

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. 20

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

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*Ex parte* ANDREW WOLFE

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Appeal No. 2004-1586  
Application No. 10/132,863

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ON BRIEF

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Before GARRIS, PAK, and WALTZ, *Administrative Patent Judges*.

PAK, *Administrative Patent Judge*.

*DECISION ON APPEAL*

This is a decision on an appeal under 35 U.S.C. § 134 from the examiner's final rejection of claims 1 and 4 through 9, which are all of the claims pending in the above-identified application.

*APPEALED SUBJECT MATTER*

The subject matter on appeal is directed to a keychain assembly comprising an advertising or reward panel fixedly secured to a key retainer capable of holding a plurality of keys

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and a method of using such keychain assembly in commerce.

Further details of the appealed subject matter are recited in independent claims 1 and 4 which are reproduced below:

1. A keychain assembly for holding a plurality of keys therein, said keychain assembly comprising:

a key retainer to hold the plurality of keys together;  
and

a panel fixedly secured to said key retainer, said panel defining a section having material printed thereon, said panel having a predetermined thickness such that at least a portion of said material printed thereon may be removed by punching out a portion of said panel, said section being divided into a plurality of sub-sections such that each of said sub-sections includes said material printed thereon and that said material printed on each of said sub-sections is printed on less than half of each of said sub-sections.

4. A method for providing incentives to customers of an entity providing commercial activity, the method including the steps of:

providing a keychain assembly having a panel with a plurality of sub-sections with each sub-section having writing in each of the plurality of sub-sections identifying a commercial incentive;

giving the keychain assembly to one of the customers;

taking possession of the keychain assembly when the customer engages the entity to perform commercial activity;

punching out one of the plurality of sub-sections to recognize the use of the entity by the customer for the commercial activity identified in the one of the plurality of sub-sections; and

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returning the keychain assembly to the customer for use thereby until another commercial activity identified in another of the plurality of sub-sections is requested.

*PRIOR ART REFERENCES*

The examiner relies on the following prior art references:

Edge	3,281,165	Oct. 25, 1966
Lemberg	3,797,147	Mar. 19, 1974
Kasprzycki et al. (Kasprzycki)	4,521,981	Jun. 11, 1985
Kanzelberger	5,398,435	Mar. 21, 1995
Kebarian	Des. 380,084	Jun. 24, 1997

Crystal City Sports Pub Card (1996) (hereinafter referred to as "Sports Pub")<sup>1</sup>

*THE REJECTIONS*

The appealed claims stand rejected as follows:

- 1) Claim 1 under 35 U.S.C. § 102(b) as anticipated by the disclosure of Kasprzycki;
- 2) Claims 1 and 4 through 7 under 35 U.S.C. § 103 as unpatentable over the combined disclosures of Edge and either Kasprzycki or Kebarian;
- 3) Claims 1 and 4 through 7 under 35 U.S.C. § 103 as unpatentable over the combined disclosures of Sports Pub and either Kasprzycki or Kebarian;

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<sup>1</sup> The appellant does not dispute the examiner's assertion that Sports Pub was available as of 1996.

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- 4) Claims 8 and 9<sup>2</sup> under 35 U.S.C. § 103 as unpatentable over the combined disclosures of Edge, either Kasprzycki or Kebarian, and either Lemberg or Kanzelberger; and
- 5) Claims 8 and 9 under 35 U.S.C. § 103 as unpatentable over the combined disclosures of Sports Pub, either Kasprzycki or Kebarian, and either Lemberg or Kanzelberger.

*OPINION*

We have carefully reviewed the claims, specification and prior art, including all of the evidence and arguments advanced by both the examiner and the appellant in support of their respective positions. As result of this review, we have made the determinations which follow<sup>3</sup>.

During prosecution of a patent application, the claims therein

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<sup>2</sup> In the event of further prosecution of this application, the examiner is advised to determine whether claim 9 violates the requirement of the fourth paragraph of 35 U.S.C. § 112.

<sup>3</sup> The appellant states that claims 1 and 4 do not stand or fall together. See the Brief, page 5. As is apparent from the above, however, claims 8 and 9 are subject to a different rejection than claims 1 and 4. Therefore, for purposes of this appeal, we select claims 1, 4 and 8 as representative of the claims on appeal subjected to the different grounds of rejection set forth by the examiner and determine the propriety of such rejections based on these claims alone consistent with 37 CFR § 1.192(c) (7) (2003).

