

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

**UNITED STATES PATENT AND TRADEMARK OFFICE**

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

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*Ex parte* Nigel Pinnell

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Appeal No. 2006-0815  
Application No. 09/641,896

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ON BRIEF

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Before HAIRSTON, BARRY, and NAPPI, *Administrative Patent Judges*.

BARRY, *Administrative Patent Judge*.

A patent examiner rejected claims 1-58. The appellant appeals therefrom under 35 U.S.C. § 134(a). We affirm-in-part.

I. BACKGROUND

The invention at issue on appeal concerns electronic commerce. (Spec., p. 1, l. 10.) A potential customer may perceive a risk in using a credit card to pay for goods or services purchased via the Internet. More specifically, capture of the credit card data by a third party with ill intentions can lead to financial loss and inconvenience. (*Id.* at p. 2, ¶ 1.)

Accordingly, the appellant's invention enables a customer to nominate a source of funds for a specific transaction. A home banking server issues a single-use payment instrument to a customer, which debits the nominated account and may include an expiration date. The payment instrument settles and clears through existing credit card payment mechanisms without a need for special accommodation from an Internet vendor. (*Id.*, abs.)

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

1. A method for performing an on-line transaction with a vendor using a single-use payment instrument, comprising:

receiving details for the on-line transaction with the vendor from a customer;

receiving a nomination of a source of funds for the transaction for the customer;

verifying an availability of funds for a payment amount for the transaction in the nominated source of funds;

generating details of a payment instrument for the transaction corresponding to the transaction details;

storing a record of the payment instrument details;

providing the customer with the payment instrument details for use in the transaction with the vendor;

receiving a request for authorization of the transaction for the customer according to the payment instrument details; and

authorizing the transaction with the vendor for the customer.

56. A method for performing an on-line transaction with a vendor using a single-use payment instrument, comprising:

receiving details for the on-line transaction with the vendor from a customer;

receiving a nomination of a source of funds for the transaction for the customer;

verifying an availability of funds for a payment amount for the transaction in the nominated source of funds;

generating details of a payment instrument for the transaction specific to the transaction corresponding to the transaction details and consisting of at least the payment amount for the transaction and a unique identification number for the transaction embedded with a bank identification number for routing the request for authorization to an authorization server;

storing a record of the payment instrument details;

providing the customer with the payment instrument details for use in the transaction with the vendor;

receiving a request for authorization of the transaction for the customer according to the payment instrument details; and

authorizing the transaction with the vendor for the customer.

57. A method for performing an on-line transaction with a vendor using a single-use payment instrument, comprising:

receiving details for the on-line transaction with the vendor from a customer;

receiving a nomination of a source of funds for the transaction for the customer;

verifying an availability of funds for a payment amount for the transaction in the nominated source of funds;

generating details of a payment instrument for the transaction specific to the transaction corresponding to the transaction details and consisting of at least the payment amount for the transaction and a unique identification number for the transaction selected from a characteristic range of numbers identifiable by a web site server of the vendor as an authenticating number;

storing a record of the payment instrument details;

providing the customer with the payment instrument details for use in the transaction with the vendor;

receiving a request for authorization of the transaction for the customer according to the payment instrument details; and

authorizing the transaction with the vendor for the customer.

58. A method for performing an on-line transaction using a single-use payment instrument, comprising:

receiving details for a customer-specified on-line transaction with a vendor by a financial institution server from a computing device of the customer via a network, together with a nomination of a source of funds for the transaction from a plurality of options consisting of a plurality of financial accounts;

verifying an availability of funds for a payment amount for the specific transaction in the nominated source of funds by the financial institution server;

generating details of a payment instrument for the specific transaction corresponding to the transaction details consisting at least in part of the payment amount for the transaction, a temporary credit card number, and a fabricated card expiration date by the financial institution server processable via a credit card transaction processing system;

storing a record of the payment instrument details in a database by the financial institution server;

providing the customer with the payment instrument details for use in the specific transaction with the vendor by the financial institution server;

receiving a request for authorization of the specific transaction for the customer according to the payment instrument details from the vendor;  
and

authorizing the transaction with the vendor for the customer if the request for authorization corresponds to the payment instrument details.

Claims 1-5, 8-11, 15-17, 23, 24, 29, 30, 38-45, 56, and 57 stand rejected under 35 U.S.C. § 102(e) as anticipated by U.S. Patent No. 6,047,268 ("Bartoli"). Claims 6 and 7 stand rejected 35 U.S.C. § 103(a) as obvious over Bartoli and Int'l Publication No. WO 95/26536 ("Leher"). Claims 12-14 stand rejected § 103(a) as obvious over Bartoli and U.S. Patent No. 6,282,523 ("Tedesco"). Claims 18 and 46 stand rejected § 103(a) as obvious over Bartoli and U.S. Patent No. 6,073,839 ("Mori"). Claims 19-22, 47, and 48 stand rejected § 103(a) as obvious over Bartoli and European Patent Application

No. 0899925 ("Van Horne"). Claims 25-28 and 49-52 stand rejected § 103(a) as obvious over Bartoli and U.S. Patent No. 6,247,047 ("Wolff"). Claims 31-33 and 53-55 stand rejected § 103(a) as obvious over Bartoli and U.S. Patent No. 6,330,575 ("Moore"). Claim 34 stands rejected § 103(a) as obvious over Bartoli and U.S. Patent No. 5,883,810 ("Franklin"). Claim 35 stands rejected § 103(a) as obvious over Bartoli and European Patent Application 0485090 ("Adams"). Claim 36 stands rejected § 103(a) as obvious over Bartoli and U.S. Patent No. 5,570,465 ("Tsakanikas"). Claim 37 stands rejected § 103(a) as obvious over Bartoli and *Embedded SQL in RPG* ("Cozzi"). Claim 58 stands rejected § 103(a) as obvious over Bartoli and U.S. Patent No. 6,327,578 ("Linehan").

