

THIS OPINION WAS NOT WRITTEN FOR PUBLICATION

The opinion in support of the decision being entered today
(1) was not written for publication in a law journal and
(2) is not binding precedent of the Board.

Paper No. 27

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte PHILIP E. BRADBURY
and
KARL E. VOTH

Appeal No. 98-1380
Application 08/786,741¹

HEARD: June 11, 1998

Before CALVERT, COHEN and ABRAMS, Administrative Patent Judges.
CALVERT, Administrative Patent Judge.

¹ Application for patent filed January 27, 1997. According to appellants, the application is a continuation of Application 08/323,273, filed October 14, 1994, abandoned.

DECISION ON APPEAL

This is an appeal from the final rejection of claims 1 to 16, all the claims in the application.

The subject matter in issue concerns a roll forming machine which can be changed from making Z-shaped purlins to making C-shaped purlins, and vice versa, by changing the vertical position of the roll stands on one side of the machine relative to the roll stands on the other side. Claim 11 appears to be the broadest claim on appeal, and reads:

11. A roll former line for forming different shapes comprising:

a bed;

a vertically-positioned linear bearing attached to the bed;

at least one first roll stand attached to said bed for vertical adjustable movement;

top, bottom, and middle spindles journaled to said first roll stand in vertical alignment with each other;

top, bottom, and middle forming rolls disposed on said top, bottom, and middle spindles, respectively, said top and bottom forming rolls working against opposite sides of said middle forming roll, said top and middle forming rolls acting as a first alternative pair of forming rolls and said bottom and middle forming rolls acting as a second alternative pair of forming rolls;

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adjustment means for moving the first roll stand vertically on the bed;

at least one second roll stand attached to said bed on an opposite side from said first roll stand;

at least two spindles mounted on said second stand in vertical alignment to each other, each spindle of said second stand supporting a forming roll wherein the adjustment means on the first roll stand can be raised or lowered so as to use alternative pairs of forming rolls on the first stand in conjunction with the forming rolls on the second roll stand to form different shapes.

Claims 1 to 16 stand finally rejected under 35 U.S.C. § 102(b), on the ground that the subject matter thereof was "on sale" more than one year prior to appellants' effective filing date, i.e., prior to October 14, 1993 (the "critical date").

The rejection in issue is based on evidence filed by appellants, consisting of a Declaration ("D.") and Supplemental Declaration ("S.D.") of H. David Bradbury,² filed on May 2, 1997, and July 23, 1997, respectively, together with numerous documents.³

² Mr. Bradbury states that he is President and Chief Executive Officer of The Bradbury Company, Inc. (hereinafter "Bradbury"), assignee of the instant application (D. ¶1; S.D. ¶1).

³ On page 3 of the answer, the examiner, apparently inadvertently, does not list the Supplemental Declaration as part of the

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Mr. Bradbury states (D. ¶2, S.D. ¶2):

On or about June 2, 1993, pursuant to a purchase order (P.O.# 7120-M), Metal Building Components, Inc. (hereinafter "MBCI") agreed

to purchase a roll former (hereinafter the "MBCI roll former") that was to be subsequently designed and manufactured by Bradbury.

Purchase order 7120-M (Invoice 19689) describes the item ordered simply as "Bradbury Rollforming Equipment," with a price of \$951,234.00, a payment of \$285,370.20 being "NOW DUE." There is no evidence in the record of the circumstances surrounding this order, and in particular, whether the equipment ordered was to be designed by Bradbury from scratch, or whether it would be a modification of Bradbury's existing equipment. Two additional invoices for the same purchase order, dated September 8, 1993 (No. 20023) and March 28, 1994 (No. 21132), indicate, respectively, a further balance due of \$285,370.20, and a balance due prior to shipment of \$399,253.60.

Mr. Bradbury goes on to describe the machine as follows (D. ¶3, S.D. ¶3):

The MBCI roll former constructed pursuant to the purchase order included a mechanical

evidence relied upon in making the rejection.

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system and an electrical system that controlled the components of the mechanical system. The mechanical system included, for each station of the MBCI roll former, a pair of roll stands, two spindles disposed in one roll stand and three spindles disposed in the other roll stand, forming rolls attached to the spindles, various mechanical components for changing the elevation of one roll stand relative to the other roll stand, and other

mechanical components. The mechanical system also included means for rotatably driving the spindles of a number of the roll stands. The electrical system of the MBCI roll former included wiring and computer software to control the overall operation of the MBCI roll former.

Appellants also submitted a number of drawings dated prior to the critical date (documents 000302 to 000433 and 000435 to 000473), and counsel for appellants acknowledged at the hearing that at least one of the claims on appeal was readable on the drawings which were in existence at the critical date. Since appellants state on page 2 of their brief that all claims stand or fall together, it is unnecessary to treat the various claims separately, and we will simply refer to the machine ordered by MBCI as "the invention." The evidence outlined above shows that prior to the critical date, there was a sale; the question to be

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resolved is whether that sale gave rise to an on-sale bar under 35 U.S.C. § 102(b).

