

**UNITED STATES PATENT AND TRADEMARK OFFICE**

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**BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES**

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*Ex parte* STEPHEN V. BURAKOFF, SERGIU S. SIMMEL, and ROBERT A. FEIN

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Appeal No. 2002-1697  
Application No. 09/023,039

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ON BRIEF<sup>1</sup>

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Before FLEMING, BARRY, and SAADAT, *Administrative Patent Judges*.  
BARRY, *Administrative Patent Judge*.

DECISION ON APPEAL

A patent examiner rejected claims 1-24. The appellants appeal therefrom under 35 U.S.C. § 134(a). We reverse.

BACKGROUND

The invention at issue on appeal obtains consent to the electronic delivery of financial data required by the Securities and Exchange Commission ("SEC"). The SEC requires that specific data about investments be delivered to investors. For example, a

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<sup>1</sup>The appellants' request for an oral hearing, (Paper No. 18), was denied because it was submitted "almost a month" too late. (Paper No. 19.)

mutual fund prospectus must be delivered to a prospective investor in a way that gives him "notice and access." (Spec. at 1.) The delivery requirement can be met by sending the prospectus via the U.S. Postal Service.

Delivering paper prospectuses and hard copies of other required documents (e.g., "sticker updates" to prospectuses) to investors, however, is time consuming and costly. The appellants estimate that "[p]rinting and mailing costs alone can amount to thousands or millions of dollars per year for a single mutual fund." (*Id.*)

In contrast, the appellants use physical delivery of electronic media to obtain an investor's consent to the electronic delivery of SEC-required data. (*Id.* at 2.)

Specifically, a diskette containing an electronic prospectus for a mutual fund is mailed to a prospective investor. After inserting the diskette into a computer, the investor can display and read the prospectus on the computer's monitor. In addition, software on the diskette prompts the investor to consent to the electronic delivery of at least one additional compliance document or to the electronic delivery of a notification of the existence of at least one additional compliance document that he agrees to obtain and review. Having secured the investor's consent, additional software electronically communicates that consent to a server maintained by the issuer of the mutual fund or an independent service. Depending on the consent obtained, the investor might later

receive an electronic mail ("e-mail") message containing and update (i.e., "sticker") to the prospectus. Alternatively, he might later receive an e-mail message notifying him that a particular site on the World Wide Web has posted the sticker and that the investor should view the sticker by a certain date. (*Id.* at 3.) The appellants boast that their invention allows financial companies to save time and money when attracting potential investors. (Appeal Br. at 2.)

A further understanding of the invention can be achieved by reading the following claim.

13. A method for obtaining consent for computer-aided delivery of compliance information, comprising:

providing to an individual compliance information on a first computer;

prompting the individual with the first computer to consent to subsequent computer-aided delivery of additional compliance information; and

communicating the individual's consent from the first computer to a second computer.

Claims 1-24 stand rejected under 35 U.S.C. § 103(a) as obvious over U.S. Patent No. 5,457,746 ("Dolphin") and U.S. Patent No. 5,315,634 ("Tanaka").

## OPINION

Rather than reiterate the positions of the examiner or the appellants *in toto*, we address the main point of contention therebetween. The examiner asserts, "Dolphin discloses . . . forwarding a computer-readable data storage device to an individual (column 4: lines 23-38), the device storing compliance information and computer-executable instructions for obtaining consent for computer-aided delivery of additional compliance information (column 4: lines 23-38)[.]" (Examiner's Answer at 3.) Noting that "[n]either Dolphin nor Tanaka deals with the issue of computer-aided delivery of compliance information or obtaining user consent to the same," (Appeal Br. at 12), the appellants argue, "[t]he[ir] combination fails to teach any of the claim limitations of obtaining consent, communicating the individual's consent or the delivery, and storing of compliance information. . . ." (*Id.* at 12-13.)

In addressing the point of contention, the Board conducts a two-step analysis. First, we construe claims at issue to determine their scope. Second, we determine whether the construed claims would have been obvious.

### 1. CLAIM CONSTRUCTION

"Analysis begins with a key legal question -- *what* is the invention *claimed*?"  
*Panduit Corp. v. Dennison Mfg. Co.*, 810 F.2d 1561, 1567, 1 USPQ2d 1593, 1597 (Fed.

Cir. 1987). In answering the question, "the Board must give claims their broadest reasonable construction. . . ." *In re Hyatt*, 211 F.3d 1367, 1372, 54 USPQ2d 1664, 1668 (Fed. Cir. 2000). "Moreover, limitations are not to be read into the claims from the specification." *In re Van Geuns*, 988 F.2d 1181, 1184, 26 USPQ2d 1057, 1059 (Fed. Cir. 1993) (citing *In re Zletz*, 893 F.2d 319, 321, 13 USPQ2d 1320, 1322 (Fed. Cir. 1989)).

