

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

METAVANTE CORPORATION and
FIDELITY NATIONAL INFORMATION SERVICES, INC.,
Petitioner,

v.

CHECKFREE CORPORATION,
Patent Owner.

Case CBM2013-00032
Patent 7,792,749 B2

Before BRIAN J. McNAMARA, BARRY L. GROSSMAN, and
LYNNE E. PETTIGREW , *Administrative Patent Judges*.

McNAMARA, *Administrative Patent Judge*.

FINAL WRITTEN DECISION
37 C.F.R. § 42.73

BACKGROUND

On December 23, 2013, we entered a Decision to Institute a covered business method patent review, Paper 16 (“Decision to Institute), of U.S. Patent No. 7,792,749 B2 (“the ’749 Patent”) on the grounds that claims 1–60 do not recite patent eligible subject matter under 35 U.S.C. § 101.

In this Final Written Decision, we hold that claims 1–60 are unpatentable.

THE ’749 PATENT (EXHIBIT 1001)

The system and method of processing bill payment information described in the ’749 Patent includes a bill presentment and payment network in which a large number of payee and payer user stations communicate over the Internet (or other network) with a central clearinghouse station. Ex. 1001, col. 3, ll. 59-60; col. 4, ll. 5-8; col. 9, ll. 4-35. Each of the user stations can communicate with the central clearinghouse stations, although only certain users are registered to present or pay bills electronically via the network. *Id.* at col. 9, ll. 31-35. The central clearinghouse generates and directs the storage of billing information in association with registered and unregistered user identifiers, as may be desired by a registered user. *Id.* at col. 11, ll. 52-56. If a payee’s bills are payable electronically, a processor directs notice of that capability be transmitted to the payer, either through electronic media or by mail. *Id.* at col. 4, ll. 36-46. A database associated with the central clearinghouse stores information, i.e., a payee-pick-list, identifying the payees whom a registered user payer intends to pay electronically. *Id.* at col. 4, ll. 47-50; col. 16, ll. 49-67. Each of the payee-pick-lists, which can include payees who are registered users and unregistered users, is associated with a different payer and can include payee identification and related account information. *Id.* at col. 16, ll. 65-67; col. 4, ll. 58-62.

ILLUSTRATIVE CLAIM

1. A method comprising:
 - executing computer-implemented instructions performed by one or more processors for:
 - receiving, by a bill presentment and payment central clearinghouse, a request that is not associated with electronic bill presentment, the request comprising information identifying a payee of a payor, and the request comprising one of (i) a payment request or (ii) a request to add the payee to a pick list associated with the payor, wherein the payor has not previously activated electronic bill presentment from the payee through the clearinghouse;
 - accessing, from at least one database by the clearinghouse utilizing at least a portion of the received information identifying the payee, stored billing information;
 - identifying, by the clearinghouse from the accessed billing information, a bill presentment information associated with the payee;
 - generating, by the clearinghouse, a notification of the identified bill presentment information associated with the payee; and
 - transmitting, by the clearinghouse to the payor, the generated notification.

CLAIM CONSTRUCTION

Bill presentment and central clearinghouse

In a covered business method patent review, we apply the broadest reasonable construction to unexpired claims. 37 C.F.R. § 42.200(b). In our Decision to Institute, we noted that claim 1 recites that a computer executes instructions performed by one or more processors and that those instructions direct the “bill presentment and payment central clearinghouse” to perform functions that are recited in the claim. Dec. to Inst. 5. Patent Owner argues that a bill presentment and payment network has a large number of payee and payer user

stations that communicate over the Internet with the central clearinghouse station. PO Resp. 20. Patent Owner further contends that the central clearinghouse station is a specially programmed computer system that enables electronic bill presentment and payment (EBPP) services. *Id.* at 23.

Patent Owner describes the central clearinghouse as a necessary intermediary between payers and payees interacting with each user station and handling EBPP interactions between thousands, if not millions, of such stations, which themselves are computers. *Id.* at 22. The Patent Owner Response discusses in some detail functions that Patent Owner contends are performed by the central clearinghouse station. These functions include registering payers and payees, sending payments to registered and unregistered payees, generating notifications, and performing back end tasks using specialized data formats and printers. *Id.* at 23–32, 34–38. Patent Owner notes that, in one configuration, the central clearinghouse station electronically receives bills from registered billers in the form provided by commonly used standard invoicing software packages and uses that information to generate billing information to be stored in a database. *Id.* at 28.

