

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte JOEL A. JOHNSON, ANDREI BALOTESCU, ALAN B. FINE,
GREGORY J. GAUTIER, BRUCE L. GIBBARD,
THIEN-TRUC C. NGUYEN, and ERIC S. VANWINKLE

Appeal 2008-0821
Application 10/884,515
Technology Center 3600

Decided: June 2, 2008

Before HUBERT C. LORIN, ALLEN R. MACDONALD, and LINDA E.
HORNER, *Administrative Patent Judges*.

MACDONALD, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF CASE

Introduction

Appellants appeal (Notice of Appeal) under 35 U.S.C. § 134 from a final rejection which rejects claims 1-3 (Final Rejection 2). We have jurisdiction under 35 U.S.C. § 6(b).

Appellants' Amendment (not entered) filed February 2, 2007 attempts to cancel claims 2 and 3. Appellants' Appeal Brief filed March 26, 2007 only appeals the rejection of claim 1. Given Appellants' attempt to cancel claims 2-3 and failure to discuss the final rejection of claims 2 and 3 in the Appeal Brief, we affirm the rejection of claims 2 and 3 without further discussion.

According to Appellants, the invention is an Export-Import Compliance and Licensing Processing System (ECLPS) method which allows the ultimate user to initiate a request for an export/import license, with archiving of the original request (Spec. ¶ [0004], ¶ [0008], and Abstract).

Exemplary Claim(s)

Exemplary independent claim 1 under appeal reads as follows:

1. A method for Export-Import Compliance and License Processing, said method comprising the steps of:
 - generating, at a corporate business unit, an export/import license request, and saving an electronic copy of said export/import license request;
 - transmitting said export/import license request to a corporate business unit licensing office;

at said corporate business unit licensing office, entering relevant information into an electronic application for a license for import/export of International Traffic in Arms Regulations (ITAR)-related materials, and saving an electronic copy of said electronic license application;

transmitting said electronic license application from said corporate business unit licensing office to a corporate export-import licensing office for approval, and for submission by said corporate export/import office of an approved license application to an export/import control entity within the United States Government;

at said corporate export/import licensing office, electronically reviewing said electronic license application for approval, by verifying that (a) all relevant information is entered, and (b) said electronic license application meets applicable standards;

if said electronic license application is not approved by said corporate export/import licensing office, returning said electronic license application from said corporate export/import licensing office to said corporate business unit licensing office;

repeating said steps of entering, transmitting, reviewing, and returning until said electronic license is approved by said corporate export/import licensing office, and following said approval, transmitting said electronic license application from said corporate export/import licensing office to said export/import control entity;

whereby said license application can be audited;

wherein said step of generating an export/import license request is performed electronically to thereby generate an electronic export/import license request for transmission to said corporate business unit licensing office; and

saving an electronic copy of said export/import license request, whereby said license request can also be audited.

Prior Art

The prior art relied upon by the Examiner in rejecting the claims on appeal is:

Grainger US 2002/0111824 A1 Aug. 15, 2002

Rejections

The Examiner rejected claim 1 under 35 U.S.C. § 103(a) as being unpatentable over Grainger.¹

Appellants' Contentions

Appellants contend that the subject matter of claim 1 would not have been obvious over Grainger. More specifically, Appellants contend that the Examiner erred in rejecting claim 1 because:

(A) With respect to the Examiner's single reference rejection under 35 U.S.C. § 103:

In the absence of a second reference, it must be assumed that the rejection of claim 1 should be treated as though under § 102. That is, in the absence of a second reference and with no further prior art proposed by Examiner, the standards of anticipation should be used to determine patentability. Thus, any difference whatever between the language of claim 1 and what is shown by Grainger should be sufficient for purposes of patentability.

(App. Br. 6-7).

(B) The Examiner's analysis does not address the business unit entity limitation of claim 1 (App. Br. 7-8).

¹ The Examiner also repeated the rejection of claims 2-3 in the Examiner's Answer (Ex. Ans. 4-5).

(C) Grainger does not teach or suggest (i) the transmission of license requests, (ii) the claimed business entities, or (iii) the return of requests to the originator if not approved (App. Br. 8-10).

(D) Grainger does not teach or suggest that any (i) licenses or (ii) requests are generated *inside* of his system (App. Br. 10).

(E) Contrary to the Examiner's position, the "if" clause of claim 1 is not optional (App. Br. 10-11).

Result

We affirm.

ISSUE(S)

Have Appellants established that the Examiner erred in rejecting claim 1 as being unpatentable under 35 U.S.C. § 103(a) over Grainger?

