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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
15/637,747	06/29/2017	Simon Phillips	P03672-US-UTIL (M01.475)	8558

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EXAMINER	
DEGA, MURALI K	

ART UNIT	PAPER NUMBER
3697	

NOTIFICATION DATE	DELIVERY MODE
10/23/2019	ELECTRONIC

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

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

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

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Office Action Summary	Application No. 15/637,747	Applicant(s) Phillips et al.	
	Examiner MURALI K DEGA	Art Unit 3696	AIA (FITF) Status Yes

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTHS FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☑ Responsive to communication(s) filed on 29 June 2019.

☐ A declaration(s)/affidavit(s) under **37 CFR 1.130(b)** was/were filed on _____.

2a)☐ This action is **FINAL.** 2b) ☑ This action is non-final.

3)☐ An election was made by the applicant in response to a restriction requirement set forth during the interview on _____; the restriction requirement and election have been incorporated into this action.

4)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims*

5) ☑ Claim(s) 1-20 is/are pending in the application.

5a) Of the above claim(s) _____ is/are withdrawn from consideration.

6) ☐ Claim(s) _____ is/are allowed.

7) ☑ Claim(s) 1-20 is/are rejected.

8) ☐ Claim(s) _____ is/are objected to.

9) ☐ Claim(s) _____ are subject to restriction and/or election requirement

* If any claims have been determined allowable, you may be eligible to benefit from the **Patent Prosecution Highway** program at a participating intellectual property office for the corresponding application. For more information, please see http://www.uspto.gov/patents/init_events/pph/index.jsp or send an inquiry to **PPHfeedback@uspto.gov.**

Application Papers

10)☐ The specification is objected to by the Examiner.

11)☑ The drawing(s) filed on 29 June 2019 is/are: a)☑ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

Certified copies:

a)☐ All b)☐ Some** c)☐ None of the:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

** See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☑ Notice of References Cited (PTO-892)

2) ☑ Information Disclosure Statement(s) (PTO/SB/08a and/or PTO/SB/08b) Paper No(s)/Mail Date 20170918.

3) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date _____.

4) ☐ Other: _____.

DETAILED ACTION

Acknowledgements

1. This Office action is in response to the original documents filed on 29 June 2016.

2. Claims 1-20 are pending.

3. Claims 1-20 are examined.

Claim Rejections - 35 USC § 101

4. 35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

5. Claims 1-20 are rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory subject matter.

6. First, the current statutory subject matter test is performed and the claims recite a device or set of devices and therefore directed to a machine which is a statutory category.

7. Second, step 2A, Prong One: The claims recite a method for engaging in a transaction at a point of sale, transmitting transaction details, receiving a response and based on response making a payment the point of sale. The claimed limitations recite a process of receiving data,

processing data and determining the payment, which is an abstract process because it addresses receiving information and processing information, to enable payment. This is managing human activity.

8. Step 2A, prong two: This judicial exception is not integrated into a practical application. In particular, the claim only recites the additional elements of a computing device, a computer readable storage medium for receiving and processing information. The computing devices usage in all steps is recited at a high-level of generality (i.e., as a generic processor performing a generic computer function of causing the computing device to receive and send information to facilitate information transfer between devices) such that it amounts no more than mere instructions to apply the exception using a generic computer component. Accordingly, this additional elements do not integrate the abstract idea into a practical application because it does not impose any meaningful limits on practicing the abstract idea. The claim is directed to an abstract idea. The claim does not include additional elements that are sufficient to amount to significantly more than the judicial exception. As discussed above with respect to integration of the abstract idea into a practical application, the additional element of using a processor for receiving data, processing information and determining payment, amounts to no more than mere instructions to apply the exception

using a generic computer component. Mere instructions to apply an exception “i.e. apply it” using a generic computer component cannot provide an inventive concept. The claims are not patent eligible.

9. The claims do not include additional elements that are sufficient to amount to significantly more than the judicial exception. As discussed above with respect to integration of the abstract idea into a practical application, the additional elements - (i.e., as a generic processor performing a generic computer function of causing the computing device to receive information, transfer information and process information) amount to no more than mere instructions to apply the abstract idea using generic computer components. In conclusion, merely “applying” the exception using generic computer components cannot provide an inventive concept. Therefore, the claim is not patent eligible under 35 USC 101.