Patent Owner contends that our construction did not appreciate that each of the steps listed in claim 1 requires the clearinghouse computer to process particular electronic bill payment functionalities and electronic bill presentment functionalities. *Id.* at 33. According to Patent Owner a person of ordinary skill would have understood the “bill presentment and payment central clearinghouse” to be “a specialized computer system that executes computer software that causes it to perform a set of functions (i.e., bill payment functions and bill presentment functions) by interacting with other computer systems on the EBPP network.” *Id.* at 35. In support of its construction, Patent Owner argues that, because the ’749

Patent describes the EBPP central clearinghouse as the center of a specialized financial networking environment and mediating transactions and communications among thousands if not millions of user stations, the central clearinghouse cannot be a general-purpose computer. *Id.* at 35. Patent Owner argues that the bill presentment and payment central clearinghouse is a specially programmed computer system that possesses the functionality necessary to perform the steps listed in the claims, as well as actions that are not listed expressly in the claims, but are necessary to perform the claimed steps. *Id.* at 35. According to Patent Owner, these other clearinghouse functions include the ability to receive messages, create appropriate payment directives, and create appropriate messages to be transmitted on specific networks. *Id.* 34–35.

Petitioner argues that Patent Owner incorporates into its proposed construction limitations that are not cited in the claims and extrinsic evidence proffered by its experts. Pet. Reply 3–4. Petitioner contends that Patent Owner's argument focuses heavily on aspects of disclosed embodiments the claims do not require or that the specification does not teach. *Id.* at 6–7. Petitioner further contends that the claimed "clearinghouse" is not a special purpose computer because its ability to transmit messages, access and evaluate data, and execute transactions are all within the capabilities of general purpose computers. *Id.* at 7–8. Citing the testimony of Patent Owner's expert, Dr. John Kelly, Petitioner contends that even a large number of user stations does not impart meaningful limitations on the clearinghouse, other than speed of operation. *Id.* at 8–9.

We agree with Petitioner. Claim 1 recites the single step of executing computer implemented instructions with one or more processors. Claim 1 recites that those instructions include ones in which the clearinghouse receives a payment request (or a request to add a payee to a payer's pick list), accesses billing

information stored in a database, identifies payee bill presentment information from the accessed information, and generates and transmits to the payer a notification of the bill presentment information.¹ Although the one or more processors may also execute instructions to perform routine ancillary functions for the central clearinghouse to receive the request, access the database and transmit the information, there are no such instructions or structures recited in claim 1. Claim 1 of the '749 Patent does not recite any structure for the bill presentment and payment central clearinghouse—nor does claim 1 recite any particular software instructions, any particular processors, any particular configuration or interconnection of the recited “one or more processors,” or any other structure to execute the claimed functions called for in the instructions. Thus, the bill presentment and payment central clearinghouse in claim 1 must be construed without structural limitations, other than being programmed to carry out the recited functions.

Payee-pick-list

In our Decision to Institute we construed the term “payee-pick-list” or “pick-list” to mean *a list identifying the payees whom a registered user intends to pay electronically*. Dec. to Inst. 6. Patent Owner contends that the “pick-list” is a data structure used by the central clearinghouse computer to identify payees a payer may plan to pay electronically using the EBPP system. PO Resp. 39. Patent Owner correctly points out that the '749 Patent specification states that the payee-pick-list can include payees who are both registered users and unregistered users. Ex. 1001, col. 16, ll. 65-67. As Patent Owner notes, payment cannot be made electronically to an unregistered user, and in such cases payments would be made

¹ Although claim 1 recites executing instructions to notify the payer, claim 1 does not recite executing instructions to pay the bill.

via paper check. PO Resp. 39. Thus, even under Patent Owner's construction payments to unregistered users would not be made electronically using the EBPP system. The presence of unregistered users in the payee-pick-list is not material to this Final Written Decision.

The '749 Patent describes the payee-pick-list as a list of payees the user may plan to pay electronically and states that each user's individual list is stored in the form of a database in a memory associated with the central clearinghouse station. Ex. 1001, col. 16, ll. 49–54. We disagree with Patent Owner's characterization of the payee-pick-list as a data structure merely because it is used directly by the programmed central clearinghouse computer system. PO Resp. 40. Claim 1 recites receiving a request to add a payee to a pick-list associated with the payer, but does not recite any limitations concerning the pick-list. The specification refers to a database known as a payee-pick-list that includes certain information such as payee identifiers, street addresses, cities, states, zip codes, phone numbers and consumer account numbers. Ex. 1001, col. 16, 61–65. Nothing in this list of common information associated with the payee requires any particular data structure. Thus, we do not import a data structure limitation into the construction of "payee-pick-list" or "pick-list."

