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UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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*Ex parte* DONALD BLUST and THOMAS DRISCOLL

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Appeal 2014-005756  
Application 10/866,387  
Technology Center 3600

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Before JENNIFER D. BAHR, LINDA E. HORNER, and LISA M. GUIJT,  
*Administrative Patent Judges.*

HORNER, *Administrative Patent Judge.*

DECISION ON APPEAL

STATEMENT OF THE CASE

Donald Blust and Thomas Driscoll (Appellants)<sup>1</sup> seek our review under 35 U.S.C. § 134 of the Examiner's decision rejecting claims 1–8, 37, and 74–79, which are all of the pending claims. We have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM-IN-PART.

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<sup>1</sup> Appellants identify the real party in interest as NCR Corporation. Appeal Br. 1.

### CLAIMED SUBJECT MATTER

Appellants' claimed subject matter relates to "a method of dispensing disc-based media." Spec., para. 8. Claims 1 and 37 are the independent claims on appeal. Claim 1 is reproduced below.

1. A method of dispensing disc-based media from an automated machine for rent or purchase by a customer:

selecting the disc-based media;

retrieving the disc-based media utilizing a retrieval mechanism;

reading an identification tag on the disc-based media;

dispensing the disc-based media to a port for retrieval by the customer; and

upon dispensing, making an entry for tracking inventory in a digital memory, the entry utilizing identification information for the disc-based media read from the identification tag.

### PROCEDURAL HISTORY

The application before us on appeal was the subject of prior Appeal 2008-2606, in which a Decision was rendered on December 1, 2008, affirming in part the Examiner's rejections before the Board at that time. Since the date of that prior Decision, Appellants have amended the claims in the application, and the Examiner is now relying on different prior art in the rejection of the claims as they are presently pending.

Appellants also identified in their Appeal Brief several related applications, in which the Board rendered decisions on appeal. Appeal Br. 2. We have reviewed those decisions, and to the extent that they are

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relevant to the issues in the present appeal, we have taken them into account in our review of the present appeal.

#### EVIDENCE

The Examiner relied upon the following evidence in the Final Action:

|         |                 |                |
|---------|-----------------|----------------|
| Stucki  | US 5,042,686    | Aug. 27, 1991  |
| Burke   | US 5,613,154    | Mar. 18, 1997  |
| Brady   | US 6,201,474 B1 | Mar. 13, 2001  |
| Bradley | US 6,289,260 B1 | Sept. 11, 2001 |

#### REJECTIONS

The Non-Final Action, dated April 30, 2013 (“Non-Final Act.”), from which this appeal is taken, included the following grounds of rejection:

1. Claims 1–8, 37, and 74–79 under 35 U.S.C. § 103(a) as unpatentable over Brady, Bradley, and Stucki.
2. Claims 1–8, 37, and 74–79 under 35 U.S.C. § 103(a) as unpatentable over Brady, Bradley, Stucki, and Burke.
3. Claims 1–8, 37, 74, 78, and 79 under 35 U.S.C. § 103(a) as unpatentable over Brady, Bradley, and Burke.
4. Claims 75–77 under 35 U.S.C. § 103(a) as unpatentable over Brady, Bradley, Burke, and Stucki.

#### ANALYSIS

##### *First Ground of Rejection*

##### *Claim 1*

Appellants contend that the Examiner erred in rejecting claim 1 because Brady does not disclose disc-based media, “and as such, Brady

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performs none of the steps of claim 1, each of which recites ‘disc-based media.’” Appeal Br. 10. The Examiner cited to Bradley as evidence that disc-based media was known at the time of Appellants’ invention. Non-Final Act. 5 (citing Bradley, col. 1, l. 61 –col. 2, l. 7). The Examiner determined that it would have been obvious to modify the system of Brady to dispense disc-based media because “cd[]s and dvd[]s have made tapes obsolete” and “one of ordinary skill would have recognized that the parallelepiped shaped containers of disc[-]based media are similar to the shape of the tapes being replaced.” *Id.* (finding that “cd[]s and dvd[]s are well known formats” and “the particular media handled by the apparatus does not significantly change the operation of [the claimed] method”). Appellants have not persuasively contested this determination. In other words, arguing that Brady, alone, fails to disclose the claimed steps operating on disc-based media, is not persuasive because it does not address the proposed modification to Brady with the disc-based media of Bradley.

