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for publication and is not binding precedent of the Board.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. 14

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

Ex parte RONALD S. COK

Appeal No. 2003-2149
Application No. 09/498,379

ON BRIEF

Before McQUADE, NASE, and DIXON, Administrative Patent Judges.

NASE, Administrative Patent Judge.

DECISION ON APPEAL

This is a decision on appeal from the examiner's final rejection of claims 57 to 62, which are all of the claims pending in this application.

We REVERSE.

BACKGROUND

The appellant's invention relates to systems for the mass production and distribution of data, with or without encryption, and its decryption and playback by specially enabled machines utilizing a digital medium. More particularly, the appellant's invention relates to digital playback devices and storage media with embedded identifiers which provide control of copying and playback (specification, p. 1). A copy of the dependent claims under appeal is set forth in the appendix to the appellant's brief. Claims 57 and 59, the independent claims on appeal, read as follows:

> 57. A method for secure distribution and access to digital data, comprising:
> a) providing an encryption key set having an encryption key and a decryption key that can be divided into multiple parts, each part of which is associated with a component of a secure distribution system;
> b) encrypting the digital data with the encryption key to produce encrypted digital data;
> c) supplying the encrypted digital data along with a first part of the decryption key that is associated with the digital data to a playback device;
> d) supplying a second part of the decryption key that is associated with the playback device to the playback device; and
> e) combining the parts of the decryption keys in the playback device and using the combined decryption key to decrypt the encrypted digital data.
>
> 59. A system for secure distribution and access to digital data, comprising:
> a) a plurality of system components;
> b) an encryption key set having an encryption key and a decryption key that can be divided into multiple parts, wherein a part of the decryption key is associated with each of the system components;
> c) means for encrypting the digital data using the encryption key; and
> d) means for receiving and combining the parts of the decryption key and decrypting the encrypted digital data.

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

Obata et al. (Obata)	6,072,876	June 6, 2000
Mott et al. (Mott)	6,170,060	Jan. 2, 2001

Claims 57 to 62 stand rejected under 35 U.S.C. § 103 as being unpatentable over Obata in view of Mott. The full basis for this rejection as set forth in the final rejection (Paper No. 6, mailed November 15, 2002) is as follows:

> As to claim 57, Obata teaches a method for secure distribution and access to digital data, comprising (column 1 lines 8-25):
>
> a) Providing an encryption key set having an encryption key and a decryption key that can be divided into multiple parts, each parts of which is associated with a component of a secure distribution system (column 2 lines 46-65 and column 4 lines 45-60 and column 14 lines 11-38);
> b) Encrypting the digital data with the encryption key to produce encryption digital data (column 4 lines 45-60 and column 14 lines 11-38);
> c) Supplying the encrypted digital data along with a first part of the decryption key that is associated with digital data (column 4 lines 45-60 and column 14 lines 11-38);
> d) Supplying a second part of the decryption key (column 4 lines 45-60 and column 14 lines 11-38);
> e) Combining the parts of the decryption keys and using the combined decryption key to decrypt the encrypted digital data (column 13 lines 11-21 and Fig. 2).
>
> Obata does not specifically teach applying the encryption key and decryption key to <u>a playback device</u>. However, Mott teaches apply crypto technology to a playback device (Fig. 2). It would have been obvious to one of ordinary skill in the art at the time of the invention to allow the crypto method of Obata to be applied to a playback device so that the data can be securely transmitted from/to the playback device.

As to claim 58, a third party of the decryption key is taught by Obata as other entity (Fig. 1).

Claims 59-62 are rejected for the similar reason as claim 57.

The appellant's argument in the brief (Paper No. 11, filed February 12, 2003) is as follows:

Applicant does not agree with the Examiner's conclusion that his invention is obvious in light of Obata et al. and Mott et al. for the following reasons. Obata describes a method for depositing a private key used in a crypto system that includes the steps of dividing the private key into first and second parts at a user entity and maintaining the first part at the user entity. The second part is deposited from the user entity to another entity. In response to a user request from the user entity, the second part is delivered to the user entity, and the first and second parts are combined and used to decrypt data at the user entity.

Applicant's invention includes the feature of supplying encrypted data along with a first part of the decryption key. The Examiner suggests that this feature is disclosed by Obata at Col. 4, lines 45-60, and Col. 14, lines 11-38. However a careful reading of the referenced sections reveals no mention of Obata supplying encrypted data <u>along with</u> a part of a decryption key.

Mott discloses a system for targeting digital information to a playback device, wherein an ID is embedded in the playback device and the ID is also embedded in digital data supplied to the playback device. The IDs are compared and the digital information is played if the IDs match. Mott does not teach, show or suggest that the ID is a decryption key. Therefore Mott cannot be read as suggesting supplying a part of a decryption key <u>along with</u> digital data to a playback device.

The examiner's response to this argument in the answer (Paper No. 12, mailed May 16, 2003) is as follows:

Appellant's arguments are based on believing that Obata (U. S. Patent 6,072,876) fails to teach supplying encrypted data along with a part of a decryption key. Obata teaches supplying a part of encryption/decryption key (column 4 lines 45-60 and column 14 lines 11-38). There are only two ways that crypto keys can be delivered: keys are delivered alone, or keys are delivery with encrypted/decrypted data. It would have been obvious to one of ordinary skill in the art to choose either method of delivering crypto key according to user's design choice because of the following two main reasons:

First, appellant has no mention of any advantages in the specification that choose sending crypto key along with encrypted data over sending the crypto key alone; and also, appellant has no mention that choosing sending crypto key along with encrypted data rather than sending the crypto key alone is used for a particular purpose, or solves a stated problem. See, *In re Chu*, 36 F.3d 292, 36 USPQ2d 1089 (Fed. Cir. 1995); *In re Kuhle*, 526 F.2d 553, 188 USPQ 7 (CCPA 1975).

