UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte SANJAY KUMAR,
JOSEPH L. SELF, and
ARSHISH C. KAPADIA

Appeal 2008-1287
Application 09/972,127
Technology Center 3600

Decided: June 24, 2008

Before HUBERT C. LORIN, ANTON W. FETTING
and JOSEPH A. FISCHETTI, *Administrative Patent Judges*.

LORIN, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Sanjay Kumar, et al. (Appellants) seek our review under 35 U.S.C. § 134 of the final rejection of claims 1-13 and 27-33. Claims 14-26 have been cancelled. We have jurisdiction under 35 U.S.C. § 6(b) (2002).

SUMMARY OF DECISION

We AFFIRM but denominate the rejection as a new ground of rejection under 37 C.F.R. § 41.50(b). [1]

THE INVENTION

The invention relates to a fulfillment system associated with a distributed supply chain.

Claims 1 and 29 are illustrative of the invention.

> 1. A fulfillment system associated with a distributed supply chain, comprising:
>
> a database operable to store:
>
> at least one customer-specified rule identifying a sourcing constraint associated with a customer; and
>
> at least one contract value associated with a current status of a contract involving the customer; and
>
> one or more processors collectively operable to:
>
> receive an available-to-promise (ATP) request comprising a plurality of request line-items each corresponding to a desired product;
>
> generate one or more component ATP requests using at least one rule in the database and based on the request line-items;
>
> communicate the component ATP requests to at least one supplier associated with the desired product, the supplier determined according to at least one customer-specified rule identifying the sourcing constraint;
>
> receive a plurality of component quotations from at least one supplier, each component quotation corresponding to a component ATP request and comprising product availability information for one or more corresponding desired products; and
>
> generate a quotation for communication using the product availability information and the contract value in the database.

[1] Our decision will make reference to the Appellants' Appeal Brief ("App. Br.," filed Apr. 18, 2007), the Examiner's Answer ("Answer," mailed Jul. 5, 2007), and the Reply Brief ("Reply Br.," filed Aug. 31, 2007).

29. A fulfillment system associated with a distributed supply chain, comprising:

a database operable to store:

at least one customer-specified first rule identifying a sourcing constraint associated with a customer, at least one of the first rules identifying one or more preferred suppliers associated with the customer; and

at least one second rule identifying a sourcing constraint associated with a supplier; and

one or more processors collectively operable to:

generate a contract value associated with a current status of a contract involving the customer;

receive an available-to-promise (ATP) request comprising a plurality of request line-items each corresponding to a desired product;

select one or more of the rules based on contents of the ATP request;

generate one or more component ATP requests using at least one of the selected customer-specified rules and based on the request line-items;

communicate the component ATP requests to at least one supplier associated with the desired product, the supplier determined according to at least one rule identifying one of the sourcing constraints;

receive a plurality of component quotations from at least one supplier, each component quotation corresponding to a component ATP request and comprising product availability information for one or more corresponding desired products;

generate a first sourcing plan using at least the product availability information and the contract value, the first sourcing plan identifying one or more suppliers and a quantity of the desired product reserved from each identified supplier;

determine if the first sourcing plan satisfies the corresponding rules in the database; and

iteratively generate at least one additional sourcing plan if the first sourcing plan fails to satisfy the corresponding rules in the database.

THE REJECTIONS

The Examiner relies upon the following as evidence of unpatentability:

Gardner US 5,758,327 May 26, 1998

The following rejection is before us for review:

- Claims 1-13 and 27-33 are rejected under 35 U.S.C. § 102(b) as being anticipated by Gardner.

ISSUES

The issue is whether the Appellants have shown that the Examiner erred in rejecting claims 1-13 and 27-33 as being anticipated by Gardner. The issue turns on the use of the phrase "operable to" in the claims.

FINDINGS OF FACT

We find that the following enumerated findings are supported by at least a preponderance of the evidence. *Ethicon, Inc. v. Quigg*, 849 F.2d 1422, 1427 (Fed. Cir. 1988) (explaining the general evidentiary standard for proceedings before the Office). Only those arguments actually made by Appellants have been considered in this decision. Arguments which Appellants could have made but chose not to make in the Briefs have not been considered and are deemed to be waived. *See* 37 C.F.R. § 41.37(c)(1)(vii) (2007).

