

1 UNITED STATES PATENT AND TRADEMARK OFFICE

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3
4 BEFORE THE BOARD OF PATENT APPEALS
5 AND INTERFERENCES

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8 *Ex parte* TAKEHIRO NISHIYAMA

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11 Appeal 2008-0765
12 Application 09/874,057
13 Technology Center 3600

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16 Decided: August 8, 2008

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19 Before HUBERT C. LORIN, ANTON W. FETTING, and
20 STEVEN D.A. McCARTHY, *Administrative Patent Judges*.
21 FETTING, *Administrative Patent Judge*.

22 DECISION ON APPEAL

23 STATEMENT OF CASE

24 Takehiro Nishiyama (Appellant) seeks review under 35 U.S.C. § 134 of a non-
25 final rejection of claims 17-21, the only claims pending in the application on
26 appeal.

27 We have jurisdiction over the appeal pursuant to 35 U.S.C. § 6(b) (2002).

28 We AFFIRM.

1 The Appellant invented a way of renting a construction machine through a
2 network. A system holds information related to a specification, a rental situation,
3 and a location of a construction machine for rental. A person seeking a rental
4 service of a construction machine enters the specification of a construction
5 machine, a rented period, and a location (Specification 3:Bottom ¶).

6 An understanding of the invention can be derived from a reading of exemplary
7 claim 17, which is reproduced below [bracketed matter and some paragraphing
8 added].

9 17. A system for renting a construction machine from a provider of a
10 rental service of the construction machine to a person seeking the
11 rental service of the construction machine through a network,
12 comprising:
13 a first network terminal
14 configured to enable the provider to input and update,
15 when the provider gets access to the network,
16 a piece of basic information related to
17 a specification,
18 a rental situation and
19 a location of the construction machine for rent;
20 a second network terminal
21 configured to enable the person seeking the rental service
22 when the person gets access to the network,
23 to input another piece of basic information related to
24 a specification of a construction machine of his choice,
25 rental period information including a rental period of his
26 choice, and
27 a rental place of his choice
28 in such a manner that the input includes an option to identify a
29 preferred option of one of

1 the specification,
2 the rental period and
3 the rental place;
4 a network server adapted to be connected, respectively, to the first and
5 the second network terminals through the network,
6 the network server including
7 means for holding the piece of basic information related to
8 the specification,
9 the rental situation and
10 the location of the construction machine for rent
11 which are input from the first network terminal through
12 the network;
13 means for searching with information including
14 the specification,
15 the rental period and
16 the rental place
17 input by the second network terminal as search items,
18 for information related to a rentable construction machine
19 on the basis of the piece of basic information related to
20 the specification,
21 the rental situation and
22 the location
23 as input from the first network terminal and held
24 by the network server; and
25 means for providing the second network terminal with the
26 information
27 related to the construction machine for rent
28 as a calendar displaying information related to the rental
29 situation of the construction machine for rent,
30 the rental situation including whether the construction
31 machine is

1 Claims 17-21 stand rejected under 35 U.S.C. § 102(b) as anticipated by
2 Janssen.

3 Claims 17-21 stand rejected under 35 U.S.C. § 103(a) as unpatentable over
4 Janssen.

5 Claims 17-21 stand rejected under 35 U.S.C. § 103(a) as unpatentable over
6 Janssen and PR Newswire.

7 ISSUES

8 The issues pertinent to this appeal are

- 9 • Whether the Appellant has sustained its burden of showing that the
10 Examiner erred in rejecting claims 17-21 under 35 U.S.C. § 112, second
11 paragraph, as failing to particularly point out and distinctly claim the
12 invention.
- 13 • Whether the Appellant has sustained its burden of showing that the
14 Examiner erred in rejecting claims 17-21 under 35 U.S.C. § 102(b) as
15 anticipated by Janssen.
- 16 • Whether the Appellant has sustained its burden of showing that the
17 Examiner erred in rejecting claims 17-21 under 35 U.S.C. § 103(a) as
18 unpatentable over Janssen.
- 19 • Whether the Appellant has sustained its burden of showing that the
20 Examiner erred in rejecting claims 17-21 under 35 U.S.C. § 103(a) as
21 unpatentable over Janssen and PR Newswire.

22 The pertinent issue turns on whether the claim limitation of presenting data in a
23 calendar format in claim 17 limitation [5] is a structural limitation.

1 highest total points are selected as the search result. The items are sorted
2 such that the predetermined number of items selected as search results
3 are displayed to the user of the search system in the order of the item
4 with the highest points (Janssen 2:50-57).