## II. OPINION

Our opinion addresses the claims in the following order:

- claims 1-5, 8-11, 15-17, 23, 24, 29, 30, 38-45, 56, and 57
- claims 6 and 7
- claims 12-14
- claims 18 and 46
- claims 19-22, 47, and 48
- claims 25-28 and 49-52
- claims 31-33 and 53-55
- claim 34
- claim 35
- claim 36
- claim 37
- claim 58.

A. CLAIMS 1-5, 8-11, 15-17, 23, 24, 29, 30, 38-45, 56, AND 57

"[T]o assure separate review by the Board of individual claims within each group of claims subject to a common ground of rejection, an appellant's brief to the Board must contain a clear statement for each rejection: (a) asserting that the patentability of claims within the group of claims subject to this rejection do not stand or fall together, and (b) identifying which individual claim or claims within the group are separately patentable and the reasons why the examiner's rejection should not be sustained." *In re McDaniel*, 293 F.3d 1379, 1383, 63 USPQ2d 1462, 1465 (Fed. Cir. 2002) (citing 37 C.F.R. §1.192(c)(7)). "Merely pointing out differences in what the claims cover is not an argument as to why the claims are separately patentable." 37 C.F.R. § 1.192(c)(7) (2003).<sup>1</sup> "If the brief fails to meet either requirement, the Board is free to select a single claim from each group of claims subject to a common ground of rejection as representative of all claims in that group and to decide the appeal of that rejection based solely on the selected representative claim." *McDaniel*, 293 F.3d at 1383, 63 USPQ2d at 1465.

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<sup>1</sup>We cite to the version of the C.F.R., i.e., the Code of Federal Regulations, in effect at the time of the appellant's brief.

Here, the appellant stipulates that claims 1-5, 8-11, 15-17, 23, 24, 29, 30, and 38-45 "fall together." (Appeal Br. at 7.) We select claim 1 from the group as representative of the claims therein.

"With this representation in mind, rather than reiterate the positions of the examiner or the appellants *in toto*, we focus on the following three points of contention therebetween," *Ex Parte Massingill*, No. 2003-0506, 2004 WL 1646421, at \*2 (Bd.Pat.App & Int. 2004):

- additional features of Bartoli
- request for authorization
- details of payment instrument.

#### *1. Additional Features of Bartoli*

The appellant argues that although "Bartoli et al. impose as a prerequisite for receiving such transaction details that the on-line vendor must first have entered a billing agreement with the billing service before any customer can shop with the vendor," (Appeal Br. at 9), "Applicant's claimed invention does not impose such a prerequisite. . . ." (*Id.*) He further argues that although "Bartoli et al., imposes as an additional pre-condition that the customer also must first have registered with the same billing service as the subscribing vendor in order to shop with the particular vendor, (*id.*), "[I]kewise, Applicant's invention does not impose such a precondition. . . ." (*Id.*) The

appellant also argues that although "Bartoli et al. also teach that, as a pre-condition for shopping on line with subscribing vendors, the customer must have registered in advance with the billing service and, as part of the advance registration process, must have furnished his choice of direct billing or billing through a credit or debit card via the billing service," (*id.*), "Applicant's invention does not impose such a pre-condition. . . ." (*Id.* at 10.) The examiner responds, "The presented claims recite the transition phrase 'comprising,' which is of the open-type. . . ." (Examiner's Answer<sup>2</sup> at 19.)

"The transitional term 'comprising' . . . is inclusive or open-ended and does not exclude additional, unrecited elements or method steps." *Georgia-Pacific Corp. v. U.S. Gypsum Co.*, 195 F.3d 1322, 1327, 52 USPQ2d 1590, 1595 (Fed.Cir. 1999) (citing M.P.E.P. § 2111.03 (6th ed.1997)). "A drafter uses the term 'comprising' to mean 'I claim at least what follows and potentially more.'" *Vehicular Techs. Corp. v. Titan Wheel Int'l, Inc.*, 212 F.3d 1377, 1383, 54 USPQ2d 1841, 1845 (Fed.Cir. 2000).

Here, because claims 1, 56, and 57 use the transitional term "comprising," the claims do not exclude the aforementioned prerequisite, precondition, or pre-condition of

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<sup>2</sup>We rely on and refer to the Substitute Examiner's Answer, (Paper No. 18), in lieu of the original Examiner's Answer, (Paper No. 15), because the latter was problematic. (Paper No. 17.) The original Examiner's Answer was not considered in deciding this appeal.

Bartoli. Therefore, the arguments that the claims do not recite these features are unpersuasive.

## *2. Request for Authorization*

The examiner finds, "Bartoli et al. disclose . . . receiving a request for authorization of the transaction for the customer according to the payment instrument details, authorizing the transaction with the vendor for the customer (see col. 8, lines 33-38)." (Examiner's Answer at 4.) The appellant makes the following argument.

Further, instead of receiving a request for authorization of the transaction with the vendor for the customer according to the payment instrument details as recited in claims 1, 38, 56, and 57, the billing system of Bartoli et al. uses information in a cookie received from the customer's browser to authenticate the customer if both the customer and vendor are registered in the billing system, the customer is in good standing with the billing system, and the purchase is within customer-specified and billing system-specified limits.

(Appeal Br. at 10.)