10. Accordingly, claims 1-20 are rejected as being directed to non-statutory subject matter.

Claim Rejections - 35 USC § 103

11. The following is a quotation of 35 U.S.C. §103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained through the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented 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 to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

12. Claims 1, 2, 6-10, 12-16, 19 and 20 as understood by the Examiner, are rejected under 35 U.S.C. §103(a) as being unpatentable over Park et al. (US 2016/0253651) and further in view of Carter (US 2010/0318446)

13. With respect to claims 1, 10 and 16:

14. Park discloses a method of operating a payment-enabled mobile device that runs a merchant wallet application ("a payment module of an electronic card on a screen, detect a selection of the payment module, and perform a payment using the electronic card", Abstract), the wallet application ("a payment application (e.g., wallet application) 612 ", [0158]) issued by a merchant, the method comprising:

a. engaging in a transaction with the payment-enabled mobile device at a point of sale ("a payment transaction initiated by a user or POS device starts", [1622])

b. receiving a response message at the payment-enabled mobile device from the authentication server ("the notification relay application may receive notification information from, for example, an external electronic device and provide the received notification information to a user.", [0142])

c. in response to receiving the response message, making payment credential information available to at least one of (a) a POS terminal operated by the merchant; and (b) a payment processor acting for the merchant ("The data reception module 831 may receive a pulse signal in the form of a logical low/high value, which includes payment information transmitted from the processor 850 or the security module (e.g., eSE). Data that the data reception module 831 receives may be in the form of track data of a magnetic stripe of a magnetic card. For example, the received data may be in a form in which a token and payment verification data are inserted into at least one of the formats of track 1, 2, and 3 of the magnetic stripe", [0177])

d. Park discloses a system for using a mobile device that is capable of performing payment transactions using the mobile communication technologies executing a mobile payment application but does not explicitly disclose a transaction authentication server.

e. However, Carter teaches transmitting transaction detail data via the internet from the wallet application in the payment-enabled mobile device to a transaction authentication server ("Item 106, Authorization server/issuer server, Fig. 1), the transaction detail data including

details of said transaction ("During a purchase transaction, the payment card account number and other information may be uploaded from the IC payment card to the POS terminal via the IC card contacts and a contact card reader that is included in the POS terminal", [0002])

a. Therefore, it would have been obvious to one of ordinary skill in the art, at the time of invention to have combined the system for using a mobile device that is capable of performing payment transactions using the mobile communication technologies executing a mobile payment application as taught by Park with the system for transaction authentication using a authorization server as taught by Carter with the motivation to provide a system that is capable of performing a financial transaction using a payment enable mobile device securely, since so doing could be performed readily and easily by any person of ordinary skill in the art, with neither undue experimentation, nor risk of unexpected results.

f.

15. With respect to claim 2:

16. Park discloses wherein the transmitted transaction detail data includes purchased item details that identify items purchased in the

transaction (“the POS device 3120 may transfer, to the purchase server 3130, the token received by the electronic device 3110 and/or the cryptogram, and the payment information (e.g., payment details) acquired by the POS device 3120. Further, the payment information may be, for example, acquired from the POS device 3120 or received from an external device, and may include payment details relating to a payment function requested by the user. “, [0361] and “the purchase server 3130 may transfer at least one among the token, the cryptogram, and the payment information, which have been received from the POS device 3120, to the purchase network 3140”, [0362])

17. With respect to claims 6 and 19:

18. Park discloses wherein the wallet application transmits to the transaction authentication server, prior to the receiving step, an indication that the payment-enabled mobile device has performed a user authentication procedure in connection with the transaction (“The payment management module 1831 may display product information (e.g., a price) received from the POS device 740 through the display 160. The payment management module 1831 may perform user authentication (e.g., fingerprint authentication) through the authentication module 1835 for payment. If the authentication has been completed, the payment

management module 1831 may display notification information reporting the completion of payment through the display 160.", [0222])

19. With respect to claims 7, 15 and 20:

20. Park discloses wherein said indication specifies a type of said user authentication procedure. ("The payment management module 1831 may perform user authentication (e.g., fingerprint authentication) through the authentication module 1835 for payment.", [0222])

21. With respect to claim 8:

22. Park discloses prior to said transmitting step, receiving a digital receipt for the transaction, by the payment-enabled mobile device, from a merchant device at the point of sale ("the notification relay application may include a function of transferring, to the electronic device 102 or 104, notification information generated from other applications of the electronic device 101 (e.g., an SMS/MMS application 373, an e-mail application 380, a health management application, or an environmental information application). Further, the notification relay application may receive notification information from, for example, an external electronic device and provide the received notification information to a user.", [0142])

23. With respect to claim 9:

24. Park discloses wherein the payment-enabled mobile device extracts at least some of the transaction detail data from the digital receipt ("When Merchant ID is valid, Samsung Pay may show a payment mode screen together with detailed transaction information Card screen (B) may be a payment mode screen.", [1172])