5 04. Unlike the traditional search methods utilizing Boolean based search
6 methods which examine for exact matches, Janssen's search considers
7 "near" matches as well as exact matches. For example, an item in a
8 search pool which fully satisfies a given non-primary search feature is
9 given the predetermined full points. An item which closely satisfies a
10 given search feature (a near match), may also be assigned a
11 predetermined number of points. If an item in a search pool neither
12 satisfies nor closely satisfies a given search feature, such item is
13 assigned zero points for the particular non-primary search feature.
14 Further, for some instances of near matches, an item in a search pool
15 may be given full points for a search feature if the item closely satisfies
16 that given search feature (Janssen 2:58- 3:4).

17 05. Janssen's search may be used for schools, doctors, cars, apartments,
18 vacation packages, lawyers and CPA's. In addition, the search system of
19 the present invention may be used on on-line services, interactive
20 televisions and on stand alone computers (Janssen 3:5-10).

21 06. Janssen uses a modem to update its database (Janssen 4:10-11). This
22 implies data is being transferred from an external server to provide such
23 data. Such a server would require a terminal for operation.

24 07. Janssen describes applying its device to home rental searching
25 (Janssen 6:18-21).

1 *PR Newswire*

2 08. PR Newswire is directed to the United Rentals E-Rental Store, an e-
3 commerce, business-to-business site that allows customers to rent and
4 buy equipment online. Customers can review specifications of
5 equipment available equipment class, such as construction equipment,
6 aerial work platforms, traffic safety equipment, trench safety equipment,
7 special event equipment, heavy machinery, industrial equipment and
8 homeowner equipment. Customers can also browse through regional
9 listings of quality used equipment offered for sale and access equipment
10 specifications, photos and operating histories (PR Newswire 1).

11 *Facts Related To The Level Of Skill In The Art*

12 09. Neither the Examiner nor the Appellant has addressed the level of
13 ordinary skill in the pertinent arts of systems analysis and programming,
14 e-commerce, construction equipment lease management, database
15 programming, or time management and scheduling programming. We
16 will therefore consider the cited prior art as representative of the level of
17 ordinary skill in the art. *See Okajima v. Bourdeau*, 261 F.3d 1350, 1355
18 (Fed. Cir. 2001) (“[T]he absence of specific findings on the level of skill
19 in the art does not give rise to reversible error ‘where the prior art itself
20 reflects an appropriate level and a need for testimony is not shown’”)
21 (quoting *Litton Indus. Prods., Inc. v. Solid State Sys. Corp.*, 755 F.2d
22 158, 163 (Fed. Cir. 1985).

1 *Indefiniteness*

2 Under 35 U.S.C. § 112, ¶ 2, the claims of a patent must “particularly point[]
3 out and distinctly claim[] the subject matter which the applicant regards as his
4 invention.” “A claim is considered indefinite if it does not reasonably apprise
5 those skilled in the art of its scope.” *IPXL Holdings, L.L.C. v. Amazon.com, Inc.*,
6 430 F.3d 1377, 1383–84 (Fed. Cir. 2005). “Because a claim is presumed valid, a
7 claim is indefinite only if the ‘claim is insolubly ambiguous, and no narrowing
8 construction can properly be adopted.’” *Honeywell Int’l, Inc. v. Int’l Trade*
9 *Comm’n*, 341 F.3d 1332, 1338–39 (Fed. Cir. 2003) (quoting *Exxon Research &*
10 *Eng’g Co. v. United States*, 265 F.3d 1371, 1375 (Fed. Cir. 2001)).

11 *Anticipation*

12 "A claim is anticipated only if each and every element as set forth in the claim
13 is found, either expressly or inherently described, in a single prior art reference."
14 *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631 (Fed. Cir.
15 1987). "When a claim covers several structures or compositions, either generically
16 or as alternatives, the claim is deemed anticipated if any of the structures or
17 compositions within the scope of the claim is known in the prior art." *Brown v.*
18 *3M*, 265 F.3d 1349, 1351 (Fed. Cir. 2001). "The identical invention must be
19 shown in as complete detail as is contained in the ... claim." *Richardson v. Suzuki*
20 *Motor Co.*, 868 F.2d 1226, 1236 (Fed. Cir. 1989). The elements must be arranged
21 as required by the claim, but this is not an *ipsissimis verbis* test, i.e., identity of
22 terminology is not required. *In re Bond*, 910 F.2d 831, 832 (Fed. Cir. 1990).

23 *Obviousness*

24
25 A claimed invention is unpatentable if the differences between it and the
26 prior art are “such that the subject matter as a whole would have been obvious at

1 the time the invention was made to a person having ordinary skill in the art.”
2 35 U.S.C. § 103(a) (2000); *KSR Int’l v. Teleflex Inc.*, 127 S.Ct. 1727 (2007);
3 *Graham v. John Deere Co.*, 383 U.S. 1, 13-14 (1966).