According to Mr. Bradbury's Supplemental Declaration:

5. As of October 14, 1993, many of the individual mechanical components of the MBCI roll former were not completely fabricated or were not yet received by Bradbury from outside companies responsible for the fabrication.

6. As of October 14, 1993, the overall assembly of the components of the mechanical

system of the MBCI roll former had not yet begun. That overall assembly began in December, 1993.

7. As of October 14, 1993, the MBCI roll former was not operable.

8. As of October 14, 1993, the MBCI roll former had not been tested.

This evidence establishes that, as of the critical date, there was no physical embodiment of the machine in existence, and consequently it had not been actually reduced to practice. However, a physical embodiment of the invention, or actual reduction to practice, are not necessarily prerequisites to

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application of the on-sale bar. Pfaff v. Wells Elecs., Inc.,
124 F.3d 1429, 1433, 43 USPQ2d 1928, 1931 (Fed. Cir. 1997).⁴

In holding that there was an on-sale bar, the examiner
cites UMC Elecs. Co. v. United States, 816 F.2d 647, 2 USPQ2d
1465 (Fed. Cir. 1987), cert. denied, 484 U.S. 1025 (1988), and
KeyStone Retaining Wall Sys. Inc. v. Westrock Inc., 997 F.2d
1444, 27 USPQ2d 1297 (Fed. Cir. 1993). These cases, like Pfaff,
hold that a reduction to practice of the claimed invention is not
an absolute requirement of the on-sale bar. UMC, 816 F.2d at
656, 2 USPQ2d at 1471; KeyStone, 997 F.2d at 1452, 27 USPQ2d at
1303. In UMC (as in Pfaff), it was determined that there was

⁴ On March 9, 1998, the Supreme Court granted certiorari in
this case (118 S.Ct. 1183), limited to the following Question 1:

In view of the longstanding statutory definition that
the one-year grace period to an "on sale" bar can start
to run only after an invention is fully completed,
should the Pfaff patent have been held invalid under
35 U.S.C. 102(b) when Mr. Pfaff's invention was
admittedly not "fully completed" more than one year
before he filed his patent application?

See Mueller, Conception, Testing, Reduction to Practice: When is
it Really on Sale?, 80 J.PTO Socy. 305, 316 (May 1998).

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an on-sale bar, while in KeyStone, the case was remanded for a determination of whether what was offered for sale was an embodiment of the claimed invention.

Appellants, on the other hand, cite in support of their position a number of other cases, decided after UMC, which deal with the issue of whether there was an on-sale bar: Seal-Flex, Inc. v. Athletic Track and Court Constr., 98 F.3d 1318, 40 USPQ2d 1450 (Fed. Cir. 1996); Micro Chem. Inc. v. Great Plains Chem. Co., 103 F.3d 1538, 41 USPQ2d 1238 (Fed. Cir.), cert. denied, 117 S.Ct. 2516 (1997); Robotic Vision Sys., Inc. v. View Eng'g, Inc., 112 F.3d 1163, 42 USPQ2d 1619 (Fed. Cir. 1997); and Kolmes v. World Fibers Corp., 107 F.3d 1534, 41 USPQ2d 1829 (Fed. Cir. 1997).

In UMC, the court states (816 F.2d at 656-57, 2 USPQ2d at 1471-72):

[W]e simply say here that the on-sale bar does not necessarily turn on whether there was or was not a reduction to practice of the claimed invention. All of the circumstances surrounding the sale or offer to sell, including the stage of development of the invention and the nature of the invention, must be considered and weighed against the policies underlying section 102(b).

. . . If the inventor had merely a conception or was working towards development

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of that conception, it can be said there is not yet any "invention" which could be placed on sale.

In determining that there was an on-sale bar in that case, the court noted the following (816 F.2d at 657, 2 USPQ2d at 1472):

[As of the critical date], the development of the subject invention was far beyond a mere conception. Much of the invention was embodied in tangible form. The prior art devices embodied each element of the claimed invention, save one, and that portion was available and had been sufficiently tested to demonstrate to the satisfaction of the inventor that the invention as ultimately claimed would work for its intended purpose. Thus, we conclude from the unchallenged facts with respect to the commercial activities of UMC, coupled with the extent to which the invention was developed, the substantial embodiment of the invention, the testing which was sufficient to satisfy the inventor that his later claimed invention would work, and the nature of the inventor's contribution to the art, that the claimed invention was on sale within the meaning of section 102(b).

We do not find the factors noted by the court in UMC, supra, to be present in the instant case. While there is no evidence here as to whether or not prior art devices embodied any element of the claimed invention, it appears from Mr. Bradbury's declaration (S.D. ¶18) that no testing had been done. Thus, although Mr. Bradbury does not so state, it does not appear that it could have been demonstrated to his satisfaction that the

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invention would work for its intended purpose. It seems from the evidence that by the critical date there was only a conception, as embodied in the drawings, and that some parts of the invention had been fabricated.⁵

According to Seal-Flex (98 F.3d at 1324, 40 USPQ2d at 1454),

[the UMC] case did not turn on whether the invention had been "extensively developed" at the time it was offered for sale, but on whether it was known that the invention would work for its intended purpose without further testing or evaluation.

