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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte RONALD A. KATZ TECHNOLOGY LICENSING L.P.[1],
Appellant and Patent Owner

Appeal 2012-008644
Reexamination Control No. 90/011,438
Patent 5,898,762
Technology Center 3900

Before KARL D. EASTHOM, KEVIN F. TURNER, and
JONI Y. CHANG, *Administrative Patent Judges*.

TURNER, *Administrative Patent Judge*.

DECISION ON APPEAL

Ronald A. Katz Technology Licensing L.P., Appellant, appeals under 35 U.S.C. §§ 134(b) and 306 from a final rejection of claims 41, 54, and 57. We have jurisdiction under 35 U.S.C. §§ 134(b) and 306.

We AFFIRM.

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[1] Ronald A. Katz Technology Licensing L.P. is the Patent Owner and the real party in interest (App. Br. 3).

STATEMENT OF THE CASE[2]

This proceeding arose from a request for *ex parte* reexamination filed on behalf of United States Cellular Corp. on January 17, 2011, of United States Patent 5,898,762 (the '762 Patent). The '762 patent, entitled "Telephonic-Interface Statistical Analysis System," issued April 27, 1999, to Ronald A. Katz, and has several patent applications upon which it claims priority, listed on the face of the '762 Patent. The '762 Patent is said to have expired on December 20, 2005, by virtue of a terminal disclaimer (App. Br. 4).

The '762 Patent is or has been involved in numerous litigations, as summarized in the Related Proceedings Appendix (App. Br. 37-67).

CLAIMED INVENTION

Appellant's invention relates to a system that interfaces with a multiplicity of individual terminals of a telephone network, where callers are prompted by voice-generated instructions to provide data, and where the data provided are used to select a group or subset of callers who can be readily identified and reliably confirmed, as well as producing statistics relating to the formats for which the system is being utilized (Abs.).

Independent claim 41, along with dependent claims 54 and 57, are

[2] Our decision will make reference to the Appellant's Second Amended Appeal Brief ("App. Br.," filed February 13, 2012) and Reply Brief ("Reply Br.," filed May 7, 2012), and the Examiner's Answer ("Ans.," mailed March 7, 2012).

subject to reexamination, with original claims 1-40, 42-53, 55, 56, and 58-70 not being subject to reexamination.

Claim 41 is reproduced below:

> 41. An analysis control system for use in a mail order facility or the like, said analysis control system for use with a communication facility including remote terminals for individual callers, wherein each of said remote terminals comprises voice communication means and digital input means in the form of an array of buttons for providing data, comprising:
>
> interface structure coupled to said communication facility to interface said remote terminals for voice and digital communication and including means to provide answer data signals provided by said individual callers from said remote terminals including signals indicative of an individual caller's customer number;
>
> credit verification structure to verify on-line said individual caller's customer number to determine said individual caller's credit;
>
> record structure including memory and control means connected to said interface structure to receive and store data provided by said individual callers;
>
> acknowledgement generator structure for providing a computer generated acknowledgement number to said individual callers;
>
> switching structure for transferring certain of said individual callers to a live operator; and
>
> central processing station coupled to said record structure to receive accumulated data on said individual callers.

(App. Br. 31, Claims App'x.).

PRIOR ART REJECTION

The prior art references relied upon by the Examiner in rejecting claims 41, 54, and 57 are listed as follows:

Barger, Jr. et al. ("Barger")	4,071,698	Jan. 31, 1978

Kanichiro Yoshizawa et al., *Voice Response System for Telephone Betting*, 26 HITACHI REV. 215-220 (1977) (hereinafter "Yoshizawa").

The Examiner maintained a rejection of the claims on the following basis:

- Claims 41, 54, and 57 under 35 U.S.C. § 103(a) as being unpatentable over Barger and Yoshizawa (Ans. 4).

ISSUE

Appellant has asserted numerous arguments as to whether the Examiner erred in proffering the above-cited rejection, which we detail in the analysis section below. We have considered in this decision only those arguments that Appellant actually raised in the Briefs. Arguments which Appellant could have made but chose not to make in the Briefs are deemed to be waived. *See 37* C.F.R. § 41.37(c)(1)(vii).

Did the Examiner err in finding that Barger and Yoshizawa render obvious the subject matter of claims 41, 54, and 57?