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

a. 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). "[A] claim construction analysis must begin and remain centered on the claim language itself. . . ." *Innova/Pure Water, Inc. v. Safari Water Filtration Systems, Inc.*, 381 F.3d 1111, 1116, 72 USPQ2d 1001, 1004 (Fed. Cir. 2004).

Here, claims 1, 56, and 57 recite in pertinent part the following limitations:  
"receiving a request for authorization of the transaction for the customer according to the payment instrument details. . . ." Centering on the claim language itself, the claims require receiving a request for authorization of a customer's transaction according to details of a lease one payment instrument.

b. Anticipation Determination

"Having construed the claim limitations at issue, we now compare the claims to the prior art to determine if the prior art anticipates those claims." *In re Cruciferous Sprout Litig.*, 301 F.3d 1343, 1349, 64 USPQ2d 1202, 1206 (Fed. Cir. 2002). "[A]nticipation is a question of fact." *Hyatt*, 211 F.3d at 1371, 54 USPQ2d at 1667 (citing *Bischoff v. Wethered*, 76 U.S. (9 Wall.) 812, 814-15 (1869); *In re Schreiber*, 128 F.3d 1473, 1477, 44 USPQ2d 1429, 1431 (Fed. Cir. 1997)). "A reference anticipates a

claim if it discloses the claimed invention 'such that a skilled artisan could take its teachings in combination with his own knowledge of the particular art and be in possession of the invention.'" *In re Graves*, 69 F.3d 1147, 1152, 36 USPQ2d 1697, 1701 (Fed. Cir. 1995) (quoting *In re LeGrice*, 301 F.2d 929, 936, 133 USPQ 365, 372 (CCPA 1962)).

Of course, anticipation "is not an 'ipsissimis verbis' test." *In re Bond*, 910 F.2d 831, 832, 15 USPQ2d 1566, 1567 (Fed. Cir. 1990) (citing *Akzo N.V. v. United States Int'l Trade Comm'n*, 808 F.2d 1471, 1479 & n.11, 1 USPQ2d 1241, 1245 & n.11 (Fed. Cir. 1986)). "An anticipatory reference . . . need not duplicate word for word what is in the claims." *Standard Havens Prods. v. Gencor Indus.*, 953 F.2d 1360, 1369, 21 USPQ2d 1321, 1328 (Fed. Cir. 1991).

Here, in Figure 2 of Bartoli "the interactive steps are shown between a user at a client terminal browsing on the Internet and making an on-line purchase, the merchant server with which the transaction is made, and the billing system . . . which automatically authenticates the user, authorizes the transaction, and bills for the purchase." (Col. 8, ll. 13-18.) "Assuming that the user has been authenticated, the transaction needs to be authorized by the billing system." (Col. 7, ll. 6-7.) Accordingly, "[w]hen the user clicks on [a click-to-buy] icon, [a] request for authorization is routed to

the billing system over a Secure Socket Layer (SSL) link, in which the merchant's signed order is embedded. In addition, the cookie stored in the user's cookie file on the browser program is sent to the billing system as well." (Col. 8, ll. 40-45.) We find that the reference's request for authorization of the user's on-line purchase teaches the claim's request for authorization of a customer's transaction.

"[A]t step B202 [of Bartoli], the received cookie is compared with the cookie stored in the billing system for the user identified from the static information portion of the cookie. If a match is made, the user is authenticated and the process passes to step B208 for transaction authorization." (*Id.* at ll. 61-66.) "At step B208, a determination is made whether the transaction is authorized. To do this, the encrypted message containing the original order, the merchant's signature and the [merchant's] certificate are decrypted. The billing system then determines whether the transaction can be authorized." (Col. 9, ll. 13-16.) "[A] transaction is authorized if the user is registered in the billing system database, the merchant is registered with the billing system, the user is not blocked from making purchases based on payment history, the purchase amount does not exceed a per-user specified limit, and the purchase does not violate any customer-specified restrictions or preferences." (*Id.* at ll. 18-24.)

Because the reference employs the aforementioned cookie and message in authorizing a customer's payment for an on-line purchase, we find that these instruments teach the claim's payment instruments. We further find that the reference's request for authorization, which includes the order, signature, and certificate and is accompanied by the cookie, teaches the claim's request for authorization of a customer's transaction according to details of a lease one payment instrument.

### *3. Details of Payment Instrument*

The examiner finds, "Bartoli et al. disclose . . . generating details of a payment instrument for the transaction corresponding to the transaction details (see col. 8, lines 29-33). . . ." (Examiner's Answer at 4.) The appellant argues, "Bartoli et al. do not teach or suggest generating details of a single-use payment instrument, which is a defined term according to Applicant's invention, that includes the payment amount, a unique identification number with an embedded bank identification number for routing a request for authorization to an authorization server, and an expiry. See, e.g., p. 4, lines 17-24." (Appeal Br. at 10.)

#### a. Claim Construction

"[T]he PTO gives claims their 'broadest reasonable interpretation.'" *In re Bigio*, 381 F.3d 1320, 1324, 72 USPQ2d 1209, 1211 (Fed. Cir. 2004) (quoting *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, claim 1 recites in pertinent part the following limitations: "generating details of a payment instrument for the transaction corresponding to the transaction details. . . ." Contrary to the appellant's argument, the limitations specify neither a payment amount, a unique identification number with an embedded bank identification number for routing a request for authorization to an authorization server, nor an expiry. Furthermore, the doctrine of claim differentiation supports an interpretation of "details of a payment instrument" that is not limited to the specification's payment amount, unique identification number, and expiry. "This doctrine, which is ultimately based on the common sense notion that different words or phrases used in separate claims are presumed to indicate that the claims have different meanings and scope," *Karlin Tech., Inc. v. Surgical Dynamics, Inc.*, 177 F.3d 968, 971, 50 USPQ2d 1465, 1468 (Fed. Cir. 1999) (citing *Comark Comms. Inc. v. Harris Corp.*, 156 F.3d 1182, 1187, 48 USPQ2d 1001, 1005 (Fed. Cir. 1998)), "normally means that limitations stated in dependent claims are not to be read into the independent claim from which they depend." *Id.* at

972, 50 USPQ2d at 1468 (citing *Transmatic, Inc. v. Gulton Indus., Inc.*, 53 F.3d 1270, 1277, 35 USPQ2d 1035, 1041 (Fed. Cir. 1995)).

