

PRECEDENTIAL OPINION

Pursuant to Board of Patent Appeals and Interferences Standard Operating Procedure 2, the opinion below has been designated a precedential opinion.

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte TIMOTHY J.O. CATLIN and KEVIN T. ROWNEY

Appeal 2007-3072
Application 09/167,315
Technology Center 3600

Decided:¹ February 3, 2009

Before MICHAEL R. FLEMING, *Chief Administrative Patent Judge*,
JAMES T. MOORE, *Vice Chief Administrative Patent Judge*, and
LINDA E. HORNER, DAVID B. WALKER, and BIBHU R. MOHANTY,
Administrative Patent Judges.

HORNER, *Administrative Patent Judge*.

DECISION ON REQUEST FOR REHEARING

¹ The two-month time period for filing an appeal or commencing a civil action, as recited in 37 CFR § 1.304, begins to run from the decided date shown on this page of the decision. The time period does not run from the Mail Date (paper delivery) or Notification Date (electronic delivery).

The Supervisory Patent Examiner (SPE) for Art Unit 3688 has filed a request for rehearing seeking reconsideration of the Board's decision of May 2, 2008 ("Decision"), wherein the Board affirmed the rejection of claims 9-11, 15, 18, and 19 and reversed the rejection of claims 1-8, 12-14, 16, 17, and 20-25 under 35 U.S.C. § 103(a). The SPE argues that the Board erred in its interpretation of claims 1, 12, 16, 17, 20, and 22. Request for Rehearing 4.

The SPE raised some meritorious arguments in the Request which caused us to reconsider our interpretation of the claims. Upon further consideration of the claim language, we have now determined that claims 1-25 are indefinite under 35 U.S.C. § 112, second paragraph, for failing to particularly point out and distinctly claim the subject matter which Appellants regard as the invention. Accordingly, we vacate our original Decision in its entirety, and substitute the following decision in its place. The present decision vacates the Examiner's rejection of claims 1-25 under 35 U.S.C. § 103(a) as unpatentable over Eggleston and Wolff, and, pursuant to 37 C.F.R. § 41.50(b), enters a new ground of rejection of claims 1-25 under 35 U.S.C. § 112, second paragraph.

The request for rehearing is moot and therefore dismissed.

THE INVENTION

The Appellants' claimed invention is to a method for implementing an on-line incentive system at a merchant's web site. Spec. 4:14-18. Claim 1, reproduced below, is representative of the subject matter on appeal.

1. A method for implementing an on-line incentive system, said method comprising the steps of:

providing, at a merchant's web site, means for a consumer to participate in an earning activity to earn value from a merchant; and

transferring value from said merchant to said consumer for participation in said earning activity, if said consumer qualifies, without re-directing said consumer away from said merchant's web site, whereby said consumer's focus of activity remains at said merchant's web site.

THE REJECTION

The Examiner relies upon the following as evidence of unpatentability:

Eggleston	US 6,061,660	May 9, 2000
Wolff	US 6,247,047 B1	Jun. 12, 2001

The Appellants seek our review of the Examiner's rejection of claims 1-25 under 35 U.S.C. § 103(a) as unpatentable over Eggleston and Wolff.

ISSUE

The issue before us is whether claims 1-25 are sufficiently definite in claim scope so as to evaluate the patentability of the claims in view of the cited prior art. In particular, the issue focuses on whether the Appellants' Specification discloses adequate structure, material, or acts that perform the function recited in the first element of claims 1, 9, and 20.

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).

1. The Appellants' Specification describes generally, at page 9, lines 1-3, that the consumer can access an earning activity through the merchant's web site:

In one embodiment, to receive value, the consumer 110 surfs up to a web site of merchant 120, and the consumer 110 enters an "earning activity", specified by the merchant 120."