Billing information

In our Decision to Institute, we declined to adopt Patent Owner's proposal that the term "billing information" be construed as a data construct within an EBPP system. Patent Owner now contends that "billing information" should be construed to have its ordinary meaning, which Patent Owner argues is "information related to billing." PO Resp. 40. Petitioner argues that "billing information" does not have any patentable weight. Pet. Reply 11. We have determined that the construction of "billing information" is not material to this

Final Written Decision, and we construe the term to have its ordinary and customary meaning.

§ 101 SUBJECT MATTER ELIGIBILITY

Independent claims 1, 20, 40, 59 and 60

Patent Owner disputes our preliminary finding in the Decision to Institute that claim 1 is silent as to how the computer has any significance to performing the claimed method. PO Resp. 4. Patent Owner contends our preliminary finding is contradicted by evidence showing the claims define a specifically programmed component and the steps it will perform in an EBPP system. *Id.* According to Patent Owner the steps recited in the claims reflecting this functionality only exist and are relevant within the claimed EBPP system. *Id.* at 4, 76. Patent Owner further states that these steps cannot be performed on a general-purpose computer lacking the functionality conferred by the programming of the computer. *Id.* at 4.

At the same time, Patent Owner states that the claims do not concern providing essential information needed for electronic bill payment, but instead define a specific computer-based notification function. *Id.* at 4–5. According to Patent Owner, the notification function operates within a particular bill presentment and payment system that informs users of the availability of electronic bills or electronic bill presentment within that system in certain defined circumstances. *Id.* at 5, 45. We agree with Patent Owner that claim 1 does not recite electronic bill payment and is limited to the notification function. However, we do not agree with Patent Owner’s contention that, because the claims are drawn to an element of an EBPP programmed to notify a payer about payee billing information, they constitute patentable subject matter.

In *Alice Corp. v. CLS Bank International*, 134 S. Ct. 2347 (2014), the Supreme Court applied a two-step test for determining whether a claim recites

patentable subject matter. First, we determine whether the claims at issue are directed to one or more patent-ineligible concepts, i.e., laws of nature, natural phenomenon and abstract ideas. *Id.* at 2355 (citing *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 132 S. Ct. 1289, 1296–96 (2012)). If so, we then consider whether the elements of each claim, both individually and as an ordered combination, transform the nature of the claim into a patent-eligible application to ensure that the patent in practice amounts to significantly more than a patent upon the ineligible concept itself. *Id.* Thus, the first step in our analysis is to consider whether the claims of the '749 Patent recite a patent-ineligible concept.

Patent Owner describes the central clearinghouse as a necessary intermediary between payers and payees interacting with each user station and handling EBPP interactions between thousands, if not millions, of such stations, which themselves are computers. *Id.* at 22. In *Alice*, the Supreme Court considered claims drawn to a method of exchanging financial obligations between two parties using a third-party intermediary to mitigate settlement risk and concluded that on their face, claims drawn to the concept of an intermediated settlement, like the hedging in *Bilski*, is an “abstract idea” beyond the scope of § 101. *Id.* at 2355–57.² We conclude that the claims of the '749 Patent, which are directed to a clearinghouse that acts as an intermediary between a payer and the payee by notifying the payer about payee bill presentment information, are not directed to patent-eligible subject matter. The steps recited in claim 1, and in each

² In *Bilski v. Kappos*, 561 U.S. 593 (2010), the Supreme Court found unpatentable, as abstract ideas, claims drawn to hedging against the financial risk of commodity price fluctuations where the claims recited the steps of initiating a series of financial transactions between commodity providers and consumers, identifying market participants with a counter-risk for the same commodity and initiating a series of risk balancing transactions between those market participants and the commodity provider.

of independent claims 20, 40, 59, and 60, are carried out by a clearinghouse that receives a request from a payer to provide payee information or add a payee to the payer's pick-list. The claims recite receiving a request and are not limited to any particular number of such requests. The clearinghouse retrieves the payee information from a database and generates and transmits a responsive notification message to the payer. Thus, independent claims 1, 20, 40, 59, and 60 are drawn to the patent-ineligible concept of executing instructions in which an intermediary receives a request, retrieves information from a database, and transmits the information to the requester.