Here, claims 2, 16, 17, 19, 20, 23, 24, and 29 depend from and further limit claim 1. These dependent claim recite that details of a payment instrument include a payment amount, a unique identification number, or an expiry. Because these specific details are stated in claims 2, 16, 17, 19, 20, 23, 24, and 29, these are not to be read into claim 1, from which the former claims depend. Giving the representative claim its broadest, reasonable construction, therefore, the limitations require that details of the payment instrument correspond to details of a transaction.

Claim 57 recites in pertinent part the following limitations: "generating details of a payment instrument for the transaction specific to the transaction corresponding to the transaction details and consisting of at least the payment amount for the transaction and a unique identification number for the transaction selected from a characteristic range of numbers identifiable by a web site server of the vendor as an authenticating number. . . ." Contrary to the appellant's argument, the limitations specify neither an embedded bank identification number for routing a request for authorization to an authorization server nor an expiry. Giving the claim its broadest, reasonable construction, therefore, the limitations require that details of the payment instrument include the payment

amount of a transaction and a unique number selected from some range of numbers used to characterize orders.

Claim 56 recites in pertinent part the following limitations: "generating details of a payment instrument for the transaction specific to the transaction corresponding to the transaction details and consisting of at least the payment amount for the transaction and a unique identification number for the transaction embedded with a bank identification number for routing the request for authorization to an authorization server. . . ."

Contrary to the appellant's argument, the limitations do not specify an expiry. Giving the claim its broadest, reasonable construction, therefore, the limitations require that details of the payment instrument include the payment amount of a transaction, a unique number that identifies the transaction, and an embedded bank identification number.

#### b. Anticipation Determination

Regarding claim 1, Bartoli explains that its cookie includes an "expiration on DATE," (col. 5, ll. 23-24); "an alphanumeric string identifying the user's account number," (*id.* at ll. 27-28); "a random number generated by the billing server[,] and a sequence number. . . ." (*Id.* at ll. 30-31.) "That sequence number is initialized at one (or any other value) when the user first registers with the billing platform and is subsequently incremented by one (or any other positive or negative predetermined

number or algorithm) each time the user makes a separate transaction." (*Id.* at ll. 32-37.) Because the cookie's sequence number corresponds to a distinct transaction, we find that details of the cookie correspond to details of a transaction as claimed.

The reference further explains that the merchant's encrypted message includes "a merchant ID, a time-stamp, an optional merchant transaction ID or order number, a transaction amount, and optional other order data such as type of request and expiration date for an offer." (Col. 8, ll. 30-33.) Because the message's time-stamp, merchant transaction ID or order number, transaction amount, and other order data such as type of request and expiration date for an offer correspond to a distinct transaction, we find that details of the message correspond to details of a transaction as claimed. Therefore, we affirm the rejection of claim 1 and of claims 2-5, 8-11, 15-17, 23, 24, 29, 30, and 38-45, which fall therewith.

Regarding claim 57, Bartoli's message includes the amount of the transaction and a merchant transaction ID or order number as aforementioned. We find that one of ordinary skill in the art would have known that the order number was necessarily selected from some range of numbers that the merchant uses to characterize orders. Otherwise, the order number would be of little or no use in identifying the order. Therefore, we affirm the rejection of claim 57.

Regarding claim 56, "[t]he examiner presumes that the 'optional other order data' [of Bartoli] may include a unique identification number with embedded with a bank identification number for routing the request for authorization to an authorization server." (Examiner's Answer at 8.) "The Patent Office has the initial duty of supplying the factual basis for its rejection. It may not ... resort to speculation [or] unfounded assumptions . . . to supply deficiencies in its factual basis." *In re Warner*, 379 F.2d 1011, 1017, 154 USPQ 173, 178 (CCPA 1967). Here, we consider the examiner's presumption of what the reference's other order data may include to be speculation or an unfounded assumption. Therefore, we reverse the rejection of claim 56.

#### B. CLAIMS 6 AND 7

The examiner makes the following findings.

Leher et al. disclose receiving the nomination of the source of funds from among a plurality of nomination options consisting of at least one of a credit card account, a checking account, and a saving account (see pg. 40, lines 21-27; pg. 41, line 1-2). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the method disclose by Bartoli et al. include the step of receiving the nomination of the source of funds from among a plurality of nomination options consisting of at least one of a credit card account, a checking account, and a saving account. One of ordinary skill in the art would have been motivated to do this because doing so allows the customer to control his account.

(Examiner's Answer at 9.) The appellant merely alleges that "Bartoli et al. and Leher et al, either separately or in combination with one another, do not recite the required

combination of limitations proposing the method and system for performing an on-line transaction with a vendor using the single-use payment instrument in which the customer's nomination of a source of funds is received for the on-line transaction from among several options, including one or more of a credit card account, a checking account, and a savings account as recited in claims 6-7." (Appeal Br. at 13.)