4 In *Graham*, the Court held that that the obviousness analysis is bottomed on
5 several basic factual inquiries: “[(1)] the scope and content of the prior art are to be
6 determined; [(2)] differences between the prior art and the claims at issue are to be
7 ascertained; and [(3)] the level of ordinary skill in the pertinent art resolved.” 383
8 U.S. at 17. See also *KSR Int’l v. Teleflex Inc.*, 127 S.Ct. at 1734. “The
9 combination of familiar elements according to known methods is likely to be
10 obvious when it does no more than yield predictable results.” *KSR*, at 1739.

11 “When a work is available in one field of endeavor, design incentives and
12 other market forces can prompt variations of it, either in the same field or a
13 different one. If a person of ordinary skill can implement a predictable variation,
14 § 103 likely bars its patentability.” *Id.* at 1740.

15 “For the same reason, if a technique has been used to improve one device,
16 and a person of ordinary skill in the art would recognize that it would improve
17 similar devices in the same way, using the technique is obvious unless its actual
18 application is beyond his or her skill.” *Id.*

19 “Under the correct analysis, any need or problem known in the field of
20 endeavor at the time of invention and addressed by the patent can provide a reason
21 for combining the elements in the manner claimed.” *Id.* at 1742.

22 *Automation of a Known Process*

23 It is generally obvious to automate a known manual procedure or mechanical
24 device. Our reviewing court stated in *Leapfrog Enterprises Inc. v. Fisher-Price*
25 *Inc.*, 485 F.3d 1157 (Fed. Cir. 2007) that one of ordinary skill in the art would have

1 found it obvious to combine an old electromechanical device with electronic
2 circuitry “to update it using modern electronic components in order to gain the
3 commonly understood benefits of such adaptation, such as decreased size,
4 increased reliability, simplified operation, and reduced cost. . . . The combination
5 is thus the adaptation of an old idea or invention . . . using newer technology that is
6 commonly available and understood in the art.” *Id* at 1163.

7 *Obviousness and Nonfunctional Descriptive Material*

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

14 ANALYSIS

15 *Claims 17-21 rejected under 35 U.S.C. § 112, second paragraph, as failing to*
16 *particularly point out and distinctly claim the invention.*

17 The Appellant argues these claims as a group.

18 Accordingly, we select claim 17 as representative of the group.
19 37 C.F.R. § 41.37(c)(1)(vii) (2007).

20 The Examiner found that the claim limitation "and under course of or out of
21 operation..." in claim 17 was indefinite (Answer 3-4). Although the Appellant
22 contended that this was not indefinite in light of the Specification (Appeal Br. 3-4),
23 the Appellant agreed during the oral hearing that a clarifying amendment was
24 appropriate (Hearing Transcript 3:9-12). We take this to mean that the Appellant

1 has withdrawn its contention against the rejection and will make a clarifying
2 amendment instead.

3 The rejection of claims 17-21 under 35 U.S.C. § 112, second paragraph, as
4 failing to particularly point out and distinctly claim the invention, is therefore now
5 uncontested, and we summarily sustain the rejection.

6 *Claims 17-21 rejected under 35 U.S.C. § 102(b) as anticipated by Janssen.*

7 The Appellants argue these claims as a group. Accordingly, we select claim 17
8 as representative of the group.

9 The Examiner found that Janssen anticipated all of the structural limitations of
10 apparatus claim 17. The Examiner found that the limitations of the data being
11 processed were not part of the structure and therefore accorded no patentable
12 weight, because claim 17 is an apparatus claim. The Examiner did find that
13 Janssen's apparatus searched for rental information, albeit in the real estate rather
14 than construction equipment industry. The Examiner found that Janssen's
15 structure would search for and retrieve rental information in accordance with
16 the structural limitations of claim 17, and that the specific data, whether in
17 construction the equipment industry or in a calendar format, were not part of the
18 claimed structure (Answer 4-8).

19 The Appellant contends that Janssen cannot anticipate claim 17 because
20 Janssen fails to use construction equipment information and to display the status of
21 such construction equipment (Appeal Br. 5:Top ¶), and fails to present data in a
22 calendar format, relying on the disclosure under a construction under 35 U.S.C.
23 § 112, sixth paragraph construction (Appeal Br. 5:First full ¶ - 6:Bottom ¶).

24 We disagree with the Appellant. Initially, we find that whether Janssen
25 describes the terminals, server, and structure for searching and providing rental

1 information of claim 17 is not under contention. Janssen does describe or imply
2 the inherent use of these structural limitations (FF 01 - 06). We agree with the
3 Examiner that claim 17 is directed to an apparatus. Claim 17 is directed to a
4 system comprising two terminals, a server, and to means plus functions. All of
5 these are structural elements and a system is generally understood to be a machine.
6 Thus limitations as to the data being processed are not part of the structure and
7 therefore are accorded no patentable weight. "Expressions relating the apparatus to
8 contents thereof during an intended operation are of no significance in determining
9 patentability of the apparatus claim." *Ex parte Thibault*, 164 USPQ 666, 667 (Bd.
10 App. 1969). Furthermore, "[i]nclusion of material or article worked upon by a
11 structure being claimed does not impart patentability to the claims." *In re Young*,
12 75 F.2d 996 (CCPA 1935) (as restated in *In re Otto*, 312 F.2d 937 (CCPA 1963)).