FINDINGS OF FACT

1. Barger describes "a system for marketing merchandise or services capable of being demonstrated to prospective customers over telephone lines, such as phonograph records or tapes (cartridges or cassettes), books, plays, and tours, and for immediately accepting orders of selected merchandise or services" (Col. 1, ll. 8-13). One object of the invention "is to provide a telephone system which enables a customer shopping for merchandise or services susceptible of audio demonstration to request that a particular demonstration be played over the telephone" (Col. 1, ll. 60-64). Another object is to "provide a telephone system for customer selected audio demonstrations without human intervention in operation" (Col. 2, ll. 13-15).
2. The system includes three modes of operation (Col. 2, ll. 34-37; col. 3, ll. 3-5, 8-10). "In the first mode, the operator elicits required information from the customer, such as name and account number, demonstrations desired, and orders for the merchandise or services demonstrated" (Col. 2, ll. 34-37). In the second mode, the "automatic telephone service . . . causes the data processor to communicate with the customer through prerecorded messages played to the customer through the audio repeating means and codes entered by the customer through his telephone keyboard" (Col. 2, l. 66 to col. 3, l. 3). To access the second mode, the

operator can transfer a customer's call (col. 2, ll. 65-67). "An alternative way of entering this second mode of service is through the customer calling a distinct telephone number for a line which the data processor recognizes as being from a customer who has a push-button telephone and wishes automatic telephone service" (col. 3, ll. 3-8). In the third mode, a modified automatic telephone service is provided to "customers of a licensed retailer of merchandise or services through the equivalent of push-button telephones" (Col. 3, ll. 8-11). In the third mode, the customer may purchase the merchandise or services directly from the licensed retailer (Col. 3, ll. 12-14). In either the second or third mode, a data processor responds to codes entered by the customer using a push button phone without intervention from a human operator (Col. 3, ll. 14-17).

3. As illustrated in Figure 1, the basic telephone system includes a data processor 10 of a telephone record marketing store, an automatic answering device 11, a public telephone system 12 with telephone couplers 13 (also referred to as "data couplers" (*see*, *e.g.*, col. 3, ll. 64-65)) and telephones 14, a switching system 16, an audio program repeater 17 and a customer service operator 18 (Col. 3, ll. 41-55). The telephones 14 can be a dial or push-button type (Col. 3, ll. 45-46). "The address information generated by the dial pulses, or push-button tones, establishes the basis for

subsequent operations of the telephone system to connect a calling subscriber with the data processor 10 at a telephone record marketing store" (Col. 3, ll. 46-51). The customer service operator 18 communicates with the data processor 10 through a video terminal 19, a type-writer keyboard and a numeric keyboard (Col. 3, ll. 55-60). The customer service operator 18 communicates with a customer through the switching system 16 and the telephone couplers 13 (Col. 3, ll. 54-56).

4. When a customer calls the telephone number of the telephone record marketing store, the transmitting and receiving equipment of the store is connected to the telephone system 12 by one of the data couplers 13 (Col. 3, ll. 61-65). Figures 3A and 3B illustrate flow charts for an operator attended mode (Col. 3, ll. 29-30). "The data processor 10 is programmed with an interrupt routine to respond to each signal received from the automatic answering device 11 and automatically connect the customer's telephone line via a [data] coupler 13 to a predetermined one of a plurality of audio-program repeater [17] channels which plays a 'hello' message explaining that a customer service operator will be with the customer in a moment" (Col. 4, ll. 10-17; "GO OFF-HOOK & CONNECT TO „HELLO" MSG.," Fig. 3a). A customer service operator 18 is placed in communication with the customer through the switching system 16 (Col. 4, ll. 57-59). "The operator then

greets the customer and elicits from the customer identification data such as name, address, and account or credit card number" (Col. 4, ll. 61-64; "CONNECT TO OPER.; TAKE INITIAL INFO.," Fig. 3a). The data processor 10 can display the calling customer's "historical and credit verification data" from memory using the customer's account number or credit card number (Col. 5, ll. 32-36).