2. The Appellants' Specification does not provide, however, an algorithm by which the consumer is able to participate in an earning activity and earn value.
3. The Specification describes in the Background of the Invention different types of incentive programs, such as frequent flyer and "points"-based programs. Spec. 1:17 – 2:12.
4. This description of prior art incentive programs merely provides examples of the results of the operation of an unspecified algorithm.

PRINCIPLES OF LAW

When a claim uses the term “means” to describe a limitation, a presumption inheres that the inventor used the term to invoke § 112, ¶ 6. *Altiris, Inc. v. Symantec Corp.*, 318 F.3d 1363, 1375 (Fed.Cir.2003). “This presumption can be rebutted when the claim, in addition to the functional language, recites structure sufficient to perform the claimed function in its entirety.” *Id.* Once a court concludes that a claim limitation is a means-plus-function limitation, two steps of claim construction remain: 1) the court must first identify the function of the limitation; and 2) the court must then look to the specification and identify the corresponding structure for that function. *Med. Instrumentation & Diagnostics Corp. v. Elekta AB*, 344 F.3d 1205, 1210 (Fed. Cir. 2003).

“If there is no structure in the specification corresponding to the means-plus-function limitation in the claims, the claim will be found invalid as indefinite.” *Biomedino, LLC v. Waters Technologies Corp.*, 490 F.3d 946, 950 (Fed. Cir. 2007); *see also In re Donaldson*, 16 F.3d 1189, 1195 (Fed. Cir. 1994) (en banc).

In *Aristocrat Techs. Austl. Pty Ltd. v Inter. Game Tech.*, 521 F.3d 1328 (Fed. Cir. 2008), the court set forth that for a claim to a programmed computer, a particular algorithm may be the corresponding structure under § 112, sixth paragraph:

For a patentee to claim a means for performing a particular function and then to disclose only a general purpose computer as the structure designed to perform that function

amounts to pure functional claiming. Because general purpose computers can be programmed to perform very different tasks in very different ways, simply disclosing a computer as the structure designated to perform a particular function does not limit the scope of the claim to “the corresponding structure, material, or acts” that perform the function, as required by section 112 paragraph 6.

That was the point made by this court in *WMS Gaming, Inc. v. International Game Technology*, 184 F.3d 1339 (Fed. Cir. 1999). In that case, the court criticized the district court, which had determined that the structure disclosed in the specification to perform the claimed function was “an algorithm executed by a computer.” The district court erred, this court held, “by failing to limit the claim to the algorithm disclosed in the specification.” *Id.* at 1348. The rationale for that decision is equally applicable here: a general purpose computer programmed to carry out a particular algorithm creates a “new machine” because a general purpose computer “in effect becomes a special purpose computer once it is programmed to perform particular functions pursuant to instructions from program software.” *Id.*, quoting *In re Alappat*, 33 F.3d 1526, 1545 (Fed. Cir. 1994). The instructions of the software program in effect “create a special purpose machine for carrying out the particular algorithm.” *WMS Gaming*, 184 F.3d at 1348. Thus, in a means-plus-function claim “in which the disclosed structure is a computer, or microprocessor, programmed to carry out an algorithm, the disclosed structure is not the general purpose

computer, but rather the special purpose computer programmed to perform the disclosed algorithm.” *Id.* at 1349.

In a later case, this court made the same point, stating that a “computer-implemented means-plus-function term is limited to the corresponding structure disclosed in the specification and equivalents thereof, and the corresponding structure is the algorithm.” *Harris Corp. v. Ericsson Inc.*, 417 F.3d 1241, 1253 (Fed. Cir. 2005). The court in that case characterized the rule of *WMS Gaming* as follows: “[T]he corresponding structure for a § 112 ¶ 6 claim for a computer-implemented function is the algorithm disclosed in the specification.” 417 F.3d at 1249.