Appellants further contend that the Examiner erred in rejecting claim 1 because “there is no explicit disclosure [in Brady] of ‘making an entry for tracking inventory in a digital memory, the entry utilizing identification information for the disc-based media read from the identification tag’ on the disc-based media, as claimed in claim 1, and such operation is not inherent, nor is it obvious therefrom.” Appeal Br. 14; *id.* at 13 (arguing that the described dispensing operation of Brady “does not involve ‘reading an identification tag **on the disc-based media**’ as claimed in claim 1”). Appellants also argue that “Brady cannot perform the claimed step of ‘**upon**

**dispensing**, making an entry for tracking inventory’ as claimed by claim 1.” Appeal Br. 12 (arguing that “Brady describes no mechanism for determining that dispensing has been successfully completed or conversely that dispensing has failed”); *id.* at 11 (arguing that “Brady does not disclose a sensor of any type at his dispense port 232 shown in Fig. 8” and “readers [320, shown in Figure 10] are separated from the dispense ports 232 by a transport system 314”). We agree with the Examiner that Brady discloses the claimed tracking of inventory. Non-Final Act. 4 (finding that “Brady’s system makes an entry for tracking inventory in a digital memory, i.e., database, held within [CPU] (316), using the identification information for the media obtained from the [RFID] tag”) (citing Brady, col. 8, ll. 25–37, col. 9, l. 28 – col. 10, l. 30).

In particular, Brady discloses “an automated system for renting or loaning media (i.e., videos, games, music, etc.)” Brady, col. 8, ll. 26–27. Brady’s system 200 employs radio frequency identification (RFID) and “facilitates efficient tracking of loan or rental of the media **100** to patrons or customers . . . and maintenance of an accurate inventory of the number and types of media **100** possessed.” *Id.* at col. 8, ll. 28–37. System 200 includes checkout area 216 and media return station 250. *Id.*, Figs. 8, 9. System 200 also includes robotic selecting and shelving apparatus 300, which is used to both transport media selected by a customer to media checkout area 216 and receive and re-shelve media returns via media return station 250. *Id.* at col. 9, ll. 60–64, Fig. 10. Brady discloses that in one embodiment, a customer may select media to be rented or borrowed by selecting a card 218,

which is provided with an RFID transponder 222, corresponding to the customer's choice from selection area 214 and taking the card to checkout area 216. *Id.* at col. 8, ll. 52–61. The customer inserts card 218 into media card reader 226 and RFID interrogator 236 interrogates the RFID transponder 222 on media card 218 to identify the specific media 100 selected by the customer. *Id.* at col. 9, ll. 9–13. Robotic apparatus 300 is employed to retrieve the selected media 100. *Id.* at col. 9, ll. 60–64, Fig. 10. In particular, robotic apparatus 300 includes media retrieval/return mechanism 322 such as a robotic arm, media carriages 312, transport system 314, CPU 316, and RFID interrogators 320. *Id.* at col. 9, l. 65 – col. 10, l. 6. Brady discloses that CPU 316 is interconnected to checkout area 216 and may control and integrate operation of system 200, so that when CPU 316 receives a request for selected media 100, selected media 100 is located on media carriages 312 via RFID interrogators 320 and retrieved via media retrieval/return mechanism 322 and placed in transport system 314 where it is delivered to the customer at checkout area 216. *Id.* at col. 10, ll. 8–23.

Brady discloses:

[T]he CPU **316** may store information about the media **100** such as rental status of the media **100**, date media **100** is to be returned, customer media to which media **100** is rented, charges owed by that customer, etc. to a database. This database may provide inventory and status information for all media **100** possessed within the system **200**.