5. To request a demonstration, the customer can provide to the customer service operator 18 "a directory number assigned to the requested demonstration and published in a catalog by the telephone record store" (col. 5, ll. 4-7) or "the operator may search for it through the data processor in which cross-indexing tables are stored for the labels, titles and recording artists" (col. 5, ll. 9-11). ("OPERATOR ENTERED SEL./DATA" and "SEL. REQUESTED?," Fig. 3b). "While the requested demonstration is playing . . . the customer service operator [18] is available to service other customers" (Col. 5, ll. 20-22; "PLAY SELECTION," Fig. 3b). "When the requested demonstration has been completed, the data processor [10] is interrupted by the audio program repeater [17]" (Col. 5, ll. 23-25; "OUTGOING MSG./SEL.," Fig. 3b). The data processor 10 then disconnects the audio program repeater 17 from the customer's line and switches that line back to the customer service operator 18 (Col. 5, ll. 25-29; "CONNECT TO

PREV. OPERATOR," Fig. 3b). If the customer wishes to hear other demonstrations, the previously described procedure is repeated (Col. 5, ll. 42-45; Fig. 3b). If the customer places an order, the "data processor [10] . . . transfers the order to an order processing system 20 with the name, address, and any other information required to fill the order, such as the account or credit card number" (Col. 5, ll. 50-53).

6. As illustrated in Figure 2, which is described as a preferred embodiment (col. 3, ll. 27-28), the telephone system for the telephone record marketing system includes a data processor (col. 7, ll. 33-34), a dial telephone 24 or a push-button telephone 25, telephone data couplers 26, an automatic answering device 27 (col. 7, ll. 38-44), an audio program repeater 28 and a switching matrix 29 (col. 7, ll. 49-51). The data processor includes a central processing unit (CPU) 21, a bus 22 and a random access memory 23 (Col. 7, ll. 33-37). The CPU 21 communicates with other units (e.g., the random access memory 23) via the bus 22 (Col. 7, ll. 35-37).

7. In the first mode of operation, the dial telephone 24 or the push-button telephone 25 is coupled to the CPU 21 with telephone data couplers 26 and the automatic answering device 27 (Col. 7, ll. 38-44). "The CPU [21] responds to an incoming call with a command to an audio program repeater 28 to play a 'hello' message to the

customer through a switching matrix 29" (Col. 7, ll. 49-51). "[T]here is a credit verification function (CVF) 45 which the CPU [21] accesses under control of a programmed subroutine for credit verification" (Col. 8, ll. 60-64).

8. For the Figure 2 embodiment, Barger also describes that "a customer having a push-button telephone communicates with the telephone record marketing system through the keypad of the telephone" (Col. 9, ll. 22-24). For access to this automatic telephone service, a customer first establishes communication with the telephone data coupler 26 followed by entering "an established account number having a code reserved for push-button telephone customers" (Col. 9, ll. 36-42). "If the credit verification function cannot validate the automatic push-button telephone customer, operator assistance is automatically initiated by the CPU" (Col. 9, ll. 42-45).

9. "Otherwise the CPU will command the audio program repeater to play a prerecorded message to communicate with the customer as necessary. In that manner the transaction is carried out by the CPU without operator assistance. At each step, any entry required is made by the customer through his telephone keyboard in response to a message played by the audio program repeater under control of the CPU" (Col. 9, ll. 45-53).

10. Figure 4 illustrates a flow chart for the automatic push-button telephone mode (Col. 3, ll. 31-32; col. 11, ll. 18-19). "The first part of the routine is similar to receiving a call in the operator attended mode for playing the 'hello' message, except that the message is one which concludes with an instruction for the customer to enter his account number" (Col. 11, ll. 19-23; "GO OFF-HOOK & CONNECT TO 'HELLO & INSTR MSG. COMPL.," Fig. 4). When the customer enters a selection number (col. 11, ll. 25-26; "CUSTOMER ENTERS SEL. NO.," Fig. 4), "an excerpt of the selection is played as a demonstration and an audio message is transmitted to the customer asking him if he wishes to buy the selection" (col. 11, ll. 28-31; "PLAY SELECTION" and "DO YOU WISH TO BUY?," Fig. 4). "If yes, an audio confirming message is transmitted to the customer, and if not, the routine branches back to ask again for a selection number . . ." (Col. 11, ll. 32-34; "CONFIRM ORDER," Fig. 4).
11. Yoshizawa describes a telephone betting system that uses an automated voice response unit to sell parimutuel tickets (P. 215, col. 1, ¶ 4). The telephone betting system includes a public telephone network, the voice response unit and a central processing unit (P. 215, col. 2, ¶ 6; Fig. 1).
12. After opening an account with a specified bank, a "subscriber can make bets through any push-button telephone set" by calling a

telephone betting center and inputting "account number, password number and the desired parimutuel tickets" (P. 216, col. 1, ¶ 1). "The voice response unit transmits these inputs to the central processing unit through the data communication lines" (P. 216, col. 1, ¶ 1). "Acceptance of the bet is completed as the input data are entered in the account file" (P. 216, col. 1, ¶ 1).