Likewise, in Micro Chem., it is stated (103 F.2d at 1545, 41 USPQ2d at 1244):

UMC thus stands for the proposition that, even though the technical requirements of a reduction to practice have not been met, a sale or a definite offer to sell a substantially completed invention, with reason to expect that it would work for its intended purpose upon completion, suffices to generate a statutory bar.

⁵ Document 000530 purports to be a summary of what mechanical components of the invention were not finished as of the critical date. However, there is no evidence in the record to show who prepared this document or to establish its accuracy. We have therefore not given it any consideration.

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The examiner takes the position that (answer, p. 7):

The substantial payments for the construction of the roll former apparatus prior to the critical date presumes [sic: demonstrates?] that both parties were completely knowledgeable that the roll former apparatus would work for its intended purpose.

However, we do not consider that this inference can be drawn, when one considers the statement of Mr. Bradbury, supra, that the purchase order was an agreement to purchase a roll former which was "to be subsequently designed and manufactured." The machine which was the subject of the purchase order was not an "off the shelf" item, and while MBCI obviously was confident that Bradbury could design a machine which would work, this is not to say that it was known that it would work without further testing. As Mr. Bradbury states (D. ¶5), after the machine was assembled (which was not until after the critical date (S.D. ¶6)), it was tested at Bradbury "to determine whether it would operate," beginning about March 1994. Mr. Bradbury also refers to documents 000200

to 000252, which describe some of the problems discovered in the testing at Bradbury and MBCI (D. ¶6).

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We also do not consider the instant case to be analogous to the situation involved in Pfaff. In that case, the court noted that (124 F.3d at 1434, 43 USPQ2d at 1932):

The only step not fully performed at the time of the sale was the customized tooling for manufacturing the invention

The invention in this case is mechanical and there is no argument that it contains complicated components or involves a complex interaction of parts. The step of finishing the customized tooling was, therefore, routine and not a major step in the completion of an embodiment of the invention. Under all of the circumstances, including the completion of engineering drawings, the ordering of production tooling, and the commencement of fabrication of the tooling necessary to manufacture the invention for a specific customer, it is clear that more than a mere concept was on sale. The substantially completed socket had entered the production phase prior to the critical date and a specific purchase order was being filled.

By contrast, in this case the invention is embodied in a large, relatively complex machine costing almost one million dollars, rather than a mass-produced item such as the socket involved in Pfaff, and the sale was of a single machine, rather than of thousands of sockets. In accordance with the above-quoted language from Pfaff, these factors militate against a finding

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that what occurred after the critical date, i.e., assembly and testing of the machine, was merely "routine and not a major step in the completion of an embodiment of the invention." Unlike Pfaff, it appears to us that here Bradbury sold a concept of an invention. Although Bradbury was filling a specific purchase order, the order was for a machine yet to be designed.

In Robotic Vision Sys., the court states (112 F.3d 1167-68, 42 USPQ2d 1623-24):

An offer of sale, to be a bar within the meaning of section 102(b), must be of an invention that is substantially complete at the time of the offer. See Micro Chem., 103 F.3d at 1545, 41 USPQ2d at 1243. If mere discussions prior to the critical date, or even an agreement to develop and provide a device that had not yet been invented, developed, or completed were to be held to be a bar to patentability, then collaboration between inventors and customers would be greatly impeded. Patent applications would be required to be filed prematurely, before an invention was completed. The on-sale bar was not intended to prevent discussions between potential inventor-suppliers and customers concerning inventions not yet completed. Thus, the later completion of an invention concerning which an alleged offer to sell had been made earlier does not relate back to the date of that offer.

This language is relevant here. Bradbury agreed to develop and provide MBCI with a machine which was not yet in existence.

Whether it had been conceived at the time of the sale (purchase

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order) is not clear from the record, but by the critical date it had not been developed or completed. As discussed above, the invention involved in the present case is such that until it had at least been assembled, let alone tested, it could not be said to be substantially complete (Micro Chem., 103 F.3d at 1545, 41 USPQ2d at 1244; Pfaff, 124 F.3d at 1434, 43 USPQ2d at 1932) and, therefore, would not be subject to the on-sale bar of § 102(b). Since the assembly of the machine embodying the invention did not occur until after the critical date, there is no on-sale bar here.

Conclusion

The examiner's decision to reject claims 1 to 16 is reversed.

REVERSED

IAN A. CALVERT)	
Administrative Patent Judge)	
)	
)	
IRWIN CHARLES COHEN)	BOARD OF PATENT
Administrative Patent Judge)	APPEALS AND
)	INTERFERENCES
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