The question of obviousness is "based on underlying factual determinations including . . . what th[e] prior art teaches explicitly and inherently. . . ." *In re Zurko*, 258 F.3d 1379, 1383, 59 USPQ2d 1693, 1696 (Fed. Cir. 2001) (citing *Graham v. John Deere Co.*, 383 U.S. 1, 17-18, 148 USPQ 459, 467 (1966); *In re Dembiczak*, 175 F.3d 994, 998, 50 USPQ 1614, 1616 (Fed. Cir. 1999); *In re Napier*, 55 F.3d 610, 613, 34 USPQ2d 1782, 1784 (Fed. Cir. 1995)). Furthermore, "[t]he presence or absence of a motivation to combine references in an obviousness determination is a pure question of fact." *In re Gartside*, 203 F.3d 1305, 1316, 53 USPQ2d 1769, 1776 (Fed. Cir. 2000) (citing *In re Dembiczak*, 175 F.3d 994, 1000, 50 USPQ2d 1614, 1617 (Fed. Cir. 1999)). "For each rejection under 35 U.S.C. 103, the [appellant's] argument shall specify the errors in the rejection and, if appropriate, the specific limitations in the rejected claims which are not described in the prior art relied on in the rejection, and shall explain how such limitations render the claimed subject matter unobvious over the prior art." 37 C.F.R. § 1.192(c)(8)(iv)(2003).

Here, the examiner has made specific findings, *supra*, of where the secondary reference teaches the limitations of the dependent claims and of a motivation to combine teachings of the reference with those of Bartoli.<sup>3</sup> For his part, although the appellant has paraphrased limitations in claims 6 and 7 allegedly not "recited" in Bartoli and the secondary reference, he has not addressed the specific findings of the examiner, let alone showed error therein. Just as "[i]t is not the function of [the U.S. Court of Appeals for the Federal Circuit] to examine the claims in greater detail than argued by an appellant, looking for nonobvious distinctions over the prior art," *In re Baxter Travenol Labs.*, 952 F.2d 388, 391, 21 USPQ2d 1281, 1285 (Fed. Cir. 1991), it is not the function of this Board to examine claims in greater detail than argued by an appellant, looking for nonobvious distinctions over the prior art. Therefore, we affirm the rejection of claims 6 and 7.

#### C. CLAIMS 12-14

The examiner makes the following findings.

Tedesco et al. disclose reserving funds sufficient for the payment amount in the nominated source of funds for a predetermined expiry period by a

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<sup>3</sup>Of course, Bartoli itself teaches that a user selects "billing preferences," (col. 4, ll. 44-45), which "may include a direct bill to an email address or to the postal address associated with the user's telephone number, or to a telephone bill (LEC or Interchange carrier), or to a user's credit card or debit card." (*Id.* at ll. 45-49.)

home banking server (see col. 5, lines 48-67). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the method disclose by Bartoli et al. to include the step of reserving funds sufficient for the payment amount in the nominated source of funds for a predetermined expiry period by a home banking server. One of ordinary skill in the art would have been motivated to do this because it ensures available funds for authorized transactions.

(Examiner's Answer at 10.) The appellant merely alleges that "Bartoli et al. and Tedesco et al., either separately or in combination with one another, do not recite the required combination of limitations proposing the method and system for performing an on-line transaction with a vendor using the single-use payment instrument in which a home banking server reserves funds in an account nominated by the customer sufficient for payment for the on-line transaction with the single-use payment instrument as recited in claims 12-14." (Appeal Br. at 14.)

The examiner has made specific findings, *supra*, of where the secondary reference teaches the limitations of the dependent claims and of a motivation to combine teachings of the references with those of Bartoli. For his part, although the appellant has paraphrased limitations in claims 12-14 allegedly not "recited" in Bartoli and the secondary reference, he has not addressed the specific findings of the examiner, let alone showed error therein. Therefore, we affirm the rejection of claims 12-14.

D. CLAIMS 18 AND 46

The appellant stipulates that claims 18 and 46 "fall together." (Appeal Br. at 7.)

We select claim 18 from the group as representative of the claims therein.

The examiner makes the following findings.

Mori et al. disclose generating the details of the payment instrument specific to the transaction by a home banking server (see col. 16, lines 27-29). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the method disclose by Bartoli et al. include the step of generating the details of the payment instrument specific to the transaction by a home banking server. One of ordinary skill in the art would have been motivated to do this because servers usually manage and maintain the system's resources and files.

(Examiner's Answer at 10-11.) The appellant merely alleges that "Bartoli et al. and Mori et al., either separately or in combination with one another, do not recite the required combination of limitations proposing the method and system for performing an on-line transaction with a vendor using the single-use payment instrument in which the details of the single-use payment instrument specific to the transaction are generated for the customer by the home banking server as recited in claims 18 and 46." (Appeal Br. at 15.)

The examiner has made specific findings, *supra*, of where the secondary reference teaches the limitations of the dependent claims and of a motivation to

combine teachings of the references with those of Bartoli. For his part, although the appellant has paraphrased limitations in claim 18 allegedly not "recited" in Bartoli and the secondary reference, he has not addressed the specific findings of the examiner, let alone showed error therein. Therefore, we affirm the rejection of claim 18 and of claim 46, which falls therewith.

#### E. CLAIMS 19-22, 47, AND 48

The examiner makes the following findings.

Van Horne et al. disclose storing the record of the payment instrument details consisting of at least the payment amount for the payment instrument and a unique transaction identification number for the payment instrument or a fabricated card expiration date in a database of at least one of a home banking server and a credit card authorization server (see section (0093)). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the method disclose by Bartoli et al. to include the step of storing the record of the payment instrument details consisting of at least the payment amount for the payment instrument and a unique transaction identification number for the payment instrument or a fabricated card expiration date in a database of at least one of a home banking server and a credit card authorization server. One of ordinary skill in the art would have been motivated to do this because a database organizes information for quick and easy retrieval.