25. With respect to claim 12:

26. Park discloses wherein said risk management processing is based at least in part on said price ranges associated with the identified product items ("If the card supports combined DDA/AC generation, then the terminal issues two READ RECORD commands to retrieve the card data elements necessary to recover the ICC Public Key. These data elements are located in the first and second record of the file with SFI 4. After terminal risk management (application expiry date checking, terminal floor limit checking, exception file checking, etc.) has been completed, the terminal makes a preliminary decision to decline the transaction offline, complete it online or accept it offline. This decision is based upon the Terminal Verification Results (TVR), the issuer action preferences and acquirer action preferences according to the method described in [EMV BOOK 3]" [0313] Table 5)

27. With respect to claim 13:

28. Park discloses in response to a result of the risk management processing, generating a cryptogram by the computer ("FIG. 25 a block diagram of a method of generating a token cryptogram according to an embodiment of the present disclosure", [0032]) and transmitting the cryptogram by the computer to (a) a merchant device associated with the transaction; or (b) a transaction processor associated with a merchant involved in the transaction ("The HCE function may transfer a token and a token cryptogram through a communication module (e.g., NFC), using a message standard (e.g., application protocol data unit (APDU)) associated with a POS device.", [0262])

29. With respect to claim 14:

30. Park discloses wherein the risk management processing is based at least in part on at least one of: (i) device identification data received from the payment-enabled mobile device, said device identification data uniquely identifying said payment-enabled mobile device; and (ii) an indication that the payment-enabled mobile device has performed a user authentication procedure in connection with the transaction, said indication received by the computer from said payment-enabled mobile device ("The payment management module 1831 may display product information (e.g., a price) received from the POS device 740 through the display 160. The payment

management module 1831 may perform user authentication (e.g., fingerprint authentication) through the authentication module 1835 for payment. If the authentication has been completed, the payment management module 1831 may display notification information reporting the completion of payment through the display 160.", [0222])

31. Claims 3-5, 11, 17 and 18 are rejected under 35 U.S.C. 103(a) as being unpatentable over Park (3651) and Carter as applied to claims 1, 2, 6-10, 12-16, 19 and 20 above and in further view of Park (US 2018/0032993) hereafter called Park (2993).

32. With respect to claims 3, 11 and 17:

33. Park (2993) teaches wherein the transmitted transaction detail data includes a respective price range for each purchased item ("The preset items associated with the payment may include at least one of a type of business, a name of seller, an address of the seller, a selling item, or a price range, as only examples. The payment condition is not limited to the foregoing examples and thus, may vary depending on embodiment.", [0085])

34. With respect to claim 4:

35. Park (2993) teaches wherein the wallet application transmits to the transaction authentication server, prior to the receiving step, location data that indicates a current location of the payment-enabled mobile device ("The item associated with a device of the agent terminal may include at least one of, for example, a phone number of the device, a device identification number, location information of the device,", [0116])

36. With respect to claims 5 and 18:

37. Park (2993) teaches wherein the wallet application transmits to the transaction authentication server, prior to the receiving step, device identification data that uniquely identifies the payment-enabled mobile device ("For example, while an example card information may include a credit card number, the card indication information may include contact information of a mobile terminal to which a payment approval request is to be ultimately transmitted through a remote payment application executed by a processor of the corresponding remote payment apparatus 200. The contact information includes, for example, a phone number of the mobile terminal, other identification information of the mobile terminal, or an identifier of an application installed and to be executed by the mobile terminal, for example", [0069])

38. Therefore it would have been obvious to one of ordinary skill in the art, at the time of invention to have combined the system for using a mobile device that is capable of performing payment transactions using the mobile communication technologies executing a mobile payment application and transaction authentication using an authorization server as taught by combination of Park and Carter with that of a system that uses risk management methods along with mobile device location information with the motivation to provide a system that is capable of performing a financial transaction using a payment enable mobile device securely, without any risk of fraud being perpetrated, since so doing could be performed readily and easily by any person of ordinary skill in the art, with neither undue experimentation, nor risk of unexpected results.

Conclusion

39. Any inquiry concerning this communication or earlier communications from the Examiner should be directed to MURALI K. DEGA whose telephone number is (571)270-5394. The Examiner can normally be reached on Monday to Thursday 7.00AM to 5.30 PM

40. If attempts to reach the examiner by telephone are unsuccessful, the Examiner's supervisor, Namrata Boveja can be reached on (571) 272-

8105. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

41. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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Art Unit: 3696

/ABHISHEK VYAS/
Primary Examiner, Art Unit 3691