13 The Appellant argued that the means for providing the data was in means plus
14 function form and therefore incorporated the structure from the Specification and
15 equivalents thereof. The only structure that the Appellant actually point out as
16 corresponding to this means is a network server (Appeal Br. 2:Bottom ¶, referring
17 to Specification 6:2-6). Although the Appellant also refers to portions of the
18 Specification at pp. 11, 12, and 19, none of these portions cite structure, but only
19 describe output data with no recitation of how that data is functionally created or
20 modified by any structure. The Appellant agreed that there were no flow diagrams
21 or textual description of algorithms as to how data was created or modified at the
22 oral hearing (Hearing Transcript 5:26 and 6:1-9). Thus the only structure that
23 corresponds to the means for providing in limitation [5] is a server. The presence
24 of a server is not under contention, as we found *supra*.

25 Accordingly we agree with the Examiner that all of the structural limitations of
26 claim 17 are anticipated by Janssen. The Appellant has not sustained its burden of

1 showing that the Examiner erred in rejecting claims 17-21 under 35 U.S.C.
2 § 102(b) as anticipated by Janssen.

3 *Claims 17-21 rejected under 35 U.S.C. § 103(a) as unpatentable over Janssen.*

4 The Appellants argue these claims as a group. Accordingly, we select claim 17
5 as representative of the group. The Examiner made this rejection as an alternative
6 to the anticipation rejection, *supra*. (Answer 8). The Examiner found that, were
7 the calendar format to be found to result from a structural limitation and accorded
8 patentable weight, such a format would have been known due to its notoriety. The
9 Examiner concluded that in a rental environment, the nature of rental being time
10 dependent would have suggested a calendar format to one of ordinary skill. The
11 Appellant again contended that Janssen did not show a calendar format and did not
12 show the status information in claim 17 (Appeal Br. 7).

13 We disagree with the Appellant. First, we found that claim 17 was anticipated
14 by Janssen *supra*, and anticipation is the epitome of obviousness, *Structural*
15 *Rubber Products Co. v Park Rubber Co.*, 749 F.2d 707, 716 (Fed. Cir. 1984).
16 Second, the Appellant did not traverse the Examiner's finding as the notoriety of
17 calendar formats and the knowledge of such formats by those of ordinary skill.
18 Given the time dependent nature of rental, use of a calendar format was predictable
19 to one of ordinary skill. "The combination of familiar elements according to
20 known methods is likely to be obvious when it does no more than yield predictable
21 results." *KSR*, 127 S. Ct. at 1739. Third, status information is not part of the
22 apparatus structure, and is therefore not accorded patentable weight.

23 The Appellant has not sustained its burden of showing that the Examiner erred
24 in rejecting claims 17-21 under 35 U.S.C. § 103(a) as unpatentable over Janssen.

1 *Claims 17-21 rejected under 35 U.S.C. § 103(a) as unpatentable over Janssen and*
2 *PR Newswire.*

3 The Appellants argue these claims as a group. Accordingly, we select claim 17
4 as representative of the group. The Examiner found that PR Newswire provided
5 explicit description of an equipment rental with browsing features that would have
6 suggested adopting Janssen to equipment rental (Answer 11-12).

7 The Appellant grouped its argument to this rejection with that of the
8 obviousness rejection over Janssen alone (Appeal Br. 7). Accordingly the
9 Appellant has not sustained its burden of showing that the Examiner erred in
10 rejecting claims 17-21 under 35 U.S.C. § 103(a) as unpatentable over Janssen and
11 PR Newswire for the reasons we found in the obviousness rejection over Janssen
12 *supra*.

13 CONCLUSIONS OF LAW

14 The Appellant has not sustained its burden of showing that the Examiner erred
15 in rejecting claims 17-21 under 35 U.S.C. § 112, second paragraph, as failing to
16 particularly point out and distinctly claim the invention, under 35 U.S.C. § 102(b)
17 as anticipated by Janssen, and under 35 U.S.C. § 103(a) as unpatentable over the
18 prior art.

19 DECISION

20 To summarize, our decision is as follows:

- 21 • The rejection of claims 17-21 under 35 U.S.C. § 112, second paragraph, as
22 failing to particularly point out and distinctly claim the invention is
23 sustained.