(Examiner's Answer at 11.) The appellant merely alleges that "Bartoli et al. and Van Horne, either separately or in combination with one another, do not recite the required combination of limitations proposing the method and system for performing an on-line transaction with a vendor using the single-use payment instrument in which the record

of the single-use payment instrument details includes the payment amount, a unique transaction identification number, and a fabricated card expiration date, which are stored in the database of either or both of the home banking server and the credit card authorization server as recited in claims 19-22 and 47. (Appeal Br. at 16.)

The examiner has made specific findings, *supra*, of where the secondary reference teaches the limitations of the dependent claims and of a motivation to combine teachings of the references with those of Bartoli. For his part, although the appellant has paraphrased limitations in claims 19-22, 47, and 48 allegedly not "recited" in Bartoli and the secondary reference, he has not addressed the specific findings of the examiner, let alone showed error therein. Therefore, we affirm the rejection of claims 19-22, 47, and 48.

#### F. CLAIMS 25-28 AND 49-52

The examiner makes the following findings.

Wolff discloses providing the customer with the payment instrument details by a home banking server coupled to a computing device of the customer over a network or global network (see col. 8, lines 65-67; col. 9, lines 1-15; abstract, lines 1-3). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the method disclose by Bartoli et al. to include the step of providing the customer with the payment instrument details by a home banking server coupled to a computing device of the customer over a network or global network. One of ordinary skill in the art would have been motivated to do

this because the network allows the customer to receive payment instrument details from a remote location.

(Examiner's Answer at 12.) The appellant merely alleges that "Bartoli et al. and Wolff, either separately or in combination with one another, do not recite the required combination of limitations proposing the method and system for performing an on-line transaction with a vendor using the single-use payment instrument in which the customer is provided with the single-use payment instrument details by a home banking server coupled to the customer's computing device over a global network as recited in claims 25-28 and 49-52." (Appeal Br. at 17.)

The examiner has made specific findings, *supra*, of where the secondary reference teaches the limitations of the dependent claims and of a motivation to combine teachings of the references with those of Bartoli. For his part, although the appellant has paraphrased limitations in claims 25-28 and 49-52 allegedly not "recited" in Bartoli and the secondary reference, he has not addressed the specific findings of the examiner, let alone showed error therein. Therefore, we affirm the rejection of claims 25-28 and 49-52.

#### G. CLAIMS 31-33 AND 53-55

The examiner makes the following findings.

Moore et al. disclose receiving the request for authorization by a credit card authorization server from a website server of the vendor via a credit card acquirer service of the vendor (see col. 5, lines 11- 26). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the method disclose by Bartoli et al. to include the step of receiving the request for authorization by a credit card authorization server from a website server of the vendor via a credit card acquirer service of the vendor. One of ordinary skill in the art would have been motivated to do this because this is a common authorization procedure.

(Examiner's Answer at 12-13.) The appellant merely alleges that "Bartoli et al. and Moore et al., either separately or in combination with one another, do not recite the required combination of limitations proposing the method and system for performing an on-line transaction with a vendor using the single-use payment instrument in which the request for authorization for the on-line transaction with the single-use payment instrument is received by a credit card authorization server from a website server of the vendor via a credit card acquirer service of the vendor coupled to the credit card authorization and website servers as recited in claims 31-33 and 53-55." (Appeal Br. at 18.)

The examiner has made specific findings, *supra*, of where the secondary reference teaches the limitations of the dependent claims and of a motivation to combine teachings of the references with those of Bartoli. For his part, although the appellant has paraphrased limitations in claims 31-33 and 53-55 allegedly not "recited"

in Bartoli and the secondary reference, he has not addressed the specific findings of the examiner, let alone showed error therein. Therefore, we affirm the rejection of claims 31-33 and 53-55.

#### H. CLAIM 34

The examiner makes the following findings.

Franklin et al. disclose authorizing the transaction if the request for authorization according to the payment instrument details corresponds to the stored record of the payment instrument details (see col. 9, lines 30-42). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the method disclose by Bartoli et al. to include the step of authorizing the transaction if the request for authorization according to the payment instrument details corresponds to the stored record of the payment instrument details. One of ordinary skill in the art would have been motivated to do this because it provides security by preventing fraud.

(Examiner's Answer at 13.) The appellant merely alleges that "Bartoli et al. and Franklin et al., either separately or in combination with one another, do not recite the required combination of limitations proposing the method and system for performing an on-line transaction with a vendor using the single-use payment instrument in which the on-line transaction with the vendor is authorized for the customer if the request for the authorization according to the single-use payment instrument details corresponds to the stored record of the single-use payment instrument details as recited in claim 34."

(Appeal Br. at 19.)

The examiner has made specific findings, *supra*, of where the secondary reference teaches the limitations of the dependent claim and of a motivation to combine teachings of the reference with those of Bartoli. For his part, although the appellant has paraphrased limitations in claim 34 allegedly not "recited" in Bartoli and the secondary reference, he has not addressed the specific findings of the examiner, let alone showed error therein. Therefore, we affirm the rejection of claim 34.

#### I. CLAIM 35

The examiner finds, "Adams et al. disclose authorizing the transaction upon receiving the request for authorization before a predefined expiry of the payment instrument (see col. 6, lines 15-21). One of ordinary skill in the art would have been motivated to do this because it ensures that the payment instrument is valid." (Examiner's Answer at 14.) The appellant merely alleges that "Bartoli et al. and Adams, either separately or in combination with one another, do not recite the required combination of limitations proposing the method and system for performing an on-line transaction with a vendor using the single-use payment instrument in which the

transaction with the on-line vendor is authorized for the customer if the request for the authorization is received before the expiry of the single-use payment instrument as recited in claim 35." (Appeal Br. at 20.)

