

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

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4 UNITED STATES PATENT AND TRADEMARK OFFICE

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6  
7 BEFORE THE BOARD OF PATENT APPEALS  
8 AND INTERFERENCES

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11 *Ex parte* WESLEY W. WHITMYER, JR.

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13  
14 Appeal 2007-1305  
15 Application 09/725,394  
16 Technology Center 2100

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18  
19 Decided: June 11, 2007

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21  
22 Before STUART S. LEVY, LINDA E. HORNER, and ANTON W. FETTING,  
23 *Administrative Patent Judges.*

24 FETTING, *Administrative Patent Judge.*

25 DECISION ON APPEAL

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27  
28 STATEMENT OF CASE

29 This appeal from the Examiner's rejection of claims 1-10, the only claims  
30 pending in this application, arises under 35 U.S.C. § 134. We have jurisdiction  
31 over the appeal pursuant to 35 U.S.C. § 6 (2002).

32  
33 We AFFIRM.

1       The Appellant invented an Internet-based system for preparing the documents  
2 used for performing due diligence, transfer, and recording transfer of intellectual  
3 properties pursuant to an acquisition, divestiture, merger, IPO, change of name, or  
4 the like (Specification 1). An understanding of the invention can be derived from a  
5 reading of exemplary claim 1, which is reproduced below.

6       1. A system for automating the recordation of a property transfer  
7 comprising:  
8       an Internet server;  
9       a communications link between said Internet server and the Internet;  
10       at least one database containing a plurality of information records  
11 accessible by said Internet server, each information record including  
12 an intellectual property identification number;  
13       at least one database containing a plurality of recordation forms  
14 accessible by said Internet server;  
15       software executing on said Internet server for receiving a transfer  
16 request indicative of a transfer of rights to the property; and  
17       software executing on said Internet server for querying said database  
18 of information records to retrieve an information record corresponding  
19 to a transfer request, for querying said database of recordation forms  
20 to retrieve a recordation form corresponding to said transfer request,  
21 and for combining the retrieved information record with the retrieved  
22 recordation form to generate a document.

23  
24       This appeal arises from the Examiner's Final Rejection, mailed May 22, 2006.  
25 The Appellant filed an Appeal Brief in support of the appeal on August 23, 2006,  
26 and the Examiner mailed an Examiner's Answer to the Appeal Brief on November  
27 17, 2006. A Reply Brief was filed on December 21, 2006.

1 PRIOR ART

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

4 Schneider	US 5,987,464	Nov. 16, 1999
5 Fucarile	US 6,766,305 B1	Jul. 20, 2004
6		(filed Mar. 12, 1999)

7  
8 REJECTION

9 Claims 1-10 stand rejected under 35 U.S.C. § 103(a) as obvious over Schneider  
10 and Fucarile.

11 ISSUES

12 The Examiner finds that Schneider discloses a system for automating the  
13 recordation of a property transfer that shows an Internet server; a communications  
14 link between said Internet server and the Internet; at least one database containing  
15 a plurality of information records accessible by said Internet server, each  
16 information record including an intellectual property identification number; and  
17 software executing on said Internet server for receiving a transfer request  
18 indicative of a transfer of rights to the property.

19 The Examiner finds that Schneider does not explicitly disclose software for  
20 querying said database of information records to retrieve an information record that  
21 corresponds to a transfer request. Similarly, the Examiner finds that Schneider  
22 does not explicitly disclose software for querying a database of recordation forms  
23 to retrieve a recordation form corresponding to a transfer request and for  
24 combining the retrieved information record with the retrieved recordation form to  
25 generate a document as claimed.

1       The Examiner resolves this deficiency by finding that Fucarile shows: software  
2 for querying said database of information records to retrieve an information record  
3 corresponding to a transfer request; for querying said database of recordation forms  
4 to retrieve a recordation form corresponding to said transfer request, and for  
5 combining the retrieved information record with the retrieved recordation form to  
6 generate a document.

7       The Examiner contends that each of these references suggests the other  
8 because they can be adapted to hold license records (recordation form) and receive  
9 and store access information such as the number of accesses and user information,  
10 and the license server can then generate usage reports that can be used to determine  
11 licensing requirements. Therefore, the Examiner concludes that it would have  
12 been obvious to a person of ordinary skill to combine the teachings of Fucarile  
13 with the teachings of Schneider to reach the claimed subject matter. (Answer 3-5).

