

The opinion in support of the decision being entered today was **not** written for publication and is **not** binding precedent of the Board.

Paper No. 13

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte W. BRADLEY WILKES

Appeal No. 2001-1000
Application No. 08/835,404

On Brief

Before HAIRSTON, DIXON, and BARRY, **Administrative Patent Judges**.
DIXON, **Administrative Patent Judge**.

DECISION ON APPEAL

This is a decision on appeal under 35 U.S.C. § 134 from the examiner's final rejection of claims 1-22, which are all the claims pending in this application.

We REVERSE.

BACKGROUND

Appellant's invention relates to a method and apparatus for credit card processing via a facsimile machine without the need for a traditional credit card swipe machine. An understanding of the invention can be derived from a reading of exemplary claim 1, which is reproduced below.

1. A method for making a credit card transaction utilizing a facsimile machine to transmit information to a credit card processing center, and thereby enable a small volume of credit card transactions to be affordable, said method comprising the steps of:

- (1) imprinting information relevant to the credit card transaction on a transmittal form;
- (2) transmitting the information on the transmittal form from a first facsimile transmission/reception capable machine to a second facsimile transmission/reception capable machine at a first processing location;
- (3) converting the information on the transmittal form to an electronic format which is suitable for delivery to a credit card processing information center;
- (4) accessing the credit card processing information center and transmitting the electronic format of the information thereto for determination of whether the credit card transaction is allowable;
- (5) receiving an approval status from the credit card processing information center at the first processing center; and
- (6) transmitting the approval status of the credit card transaction to the first facsimile transmission/reception capable machine.

The prior art references of record relied upon by the examiner in rejecting the appealed claims are:

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Jones et al. (Jones) 5,239,462 Aug. 24, 1993

Radigan, "Fighting over Internet Payments," **US Banker**, Vol. 106, No. 2, pp 43-45 (Feb. 1996)

"GMAC's 10-Minute Credit Review," **PR Newswire** (Mar. 20, 1997) (PR Newswire)

Claims 1-9 and 13-22 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Jones in view of PR Newswire. Claims 10-12 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Jones in view of PR Newswire and Radigan.

Rather than reiterate the conflicting viewpoints advanced by the examiner and appellant regarding the above-noted rejections, we make reference to the examiner's answer (Paper No. 11, mailed Sep. 26, 2000) for the examiner's reasoning in support of the rejections, and to appellant's brief (Paper No. 10, filed Aug. 2, 2000) for appellant's arguments thereagainst.

OPINION

In reaching our decision in this appeal, we have given careful consideration to appellant's specification and claims, to the applied prior art references, and to the respective positions articulated by appellant and the examiner. As a consequence of our review, we make the determinations which follow.

To reject claims in an application under section 103, an examiner must show an unrebutted *prima facie* case of obviousness. **See In re Deuel**, 51 F.3d 1552, 1557, 34

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USPQ2d 1210, 1214 (Fed. Cir. 1995). In the absence of a proper *prima facie* case of obviousness, an applicant who complies with the other statutory requirements is entitled to a patent. **See In re Oetiker**, 977 F.2d 1443, 1445, 24 USPQ2d 1443, 1444 (Fed. Cir. 1992). On appeal to the Board, an applicant can overcome a rejection by showing insufficient evidence of *prima facie* obviousness or by rebutting the *prima facie* case with evidence of secondary indicia of nonobviousness.

In re Rouffet, 149 F.3d 1350, 1355, 47 USPQ2d 1453, 1455 (Fed. Cir. 1998).

At the outset, we note that the examiner has addressed the limitations of independent claim 1 identifying what is taught expressly by Jones and PR Newswire and what is not explicitly taught. The examiner admits that Jones does not teach credit card transactions (answer at page 3) and maintains that the methods of automated credit application approval using facsimile transmission were taught by Jones and that PR Newswire teaches and suggests the use of OCR processing for credit application processing. The examiner further maintains that in light of the teachings of Jones regarding an application for “personal revolving debt,” it would have been obvious to one of ordinary skill in the art that this would similarly extend to credit card transactions. (See answer at page 3.) We agree with the examiner that Jones teaches and suggests the automated processing of a paper application. We find that the scanning and facsimile transmission and interpretation of the image would have been OCR processing and providing an automatic approval status to the applicant. (Jones at columns 2-3.) Additionally, Jones discloses that various approval statuses may be