521 F.3d at 1333. In *Aristocrat*, the only portion of the specification that described the structure corresponding to the three functions performed by the claimed “game control means” was a statement that it is within the capability of a worker in the art “to introduce the methodology on any standard microprocessor base [*sic*] gaming machine by means of appropriate programming.” *Id.* at 1334. The court found that the reference to “appropriate programming” imposed no limitation whatever, as any general purpose computer must be programmed. *Id.* The court further found that the language of claim 1 referring to “the game control means being arranged to pay a prize when a predetermined combination of symbols is displayed in a predetermined arrangement of symbol positions selected by a player” simply describes the function to be performed and not the algorithm by which it is performed. *Id.* The court further found that the language in claim 1 that recites “defining a set of predetermined arrangements for a

current game comprising each possible combination of the symbol position selected by the player which have one and only one symbol position in each column of the display means” is merely a mathematical expression that describes the outcome of performing the function and not a means for achieving that outcome. *Id.* The court also found that the figures and tables in Aristocrat’s patent, which provided examples of how player selections translate to possible winning combinations, and the corresponding portion of the written description, which contained mathematical descriptions of how many winning combinations would be produced, are simply examples of the results of the operation of an unspecified algorithm. *Id.* at 1335. Thus, the court held that Aristocrat failed to disclose the algorithms that transform the general purpose microprocessor to a special purpose computer programmed to perform the disclosed algorithm. *Id.*

In two other recent cases, the Federal Circuit followed *Aristocrat* in holding means-plus-function claims invalid for indefiniteness for lack of sufficient description of algorithms to transform a general purpose computer to a special purpose of computer under 35 U.S.C. § 112, sixth paragraph. *See Finisar Corp. v. DirecTV Group, Inc.*, 523 F.3d 1323, 1340-41 (Fed. Cir. 2008) and *Net Moneyin, Inc. v. Verisign, Inc.*, 545 F.3d 1359 (Fed. Cir. 2008).

ANALYSIS

Independent claims 1 and 9 recite the step of providing, at a merchant's web site, means for a consumer to participate in an earning

activity to earn value from a merchant. Claim 20 similarly recites the step of providing, at a merchant's web site, means for a consumer to earn value, conferred by said merchant, through an earning activity.

A presumption arises that the Appellants used the term “means” in claims 1, 9, and 20 to invoke 35 U.S.C. § 112, sixth paragraph. The function recited in the first element of claims 1 and 9 is allowing a consumer to participate in an earning activity to earn value from a merchant. The function recited in the first element of claim 20 is allowing a consumer to earn value, conferred by a merchant, through an earning activity. The claims themselves do not recite any structure that would perform these claimed functions in their entirety. As such, the presumption that § 112, sixth paragraph, applies, is not rebutted by any structure recited in the claims.²

Our rules require that the Appeal Brief contain:

For each independent claim involved in the appeal and for each dependent claim argued separately under the provisions of paragraph (c)(1)(vii) of this section, every means plus function and step plus function as permitted by 35 U.S.C. § 112, sixth paragraph, must be identified and the structure, material, or acts described in the specification as corresponding to each claimed function must be set forth with reference to the specification by page and line number, and to the drawing, if any, by

² If the first step of these method claims were found not to invoke 35 U.S.C. § 112, sixth paragraph, then the step simply recites purely functional language and would impermissibly cover every conceivable act for achieving the claimed result, and the scope of the claimed step would not be enabled under 35 U.S.C. § 112, first paragraph.

reference character.

37 C.F.R. § 41.37(c)(1)(v). Thus, we consult the Appellants' Summary of the Claimed Subject Matter in the Appeal Brief to assess whether the Specification describes structure, material, or acts corresponding to the functions recited in claims 1, 9, and 20.

The Appellants describe the subject matter of claim 1 in the Appeal Brief as follows:

The method comprises the steps of providing, at a merchant's web site, means (e.g., merchant's web site, incentive program) for a consumer to participate in an earning activity to earn value from a merchant (see, e.g., page 9, lines 1-3)....

App. Br. 5.