14       The Appellant contends that

- 15       • Neither Schneider nor Fucarile teach, disclose, or suggest software executing  
16 on the Internet server for querying the database of information records to  
17 retrieve an information record corresponding to a transfer request, for  
18 querying the database of recordation forms to retrieve a recordation form  
19 corresponding to the transfer request, and for combining the retrieved  
20 information record with the retrieved recordation form to generate a transfer  
21 document (Br. 7-10);
- 22       • Neither Schneider nor Fucarile teach, disclose or suggest software executing  
23 on said Internet server for receiving a transfer request indicative of a transfer  
24 of rights to the property (Br. 10-11);

- 1 • Neither Schneider nor Fucarile teach, disclose, or suggest software executing  
2 on the Internet server for generating a property transfer request form  
3 indicative of a transfer of rights to the property as required by claim 3  
4 (Br. 12); and
- 5 • There is no motivation to combine Schneider and Fucarile (Br. 12-14).

6 Thus, the issue pertinent to this appeal is whether the rejection of claims 1-10  
7 under 35 U.S.C. § 103(a) as obvious over Schneider and Fucarile is proper. In  
8 particular, the issue turns on whether Schneider and Fucarile show the contended  
9 claim elements, whether it would have been obvious to a person of ordinary skill to  
10 apply those elements, and whether such a person of ordinary skill would have  
11 combined Schneider and Fucarile to achieve the claimed invention.

#### 12 13 FACTS PERTINENT TO THE ISSUES

14 The following Findings of Fact (FF), supported by a preponderance of  
15 evidence, are pertinent to the above issues.

#### 16 *Claim Construction*

17 01. Commercial transactions are collectively referred to as transfers  
18 (Specification 1). The Specification states that whenever a commercial  
19 transaction is discussed, it is referred to as a transfer, but it does not state  
20 that whenever a transfer is discussed it necessarily means a commercial  
21 transaction.

22 02. Therefore a transfer request is a request for a transfer of rights to  
23 property.

- 1       03.   The Specification does not provide a lexicographic definition for  
2           generate, record, recordation, or form.
- 3       04.   The ordinary and usual meaning of generate is to bring in to being<sup>1</sup>.
- 4       05.   The ordinary and usual meaning of a record, as a noun, is an account, as  
5           of information, set down, esp. in writing as a way of preserving  
6           knowledge<sup>1</sup>.
- 7       06.   The ordinary and usual meaning of a recordation is the process of  
8           recording. Record, as a verb, means to set down for preservation in  
9           writing or other permanent form<sup>1</sup>. Thus, recordation is the process of  
10          setting down for preservation in writing or other permanent form.
- 11      07.   Therefore, the ordinary and usual meaning of a recordation form is a  
12          form for recordation, i.e., it is an account, as of information, set down, in  
13          writing or other permanent form, as a way of preserving knowledge.
- 14      *Schneider*
- 15      08.   Schneider describes a system that updates data files, particularly patent  
16          data files, for changes in status such as newly issued and prematurely  
17          expired patents (Schneider, col. 4, ll. 54-61).
- 18      09.   As found by the Examiner, Schneider shows an Internet server; a  
19          communications link between said Internet server and the Internet; and  
20          at least one database containing a plurality of information records  
21          accessible by the Internet server, where each information record includes  
22          an intellectual property identification number (Schneider, Fig. 8: 302 &

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<sup>1</sup> *Webster's II New Riverside University Dictionary*, 1994

1           144, and Fig. 11: 350). The presence of these elements within Schneider  
2           is not challenged by the Appellant.

3           10. Schneider shows searching for patents that have expired prematurely  
4           (Schneider, col. 16, ll. 6-9).

5           11. A patent grants rights to the patent owner to exclude others from  
6           making, using, offering to sell, or selling the patented invention.  
7           35 U.S.C. § 271. Therefore, an expiration of a patent transfers the rights  
8           to practice the claimed subject matter to the public.

9           *Fucarile*

10          12. Fucarile describes a system that licenses the content and the access to a  
11          software component or plug-in running on a client computer (Fucarile,  
12          col. 3, ll. 2-18).

13          13. Fucarile describes a licensing system in which the license for licensed  
14          content is embedded within the content (Fucarile, Fig. 2:201 & 203).

15          14. Fucarile's license distinguishes between commercial and non-  
16          commercial use (Fucarile, col. 5, ll. 23-31).

17          15. This license is encoded within a license form (Fucarille, Fig. 3; col. 7,  
18          l. 6 - col. 8, l. 36).

19          16. A user obtains information from Fucarile's system by sending a request  
20          for content to a server, and the server returns the content including the  
21          embedded license form. A plug-in program on the user's computer  
22          scans the content for the license prior to interpreting the content, and  
23          passes the license form on to a license server for license validation. The  
24          plug-in program only continues with the interpretation of the content if

1 the user is authorized. (Fucarile, col. 6, l. 38 – col. 7, l. 5; col. 8, l. 37 –  
2 col. 9, l. 22).

3 17. Because the data in Fucarile is sent from a server to a separate user’s  
4 computer, the data is disintegrated on the server for transmission as a bit  
5 stream over the network and integrated back into a record on the user’s  
6 computer, thus, the data, including the information record and the  
7 embedded license form, are brought into being, i.e., generated, and  
8 combined.