1. Gardner is directed to a method of electronic requisition processing. It includes storing company-specific requisition rules of a number of

companies in a computer system as part of a catalog. (Col. 2, ll. 57-60). See also Col. 5, l. 24, referring to step 38 in Fig. 2. The computer system is capable of receiving, communicating, and generating data on items and pricing in the catalog according to the requisition rules (see Fig. 2).

2. The Examiner found that Gardner describes all the claimed limitations. (Answer 3-7).
3. The Appellants do not dispute that Gardner describes a system comprising a database and one or more processors.
4. The Appellants disagreed with the Examiner on the grounds that Gardner does not describe a database and processors operable to perform the activities claimed. (App. Br. 14-23).
5. The Examiner responded by arguing that Gardner inherently describes these activities. (Answer 7-9).
6. The Appellants replied that Gardner does not inherently describe these activities. (Reply. Br. 2-14).
7. The claims describe a system comprising a "database operable to" perform various activities, such as to store a rule and value, and "one or more processors operable to" perform various activities, such as to receive a request.
8. The ordinary and customary meaning of "operable" is "able to function or be operated, as a machine." (*See Webster's New World Dictionary* 997 *(*3rd Ed. 1988.)(Entry 2. for "operable.")
9. The Specification discloses that the database "may include any hardware, software, firmware, or combination thereof suitable to store and facilitate retrieval of information." (Specification 63:30-32).

10. The Specification discloses that the processor "may be any processor suitable to perform fulfillment functions." (Specification 62:15-16).

PRINCIPLES OF LAW

Anticipation is a question of fact. *In re Schreiber*, 128 F.3d 1473, 1477 (Fed. Cir. 1997). "A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." *Verdegaal Bros., Inc. v. Union Oil Co.*, 814 F.2d 628, 631 (Fed. Cir. 1987). There must be no difference between the claimed invention and the reference disclosure, as viewed by a person of ordinary skill in the field of the invention. *Scripps Clinic & Research Found. v. Genentech Inc.*, 927 F.2d 1565, 1576 (Fed. Cir. 1991).

ANALYSIS

The Appellants argued the claims in two groups: (1) claims 1-13, 27, 28, and 30-32 (App. Br. 13-20); and, (2) claims 29 and 33 (App. Br. 20-24). We select claims 1 and 29 as the representative claims for these groups, respectively, and the remaining claims 2-13, 27, 28, and 30-32, and 33 stand or fall with claims 1 and 29, respectively. 37 C.F.R. § 41.37(c)(1)(vii) (2007).

Claims 1-13, 27, 28, and 30-32

The Examiner found that Gardner describes the claimed subject matter. FF 2 and 5.

The Appellants argued that the following limitations are not described in Gardner:

- a database operable to store at least one customer-specified rule identifying a sourcing constraint associated with a customer (App. Br. 14);
- a database operable to store at least one contract value associated with a current status of a contract involving the customer (App. Br. 15);
- one or more processors collectively operable to receive an available-to-promise (ATP) request comprising a plurality of request line-items each corresponding to a desired product and to generate one or more component ATP requests using at least one rule in the database and based on the request line-items (App. Br. 16);
- one or more processors collectively operable to communicate the component ATP requests to at least one supplier associated with the desired product, the supplier determined according to at least one customer-specified rule identifying the sourcing constraint (App. Br. 16);
- one or more processors collectively operable to receive a plurality of component quotations from at least one supplier, each component quotation corresponding to a component ATP request and comprising product availability information for one or more corresponding desired products (App. Br. 17); and,
- one or more processors collectively operable to generate a quotation for communication using the product availability information and the contract value in the database (App. Br. 18).

Similar arguments are made in the Reply Brief.

We are not persuaded that the Appellants have shown that Gardner fails to describe the claimed system.

All Appellants' arguments are directed to the activities the claimed database and processors are "operable to" perform. However, the Appellants have not shown any structural difference between the claimed system and that of Gardner.

The ordinary and customary meaning of the term "operable" is to be able to function (FF 8). The Appellants did not dispute that Gardner describes a system comprising a database and a processor. (FF 3). There is no evidence, and Appellants do not dispute, that the Gardner database is not capable of storing data in the form of rules and the Gardner processor is not capable of receiving, communicating, and generating data in the form of requests and quotes. In that regard, Gardner's system appears to use a common database and processors. The same appears to be the case for the claimed database and processors. (FF 9 and 10). Thus, it would appear to be reasonable to conclude that the Gardner database and processors are equally operable to perform the tasks claimed. Thus it is reasonable to conclude that the Gardner and claimed systems are the same. "As a practical matter, the Patent Office is not equipped to manufacture products by the myriad of processes put before it and then obtain prior art products and make physical comparisons therewith," *In re Brown*, 459 F.2d 531, 534 (CCPA 1972).