The examiner has made specific findings, *supra*, of where the secondary reference teaches the limitations of the dependent claim and of a motivation to combine teachings of the reference with those of Bartoli. For his part, although the appellant has paraphrased limitations in claim 35 allegedly not "recited" in Bartoli and the secondary reference, he has not addressed the specific findings of the examiner, let alone showed error therein. Therefore, we affirm the rejection of claim 35.

#### J. CLAIM 36

The examiner makes the following findings.

Tsakanikas discloses debiting the nominated source of funds for the payment amount (see col. 12, lines 6-11). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the method disclose by Bartoli et al. to include the step of debiting the nominated source of funds for the payment amount. One of ordinary skill in the art would have been motivated to do this because it ensures that the merchant is paid for the transaction.

(Examiner's Answer at 14.) The appellant merely alleges that "Bartoli et al. and Tsakanikas, either separately or in combination with one another, do not recite the

required combination of limitations proposing the method and system for performing an on-line transaction with a vendor using the single-use payment instrument in which the source of funds nominated by the customer for the on-line transaction with the vendor using the single-use payment instrument is debited for the payment amount authorized according to the single-use payment instrument details as recited in claim 36." (Appeal Br. at 21.)

The examiner has made specific findings, *supra*, of where the secondary reference teaches the limitations of the dependent claim and of a motivation to combine teachings of the reference with those of Bartoli. For his part, although the appellant has paraphrased limitations in claim 36 allegedly not "recited" in Bartoli and the secondary reference, he has not addressed the specific findings of the examiner, let alone showed error therein. Therefore, we affirm the rejection of claim 36.

#### K. CLAIM 37

The examiner makes the following findings.

Cozzi et al. disclose removing stored database record (see abstract - 'deleting database records' and page 4, *SQL Select and Cursor* paragraph 4 - 'DELETE to destroy the row'). Note. The examiner presumes that the stored database record may contain any data, including a record of payment instrument details. At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to modify the method disclose by Bartoli et al. to include the step of removing

the stored record of payment instrument details. One of ordinary skill in the art would have been motivated to do this because it creates more storage space (in the database).

(Examiner's Answer at 14-15.) The appellant merely alleges that "Bartoli et al. and Cozzi , either separately or in combination with one another, do not recite the required combination of limitations proposing the method and system for performing an on-line transaction with a vendor using the single-use payment instrument in which the record of the details of the single-use payment instrument for the on-line transaction, which are stored, can thereafter be removed from storage as recited in claim 37." (Appeal Br. at 22.)

The examiner has made specific findings, *supra*, of where the secondary reference teaches the limitations of the dependent claim and of a motivation to combine teachings of the reference with those of Bartoli. For his part, although the appellant has paraphrased limitations in claim 37 allegedly not "recited" in Bartoli and the secondary reference, he has not addressed the specific findings of the examiner, let alone showed error therein. Therefore, we affirm the rejection of claim 37.

#### L. CLAIM 58

We focus on the following two points of contention between the examiner and the appellant:

- nomination of source of funds
- temporary credit card number and expiration date

### *1. Nomination of Source of Funds*

The examiner finds, "Bartoli et al. disclose receiving a nomination of a source of funds for the transaction for the customer (see col. 8, lines 22-26). . . ." (Examiner's Answer at 18.) Rather than arguing about Bartoli's disclosure, the appellant argues, "Linehan neither teaches nor suggests that the transaction details are received by the financial institution server from the customer's computer, together with a nomination of a source of funds for the transaction from a plurality of options consisting of a plurality of financial accounts as recited in claim 58." (Appeal Br. at 23.)

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

#### *a. Claim Construction*

Claim 58 recites in pertinent part the following limitations: "receiving details for a customer-specified on-line transaction with a vendor by a financial institution server from a computing device of the customer via a network, together with a nomination of a source of funds for the transaction from a plurality of options consisting of a plurality of

financial accounts. . . ." Giving the claim its broadest, reasonable construction, the limitations require that a customer's computer routes details of a transaction and a nomination of a source of funds for the transaction to a financial institution's server.

b. Obviousness Determination

"Having determined what subject matter is being claimed, the next inquiry is whether the subject matter would have been obvious." *Ex Parte Massingill*, No. 2003-0506, 2004 WL 1646421, at \*3 (Bd.Pat.App & Int. 2004). "A *prima facie* case of obviousness is established when the teachings from the prior art itself would appear to 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)). "Non-obviousness cannot be established by attacking references individually where the rejection is based upon the teachings of a combination of references." *In re Merck & Co.*, 800 F.2d 1091, 1097, 231 USPQ 375, 380 (Fed. Cir. 1986) (citing *In re Keller*, 642 F.2d 413, 425, 208 USPQ 871, 881 (CCPA 1981)). In determining obviousness, furthermore, a reference "must be read, not in isolation, but for what it fairly teaches in combination with the prior art as a whole." *Id.*, 231 USPQ at 380.

Here, the rejection is based on the combination of Bartoli and Linehan. As aforementioned regarding claims 1-5, 8-11, 15-17, 23, 24, 29, 30, 38-45, 56, and 57, when Bartoli's "user clicks on [a click-to-buy] icon, [a] request for authorization is routed to the billing system over a Secure Socket Layer (SSL) link, in which the merchant's signed order is embedded. In addition, the cookie stored in the user's cookie file on the browser program is sent to the billing system as well." (Col. 8, ll. 40-45.) Because the cookie's sequence number corresponds to a distinct transaction, as explained regarding the same claims, we find that the cookie includes details of a transaction as claimed. Because the message's time-stamp, merchant transaction ID or order number, transaction amount, and other order data such as type of request and expiration date for an offer correspond to a distinct transaction, as explained regarding claims 1-5, 8-11, 15-17, 23, 24, 29, 30, 38-45, 56, and 57, we find that the message includes details of a transaction as claimed.