## 10 PRINCIPLES OF LAW

### 11 *Claim Construction*

12 We begin with the language of the claims. The general rule is that terms in  
13 the claim are to be given their ordinary and accustomed meaning. *Johnson*  
14 *Worldwide Assocs. v. Zebco Corp.*, 175 F.3d 985, 989, 50 USPQ2d 1607, 1610  
15 (Fed. Cir. 1999). In the USPTO, claims are construed giving their broadest  
16 reasonable interpretation.

17 [T]he Board is required to use a different standard for construing  
18 claims than that used by district courts. We have held that it is error  
19 for the Board to “appl[y] the mode of claim interpretation that is used  
20 by courts in litigation, when interpreting the claims of issued patents  
21 in connection with determinations of infringement and validity.” *In re*  
22 *Zletz*, 893 F.2d 319, 321, 13 USPQ2d 1320[, 1322] (Fed. Cir. 1989);  
23 accord *In re Morris*, 127 F.3d 1048, 1054, 44 USPQ2d 1023 (Fed.  
24 Cir. 1997) (“It would be inconsistent with the role assigned to the  
25 PTO in issuing a patent to require it to interpret claims in the same  
26 manner as judges who, post-issuance, operate under the assumption  
27 the patent is valid.”). Instead, as we explained above, the PTO is  
28 obligated to give claims their broadest reasonable interpretation  
29 during examination.

1 *In re Am. Acad. of Sci. Tech Ctr.*, 367 F.3d 1359, 1369, 70 USPQ2d 1827, 1834  
2 (Fed. Cir. 2004).

3

4 *Obviousness*

5 In order to determine whether a prima facie case of obviousness has been  
6 established, we considered the three factors set forth in *Graham v. John Deere Co.*,  
7 383 U.S. 1, 17-18, 148 USPQ 459, 466-67 (1966), viz., (1) the scope and content of  
8 the prior art; (2) the differences between the prior art and the claims at issue; and  
9 (3) the level of ordinary skill in the art. We also considered the requirement, as  
10 recently re-stated in *In re Kahn*, 441 F.3d 977, 78 USPQ2d 1329 (Fed. Cir. 2006),  
11 for a showing of a “teaching, suggestion, or motivation” to modify or combine the  
12 prior art teaching. As to this test, the court explained,

13 The “motivation-suggestion-teaching” test asks not merely what the  
14 references disclose, but whether a person of ordinary skill in the art,  
15 possessed with the understandings and knowledge reflected in the  
16 prior art, and motivated by the general problem facing the inventor,  
17 would have been led to make the combination recited in the claims....  
18 From this it may be determined whether the overall disclosures,  
19 teachings, and suggestions of the prior art, and the level of skill in the  
20 art – *i.e.*, the understandings and knowledge of persons having  
21 ordinary skill in the art at the time of the invention – support the legal  
22 conclusion of obviousness.

23

24 *Kahn*, 441 F.3d at 988, 78 USPQ2d at 1337 (internal citations omitted). It is not  
25 just the explicit teachings of the art itself, but also the understandings and  
26 knowledge of persons having ordinary skill in the art, that play a role in applying  
27 the motivation-suggestion-teaching test.

1 The Federal Circuit has repeatedly recognized that to establish a prima facie  
2 case of obviousness, the references being combined do not need to explicitly  
3 suggest combining their teachings. See e.g., *Kahn*, 441 F.3d at 987-88, 78  
4 USPQ2d at 1336 (“the teaching, motivation, or suggestion may be implicit from  
5 the prior art as a whole, rather than expressly stated in the references”); and *In re*  
6 *Nilssen*, 851 F.2d 1401, 1403, 7 USPQ2d 1500, 1502 (Fed. Cir. 1988) (“for the  
7 purpose of combining references, those references need not explicitly suggest  
8 combining teachings”). The court recently noted,

9 An explicit teaching that identifies and selects elements from different  
10 sources and states that they should be combined in the same way as in  
11 the invention at issue, is rarely found in the prior art. As precedent  
12 illustrates, many factors are relevant to the motivation-to-combine  
13 aspect of the obviousness inquiry, such as the field of the specific  
14 invention, the subject matter of the references, the extent to which  
15 they are in the same or related fields of technology, the nature of the  
16 advance made by the applicant, and the maturity and congestion of the field.  
17  
18 *In re Johnston*, 435 F.3d 1381, 1385, 77 USPQ2d 1788, 1790 (Fed. Cir. 2006).