FINDINGS OF FACT

The following Findings of Fact (FF) are shown by a preponderance of the evidence.

Appellants' Admitted Prior Art (AAPA)

1. Figure 1 is a simplified block diagram of a prior-art web-based computerized system or application known as the Export-Import Compliance & Licensing Processing System (ECLPS) generated for Lockheed Martin Corporation (Spec. ¶ [0004]).

2. In FIGURE 1, the ECLPS application 10 involves at least three different offices. The offices include a corporate export/import office 12,

which in the ECLPS embodiment would be the main Lockheed Martin Corporation export/import office (Spec. ¶ [0004]).

3. The corporate export/import office *receives export/import license requests* from the export control office of any of a large number of business units of the corporation. In FIGURE 1, one of the many business units is designated 14 (Spec. ¶ [0004]).

4. The corporate export/import office 12 of FIGURE 1 performs a review of the completeness and adherence to standards of the electronic license requests which it receives from the business unit 14, as suggested by the CEIO Review decision block 20 of corporate export/import office 12 (Spec. ¶ [0004]).

5. *If the review* represented by decision block 20 *results in non-approval* of the electronic export/import license application, represented by the NO output of the decision block, *the electronic application is returned* to the export control office 14 of the business unit by a path represented as 22 (Spec. ¶ [0004]).

6. On the other hand, the review represented by decision block 20 of FIGURE 1 may result in approval of the electronic export/import license application, meaning that all *requirements* for approval of the license *have been fulfilled, including entry of all information and conformance with all applicable standards* (Spec. ¶ [0004]).

7. If the electronic application is approved by the CEIO review decision block 20, the process flows by way of the YES output of decision block 20 to a further block 24, which represents the submission of the

electronic license application to the U.S. Government and *the archiving in a block 26* of the application so submitted (Spec. ¶ [0004]).

8. The review of export/import licenses performed by the corporate export/import control office 12 of FIGURE 1 has the advantage of allowing a central office to perform a final review of all licenses which are submitted to the government, and to review the license applications for compliance with some standards of which only the corporate office might be aware (Spec. ¶ [0005]).

9. In FIGURE 1, the electronic export/import license applications are received, docketed and staffed (distributed to the appropriate agency) by a governmental agency, as suggested by block 30 (Spec. ¶ [0006]).

10. In the prior-art method described in conjunction with FIGURE 1, the export/import license applications which are reviewed by the corporate export/import office 12, and either returned to the business unit 14 or forwarded to the U.S. Government 16, can be readily audited and reviewed by virtue of *immutable storage in archive 26* (Spec. ¶ [0010]).

11. Similarly, the export/import license applications prepared by the business unit export control office 14 can also be reviewed and audited by virtue of storage in an archive 36 of the application as forwarded to the corporate export/import office (Spec. ¶ [0010]).

Appellants' Invention

12. Appellants state that it has been found that errors or problems can enter the system concurrently with the request for the license, which (as

represented in FIGURE 1 by path 38) comes from without the export control office 14 of the associated business unit (Spec. ¶ [0010]).

13. The prior art system described in conjunction with FIGURE 1 is supplemented with a new program module which allows electronic preparation of an export/import license request, and provides for archiving of the request each time it is submitted (Spec. ¶ [0012]).

14. The system of the prior art is also modified to include block 238 (FIGURE 2) which examines a received request to determine if it is compliant or noncompliant (Spec. ¶ [0014]).

15. If the license request is noncompliant:

[T]he noncompliant status is returned electronically to the user in block 240 and to archive 244 by way of a path designated 246. The user may then correct the license request and re-submit it.

(Spec. ¶ [0014]).

Grainger

16. Grainger describes a computer-implemented method of managing documents related to a patent application (Abstract).

17. Grainger describes that in:

One embodiment of the method of the invention relates to managing documents related to a patent application. In this embodiment the method includes storing a first workflow rule on a server system where the first workflow rule causes the server system to generate a message that requests approval to prepare a patent application for an invention disclosure and route the message to a second client system upon receipt of a first signal indicating a request to submit the invention disclosure for approval.

(Grainger ¶ [0015]).

18. Grainger describes that in:

In another embodiment the method includes storing a first workflow rule on a server system, where the first workflow rule causes, upon receipt of a first signal indicating a request to submit a draft patent application for approval, the server system to generate a message that requests comments on the draft application and routes the message to a second client system. The method also includes storing a first draft patent application in a database accessible by the server system; receiving, at said server system, a first signal from a first client system indicating a request to solicit comments on the draft patent application; and executing the first workflow rule from the server system to generate a message requesting comments on the draft patent application from a second client system and communicate the message to the second client system.