The Appellants likewise cite to an "incentive program" and to page 9, lines 1-3 of the Specification as support for the means element in the first steps of claims 9 and 20. App. Br. 6 and 7.

The cited portion of the Appellants' Specification describes generally that the consumer can access an earning activity through the merchant's web site (Fact 1). The merchant's web site itself cannot be the means or structure corresponding to the function of the claims, because the claims recite providing "at a merchant's web site" means for a consumer to participate in an earning activity and earn value. It is clear from the claims that the merchant's web site is merely the location, through which the software that enables the consumer to participate in the earning activity and earn value, is provided. The Specification does not provide, however, an algorithm by

which the consumer is able to participate in an earning activity and earn value (Fact 2).

The Appellants also refer in the Appeal Brief generally to an “incentive program” as the structure for allowing a consumer to participate in an earning activity and earn value. This reference to an “incentive program” is not accompanied in the Brief by a specific citation to the Specification. Rather, the “incentive program” appears to refer to an unspecified software program that would presumably enable a consumer to participate in an earning activity and earn value. The Specification describes in the Background of the Invention different types of incentive programs, such as frequent flyer and “points”-based programs (Fact 3). This description of prior art incentive programs merely provides examples of the results of the operation of an unspecified algorithm (Fact 4).

In addition to the specific portion of the Specification identified by the Appellants in the Appeal Brief, we have thoroughly reviewed the Appellants’ Specification and have not been able to locate an adequate disclosure of structure, material, or acts corresponding to the functions of allowing a consumer to participate in an earning activity and earn value from an earning activity. In particular, the Specification does not disclose any specific algorithm that could be implemented on a general purpose computer to allow a consumer to participate in an earning activity and earn value from an earning activity. Accordingly, the Specification fails to disclose the algorithms that transform the general purpose processor to a special purpose

computer programmed to perform the disclosed functions of the first elements of claims 1, 9, and 20.

The Appellant has failed to disclose any algorithm, and thus has failed to adequately describe sufficient structure, for performing the functions recited in the means elements contained in the first step of claims 1, 9, and 20 so as to render the claims definite. Accordingly, claims 1, 9, and 20, and claims 2-8, 11-19, and 21-25 depending therefrom, are unpatentable under 35 U.S.C. § 112, second paragraph, as indefinite. *Aristocrat*, 521 F.3d at 1333.

We vacate the rejection of claims 1-25 under § 103 as being unpatentable over Eggleston and Wolff. A rejection of a claim, which is so indefinite that “considerable speculation as to meaning of the terms employed and assumptions as to the scope of such claims” is needed, is likely imprudent. *See In re Steele*, 305 F.2d 859, 862 (CCPA 1962) (holding that the examiner and the board were wrong in relying on what at best were speculative assumptions as to the meaning of the claims and basing a rejection under 35 U.S.C. § 103 thereon.) We find it imprudent to speculate as to the scope of the “means” elements of the first step of independent claims 1, 9, and 20 in order to reach a decision on the obviousness of the claimed subject matter under § 103. It should be understood, however, that our decision to vacate this rejection is based on the indefiniteness of the claimed subject matter and does not reflect on the merits of the underlying rejection.

DECISION

The original Board decision entered May 2, 2008 is vacated, and the request for rehearing is dismissed. We enter a new ground of rejection of claims 1-25 under 35 U.S.C. § 112, second paragraph. We vacate the Examiner's rejection of claims 1-25 under 35 U.S.C. § 103 as unpatentable over Eggleston and Wolff.

This decision contains new grounds of rejection pursuant to 37 C.F.R. § 41.50(b) (2007). 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 C.F.R. § 41.50(b) also provides that Appellant, WITHIN TWO MONTHS FROM THE DATE OF THE DECISION, must exercise one of the following two options with respect to the new grounds 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. . . .

Appeal 2007-3072
Application 09/167,315

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) (2007).

VACATED; 37 C.F.R. § 41.50(b)

vsh

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