19  
20 The Supreme Court has recently provided guidelines for determining  
21 obviousness based on the Graham factors. *KSR Int’l v. Teleflex Inc.*, 127 S. Ct.  
22 1727, 82 USPQ2d 1385 (2007). The Court stated that “[a] combination of familiar  
23 elements according to known methods is likely to be obvious when it does no more  
24 than yield predictable results. *Id.* at 1731, 82 USPQ2d at 1396. “When a work is  
25 available in one field of endeavor, design incentives and other market forces can  
26 prompt variations of it, either in the same field or a different one. If a person of  
27 ordinary skill can implement a predictable variation, §103 likely bars its  
28 patentability.” *Id.* For the same reason, “if a technique has been used to improve  
29 one device, and a person of ordinary skill in the art would recognize that it would

1 improve similar devices in the same way, using the technique is obvious unless its  
2 actual application is beyond that person's skill." *Id.* "Under the correct analysis,  
3 any need or problem known in the field of endeavor at the time of invention and  
4 addressed by the patent can provide a reason for combining the elements in the  
5 manner claimed." *Id.* at 1732, 82 USPQ2d at 1397.

6 *Obviousness and Nonfunctional Descriptive Material*

7 Nonfunctional descriptive material cannot render nonobvious an invention that  
8 would have otherwise been obvious. *In re Ngai*, 367 F.3d 1336, 1339, 70 USPQ2d  
9 1862, 1864 (Fed. Cir. 2004). *Cf. In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ  
10 401, 404 (Fed. Cir. 1983) (when descriptive material is not functionally related to  
11 the substrate, the descriptive material will not distinguish the invention from the  
12 prior art in terms of patentability).

13  
14 ANALYSIS

15 *Claims 1-10 rejected under 35 U.S.C. § 103(a) as obvious over Schneider and*  
16 *Fucarile.*

17 The Appellant argues claims 1, 2, and 4-10 as a group. Accordingly, we select  
18 claim 1 as representative of the group. We address the Appellant's arguments  
19 regarding claim 3 separately below.

20 Initially, we note that although the Appellant has disclosed a way to automate  
21 the recording of patent assignments, the Appellant has chosen to draft the claims,  
22 and claim 1 in particular, far more broadly. As noted above, during patent  
23 prosecution, claims are construed as broadly as is reasonable. Hence, the claimed  
24 transfer of property reads on any such transfer, not merely recorded assignments.

1 The claimed forms read on any formatted carrier of data, not just assignment  
2 forms.

3 Fucarile describes retrieving content after requesting that content (FF16).  
4 Fucarile's system embeds licensing forms within the content (FF13), so Fucarile  
5 queries for the license form along with the content. Both the content and the  
6 license are returned to the user (FF16), thus both are retrieved from Fucarile's  
7 database server.

8 A request for information as part of Fucarile's commercial transaction (FF14)  
9 is a request to transfer the data, and is thus a transfer request. Fucarile reassembles  
10 the license and data within the plug-in program after it has been transmitted from  
11 the database server, thus combining the license form and content.

12 As a result of the above operations, Fucarile's software queries the database of  
13 information records to retrieve an information record corresponding to a transfer  
14 request, queries the database of recordation forms to retrieve a recordation form  
15 corresponding to the transfer request, and combines the retrieved information  
16 record with the retrieved recordation form to generate a transfer document (FF17).

17 As to claim requirement that the nature of the content, i.e., the transfer request,  
18 is indicative of a transfer of intellectual property rights, this claim limitation relates  
19 the content of the form, e.g., it is textual material, bearing no functional  
20 relationship to its underlying media, or the remainder of the claimed subject  
21 matter, and nonfunctional descriptive material cannot render nonobvious an  
22 invention that would have otherwise been obvious. Further, we note that  
23 Schneider's content includes data indicative of a transfer of rights to the property  
24 in any event (FF11). Thus, Schneider shows software receiving a transfer request  
25 indicative of a transfer of rights to the property.

1 Since Schneider's system contains content that users wish to retrieve,  
2 Schneider's content is exemplary of the type of content that Fucarile's licensing  
3 system might control. Thus it would have been obvious to a person of ordinary  
4 skill in the art to have applied Schneider's content to Fucarile's licensing system to  
5 result in the subject matter of claim 1.

6

7 *Claim 3 Argued Separately*

8 As to the issue of generation of a transfer document in claim 3, again, Fucarile  
9 reassembles the license and data within the plug-in program after it has been  
10 transmitted from the database server, thus combining the license form and content  
11 (FF17).

12

13

CONCLUSIONS OF LAW

14 From the above facts and analysis, we conclude that the combination of  
15 Schneider and Fucarile suggests the claimed subject matter, and that it would have  
16 been obvious to a person of ordinary skill to apply those elements to achieve the  
17 claimed invention. Therefore, the Examiner's rejection of claims 1-10 under 35  
18 U.S.C. § 103(a) as obvious over Schneider and Fucarile is sustained.