13. During the process of placing a bet, a "Voice output to push-button telephone" provides a "Registration time" (Table 1, "(a) When making a bet," Item 5) and a "Registration number" (Table 1, "(a) When making a bet," Items 5, 6). Similarly, during the process of cancelling a bet, the "Voice output to push-button telephone" requests the subscriber to enter the previously assigned "Registration number (number assigned when bet was made)" (Table 1, "(b) When canceling a bet," Item 2).

PRINCIPLES OF LAW

Interpretation of Expired Patent Claims

Patent claims in a reexamination proceeding in the USPTO are ordinarily given their broadest reasonable interpretation consistent with the patent disclosure. *In re Am. Acad. of Sci. Tech. Ctr.*, 367 F.3d 1359, 1364 (Fed. Cir. 2004). When the patent has not expired, construing claims of an unexpired patent broadly is not unfair to the patentee because the patentee has the opportunity to amend the claims to obtain more precise claim coverage. *See id*. However, patent claims of an expired patent may not be

amended. 37 C.F.R. § 1.530(j).

The standard of claim construction for the claims of an expired patent in reexamination was addressed in *Ex parte Papst-Motoren*, 1 USPQ2d 1655 (BPAI 1986). The Board noted that *In re Yamamoto*, 740 F.2d 1569 (Fed. Cir. 1984), held that claims in a reexamination proceeding should be given their broadest reasonable interpretation, consistent with the specification, because applicants had the right to amend, whereas in a district court, "claims should be so construed, if possible, as to sustain their validity." *Yamamoto*, 740 F.2d at 1571 n.* (citing *ACH Hosp. Systems, Inc. v. Montefiore Hosp.*, 732 F.2d 1572, 1577 (Fed. Cir. 1984)). The Board held as follows:

> [I]n reexamination proceedings in which the PTO is considering the patentability of claims of an expired patent which are not subject to amendment, a policy of liberal claim construction may properly and should be applied. Such a policy favors a construction of a patent claim that will render it valid, i.e., a narrow construction, over a broad construction that would render it invalid.

Papst-Motoren, 1 USPQ2d at 1656; *Ex parte Bowles*, 23 USPQ2d 1015, 1017 (BPAI 1991) (both nonprecedential[3]). The Board also held in both *Papst-Motoren* and *Bowles* that it would be error to read "inferential limitations" into the claims. *Papst-Motoren*, 1 USPQ2d at 1657; *Bowles*,

[3] Although *Papst-Motoren* is not designated as precedential, it was decided by an expanded panel of the Board of Patent Appeals and Interferences, including the Commissioner, the Deputy Commissioner, the Chairman of the Board, and an Examiner-in-Chief.

23 USPQ2d at 1017.

Papst-Motoren's holding that "claims should be so construed, if possible, as to sustain their validity" is another way of saying that the USPTO does not apply the "broadest reasonable interpretation" in construing the claims of an expired patent in a reexamination proceeding. The policy reason is that the claims in an expired patent cannot be amended. However, the maxim that "claims should be so construed, if possible, as to sustain their validity" is sometimes misunderstood and the Federal Circuit has clarified the maxim since *Papst-Motoren*. In accordance with those cases, it is clear that any claim construction must be in accord with the rules of claim construction and claims may not be redrafted. *See Generation II Orthotics Inc. v. Med. Tech. Inc.*, 263 F.3d 1356, 1365 (Fed. Cir. 2001) ("[C]laims can only be construed to preserve their validity where the proposed claim construction is 'practicable,' is based on sound claim construction principles, and does not revise or ignore the explicit language of the claims."); *Lucent Techs., Inc. v. Gateway, Inc.*, 525 F.3d 1200, 1215-16 (Fed. Cir. 2008) ("This court has repeatedly held that courts may not redraft claims to cure a drafting error made by the patentee, whether to make them operable or to sustain their validity . . . . To do so 'would unduly interfere with the function of claims in putting competitors on notice of the scope of the claimed invention.'") (citations and footnote omitted). The maxim is limited "to cases in which 'the court concludes, after applying all the available tools of claim construction, that