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[are] interpreted as broadly as their terms reasonably allow. When the applicant states the meaning that the claim terms are intended to have, the claims are examined with that meaning, in order to achieve a complete exploration of the applicant's invention and its relation to the prior art . . . . The reason is simply that during patent prosecution when claims can be amended, ambiguities should be recognized, scope and breadth of language explored, and clarification imposed . . . . Only in this way can uncertainties of claim scope be removed, as much as possible, during the administrative process.<sup>4</sup>

Limitations or embodiments appearing in the specification are not read into the claims. *Loctite Corp. v. Ultraseal Ltd.*, 781 F.2d 861, 867, 228 USPQ 90, 93 (Fed. Cir. 1985) ("Generally, particular limitations or embodiments appearing in the specification will not be read into the claims"); *In re Priest*, 582 F.2d 33, 37, 199 USPQ 11, 15 (CCPA 1978), *citing In re Prater*, 415 F.2d 1393, 1405, 162 USPQ 541, 551 (CCPA 1969) ("We have consistently held that no 'applicant should have limitations of the specification[ ] read into a claim where no express statement of the limitation[s] is included in the claim.'").

Applying the above principles to the presently claimed subject matter, we interpret the phrases "a panel fixedly secured to said key retainer" and "a keychain assembly having a panel" in

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<sup>4</sup> *In re Zletz*, 893 F.2d 319, 321-22, 13 USPQ2d 1320, 1322-23 (Fed. Cir. 1989).

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claims 1 and 4, respectively (underlining added). We give these phrases the broadest reasonable ordinary meanings relevant to the technology disclosed in the specification inasmuch as the specification does not define the meanings of "fixedly secured" and "having" referred to above. According to pages 483, 1055 and 567 of *Webster's II New Riverside University Dictionary* (Riverside Publ. Co., 1994)<sup>5</sup>, "fixedly secured" means "well fastened" or place securely ("free from . . . risk of loss") and "having" means "to possess or contain as a constituent." Thus, the claims in question only require that an advertising or reward panel be fastened to a key retainer in such a manner to avoid the risk of loss. The claims simply do not preclude fastening an advertising or reward panel to a key retainer via, e.g., a key tag.

In reaching this determination, we consider the appellant's detailed description of the preferred embodiment in the specification regarding the employment of a link looped through a key retainer and a hole in the panel to fasten the retainer and the panel together. See the specification in its entirety. However, we will not read this preferred embodiment in the

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<sup>5</sup> Attached to this decision.

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specification into the claims on appeal for the reasons indicated *supra*. To do so is to interpret the claims on appeal contrary to the appellant's intention as is apparent from his own statement at page 5 of the specification as shown below:

The invention has been described in an illustrative manner. It is to be understood that the terminology, which has been used, is intended to be in the nature of words of description rather than of limitation.

Many modifications and variations of the invention are possible in light of the above teaching.

We now turn to the examiner's Section 102 rejection of claim 1 as anticipated by the disclosure of Kasprzycki. We note that the appellant does not dispute the examiner's finding that Kasprzycki discloses a key chain assembly comprising a key chain 12 corresponding to the claimed key retainer and a card 18 corresponding to the claimed panel<sup>6</sup>. Compare the Answer, page 4, with the Brief, page 9-10. The appellant only appears to

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<sup>6</sup> The appellant does not dispute that the card 18 has a plurality of sub-sections. The specification, the claim language and the appellant's own specimens in the application also support the examiner's interpretation that the card 18 described by Kasprzycki has a plurality of sub-sections (i.e., different printed indicia are placed on distinct locations of the card 18). Moreover, the appellant acknowledges that the card 18 can be punched.

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argue that the way in which Kasprzycki fastens the card 18 to the key chain 12 is excluded by claim 1 on appeal. See the Brief, pages 9-10. We do not agree.

As indicated *supra*, claim 1 on appeal does not preclude "fixedly securing" the card 18 to the key chain 12 via a key tag 10. The claim does not specify or exclude any particular securing device for fastening the claimed panel to the claimed key retainer. As such, we concur with the examiner that Kasprzycki describes the subject matter of claim 1 within the meaning of 35 U.S.C. § 102(b).

It follows that the examiner's decision rejecting claim 1 under Section 102(b) is affirmed.