*Id.* at col. 10, ll. 25–31. Based on this disclosure, we find that Brady teaches reading an identification tag on the media using RFID interrogators 320 and upon dispensing, i.e., placing the selected media in transport system 314

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where it is delivered to the customer, making an entry in CPU 316 for tracking the dispensed media 100, where the entry uses the identification information for the media that was read from the identification tag. We further agree with the Examiner that Appellants' reading of the claim language to require a "mechanism for determining that dispensing has been successfully completed or conversely that dispensing has failed" (Appeal Br. 12) is an unduly narrow reading of the claim language. Ans. 10. Brady meets the claimed "dispensing" step when it places the media 100 on transport system 314 for delivery through port 232 to the customer in checkout area 216.

Appellants further argue, with respect to the limitations of claim 1, that the Examiner's proposed modification of Brady with Stucki would not cure the deficiencies of Brady. Appeal Br. 16–17 (arguing that Stucki does not disclose dispensing disc-based media, or using a reader when dispensing a videocassette). The Examiner, however, does not rely on Stucki for teaching dispensing disc-based media or using a reader when dispensing media. Non-Final Act. 6 (finding Stucki discloses a single port through which goods are dispensed and deposited). Finding no deficiencies in the Examiner's findings as to Brady with respect to the subject matter of claim 1, we sustain the rejection of claim 1 under 35 U.S.C. § 103(a) as unpatentable over Brady, Bradley, and Stucki. Appellants present no separate arguments for patentability of dependent claims 2–5, 7, and 8. As such, these claims fall with claim 1. 37 C.F.R. § 41.37(c)(1)(iv).

*Claim 6*

Claim 6 depends from claim 1 and recites “verifying that the retrieved disc-based media is the disc-based media that was selected prior to dispensing the disc-based media.” Appeal Br. 23 (Claims App.). The Examiner cites to column 9, lines 21, 22, and 47–56 of Brady for disclosure of this step. Final Act. 4. Appellants contend that the Examiner erred in rejecting claim 6 because the cited portions of Brady disclose only having a customer confirm that the customer’s selection is correct via the display, and “[c]onfirming that the selection is correct is not verifying that the correct item is dispensed.” Appeal Br. 14. We agree with Appellants that the cited portions of Brady do not disclose the claimed verifying step.

In particular, claim 6 recites that the verifying step occurs with respect to the *retrieved* disc-based media. Appeal Br. 23 (Claims App.). We read this limitation, in light of the steps of claim 1, from which it depends, to mean that the verification of the disc-based media must occur after the retrieving step. In a portion of Brady relied on by the Examiner, Brady discloses allowing the customer, via the display, to confirm the customer’s selection prior to retrieving the selected media. Brady, col. 9, ll. 21–22. In the other portion of Brady relied on by the Examiner, Brady discloses the operation of media return station 250 and allowing a customer, via display 254, to confirm the media that is being returned. *Id.*, col. 9, ll. 47–56. As such, Brady does not disclose the verifying step of claim 6. The Examiner does not rely upon Bradley or Stucki to cure this deficiency in Brady. For

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these reasons, we do not sustain the rejection of claim 6 under 35 U.S.C. § 103(a) as being unpatentable over Brady, Bradley, and Stucki.

*Claim 37*

Independent claim 37 is directed to a method of dispensing disc-based media and recites “verifying that the retrieved disc-based media is the disc-based media that was selected prior to dispensing the disc-based media by analyzing information identifying the disc-based media read from the RFID tag.” Appeal Br. 23 (Claims App.). The Examiner’s rejection of claim 37 suffers from the same deficiency as discussed *supra* in our analysis of claim 6. For this reason, we do not sustain the rejection of claim 37 under 35 U.S.C. § 103(a) as unpatentable over Brady, Bradley, and Stucki.