Here, independent claim 13 recites in pertinent part the following limitations: "providing to an individual compliance information on a first computer; prompting the individual with the first computer to consent to subsequent computer-aided delivery of additional compliance information; and communicating the individual's consent from the first computer to a second computer." Independent claims 1 and 21 include similar limitations. Although we agree with the examiner's premise that the claimed "'compliance information' constitutes non-functional descriptive data," (Examiner's Answer at 11), we disagree with his conclusion it "therefore, bears no patentable weight." (*Id.*) To the contrary, "every limitation positively recited in a claim must be given effect in order to determine what subject matter that claim defines." *In re Wilder*, 429 F.2d 447, 450, 166 USPQ 545, 548 (CCPA 1970). "All words in a claim must be considered in judging the patentability of that claim against the prior art." *In re Wilson*, 1424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970). Giving the independent

claims their broadest, reasonable construction, the limitations require using a computer to provide a specific type of data to an individual, causing the computer to prompt the individual to consent to computer-aided delivery of additional data **of the same type**, and communicating the consent from the computer to another computer.

## 2. OBVIOUSNESS DETERMINATION

Having determined what subject matter is being claimed, the next inquiry is whether the subject matter would have been obvious. "In rejecting claims under 35 U.S.C. Section 103, the examiner bears the initial burden of presenting a *prima facie* case of obviousness." *In re Rijckaert*, 9 F.3d 1531, 1532, 28 USPQ2d 1955, 1956 (Fed. Cir. 1993) (citing *In re Oetiker*, 977 F.2d 1443, 1445, 24 USPQ2d 1443, 1444 (Fed. Cir. 1992)). "A *prima facie* case of obviousness is established when the teachings from the prior art itself would . . . have suggested the claimed subject matter to a person of ordinary skill in the art." *In re Bell*, 991 F.2d 781, 783, 26 USPQ2d 1529, 1531 (Fed. Cir. 1993) (quoting *In re Rinehart*, 531 F.2d 1048, 1051, 189 USPQ 143, 147 (CCPA 1976)).

Here, Dolphin discloses "a system for delivering encrypted data on a portable data storage unit and transmitting an access code from a remote location to decrypt the encrypted data." col. 1, ll. 12-14. "The data can include any type of data which can be

stored on a portable storage unit 22 such as, and hereinafter referred to as CD-ROM 22." Col. 4, ll. 12-15. The system uses a computer to provide a specific type of data, viz., menu data, to an individual. Specifically, "[w]hen the user 26 loads the CD-ROM 22 into its CD-ROM reader, the user is presented with a **menu** on the computer or television monitor or screen **which indicates what data is stored on the CD-ROM 22.**" *Id.* at ll. 39-42 (emphases added). We are unpersuaded, however, that the system obtains the user's consent to computer-aided delivery of additional data of the same type. To the contrary, "the user 26 communicates with the billing/access center 23 . . . sending a request for a particular access code. Upon authorization, billing/access center 23 downloads or sends to the user 26 . . . an access code to decrypt the data." *Id.* at ll. 48-54. The access code comprises data different from the menu data (and different from the encrypted data stored on the CD-ROM.)

The examiner also "refer[s] to Tanaka's abstract, in which he discloses that a trader will contact the contractor with confirmation information, and in response, the contractor reconfirms the fairness of the trading data using at least a portion of the confirmation information. . . ." (Examiner's Answer at 4.) For its part, the reference discloses "an automatic trading method and apparatus wherein a confirmation procedure is provided to verify that a subject trade is properly authorized." Col. 1, ll. 8-11. We are unpersuaded, however, that the method or apparatus obtains a user's

consent to computer-aided delivery of data. To the contrary, Tanaka's invention is used for "selling/buying, cancellation of a contract or changing of a trader relative to financial security papers such as stocks and various goods. . . ." Col. 3, ll. 42-45.

Absent a teaching or suggestion of using a computer to provide a specific type of data to an individual, causing the computer to prompt the individual to consent to computer-aided delivery of additional data of the same type, and communicating the consent from the computer to another computer, we are unpersuaded of a *prima facie* case of obviousness. Therefore, we reverse the obviousness rejection of claim 1; of claims 2-12, which depend therefrom; of claim 13; of claims 14-20, which depend therefrom; of claim 21; and of claims 22-24, which depend therefrom.

CONCLUSION

In summary, the rejection of claims 1-23 under § 103(a) is reversed.

REVERSED

MICHAEL R. FLEMING  
Administrative Patent Judge

LANCE LEONARD BARRY  
Administrative Patent Judge

MAHSHID A. SAADAT  
Administrative Patent Judge

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Appeal No. 2002-1697  
Application No. 09/023,039

Page 10

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