The second step in the analysis requires us to determine whether the claims do significantly more than simply describe the abstract method. *Ultramercial, Inc. v. Hulu, LLC*, 772 F. 3d 709, 715 (Fed. Cir. 2014) (citing *Mayo*, 132 S.Ct. at 1297). Patent Owner argues that the first step recited in claim 1, receiving a payment request or a request to add a payee to the payer's pick list, is an electronic message transmitted by a user station computer accessing the EBPP system. *Id.* at 41. Thus, the clearinghouse must be programmed to process the payment request and maintain a payee pick list and operate within an EBPP network. *Id.* at 42. Patent Owner argues that the second and third steps of claim 1, in which the clearinghouse accesses a database identifying stored billing information and identifies bill presentment information, make it clear that a computer system is retrieving and evaluating data stored in electronic form to identify the payee and access payee-specific information. *Id.* at 43. Patent Owner also contends that the fourth and fifth steps, generating a notification about the payee's bill presentment information and transmitting that information to the payer, require a computer implementation. *Id.* at 44–45.

A common thread in Patent Owner's arguments concerning the patent-eligibility of independent claims 1, 20, 40, 59, and 60 is that they all require an EBPP system, i.e., the claims define a specifically programmed component and the steps it will perform in an EBPP system. *Id.* at 4. The claims of the '749 Patent do not recite an EBPP system. Independent claims 1 and 59 are drawn to a method, independent claims 20 and 60 are drawn to a system, and independent claim 40 is drawn to a computer program product. Independent claims 1, 20, 40, 59, and 60 each recite a bill presentment and payment central clearinghouse. As we discussed above in our construction of the "bill presentment and central clearinghouse," claim 1 recites that a computer executes instructions performed by one or more processors and those instructions direct the "bill presentment and payment central clearinghouse" to perform functions that are recited in the claim. The same is true for independent claims 20, 40, 59, and 60.

Figure 1 of the '749 Patent depicts an EBPP network in accordance with the invention. Ex. 1001, col. 7, ll. 29–30. Figure 1 shows central clearinghouse station 140 having a central clearinghouse station processor 140A and central clearinghouse station memory 140B. Memory 140B stores programmed instructions 140B1, *id.* at col. 9, ll. 40–44, and has databases 140B2–B7, which store user-class information, payee information, and billing and remittance information, *id.* at col. 9, ll. 20–27. Figure 1 also shows that the central clearinghouse station communicates with user stations 110A–110H via the Internet 150 and with financial institution users 130A–130D via the Internet or a bank network 160. Central processor 140A electronically receives bills from registered users in the form output by commonly used standard invoicing software, such as QuickBooks and other off-the-shelf software, and converts the received bills to standard format billing information so that registered billers need not modify their

existing software, other than to transmit the bills via the Internet to the central clearinghouse, to have their bills electronically presented to the applicable customer. *Id.* at col. 10, ll. 14–29.

Patent Owner does not contend that this configuration of processors and memory is the subject matter of the claims. Indeed, there is nothing about the system structure shown in Fig. 1 of the '749 Patent that is any different from the structure of a general purpose computer system. Patent Owner contends that the claims recite patentable subject matter because the system is specially programmed to perform the notification function within an EBPP. PO Resp. 5, 40.

We again note that the claims do not recite an EBPP. The claims in the '749 Patent recite only a general purpose computer executing instructions to carry out the abstract concept of an intermediary retrieving requested information from a database and transmitting that information to the requester. Even if we construed the central clearinghouse limitation to require an EBPP, limiting the abstract idea to a particular technological environment is insufficient to save a claim. *Alice*, 134 S. Ct. at 2358 (citing *Bilski*, 561 U.S. at 610–11). The claims of the '749 Patent do not transform the abstract idea into patent eligible subject matter, because both individually and as an ordered combination, they simply instruct the practitioner to implement the abstract idea with routine, conventional activity. *Ultramercial*, 772 F. 3d at 716.. After *Alice* there can remain no doubt that recitation of generic computer limitations does not make an otherwise ineligible claim patent-eligible. *DDR Holdings, LLC v. Hotels.com, L.P.*, No. 2013-1505, --- F.3d ---, 2014 WL 6845152, at *9 (Fed. Cir. Dec. 5, 2014)

In *DDR Holdings* 2014 WL 6845152, at *12, the Federal Circuit found patent-eligible claims drawn to retaining website visitors by manipulating interactions with the Internet to yield a desired result that overrides a routine and

conventional sequence of events. In contrast, the independent claims of the '749 Patent do not recite performing any unconventional steps. At most, a computer implementation carrying out the claimed steps acts in a routine manner to facilitate a large number of transactions. As the Federal Circuit noted in *Ultramercial*, any transformation from the use of computers or the transfer of content between computers is merely what computers do and does not change the analysis.