Because the reference discloses that the message also includes a "select[ed] . . . billing method," (col. 8, l. 24), which "may include a direct bill to an email address or to the postal address associated with the user's telephone number, or to a telephone bill (LEC or Interchange carrier), or to a user's credit card or debit card," (col. 4, ll. 45-49), we find that the message also includes a nomination of a source of funds for the transaction as claimed. Figure 1 of Bartoli shows that the billing system (104) to which

the user's client computer (101) routes details of a transaction and a nomination of a source of funds for the transaction includes a registration server (105) and a billing server (107). Because the reference's client computer routes a cookie and message, which include details of a transaction and a nomination of a source of funds for the transaction, to at least one server of the billing system, we find that Bartoli teaches that a customer's computer routes details of a transaction and a nomination of a source of funds for the transaction to a financial institution's server as claimed.

For its part, Linehan teaches that a "consumer's computer 202 then sends a message 224 over the internet network including some consumer identity and authentication information, such as a userid [sic] and user password, plus the merchant message, to an issuer gateway 214 operating on behalf of an issuing bank 212." (Col. 5, l. 65 - col. 6, l. 3) The reference explains that the merchant message includes "a wallet initiation message, a merchant digital signature, and a digital certificate from an acquiring bank 208," (col. 5, ll. 59-61), wherein "[t]he wallet initiation message includes a payment amount, an order description, a timestamp, and a nonce." (*Id.* at ll. 61-63.) We find that the payment amount, order description, timestamp, or nonce represent details of a transaction as claimed.

## *2. Temporary Credit Card Number*

The examiner finds, "Linehan discloses . . . generating details of a payment instrument for the specific transaction corresponding to the transaction details consisting at least . . . a temporary credit card number . . . processable via a credit card transaction processing system. . . (see col. 4, lines 10-56., col. 9, lines 59-63, col. 10, lines 49-67)." (Examiner's Answer at 17-18.) The appellant argues, "while Linehan teaches that an issuer gateway sends the merchant directly or indirectly an authorization token that includes a secondary account number linked in a database at the issuing bank to the customer's real credit card number, the secondary number clearly has no use without the authorization token. See, e.g. Linehan, Col. 4, lines 30-40, Col. 10, lines 49-67." (Appeal Br. at 24.)

#### a. Claim Construction

Claim 58 further recites in pertinent part the following limitations: "generating details of a payment instrument for the specific transaction corresponding to the transaction details consisting at least in part of the payment amount for the transaction, a temporary credit card number, and a fabricated card expiration date by the financial institution server processable via a credit card transaction processing system. . . ." Giving the claim its broadest, reasonable construction, the limitations require a temporary credit card number processable via a credit card transaction processing system. Because the claim use the transitional term "comprising," however, it does not

exclude additional, unrecited elements or method steps such as the concurrent use of an authorization token.

b. Obviousness Determination

As aforementioned, the appellant admits, "Linehan teaches that an issuer gateway sends the merchant directly or indirectly an authorization token that includes a secondary account number linked in a database at the issuing bank to the customer's real credit card number. . . ." (Appeal Br. at 24.) For its part, the reference explains that "[t]he authorization token contains . . . a reference to [a] consumer's credit card number." (Col. 9, ll. 55-56.) "The reference is an 'alias card number', meaning a secondary account number that is mapped at the issuing bank to the real card number." (Col. 10, ll. 52-54.)

"[T]he merchant submits the authorization token in a capture request to the acquirer's payment gateway. The capture request tells the acquirer to actually post the charge to the consumer's credit or debit account." (Col. 10, ll. 3-7.) Because the authorization token includes an alias credit card number temporarily used for a transaction and processed to post a charge to a consumer's credit account, we find that

Linehan teaches a temporary credit card number processable via a credit card transaction processing system as claimed. Therefore, we affirm the rejection of claim 58.

### III. CONCLUSION

In summary, the rejection of claims 1-5, 8-11, 15-17, 23, 24, 29, 30, 38-45, and 57 under § 102(e) is affirmed. The rejection of claim 56 under § 102(e), however, is reversed. Furthermore, the rejections of claims 6, 7, 12-14, 18-22, 25-28, 31-37, 47-55, and 58 under § 103(a) are affirmed.

"Any arguments or authorities not included in the brief or a reply brief filed pursuant to § 41.41 will be refused consideration by the Board, unless good cause is shown." 37 C.F.R. § 41.37(c)(1)(vii). Accordingly, our affirmance is based only on the arguments made in the briefs. Any arguments or authorities omitted therefrom are neither before us nor at issue but are considered waived. *Cf. In re Watts*, 354 F.3d 1362, 1367, 69 USPQ2d 1453, 1457 (Fed. Cir. 2004) ("[I]t is important that the applicant challenging a decision not be permitted to raise arguments on appeal that were not presented to the Board.") No time for taking any action connected with this appeal may be extended under 37 C.F.R. § 1.136(a)(1)(iv).

AFFIRMED-IN-PART

KENNETH W. HAIRSTON  
Administrative Patent Judge

LANCE LEONARD BARRY  
Administrative Patent Judge

ROBERT NAPPI  
Administrative Patent Judge

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Application No. 09/641,896

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