(Grainger ¶ [0016]).

19. Grainger describes:

online creation of invention disclosures, witnessing, archiving and secure sharing of invention disclosures between technology developers and patent counsel;
automated conversion of invention disclosures into patent applications and instant electronic filing of such applications in the PTO, giving inventions the earliest possible filing dates;.

(Grainger ¶¶ [0029] and [0030]).

20. Grainger describes that:

The workflow process is the process of routing documents to predetermined users, notifying the appropriate users of required tasks, periodically reminding users of task completion deadlines, and tracking time periods associated with

both tasks and the time between tasks, all according to a customer-defined workflow process design.

(Grainger ¶ [0052]).

21. Grainger describes that:

Submit icon 230c allows the client system to submit a patent document to a patent office using either electronic mailroom 107 or paper mailroom 108. First, system 100 analyzes the patent document to determine that it is complete and ready to be submitted to a patent office. For example, if the document is a U.S. patent application, system 100 checks to ensure that the application includes a complete Specification (Background of the Invention, Summary of the Invention, Detailed Description and Abstract sections, e.g., for a U.S. filing), at least one claim, drawings or figures and formal paperwork (e.g., signed Oath or Declaration, Power of Attorney, Assignment form, etc.). If the application is not complete, system 100 generates a message that displays the missing information, a statement about whether or not the missing information is critical and a statement as to the possible ramifications of submitting the document in its current incomplete state. In such a case, the message also asks the client system if it wants to continue to proceed with submission of the document.

(Grainger ¶ [0125]).

22. Grainger describes that:

Some embodiments of the invention provide a mechanism for automatically routing a completed draft patent application to one or more inventors and/or to an in-house patent practitioner for approval prior to the above patent application submission process. Such a document routing process may be defined on a technology developer by technology developer basis (or even on a division by division or

other basis) during the set-up process of system 100. According to one specific example, a specific technology developer may set up routing rules where a draft application completed by a patent practitioner is routed to individual inventors for comments and/or changes. After the application has been approved by all inventors, it is then routed, in this example, to an in-house practitioner for final review and approval.

(Grainger ¶ [0129]).

PRINCIPLES OF LAW

Appellants have the burden on appeal to the Board to demonstrate error in the Examiner's position. *See In re Kahn*, 441 F.3d 977, 985-86 (Fed. Cir. 2006) ("On appeal to the Board, an applicant can overcome a rejection [under § 103] by showing insufficient evidence of prima facie obviousness or by rebutting the prima facie case with evidence of secondary indicia of nonobviousness.") (quoting *In re Rouffet*, 149 F.3d 1350, 1355 (Fed. Cir. 1998)).

Section 103 forbids issuance of a patent when "the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains."

KSR Int'l Co. v. Teleflex Inc., 127 S. Ct. 1727, 1734 (2007).

The question of obviousness is resolved on the basis of underlying factual determinations including (1) the scope and content of the prior art, (2) any differences between the claimed subject matter and the prior art, (3) the level of skill in the art, and (4) where in evidence, so-called secondary considerations. *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966). *See*

also KSR, 127 S. Ct. at 1734 (“While the sequence of these questions might be reordered in any particular case, the [*Graham*] factors continue to define the inquiry that controls.”)

In *KSR*, the Supreme Court emphasized “the need for caution in granting a patent based on the combination of elements found in the prior art,” *id.* at 1739, and discussed circumstances in which a patent might be determined to be obvious without an explicit application of the teaching, suggestion, motivation test.

In particular, the Supreme Court emphasized that “the principles laid down in *Graham* reaffirmed the ‘functional approach’ of *Hotchkiss*, 11 How. 248.” *KSR* at 11 (citing *Graham v. John Deere Co.*, 383 U.S. 1, 12 (1966) (emphasis added)), and reaffirmed principles based on its precedent that “[t]he combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results.” *Id.* The Court explained:

When a work is available in one field of endeavor, design incentives and other market forces can prompt variations of it, either in the same field or a different one. If a person of ordinary skill can implement a predictable variation, §103 likely bars its patentability. For the same reason, if a technique has been used to improve one device, and a person of ordinary skill in the art would recognize that it would improve similar devices in the same way, using the technique is obvious unless its actual application is beyond his or her skill.

Id. at 1740. The operative question in this “functional approach” is thus “whether the improvement is more than the predictable use of prior art elements according to their established functions.” *Id.*

Under this framework, once an Examiner demonstrates that the elements are known in the prior art and that one of ordinary skill could combine the elements as claimed by known methods and would recognize that the capabilities or functions of the combination are predictable, then the Examiner has made a prima facie case that the claimed subject matter is likely to be obvious. The burden then shifts to the Appellant to show that the Examiner erred in these findings or to provide other evidence to show that the claimed subject matter would have been nonobvious.

