

The opinion in support of the decision being entered today was not written for publication and is not binding precedent of the Board.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. 22

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte RICHARD C. JOHNSON

Appeal No. 2003-1410
Application 09/272,056

ON BRIEF

Before THOMAS, KRASS, and BARRY, Administrative Patent Judges.

THOMAS, Administrative Patent Judge.

DECISION ON APPEAL

Appellant has appealed to the Board from the examiner's final rejection of claims 1 through 40.

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Representative claim 1 is reproduced below:

1. A computer-implemented draft authentication method for use in e-commerce, comprising the steps of:

storing, for each of a plurality of draft drawers, at least one piece of unique identifying information, said at least one piece of unique identifying information being linked at least to said respective drawer's financial information;

authenticating a drawer of a draft by immediately encrypting at least a portion of an identification data provided by the drawer and successfully matching the immediately encrypted identification data with said at least one stored piece of identifying information;

retrieving at least the drawer's financial information and establishing constraints based on the retrieved financial information;

honoring a draft presented by a payee with whom the drawee has a partner relationship only when the drawer of the presented draft is successfully authenticated by drawee and the constraints are satisfied.

The following reference is relied on by the examiner:

Sixtus	5,903,721	May 11, 1999 (filed Mar. 13, 1997)
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Claims 1 through 40 stand rejected under 35 U.S.C. § 102(e) as being anticipated by Sixtus.

Rather than repeat the positions of the appellant, reference is made to the Brief and Reply Brief for appellant's positions and to the Answer for the examiner's positions.

OPINION

We reverse the rejection of claims 1 through 40 under 35 U.S.C. § 102. The examiner has not established a prima facie case of anticipation of each of the respective independent claims 1, 15, 26 and 38 on appeal.

The examiner's attempts to show teachings in Sixtus that correlate to the subject matter of independent claim 1 at page 4 of the Answer and independent claim 15 at pages 5 and 6 of the Answer, as well as the examiner's reliance upon Sixtus to reach the identified dependent claims, relies only upon the abstract and portions of columns 1 through 3 of this reference. Method independent claim 1 does in fact correspond to the subject matter of medium independent claim 26, and appellant agrees to this in the principal Brief on appeal. On the other hand, the examiner's view that claim 38 corresponds to independent claim 1 at page 8 of the Answer is clearly misplaced.

Additionally, the Answer contains substantially one half page of responsive arguments at page 9 of the Answer to respond to appellant's significant arguments in the Brief. The

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examiner's positions do not, in our view, address the principal arguments raised by appellant as to each claim argued.

For example, appellant's arguments at pages 9 through 12 of the principal Brief on appeal persuasively assert that Sixtus does not teach the claimed authentication step of claim 1 on appeal. The reasoning advanced by appellant here is persuasive as to each independent claim on appeal because, as appellant points out, Sixtus appears to go to great lengths to point out the shortcomings of encryption schemes of the prior art and indicates specifically that Sixtus chooses not to use an encryption scheme of his own in his own invention. Column 3, lines 15-18, states that it is an "object of the present invention to provide such a system that does not rely on encryption for transmittal of data over the Internet as part of the transaction approval process." This is consistent with the general statements made at column 11.

The examiner has avoided any discussion in the statement of the rejection and responsive arguments portion of the Answer regarding this claimed feature and the fact that

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Sixtus expressly teaches that his invention does not use encryption. This is significant because each of the respective independent claims on appeal requires at least one recitation of an encryption procedure.

Moreover, the examiner has made no argument to us that a user computer calculation of UMAN and the corresponding computation by the trust computer of TSMAN may correspond to some form of encryption and/or decryption notwithstanding the clear statements in the reference that it does not use encryption. The examiner has taken no position on these teachings and it is not clear to us that the artisan would have regarded the computation of these respective numerical values based upon identical mathematical functions as is typical in encryption environments as a kind of encryption of any kind let alone the nature of the encryption subject matter set forth in the claims on appeal.

In view of this scenario, we are inclined to agree with appellant's basic urgings at page 11 of the principal Brief that Sixtus does not teach the feature of immediately encrypting at

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least a portion of an identification data provided by a drawer (customer) and does not teach comparing the immediately encrypted identification data with the stored piece of identification information that is linked to a drawer's financial information as set forth in representative claim 1 on appeal in the authentication clause and correspondingly in mirror image format in independent claim 26.

As to independent claim 15, a significant feature argued by appellant as to this claim at pages 14 through 17 of the principal Brief on appeal is that this claim requires that authenticated customers be given access to a plurality of Web vendors with whom the financial institution has a partner relationship via a secure Web site. This feature relates to the showing in disclosed figure 1B in Steps 17B and Steps 18B. The examiner's arguments at page 6 of the Answer that the Abstract and the notion of inherency is sufficient to meet this limitation is misplaced. Our study of the entirety of Sixtus leads us to conclude that there is absolutely no teaching or suggestion within this reference of this claimed feature.

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Finally, that the examiner's assertion at page 8 of the Answer that claim 38 is identical to the features recited in representative claim 1 on appeal is misplaced is noted again. Appellant's arguments at pages 17 through 21 of the principal Brief on appeal are persuasive to justify the reversal of the rejection of this claim. We agree with appellant's view expressed at page 19 of this Brief that Sixtus does not disclose or suggest that the vendors maintain a second directory software storing a master list controlled and periodically updated by the first directory software where the master list includes a priority of IDs and the corresponding encrypted passwords and an identification of the financial institution. Correspondingly, Sixtus does not teach that a bank or financial institution periodically updates any list that may be maintained by a vendor in his system.

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Therefore, on the basis of the weight of the arguments and the lack of evidence persuading us of the anticipatory nature of Sixtus as to each of the respective independent claims 1, 15, 26 and 38 on appeal, we reverse the rejection of all of these claims and their respective dependent claims under 35 U.S.C. § 102. As such, the decision of the examiner is reversed.

REVERSED

JAMES D. THOMAS)	
Administrative Patent Judge)	
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)	BOARD OF PATENT
)	
ERROL A. KRASS)	APPEALS AND
Administrative Patent Judge)	
)	INTERFERENCES
)	
)	
LANCE LEONARD BARRY)	
Administrative Patent Judge)	

JDT:psb

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