transmitted in response including a “rejected” status of the credit application. (Jones at column 5.) The examiner relies on the teaching of Jones that a system for the real time automatic determination of the approval status of a loan borrower’s application may be used for a personal revolving debt or a general loan to suggest that “artisans would determine the utility of the system for credit card transactions as well as other credit-related authorizations.” (See answer at page 3.) Appellant argues that an automated credit application approval system does not teach or suggest using the system for credit card transactions. (See brief at page 11.) Additionally, appellant argues that the examiner’s characterization of revolving debt as equated to lines of credit which include credit cards (answer at page 3) is unreasonable. (See brief at pages 11-12.) Appellant supplies a copy of a newsletter from the financial services industry “The Green Sheet.” (See appendix B to the brief.) While we do not find the content of this article in this publication alone to be persuasive, we do not find that the examiner has supported the conclusion of obviousness with a convincing line of reasoning why the processing of a credit application would have fairly suggested the extension of the system of Jones to credit card transactions beyond the fact that the word “credit” is in each transaction.

While we find that it would have been obvious to one of ordinary skill in the art at the time of the invention to implement the systems of Jones and PR Newswire to apply for a credit card or other credit application desiring a prompt determination and issuance, we do not find any evidence or a convincing line of reasoning as to why it

would have been obvious to one of ordinary skill in the art at the time of the invention to implement the systems of Jones and PR Newswire for processing credit card transactions for transactions where a credit card application has already been approved. Generally, we find no evidence in the record that credit card transactions as processed with card swipe machines are not promptly and timely processed in an acceptable manner. Furthermore, we find no evidence or suggestion in the record that once the credit application is approved, a specific credit card transaction on an active credit card account would have been processed in a different manner which is slower than that known and accepted in the credit card processing art.¹

Appellant argues, based upon the Green Sheet article filed with appellant's brief as Appendix B and the newspaper article filed with appellant's brief as Appendix C, that the industry and those in the credit card transaction art contradict the examiner's conclusions regarding obviousness. (See brief at pages 11-13.) We do not find appellant's reliance on the Green Sheet article and newspaper article to be persuasive or carry substantial weight as appellant asserts since these publications are not directly concerned with obviousness nor the prior art applied against the claims. Therefore, we do not find this argument persuasive, and we do not rely on this extrinsic evidence. Nor

¹ Additionally, we find no teaching or suggestion in the prior art of using an intermediate between the user and the approval entity to receive, convert and transmit the converted information to the approval entity, and then to receive and retransmit the approval.

do we find that appellant has provided any evidence of commercial success or a “need in the industry” of the invention as asserted by appellant. (See brief at pages 13-14.)

With this said, we agree with appellant that the examiner has not established a ***prima facie*** case of obviousness and motivation to apply and extend the teachings of Jones and PR Newswire to credit card transactions. Appellant argues that the examiner has not provided any evidence in support of the conclusion of obviousness other than to conclude that “if credit application transactions can be approved using a facsimile machine, credit card transactions must be just as easy.” (See brief at page 14.) Additionally, appellant argues that the type of credit being discussed in PR Newswire is not a credit card transaction and that the procedures in getting a loan approved are substantially different from getting a credit card transaction approved. (See brief at page 15.) We agree with appellant that the examiner has not provided a clear teaching or convincing line of reasoning for modifying the credit application process to suggest the extension of the process to the processing of credit card transactions. Even if we were to interpret the teachings of Jones to go to the initial credit application processing to acquire a credit card, this would not meet the limitations of independent claim 1 since there would be no “credit card transactions” prior to the issuance of the account and credit card. Prior to the approval of the credit card application, there would be no credit card transactions and neither Jones nor PR Newswire teach or fairly suggest the use of their systems for transactions after the initial credit application approval. Therefore, we

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find that the examiner has not established a *prima facie* case of obviousness of the claimed invention, and appellant has shown error therein. Therefore, we will not sustain the rejection of independent claim 1 and its dependent claims 2-9 and 13-18 under 35 U.S.C. § 103(a). Similarly, we will not sustain the rejection of independent claim 19 and its dependent claims 20-22 under 35 U.S.C. § 103(a). Moreover, we find that the teachings of Radigan do not remedy the deficiency in the base combination, and we will not sustain the rejection of dependent claims 10-12 under 35 U.S.C. § 103(a).

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CONCLUSION

To summarize, the decision of the examiner to reject claims 1-22 under 35 U.S.C. § 103(a) is reversed.

REVERSED

KENNETH W. HAIRSTON
Administrative Patent Judge

JOSEPH L. DIXON
Administrative Patent Judge

LANCE LEONARD BARRY
Administrative Patent Judge

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