describe that the team members are the participants in the competition. As such, Pearson and Brewer describe limitations [3] and [4] of claim 1.

CONCLUSIONS OF LAW

The Appellant has not sustained the burden of showing that the Examiner erred in rejecting claims 1-3 and 5-8 under 35 U.S.C. § 101 as being directed towards non-statutory subject matter.

The Appellant has not sustained the burden of showing that the Examiner erred in rejecting claims 1-3 and 5-8 under 35 U.S.C. § 103(a) as unpatentable over Pearson and Brewer.
To summarize, our decision is as follows.

- The rejection of claims 1-3 and 5-8 under 35 U.S.C. § 101 as being directed towards non-statutory subject matter is sustained.
- The rejection of claims 1-3 and 5-8 under 35 U.S.C. § 103(a) as unpatentable over Pearson and Brewer is sustained.

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)(2007).

AFFIRMED