Ultramercial, 772 F. 3d at 717.

Patent Owner makes similar arguments for the remaining independent claims. Patent Owner contends that claim 20 further demonstrates a particular computer system because it recites that the clearinghouse system has a communications interface connected to a network and at least one processor. PO Resp. at 46–47. However, invocation of the Internet adds no inventive concept. *Ultramercial*, 772 F. 3d at 716.

According to Patent Owner, the machine readable medium containing software recited in claim 40 can only be implemented on a computer system that possesses specific functionality in which the central clearinghouse is connected to an EBPP network to deliver the notifications to a user station. PO Resp. at 48–49. The fact that a claim relies on a method that is implemented on a computer or is directed to a computer-readable medium that causes a computer to implement certain steps are not per-se indicators of patentability. Rather, a challenged claim, properly construed, must incorporate enough meaningful limitations to ensure that it claims more than just an abstract idea and is not a mere “drafting effort designed to monopolize [an abstract idea] itself.” *Mayo*, 132 S. Ct. at 1297. In order for a machine to impose a meaningful limitation on the scope of a method claim, it must play a significant part in permitting the claimed method to be performed, rather than function solely as an obvious mechanism for permitting a solution to be

achieved more quickly. *SiRF Tech., Inc. v. Int'l Trade Comm'n.*, 601 F.3d 1319, 1333 (Fed. Cir. 2010). Claim 40, which recites a computer readable medium with code to perform the same steps as those recited in claim 1, includes no such limitations.

Patent Owner contends that independent claim 59 is patent-eligible because it recites adding the payee to the payer's pick-list and transmitting the pick-list to the payer. PO Resp. at 50–51. Patent Owner adds that claim 59 is directed to a particular type of EBPP programmed to have the functional capability of maintaining a pick list for each payer and to operate within an EBPP network connected to multiple payee and payer stations. *Id.* at 51. Patent Owner argues that claim 60 recites a system implementing the method recited in claim 59 and is patent eligible for similar reasons. *Id.* at 53–54. As previously discussed, limiting the abstract idea to a particular technological environment is insufficient to save a claim. *Alice*, 134 S. Ct. at 2358 (citing *Bilski*, 561 U.S. at 610–11). None of the limitations in claims 59 and 60 changes the claimed abstract concept or departs from the ordinary use of a computer to perform routine functions. Claims that recite a method of doing business on a computer and do no more than merely recite the use of the computer for its ordinary functions are not patent-eligible. *Bancorp Servs., LLC v. Sun Life Assurance Co.*, 687 F.3d 1266, 1278-79 (Fed. Cir. 2012) (computer used for its most basic function, the performance of repetitive calculation, does not impose a meaningful claim limitation).

For the reasons discussed above, we conclude the independent claims 1, 20, 40, 59 and 60 of the '749 Patent do not recite patent-eligible subject matter.

Claims 2, 21, and 41

Claim 2, which depends from claim 1, recites that the step of identifying the payee bill presentment information involves matching a portion of the received

information identifying a payee to the billing information and subsequently determining that the bill presentment information is available. Claims 21 and 41 recite a system and a computer program product with elements corresponding to those of claim 2. Patent Owner contends that these claims are directed to a specific method, machine-readable medium, or system that can only function when implemented on or integrated with a computer system that possesses specific functionality because the functions recited in these dependent claims cannot be performed manually or outside the central clearinghouse station and EBPP network. PO Resp. 55. However, matching the bill presentment information to a portion of the information identifying a payee and determining the availability of the bill presentment information as recited in claims 2, 21, and 41 do not play a significant role in permitting the method to be performed, *SiRF Tech.*, 601 F.3d at 1333, nor do they recite the use of the computer for anything other than its ordinary functions. *Bancorp*, 687 F.3d at 1278-79. Thus, we conclude that claims 2, 21, and 41 do not recite patent-eligible subject matter.