We turn next to the examiner's Section 103 rejection of claims 1 and 4 through 7 as unpatentable over the combined disclosures of either Edge or Sports Pub, and Kasprzycki. As indicated *supra*, Kasprzycki discloses a key chain assembly comprising a card 18 fixedly secure to a key chain 12 via a key tag 10. We find that Kasprzycki teaches that this key chain assembly is used with a hotel key or like, thus implying that the key chain assembly is given to a customer by a hotel establishment. See column 1, line 8. We find that Kasprzycki teaches using various marketing panels, advertising sheets or

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promotional materials as its card 18. See column 1, lines 6-8 and column 3, line 39. Although the appellant acknowledges that these marketing panels, advertising sheets or promotional materials are capable of being punched as indicated *supra*, the examiner recognizes that Kasprzycki does not specifically mention that they are used with a hole punching device.

To remedy this deficiency, the examiner relies on the disclosure of Edge or Sports Pub. We find that Edge and Sports Pub disclose rectangular business bonus cards used for marketing, promotional and/or advertising purposes. See Edge, column 1, lines 9-12, column 2, lines 7-9 and column 3, line 39, and Sports Pub's card. We find that Edge and Sports Pub disclose that these cards have a plurality of sub-sections having printed indicia. See, e.g., Edge, column 2, lines 28-34 and Sports Pub's card. We find that Edge and Sports Pub either explicitly or implicitly teach punching out the indicia in the sub-sections of these cards by employees of business entities upon transacting business by customers. See Edge, column 3, lines 3-25 and the examiner's undisputed finding relating to Sports Pub at page 6 of the Answer. It can be inferred from column 3, lines 3-25 of Edge and the number of unique punched holes in the lunch card illustrated in Sports Pub that these cards are returned to the

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customers after punching out the indicia therein (upon completion of each business transaction). We find that Edge suggests the types of cards described above can be used for various business establishments, inclusive of the hotel business establishment mentioned in Kasprzycki. Also, as hotels in general are known to have restaurants and/or are known to provide lunch or breakfast upon customers' request, we find that one of ordinary skill in the art would have recognized that the lunch card provided by Sports Pub is equally useful for the hotel business establishment mentioned in Kasprzycki. We find that Edge and Sports Pub either explicitly or implicitly teach that the cards in question are useful for inducing steady and repetitive business. See Edge, column 1, lines 11-12, and Sports Pub's inducement reflected in its lunch card.

Under these circumstances, we concur with the examiner that one of ordinary skill in the art would have been led to employ the card described in Edge or Sports Pub as the marketing, promotional or advertising card of the key chain assembly described in Kasprzycki and use such key chain assembly in the manner recited in claim 4 as indicated *supra*, motivated by a reasonable expectation of improving an incentive for steady and repetitive business. One of ordinary skill in the art would also

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have been led to distribute hole punching devices, especially those useful for making unique shape holes suggested by, e.g., Sports Pub, to business or commercial entities as required by claims 8 and 9 since the business or commercial entities would not be able to carry out their function absent the hole punching devices.<sup>7</sup>

In reaching the above determination, we recognize that to punch out the indicia in the sub-sections of the card taught by Edge and Sports Pub, business entities, upon receiving the key chain assembly above from a customer, are expected to remove the card from the key tag. Moreover, before returning the key chain assembly to the customer, the business entities are expected to reinsert the card into the key tag so that the card can be fixedly secured to the key chain as indicated *supra*. However, the claims on appeal, by virtue of using "comprising" in their preamble, do not preclude the above additional steps. See *In re Baxter*, 656 F.2d 679, 686-87, 210 USPQ 795, 802-03 (CCPA 1981).

Thus, for the reasons set forth in the Answer and above, we concur with the examiner that the collective teachings of the applied prior art references would have rendered the subject

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<sup>7</sup> Lemberg and Kanzelberger are deemed unnecessary and cumulative.

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matter of claims 1 and 4 through 9 *prima facie* obvious to one of ordinary skill in the art.

The appellant appears to argue that evidence of secondary considerations rebuts any *prima facie* case established by the examiner. See, e.g., the Brief, pages 19-25. In support of his argument, the appellant refers to two declarations executed by Jim Hart, a general sales manager of the automobile dealership called "Page Toyota" and Mitch Krane, president and owner of the automobile dealership called "Krane Chrysler Dodge Inc."

According to Jim Hart (the "Hart" declaration, page 1),

4. Dealer Concepts presented their keychain concept to me in the form of an actual key chain with sample coupons on the back from other dealers they had sold tags to...my first thought was how simple of an idea this was and to date, still wonder why I did not think of it myself . . . sooner.