Because the systems reasonably appear to be the same, the burden properly shifts to the Appellants to prove that Gardner's system does not necessarily or inherently possess the characteristics for the claimed system. "Where, as here, the claimed and prior art products are identical or

substantially identical … , the PTO can require an applicant to prove that the prior art products do not necessarily or inherently possess the characteristics of his claimed product." *In re Best*, 562 F.2d 1252, 1255 (CCPA 1977). See also *In re Spada*, 911 F.2d 705 (Fed. Cir. 1990) ("While an inventor is not required to understand how or why an invention works, we think that the PTO was correct, in view of the apparent identity of the compositions, in requiring Spada to distinguish his compositions from those of Smith."). See also *In re Schreiber*, 128 F.3d 1473 (Fed. Cir. 1997) ("the burden shifted to Schreiber to show that the prior art structure did not inherently possess the functionally defined limitations of his claimed apparatus"). In that regard, we fail to find any evidence on the record that the claimed system is structurally different from that of Gardner. The evidence points instead to the use of a conventional database and processors. (See FF 9 and 10).

Claims 29 and 33

The Appellants argued that the following limitations are not described in Gardner:

- "at least one of the first rules identifying one or more preferred suppliers associated with the customer" (App. Br. 22)
- "at least one second rule identifying a sourcing constraint associated with a supplier" and "select one or more of the rules based on contents of the ATP request" (App. Br. 22);
- "generate a first sourcing plan using at least the product availability information and the contract value, the first sourcing plan identifying one or more suppliers and a quantity of the desired product reserved from each identified supplier"; "determine if the

> first sourcing plan satisfies the corresponding rules in the database"; "iteratively generate at least one additional sourcing plan if the first sourcing plan fails to satisfy the corresponding rules in the database" (App. Br. 23).

Similar arguments are made in the Reply Brief.

The Appellants have not shown any structural difference between the claimed system and that of Gardner. The Appellants make no effort to distinguish the claimed invention over Gardner in terms of structure. The Brief makes little or no mention of the database and processor. Accordingly, we will sustain the rejection of claims 29 and 33 over Gardner for the same reasons we discussed *supra* with respect to claims 1-13, 27, 28, and 30-32.

The Appellants' arguments have been carefully considered but have not been found persuasive as to error in the rejection. Accordingly, we affirm the rejection of claims 1-13 and 27-33 over the Gardner. However, our reasoning in concluding that Gardner anticipates the claimed system departs from that of the Examiner. Accordingly, though we affirm the rejection of claims 1-13 and 27-33, we denominate the rejection as a new ground under 37 C.F.R. §41.50(b).

CONCLUSIONS OF LAW

The Appellants have not shown that the Examiner erred in rejecting claims 1-13 and 27-33 as being anticipated by Gardner.

DECISION

The decision of the Examiner rejecting claims 1-13 and 27-33 under 35 U.S.C. § 102(b) as being anticipated by Gardner is affirmed but denominated as new grounds of rejection under 37 C.F.R. § 41.50(b). This decision contains a new ground of rejection pursuant to 37 C.F.R. § 41.50(b) (effective September 13, 2004, 69 Fed. Reg. 49960 (August 12, 2004), 1286 Off. Gaz. Pat. Office 21 (September 7, 2004)). 37 C.F.R. § 41.50(b) provides "[a] new ground of rejection pursuant to this paragraph shall not be considered final for judicial review."

37 CFR § 41.50(b) also provides that the appellant, WITHIN TWO MONTHS FROM THE DATE OF THE DECISION, must exercise one of the following two options with respect to the new ground of rejection to avoid termination of the appeal as to the rejected claims:

- (1) Reopen prosecution. Submit an appropriate amendment of the claims so rejected or new evidence relating to the claims so rejected, or both, and have the matter reconsidered by the examiner, in which event the proceeding will be remanded to the examiner . . . .
- (2) Request rehearing. Request that the proceeding be reheard under § 41.52 by the Board upon the same record . . . .

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 1.136(a)(1)(iv) (2006).

AFFIRMED; 37 C.F.R. § 41.50(b)

JRG

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