the claim is still ambiguous.'" *Phillips v. AWH Corp.*, 415 F.3d 1303, 1327 (Fed. Cir. 2005) (*en banc*) (citing *Liebel-Flarsheim Co. v. Medrad, Inc.*, 358 F.3d 898, 911 (Fed. Cir. 2004)). Importantly, it is "error . . . to use the possible invalidity of those claims, if broadly construed, as a basis for construing them narrowly." *The Saunders Group, Inc. v. ComforTrac, Inc.*, 492 F.3d 1326, 1335 (Fed. Cir. 2007); *Tate Access Floors, Inc. v. Interface Architectural Resources, Inc.*, 279 F.3d 1357, 1367 (Fed. Cir. 2002) ("Fairness and the public notice function of the patent law require courts to afford patentees the full breadth of clear claim language, and bind them to it as well. Consequently, where such claim language clearly reads on prior art, the patent is invalid."); *Phillips*, 415 F.3d at 1327 ("[W]e have certainly not endorsed a regime in which validity analysis is a regular component of claim construction."); *Rhine v. Casio, Inc.*, 183 F.3d 1342, 1345 (Fed. Cir. 1999) ("[I]f the only claim construction that is consistent with the claim's language and the written description renders the claim invalid, then the axiom does not apply and the claim is simply invalid.").

The maxim does not mean that claims should be construed more narrowly than is required by the rules of claim construction, as is sometimes misunderstood from cases such as *In re Prater*, 415 F.2d 1393, 1404 n.30 (CCPA 1969) ("By construing a claim as covering only patentable subject matter, courts are able, in appropriate cases, to hold claims valid in order to protect the inventive concept or the inventor's contribution to the art. The patentee *at that time* usually may not amend the claims to obtain protection

commensurate with his actual contribution to the art.") and *Yamamoto*, 740 F.2d at 1572 ("District courts may find it necessary to interpret claims to protect only that which constitutes patentable subject matter to do justice between the parties.").

Papst-Motoren does not describe what sources of claim construction can be used. We assume for this appeal that a patentee is entitled to rely on any of the various intrinsic and extrinsic sources of claim meaning discussed in *Phillips*. It is patentee's burden to show how an argued claim construction is supported by the evidence.

Papst-Motoren also does not state what methodology of claim construction should be used, e.g., whether the USPTO should consider all sources of evidence considered by district courts. Nevertheless, the USPTO always considers the specification. *See In re Morris*, 127 F.3d 1048, 1054 (Fed. Cir. 1997) ("[I]t would be unreasonable for the PTO to ignore any interpretive guidance afforded by the applicant's written description . . . ."). For purposes of this appeal, we assume that any type of evidence of claim meaning identified by *Phillips*, including prosecution history of the original patent, can be considered since patentee may not amend.

Obviousness Rejections

A finite number of solutions within the skill and understanding of ordinarily skilled artisans can be indicative of obviousness:

> When there is a design need or market pressure to solve a problem and there are a finite number of identified, predictable solutions, a person of ordinary skill has good reason to pursue the known options within his or her technical grasp. If this leads to the anticipated success, it is likely the product not of innovation but of ordinary skill and common sense.

KSR Int'l Co. v. Teleflex Inc., 550 U.S. 398, 421 (2007).

Nonobviousness cannot be established by attacking the references individually when the rejection is predicated upon a combination of prior art disclosures. *See In re Merck & Co. Inc.*, 800 F.2d 1091, 1097 (Fed. Cir. 1986).

ANALYSIS

Our standard for claim interpretation of expired patent claims is provided above. That is the standard we apply to claims 41, 54, and 57 in the analysis below.