5. Today the key chain is our #1 customer retention tool and is currently being attached every new, used and service customers key chain. The percentage of our customers that have come back for oil changes has increased by 22% since we started using the Punch a Deal Tag.

Mitch Krane states (the "Krane" declaration, page 1) that:

4. Because of the outstanding results I have seen as a result of implementing these key tags in my marketing plan, I have recently reordered an additional 2500 tags.

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5. The Punch a Deal key tag is one of the most cost effective marketing tools I have used in the dealership. In the age of more and more 1-1 marketing, this key tag has been an outstanding success with my customers. It hangs on their key rings constantly reminding them of the benefits and discount by bringing their vehicle back to our service department as opposed to my competitive aftermarket service centers.

6. Beside being a success at my dealership, I recently won 1<sup>st</sup> place for "Best Idea" at a recent 20-group meeting.

Having reviewed the "Hart" and "Krane" declarations, we are not persuaded that the appellant has provided sufficient proof to rebut the *prima facie* case established by the examiner. Although the "Hart" declaration indicates that the percentage of customers who came back for oil changes was increased by 22%, it does not indicate whether the advertising and the discount during this time period remained the same as prior time periods and what number of customers were used to determine the increased percentage. Similarly, the "Krane" declaration indicates that Krane himself reordered additional 2500 "key tags" to be used in his marketing plan, but it does not indicate what percentage of customers came back for oil changes and whether his market share was increased. Finally, it is not clear from both the "Hart" and "Krane" declarations whether any successes or benefits are due to the claimed subject matter, i.e, a combination of a key chain and a plastic having oil change discounts, or the unclaimed subject

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matter, i.e., unattached plastics having oil change discounts. Indeed, the "Krane" declaration does not indicate whether the "key tags" themselves are the claimed combination of a key chain and a plastic having oil change discounts or an unclaimed plastic having oil change discounts. Thus, we concur with the examiner that the appellant has not established that the claimed key chain assembly is commercially successful and its commercial success is directly attributed to its own unique characteristics (nexus between the alleged commercial success and the claimed invention). *In re Huang*, 100 F.3d 135, 139-40, 40 USPQ2d 1685, 1689-90 (Fed. Cir. 1996).

The appellant appears to contend that there is wide spread copying by competitors. See the Brief, page 21. However, the appellant has not supplied enough evidence to demonstrate that there was widespread acceptance and adoption of the claimed subject matter and there was a nexus between the adoption and the merits of the claimed subject matter. *Cable Electric Prods. v. Genmark, Inc.*, 770 F.2d 1015, 1028, 226 USPQ 881, 889 (Fed. Cir. 1985). We find that nothing in the "Hart" and "Krane" declarations, for example, supports such contention.

The appellant alleges that the claimed subject matter won first or second prize in at least 23 different occasions. See

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the Brief, pages 21 and 22. These alleged successes, however, are not only unsupported by any objective evidence, but also do not establish that the claimed subject matter results in any commercial successes. Moreover, these allegations of successes provide no details as to what items, i.e., the claimed or unclaimed subject matter, are responsible for winning first or second prizes.

In addition to the above deficiencies of the secondary evidence relied upon by the appellant, we find that such evidence is not commensurate in scope with the claims on appeal. *In re Kulling*, 897 F.2d 1147, 1149, 14 USPQ2d 1056, 1058 (Fed. Cir. 1990) (“ “[O]bjective evidence of nonobviousness must be commensurate in scope with the claims’ ”) (quoting *In re Lindner*, 457 F.2d 506, 508, 173 USPQ 356, 358 (CCPA 1972); *In re Dill*, 604 F.2d 1356, 1361, 202 USPQ 805, 808 (CCPA 1979) (“The evidence presented to rebut a *prima facie* case of obviousness must be commensurate in scope with the claims to which it pertains”). While the showing in the declarations is limited to using a combination of key chain and a card having oil change discounts, the claims on appeal are not so limited. The claims on appeal encompass a combination of a key chain and a card not involving any discount incentives shown in, e.g., the declarations.