Claims 3, 22, and 42

Claim 3, which depends from claim 1, recites that identifying the payee bill presentment information involves identifying an indication that the payee is an electronic biller, which is capable of electronic bill presentment to the payer through the clearinghouse. Claims 22 and 42 recite a system and a computer program product with elements corresponding to those of claim 3. Patent Owner contends that, in order to provide the claimed indication, the central clearinghouse station must be able to access and utilize certain data structures, i.e., data structures for payees that include information regarding the electronic bill presentment capability of each payee who is also a registered electronic biller. PO Resp. 55–56. No such data structures are recited in claims 3, 22, and 42, nor are they disclosed in

the '749 Patent. Merely providing an indication that the payee is an electronic biller does not alter the claimed abstract concept. Thus, we conclude that claims 3, 22, and 42 do not recite patent-eligible subject matter.

Claims 4, 23, and 43

Claim 4, which depends from claim 3, recites executing computer instructions for receiving the payee's request to activate electronic bill presentment of bills for the payer through the clearinghouse and, in response, initiating activation of the requested electronic bill presentment. Claims 23 and 43 recite a system and a computer program product with elements corresponding to those of claim 4. Patent Owner contends that initiating activation of electronic bill presentment by the central clearinghouse is an electronic process because the clearinghouse would need to track and determine whether a payer has activated that feature. PO Resp. 56. According to Patent Owner, the activation of bill presentment has ramifications on other steps of the process which specify that the system will generate notifications only if the payer has not previously activated electronic bill presentment from the payee through the clearinghouse. *Id.* at 56–57. Patent Owner contends that, for this reason, limitations in claims 4, 23, and 43 are directed to a specific method, machine-readable medium or system that can only function when implemented on or integrated with a computer system that possesses specific functionality. Patent Owner imports into the claims limitations that are not recited. Claims 4, 23, and 43 recite only the abstract concept of initiating activation of the electronic bill presentment in response to the received request. Thus, we conclude that claims 4, 23, and 43 do not recite patent-eligible subject matter.

Claims 5, 24, and 44

Claim 5 depends from claim 4 and recites that initiation of activation includes the clearinghouse transmitting a notification of the payee's request for

electronic bill presentment. Claims 24 and 44 recite a system and a computer program product with elements corresponding to those of claim 5. Patent Owner argues that claims 5, 24, and 44 recite specific tasks the EBPP must perform in response to an activation request and implicate sending a message over a network. PO Resp. 57–58. However, for the reasons discussed above, limitations concerning transmitting a notification do not change the fact that these claims are drawn to an abstract concept and do not recite patent-eligible subject matter.

Claims 6, 25, and 45

Patent Owner contends that the functionality recited in claims 6, 25, and 45 specify a particular manner of configuring the EBPP system and that the EBPP system must maintain and utilize certain data structures during certain processes. *Id.* at 58–60. As discussed above, the claims of the '749 Patent do not recite an EBPP system or data structures. Patent Owner reads into the claims limitations that are not recited in them. Claim 6 depends from claim 1 and further recites the abstract concept in which identifying the payee's bill presentment information includes identifying an indication that an electronic bill from the payee to the payer is available through the clearinghouse. Claims 25 and 45 recite a system and a computer program product with elements corresponding to those of claim 6. In the absence of limitations that play a significant role in permitting the method to be performed or recite the computer performing anything other than its ordinary functions, we conclude that claims 6, 25, and 45 do not recite patent-eligible subject matter.

Claims 7, 26, and 46

Patent Owner contends that the functional limitations in claims 7, 26, and 46 require the central clearinghouse station to be able to transmit information associated with electronic bills to the consumer in response to a request for the bill

and can only be achieved by electronic means. PO Resp. 60–61. Patent Owner reads into the claims limitations that are not recited in them. Claim 7 only recites executing computer instructions for the clearinghouse to receive a request for the bill from the payer and to transmit to the payer information associated with the electronic bill. Claims 26 and 46 recite a system and a computer program product with elements corresponding to those of claim 7. In the absence of limitations that play a significant role in permitting the method to be performed or recite the computer performing anything other than its ordinary functions, we conclude that claims 7, 26, and 46 do not recite patent-eligible subject matter.

Claims 8, 27, and 47

Claim 8, which depends from claim 7, recites the clearinghouse transmitting to the payee a notification of the payer’s request to receive the electronic bill. Claims 27 and 47 recite a system and a computer program product with elements corresponding to those of claim 8. Patent Owner argues that these claims require using a network to transmit messages. PO Resp. 61. As discussed above, use of a network, such as the Internet, is not sufficient to cause the claims to become patent-eligible subject matter. Thus, we conclude that claims 8, 27, and 47 do not recite patent-eligible subject matter.