Appellant argues that there is no proper motivation to combine specific elements of Barger and Yoshizawa (App. Br. 13-19; Reply Br. 2-7). The Examiner finds sufficient and proper motivation to combine the references (Ans. 5-11). Both the Examiner and Appellant acknowledge that we have addressed these issues in a decision (dated July 5, 2011) on a prior appeal, namely Appeal No. 2010-008287 (Control No. 90/010,045) (Ans. 6-7, 11; App. Br. 14-15, 18-19). We note that Appellant has not provided persuasive arguments that would lead us to disturb our earlier judgment.

More specifically, Appellant argues that there was no motivation to combine Yoshizawa's registration number with Barger (App. Br. 13-17; Reply Br. 2-6), and that here was no motivation to combine Yoshizawa with live operators (App. Br. 17-19; Reply Br. 6-7). The Examiner finds support for the combination of Yoshizawa and Barger in response to Appellant's arguments (Ans. 5-11).

Barger describes a telephone system for marketing merchandise or services (e.g., phonograph records, tapes, books, plays, and tours) (FF 1). In one mode of operation, an automatic telephone service communicates with the customer through prerecorded messages (FF 2) and requests required information (i.e., account number) from a customer and places orders (FF 8, 10). Yoshizawa describes a telephone betting system using voice response unit technology (FF 11) in which a subscriber calls a telephone betting center to place a bet (FF 12). After placing the bet, the telephone betting system provides the subscriber with a registration number (FF 13). If the subscriber elects to cancel the bet, the telephone betting system prompts the subscriber to enter the registration number (FF 13).

A person of ordinary skill in the art would have recognized that incorporating the registration number of Yoshizawa (FF 13) with the telephone system of Barger provides the customer with a reference of the transaction and facilitates the customer's ability to cancel an order. *See KSR*, 550 U.S. at 417. Thus, we agree with the Examiner (Ans. 5-10) that

modifying Barger to include the registration number of Yoshizawa would have been obvious.

Similarly, a person of ordinary skill in the art would have recognized that incorporating the use of live operators, per Barger, into the system of Yoshizawa would allow for the benefits explicitly recited in Barger, namely to allow for correction if there is a problem or to otherwise help if a customer needs assistance (FF 2-3). Thus, we agree with the Examiner (Ans. 10-11) that modifying Yoshizaw to include the live operators of Barger would have been obvious.

Appellant also argues, with respect to the above findings, that Yoshizawa's registration number serves a specific purpose within that context and there is nothing to suggest its incorporation into the system of Barger, because Barger already has a confirmation process, and thus there would be no need to provide for order cancellation, and because Barger already provides for live operators to address cancellations (App. Br. 13-17). We do not agree.

Rather, we agree with the points made by the Examiner in defending the combination (Ans. 5-10). Appellant disagrees with the Examiner's finding that the cancellation process in the horserace betting context could be applied to other applications of the same system (Reply Br. 2-3), arguing that it would not have been obvious to use a registration number in the other applications discussed in brief in Yoshizawa. However, given that Yoshizawa discloses the registration number and its use in cancellation in

the horserace betting application, it would be natural to apply such processes to other applications, if applicable. We agree with the Examiner that the use of the registration number to facilitate cancellation would be useful in the system of Barger, even with other methods of cancellation provided for therein (Ans. 6-7). We also do not find the extra provision of a facilitated cancellation to run counter to Barger's stated goals of sales (Reply Br. 4-5), as providing reputable practices need not run counter to high sales. Like the Examiner (Ans. 9-10), we do not take the provision of live operators as requiring those operators to address all issues of callers, and agree that, as disclosed in Barger, automated and live operator responses can provide a more responsive and cost-effective system (*id*.).

With respect to the incorporation of live operators into Yoshizawa, Appellant also disagrees with the above findings, arguing that that such an incorporation would not be obvious and that Yoshizawa teaches away from the use of live operators, stating that a primary objective of Yoshizawa was to avoid live operators (App. Br. 17-19; Reply Br. 6-7). However, we agree with the Examiner that the fact that "Yoshizawa merely operates differently" is not sufficient to provide a negative teaching that would discourage ordinarily skilled artisans from incorporating the use of operators into the system of Yoshizawa. We disagree that the elimination of live operators was a primary objective of Yoshizawa and, thus, we do find Appellant's arguments to be persuasive.