Secondly, sending crypto key along with encrypted data or sending crypto key alone performs equally well to appellant's claimed invention: either method results user to receive a crypto key so that the user can the key to encrypt or decrypt data. See, *In re Gal*, 980 F.2d 717, 720-21, 25 USPQ2d 1076, 1078-1079 (Fed. Cir. 1992); *In re Launder and Hosmer*, 222 F.2d 371, 105 USPQ 446 (CCPA 1955).

Thus, it would have been obvious to one of ordinary skill in the art to realize that it is indeed a design choice in Obata's system to use either method to deliver crypto keys.

OPINION

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

Initially, we note that the examiner's above-quoted conclusions of what would have been obvious to one of ordinary skill in the art set forth in the examiner's response to the appellant's argument (answer, pp. 3-4) are not part of the actual rejection under appeal.

In rejecting claims under 35 U.S.C. § 103, the examiner bears the initial burden of presenting a prima facie case of obviousness. See In re Rijckaert, 9 F.3d 1531, 1532, 28 USPQ2d 1955, 1956 (Fed. Cir. 1993). A prima facie case of obviousness is established by presenting evidence that would have led one of ordinary skill in the art to combine the relevant teachings of the references to arrive at the claimed invention. See In re Fine, 837 F.2d 1071, 1074, 5 USPQ2d 1596, 1598 (Fed. Cir. 1988) and In re Lintner, 458 F.2d 1013, 1016, 173 USPQ 560, 562 (CCPA 1972).

As set forth in the Manual of Patent Examining Procedure (MPEP) § 2141:

> Office policy has consistently been to follow *Graham v. John Deere Co.*[1] in the consideration and determination of obviousness under 35 U.S.C. 103. As quoted above, the four factual inquires enunciated therein as a background for determining obviousness are briefly as follows:
>
> (A) Determining of the scope and contents of the prior art;
> (B) Ascertaining the differences between the prior art and the claims in issue;
> (C) Resolving the level of ordinary skill in the pertinent art; and

[1] Graham v. John Deere Co., 383 U.S. 1, 17-18, 148 USPQ 459, 467 (1966)

(D) Evaluating evidence of secondary considerations.

Against this background, the obviousness or non-obviousness of the claimed subject matter under 35 U.S.C. § 103 must be determined.

Thus, initially, the scope and content of the prior art are to be determined. As set forth above, in the prior art rejection before us in this appeal (final rejection, pp. 2-3), the examiner did briefly set forth the scope and content of Obata and Mott.

Secondly, the differences between the applied prior art (i.e., Obata) and the claims at issue are to be ascertained. This the examiner has not done. While the examiner did state with respect to claim 57 that "Obata does not specifically teach applying the encryption key and decryption key to a playback device," this does not constitute the differences between Obata and claim 57. Clearly, Obata does not teach or suggest steps c), d) and e) of claim 57. The examiner did not ascertain the differences between Obata and independent claim 59.

Thirdly, the examiner must determine if the ascertained differences between the subject matter sought to be patented and the combined teachings of the applied 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. The examiner has not determined that the actual differences between the subject matter sought to be patented and the combined teachings of the applied 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. Thus, the examiner has not presented a prima facie case of obviousness.

Moreover, it is clear to us that the teachings of the applied prior art would not have made it obvious at the time the invention was made to a person of ordinary skill in the art to have modified Obata to arrive at the claimed subject matter for the reasons set forth by the appellant in the brief (p. 3). In that regard, the applied prior art does not suggest supplying encrypted digital data along with a first part of the decryption key that is associated with the digital data to a playback device. As to the examiner's conclusions of what would have been obvious to one of ordinary skill in the art set forth in the examiner's response to the appellant's argument (answer, pp. 3-4), we note that the conclusion that the claimed subject matter is prima facie obvious must be supported by evidence, as shown by some objective teaching in the prior art or by knowledge generally available to one of ordinary skill in the art that would have led that individual to combine the relevant teachings of the references to arrive at the claimed invention. See In re Fine, 837 F.2d 1071, 1074, 5 USPQ2d 1596, 1598 (Fed. Cir. 1988). Rejections

based on 35 U.S.C. § 103 must rest on a factual basis with these facts being interpreted without hindsight reconstruction of the invention from the prior art. The examiner may not, because of doubt that the invention is patentable, resort to speculation, unfounded assumption or hindsight reconstruction to supply deficiencies in the factual basis for the rejection. See In re Warner, 379 F.2d 1011, 1017, 154 USPQ 173, 178 (CCPA 1967), cert. denied, 389 U.S. 1057 (1968).

For the reasons set forth above, the examiner has not established a prima facie case of obviousness and accordingly the decision of the examiner to reject claims 57 to 62 under 35 U.S.C. § 103 is reversed.

CONCLUSION

To summarize, the decision of the examiner to reject claims 57 to 62 under 35 U.S.C. § 103 is reversed.

REVERSED

JOHN P. McQUADE Administrative Patent Judge	)	
JEFFREY V. NASE Administrative Patent Judge	)	BOARD OF PATENT APPEALS AND INTERFERENCES
JOSEPH L. DIXON Administrative Patent Judge	)	

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