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Thus, after due consideration of all of the evidence and arguments proffered by both the examiner and the appellant, we determine that the preponderance of evidence weighs in favor of obviousness. Accordingly, the examiner's decision rejecting claims 1 and 4 through 7 under 35 U.S.C. § 103 as unpatentable over the combined disclosures of either Edge or Sports Pub, and Kasprzycki and claims 8 and 9 under 35 U.S.C. § 103 as unpatentable over the combined disclosures of either Edge or Sports Pub, Kasprzycki, and either Lemberg or Kanzelberger, is affirmed.

However, the examiner's Section 103 rejections based on the combined disclosures of either Edge or Sports Pub, and Kebarian or of either Edge or Sports Pub, Kebarian, and either Lemberg or Kanzelberger, are on different footing. We reverse these Section 103 rejections since they do not provide a suggestion or motivation to employ the cards taught in Edge or Sports Pub in Kebarian's ornamental design for a key ring. The examiner provides no explanation on how the cards taught by Edges or Sports Pub can enhance the ornamental aspects of Kebarian's ornamental design for a key ring.

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*OTHER ISSUES*

We note that many commercial or business entities, such as PETCO PALS, Verizon, Giant, Blockbuster, CVS/Pharmacy, and GNC, employ small advertising and/or reward plastics to be used with a key chain. Some of these advertising and/or reward plastics, e.g., CVS/Pharmacy and Verizon plastic cards having indicia in distinct locations, have a plurality of sub-sections and a punched hole for inserting a key chain therethrough. Other advertising and/or reward plastics, such as Blockbuster and CVS/Pharmacy cards having punched holes for key chains, employ bar codes for the purpose of giving credits to customers by a business entity for each business transaction or purchase occurred or for the purpose of giving discounts to customers by a business entity for a given business transaction or purchase. These cards are designed to be used with a key chain, thus at least suggesting the subject matter of claim 1. Moreover, as is also apparent from Edge and Sports Pub discussed above, their cards, which are capable of being punched out to reflect each business transaction, provide the same function as the conventional key chain cards having bar codes discussed above.

Thus, in the event of further prosecution, the examiner is advised to obtain the dates on which these cards were available

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and if they were available prior to the filing date of this application, determine whether they alone, or together with Edge and Sports Pub, affect the patentability of the subject matter defined by claims 1 and 4 through 9.

*CONCLUSION*

In summary:

- 1) The examiner's rejection of claim 1 under 35 U.S.C. § 102(b) as anticipated by the disclosure of Kasprzycki is affirmed;
- 2) The examiner's rejection of claims 1 and 4 through 7 under 35 U.S.C. § 103 as unpatentable over the combined disclosures of Edge and Kasprzycki is affirmed;
- 3) The examiner's rejection of claims 1 and 4 through 7 under 35 U.S.C. § 103 as unpatentable over the combined disclosures of Edge and Kebarian is reversed;
- 4) The examiner's rejection of claims 1 and 4 through 7 under 35 U.S.C. § 103 as unpatentable over the combined disclosures of Sports Pub and Kasprzycki is affirmed;
- 5) The examiner's rejection of claims 1 and 4 through 7 under 35 U.S.C. § 103 as unpatentable over the combined disclosures of Sports Pub and Kebarian is reversed;
- 6) The examiner's rejection of claims 8 and 9 under 35 U.S.C.

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- § 103 as unpatentable over the combined disclosures of Edge, Kasprzycki and either Lemberg or Kanzelberger is affirmed;
- 7) The examiner's rejection of claims 8 and 9 under 35 U.S.C. § 103 as unpatentable over the combined disclosures of Edge, Kebarian, and either Lemberg or Kanzelberger is reversed;
- 8) The examiner's rejection of claims 8 and 9 under 35 U.S.C. § 103 as unpatentable over the combined disclosures of Sports Pub, Kasprzycki and either Lemberg or Kanzelberger is affirmed; and
- 9) The examiner's rejection of claims 8 and 9 under 35 U.S.C. § 103 as unpatentable over the combined disclosures of Sports Pub, Kebarian, and either Lemberg or Kanzelberger is reversed.

Accordingly, the decision of the examiner is affirmed.

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No time period for taking any subsequent action in connection with this appeal may be extended under 37 CFR § 1.136(a).

*AFFIRMED*

BRADLEY R. GARRIS	)	
Administrative Patent Judge	)	
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	)	
	)	
CHUNK K. PAK	)	BOARD OF PATENT
Administrative Patent Judge	)	APPEALS AND
	)	INTERFERENCES
	)	
	)	
THOMAS A. WALTZ	)	
Administrative Patent Judge	)	

CKP:hh

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