ANALYSIS

(A)

Appellants argue that the Examiner has erred because in the absence of a second reference, it must be assumed that the rejection of claim 1 should be treated as though under § 102 (App. Br. 6-7).

We disagree. There is no basis in law for the Appellants to convert the Examiner’s rejection under 35 U.S.C. § 103(a) based on a single reference into a rejection under 35 U.S.C. § 102. In part § 103(a) states:

A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.

Section 103 merely references “the prior art” rather than “plural prior art references.” Thus, § 103 authorizes a rejection where to meet the claim, it is necessary to modify a single reference or to combine it with one or more others.

(B)

Appellants argue the Examiner has erred because the Examiner’s analysis does not address the business unit entity limitation of claim 1 (App. Br. 7-8).

We disagree. Even if we were to agree that the Examiner’s initial analysis lacked a discussion of the business unit, the Examiner provides such a discussion in the Examiner’s Answer at page 7 as follows:

The fact that the generating is performed "at a corporate business unit" is a broad concept encompassing almost any structural unit that generates a request. Moreover, the Examiner asserts that by the fact that appellant defines the generating unit as a corporate business unit, appellant is trying to define the physical location of the generating unit. The Examiner asserts that the claimed corporate business unit does not differ structurally from any generating unit disclosed in Grainger.

Appellants have not provided any response to the Examiner’s discussion with respect to the business unit. Thereof, we deem the Appellants’ argument to be moot.

(C)

Appellants argue that the Examiner has erred because Grainger does not teach or suggest (i) the transmission of license requests, (ii) the claimed business entities, or (iii) the return of requests to the originator if not approved (App. Br. 8-10). We again disagree.

As to (i), the Examiner correctly points out that the content of the document (export/import license versus some other government form) is not functionally related to the steps of the method (Ex. Ans. 5).

As to (ii), the Examiner correctly points out that defining the particular physical location of a unit (the business entities) does not structurally define over the prior art (Ex. Ans. 8-11).

As to (iii), the argued “returns of the request to the originator if not approved” is not found in claim 1. There are two types of “returns” in Appellants’ Specification: (1) an “application return” shown in prior art Figure 1 as path 22 (FF 5); and (2) a “license request return” that is shown in Figure 2 as path 246 (FF 14-15). Appellant claimed the first type of return, but argued the second type which is not claimed. The failure of the Examiner to discuss this unclaimed feature is not an error.

(D)

Appellants argue that the Examiner has erred because Grainger does not teach or suggest that any (i) licenses or (ii) requests are generated *inside* of his system (App. Br. 10).

We again disagree. As to (i), we again find that the Examiner correctly points out that the content of the document is not functionally related to the steps of the method (Ex. Ans. 5). As to (ii), the Examiner correctly points out that Grainger at ¶ [0015] describes that his system generates a document request (“server system to generate a message that requests approval to prepare a patent application”).

(E)

Appellants also argue that the Examiner has erred because contrary to the Examiner's position, the "if" clause of claim 1 is not optional (App. Br. 10-11).

While we agree with Appellants that the "if" clause is not optional, we do not agree that this demonstrates a reversible error. As the Examiner correctly points out, Grainger describes multiple approval reviews at ¶ [0129] (Ex. Ans. 14). In addition, we find that Grainger at ¶ [0125] describes asking for further information "if" an analysis (review) shows that the document is incomplete at submission. We conclude that the returning step of claim 1 is obvious over these teachings.

Therefore, for the reasons above, Appellants have not established that the Examiner erred with respect to this rejection of claim 1 under § 103(a).

(F)

Finally, we note that some of Appellants' patentability arguments (e.g. (C)(ii), (D)(i), and (E)) directed to the prior art requesting and automated processing of an export/import license are contradicted by Appellants' admissions (FF 1-11). Appellants acknowledge that their invention merely adds automated request generation and archiving to the already known automated license processing and archiving based on a received request (FF 12-13).

Although the Examiner has not used Appellants' admissions as evidence in rejecting the claimed invention, this does not open the door to arguments that are contradicted by Appellants' own admissions.

CONCLUSION OF LAW

(1) Appellants have failed to establish that the Examiner erred in rejecting claim 1 as being unpatentable under 35 U.S.C. § 103(a) over Grainger.

(2) Claims 1-3 are not patentable.

DECISION

The Examiner's rejection of claims 1-3 is affirmed.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a)(1)(iv).

AFFIRMED

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