Appellant also argues that the references do not disclose the required credit verification structure, arguing that the Examiner's claim interpretation is flawed because it ignores the Specification, and that under the proper interpretation, Yoshizawa and Barger do not teach or suggest the limitations recited in claim 41 (App. Br. 19-22; Reply Br. 7-9). The Examiner disagrees with Appellant and restates the Examiner's analysis (Ans. 12-13).

We find most salient to the instant discussion the Examiner's finding that the limitations in question, including "signals indicative of an individual caller's customer number" and "to verify on-line said individual caller's customer number," per claim 41, recite "signals" and the "customer number" separately, so that the system recited in claim 41 need not directly utilize the signals to perform the credit verification (Ans. 12-13). From this the Examiner finds that the system of claim 41 does not require that it is the entry by the caller that initiates the verification, or that the verification must be based on the caller's entry (Ans. 13).

Appellant argues that this position is flawed and runs afoul of *Phillips* (Reply Br. 8), since it ignores the Specification. We do not agree. The Examiner's analysis follows the clear claim language; if the drafter of claim 41 wanted to allow only the interpretation now ascribed, the credit verification could have been made on the basis of the "signals indicative of an individual caller's customer number." The fact that Appellant's Specification only cites to such direct credit verification does not rewrite the claim to Appellant's inclinations. "That claims are interpreted in light of the

specification does not mean that everything in the specification must be read into the claims." *Raytheon Co. v. Roper Corp.,* 724 F.2d 951, 957 (Fed. Cir. 1983), *cert. denied,* 469 U.S. 835 (1984). The scope of claim 41 allows for the credit verification to be performed on the customer number, and not on signals entered by the customer, which is commensurate with the Examiner's analysis. As Appellant's other arguments rely upon Appellant's alternate interpretation of claim 41 (App. Br. 21-22), we need not reach those arguments to affirm the Examiner's rejection.

In addition, Appellant argues that Barger does not disclose a limit on use based on a dollar amount, and that it would not have been obvious to modify Barger to use the same disclosed in Yoshizawa (App. Br. 22-23; Reply Br. 9-10). The Examiner finds that Barger's limit on use occurs when no purchase is made over time, i.e. zero dollars, an implicit dollar amount (Ans. 16-17), and that Yoshizawa's currency limit would have been obvious to apply to Barger (Ans. 17-18). We agree with the Examiner.

While Appellant argues that the free loader algorithm in Barger "does not check any dollar amount or do anything with respect to any dollar amount" (App. Br. 23), one general purpose of the system in Barger is to facilitate purchases (FF 1, 10). A lack of a purchase implicitly connotes a lack of some amount being spent. The fact that Barger's system does not provide the limitations found in the "'dollar amount' limitations described in the '762 patent's exemplary embodiments" does not mean that Barger cannot render the dollar amount limitation in claim 57 obvious. While

Appellant appears to argue that Barger limits its users based on purchase, and not a dollar amount (Reply Br. 9-10), we concur with the Examiner that zero dollars is still an amount, as opposed to a lack of an amount.

Similarly, Appellant argues that Barger's purpose is to facilitate purchases and not limit them, per Yoshizawa, such that there would have been no motivation to combine the references as found by the Examiner (App. Br. 23). Again, we agree with the Examiner (Ans. 17-18) that Yoshizawa has a similar purpose, to facilitate bets, but that does not negate the disclosure of a limit, as discussed in Yoshizawa. While Appellant argues that the system of Yoshizawa is fundamentally different in its objectives from Barger and lists reasons why the imposition of limits in Yoshizawa would not apply to Barger (Reply Br. 10), we still find that one of ordinary skill in the art would have been compelled to add such limits, based on purchases in view of Yoshizawa, into the system of Barger for the same or similar reasons specified. As such, we do not find Appellant's arguments to be persuasive.

Accordingly, we sustain the rejection of claims 41, 54, and 57 under 35 U.S.C. § 103(a).

CONCLUSION

We conclude that the Examiner did not err in finding that Barger and Yoshizawa render the subject matter of claims 41, 54, and 57 obvious.

DECISION

We affirm the Examiner's rejection of claims 41, 54, and 57.

Requests for extensions of time in this *ex parte* reexamination proceeding are governed by 37 C.F.R. § 1.550(c). *See* 37 C.F.R. § 41.50(f).

AFFIRMED

cc:

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