Claims 9, 28, and 48

Claim 9, which depends from claim 7, recites the clearinghouse receiving a request to pay the electronic bill and remitting payment. Claims 28 and 48 recite a system and a computer program product with elements corresponding to those of claim 9. Patent Owner argues that, to remit payment on a bill, the clearinghouse must use information associated with the bill to generate a pay directive or remittance information that associates the payment with the bill. PO Resp. 62. Patent Owner further argues that to remit payment the clearinghouse requires

specialized software to process the data and create the messages inherently required by the claims. *Id.* Patent Owner does not argue that the functionality of receiving a request to pay an electronic bill and remitting payment is any less abstract than the functionality recited in the claims from which claims 9, 28, and 40 depend. The claimed function, i.e., for the clearinghouse to act as an intermediary to facilitate payment between the payer and the payee, is a patent ineligible concept. Claims 9, 28, and 48 do not recite any software or computer program that requires a computer to perform anything other than its basic functions. Thus, we conclude that claims 9, 28, and 48 do not recite patent-eligible subject matter.

Claims 10, 29, and 49

Claim 10, which depends from claim 1, recites that the information identifying the payee includes first information and includes the additional step of the clearinghouse identifying second payee identification information, wherein the clearinghouse transmits the notification to the payer with the second information identifying the payee. Claims 29 and 49 recite a system and a computer program product with elements corresponding to those of claim 10. We conclude that there is nothing about transmitting first and second information about the payee that alters the abstract nature of the claimed subject matter. Thus, we conclude that claims 10, 29, and 49 do not recite patent-eligible subject matter.

Claims 11, 30, and 50

Claim 11, which depends from claim 1, recites the additional step of the clearinghouse storing the payee identification information in a database and that the step of the clearinghouse identifying bill presentment information can occur before or after storing the payee identification information. Claims 30 and 50 recite a system and a computer program product with elements corresponding to those of

claim 11. Patent Owner contends that claims 11, 30, and 50 describe functionality required to implement the creation and maintenance of payee pick lists and updating databases maintained by the system. PO Resp. 64. However, for the reasons discussed above, storing information in a database is a routine function of computers and does not rise to the level of patent-eligible subject matter. Thus, we conclude that claims 11, 30, and 50, do not recite patent-eligible subject matter.

Claims 12, 31, and 51

Claim 12, which depends from claim 1, recites the clearinghouse receiving second bill information associated with the payee's bills, identifying, from the information, a payee's electronic bill that is available for the payer through the clearinghouse, and transmitting to the payer a notification of the electronic bill's availability. Claims 31 and 51 recite a system and a computer program product with elements corresponding to those of claim 12. Similar to our analysis of claims 10, 29, and 49, we conclude that there is nothing in identifying second bill information and transmitting a notification to the payer that changes the abstract nature of the claimed subject matter. Thus, we conclude that the limitations recited in claims 12, 31, and 51 do not limit the scope of the corresponding claims and that claims 12, 31, and 51 do not recite patent-eligible subject matter.

Claims 13, 32 and 52

Claim 13 depends from claim 12 and recites that the second bill information is received after receipt of the information identifying the payee. Claims 32 and 52 recite a system and a computer program product with elements corresponding to those of claim 13. Patent Owner argues that claims 13, 32, and 52 recite limitations that further tie the claims to a particular EBPP system because they describe functionality the central clearinghouse must have to continue receiving bill information from a payee for a payer. PO Resp. 65. The order of the receipt of

the second bill information recited in claims 13, 32, and 52 merely describes a logical sequence of receiving information and does not limit the scope of the corresponding claims meaningfully. Therefore, we conclude that claims 13, 32, and 52 do not recite patent-eligible subject matter.

Claims 14, 33, and 53

Claim 14, which depends from claim 1, recites that the identified bill presentment information comprises a first notification and adds the steps of the clearinghouse determining payer identification information, utilizing a portion of that payer identification information to access stored electronic billing information for the payer, identifying for the payer an electronic bill available to the payer through the clearinghouse, generating a second notification of a second bill presentment information, and transmitting the second notification. Claims 33 and 53 recite a system and a computer program product with elements corresponding to those of claim 14. Patent Owner argues that by using the information identifying the payer, the system could identify another payee of the payer and notify the payer of the availability of an electronic bill from that additional payee. PO Resp. 66–67. Thus, according to Patent Owner, the claims are directed to a system that can only function when implemented on or integrated with a computer that possesses specific functionality. *Id.* However, the limitations recited in claims 14, 33, and 53 are mere functions of an intermediary and do not play a significant role in permitting the method to be performed. Thus, we conclude that claims 14, 33, and 53 do not recite patent-eligible subject matter.

Claims 15–16, 34–35, and 54–55

Claim 15, which depends from claim 14, recites that the electronic bill is a bill of a second payee different from the first payee. Claims 34 and 54 recite a system and a computer program product with elements corresponding to those of

claim 15. Claims 16, 35, and 55 recite that the second payee is an electronic biller capable of electronic bill presentment through the clearinghouse. Patent Owner argues that claims 15, 16, 34, 35, 54, and 55 are not directed to an abstract process, but instead are directed to a specific applied system that provides a tangible service to users. PO Resp. 67–68. The status of a payee as a second payee different from the first payee or as an electronic biller does not alter the abstract concept of the clearinghouse acting as an intermediary between the payer and payee. Thus, we conclude that claims 15, 16, 34, 35, 54, and 55 do not recite patent-eligible subject matter.

Claims 17–18, 36–37, and 56–57

Patent Owner argues that claims 17, 36, and 56 are directed to a specific applied system that provides a tangible service to users, rather than to an abstract concept. PO Resp. 68. Patent Owner argues that claims 18, 37, and 57 facilitate a payer's future use of the EBPP system that ensures the system can provide a payer with notifications about electronic bill presentment about any payee in which he or she may be interested. *Id.* at 69. Claim 17 depends from claim 16 and recites that the second notification comprises an indication that the second payee's electronic bill is available through the clearinghouse. Claims 36 and 56 recite a system and a computer program product with elements corresponding to those of claim 17. Claim 18 depends from claim 1 and further recites storing in the payer's pick list an indication of the payee's identification. Claims 37 and 57 recite a system and a computer program product with elements corresponding to those of claim 18. These limitations recite storing indications of features associated with the payee, i.e., bill availability and payee identification, but they do not change the abstract concept recited in claims. Thus, we conclude that claims 17, 18, 36, 37, 56, and 57 do not recite patent-eligible subject matter.

Claims 19, 38–39, and 58

Claim 19, which depends from claim 18, recites that the payer's pick list comprises multiple payees identified by the payer and further recites the clearinghouse transmitting to the payer a pick list presentation that includes the generated notification of the bill presentment information. Claims 38 and 58 recite a system and a computer program product with elements corresponding to those of claim 19. Claim 39, which depends from claim 38, recites that the presentation includes bill presentment information. Patent Owner argues that a payer's pick list is a tangible product or service that allows a user to pay bills, sign up for electronic bill presentment, and be notified of any existing electronic bills in the context of particular payees. PO Resp. 70. As discussed above, the '749 Patent describes a pick list as a database containing the list of payees for a user. Ex. 1001, col. 16, ll. 49–65. The entries in the database, i.e., payee identifiers, street addresses, cities, states, zip codes, phone numbers, and consumer account numbers are not tangible products or services. The fact that a payer's pick list includes multiple payees and that the list with notification of bill presentment information can be transmitted to the payer does not change the abstract nature of the claimed subject matter. The clearinghouse acts as an intermediary between the payer and the payee and simply transmits the information to the payer. Thus, we conclude that claims 19, 38, 39, and 58 do not recite patent-eligible subject matter.

MOTION TO EXCLUDE

Patent Owner moves to exclude certain paragraphs of the declaration of Petitioner's expert Michael Shamos. Paper 41 ("Mot. to Exclude"). Petitioner opposes Patent Owner's Motion to Exclude on the basis that these statements

Patent Owner moves to exclude are proper rebuttal to Patent Owner's experts. Paper 42 ("Opp. to Mot. to Exclude"). Our Final Written Decision does not cite or rely on any of the subject matter Patent Owner seeks to exclude. Therefore, we dismiss Patent Owner's Motion to Exclude.

SUMMARY

For the reasons discussed above, we conclude that it has been shown, by a preponderance of the evidence, that claims 1–60 of the '749 Patent do not recite patent-eligible subject matter.

ORDER

In consideration of the foregoing, it is hereby:

ORDERED that claims 1–60 are unpatentable;

FURTHER ORDERED that Patent Owner's Motion to Exclude is dismissed; and

FURTHER ORDERED that, because this is a final written decision, the parties to the proceeding seeking judicial review of the decision must comply with the notice and service requirements of 37 C.F.R. § 90.2.

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