*Claim 74*

Claim 74 depends from claim 1 and recites “return of the disc-based media through the port.” Appeal Br. 24 (Claims App.). Appellants argue that the Examiner erred in rejecting claim 74 because Brady does not disclose using the same slot to dispense the media and for return of the rented media. Appeal Br. 15. In the rejection of claim 1, however, the Examiner relied on Stucki for disclosure of “a single port (2) through which goods are dispensed and deposited.” Non-Final Act. 6 (citing Stucki, col. 2, ll. 34–41, Figs. 1, 2). The Examiner determined that it would have been obvious to have substituted a single port, as taught in Stucki, in place of Brady’s separated dispensing and deposit stations to “reduc[e] the cost of duplication of each station’s elements” and to “increas[e] the ergonomic utility of reducing the number of physical human steps required to both

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order, obtain and return disc-based media.” Non-Final Act. 6–7.  
Appellants’ argument directed to Brady alone does not persuade us of error when the rejection is based on Brady as modified by Stucki to meet this limitation. “Non-obviousness cannot be established by attacking references individually where the rejection is based upon the teachings of a combination of references.” *In re Merck & Co.*, 800 F.2d 1091, 1097 (Fed. Cir. 1986) (citing *In re Keller*, 642 F.2d 413, 425 (CCPA 1981)). Claims 75–78 depend from claim 74. Appellants do not present any separate arguments for patentability of these dependent claims. As such, we sustain the rejection of claims 74–78 as unpatentable over Brady, Bradley, and Stucki.

*Claim 79*

Claim 79 depends from claim 1. Appeal Br. 24 (Claims App.). In the argument section of the Appeal Brief, Appellants quote the language of dependent claim 79 and a portion of the Examiner’s rejection and assert only that the Examiner’s reading of Brady “clearly does not meet the language of claim 79.” Appeal. Br. 15. Appellants’ argument amounts to little more than a recitation of the claim elements and a “naked assertion” that the elements are not found in the prior art. Such statements do not constitute a separate argument for patentability of claim 79 pursuant to 37 C.F.R. § 41.37(c)(1)(iv). *See In re Lovin*, 652 F.3d 1349, 1357 (Fed. Cir. 2011) (holding that the Board had reasonably interpreted the same language in the prior rule under 37 C.F.R. § 41.37(c)(1)(vii) as requiring “more substantive arguments in an appeal brief than a mere recitation of the claim elements and

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a naked assertion that the corresponding elements were not found in the prior art”). As such, claim 79 falls with claim 1.

*Second Ground of Rejection*

Appellants argue that the Examiner’s reliance on Burke is misplaced because “Burke, like Bradley, is contextually far removed from the claimed ‘of dispensing disc-based media from an automated machine for rent or purchase by a customer’ as claimed by claims 1 and 37.” Appeal Br. 18 (asserting that reliance upon Burke “appears to be improper effort at a hindsight reconstruction of the present claims”). For the reasons set forth above in our analysis of the first ground of rejection, Appellants have not demonstrated error in the Examiner’s determination of unpatentability of claims 1–5, 7, 8, and 74–79 over Brady, Bradley, and Stucki. The second ground of rejection likewise relies on the teachings of Brady, Bradley, and Stucki, along with the addition of Burke, to demonstrate unpatentability of these claims. The Examiner finds that Burke discloses a “single port (17a) with a several slot array through which parallelepiped shaped transient data storage mediums (TDSM) . . . are dispensed and deposited.” Non-Final Act. 11–12. We do not find error in the Examiner’s reliance on Burke.

Although Burke relates to a system for management of TDSMs, Burke teaches a technique for dispensing and depositing these storage media in an automated library. Burke, Abst. As such, we find that Burke is reasonably pertinent to the problem facing Appellants at the time of invention, i.e., dispensing and depositing disc-based media in an automated machine for rent or purchase.

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For these reasons and for the reasons set forth above in our analysis of the first ground of rejection, we sustain the second ground of rejection of claims 1–5, 7, 8, and 74–79. The Examiner does not rely on Burke to cure the above-noted deficiencies in the Examiner’s rejection as to the verifying step recited in claims 6 and 37. As such, for the same reasons set forth above in our analysis of the first ground of rejection, we do not sustain the second ground of rejection of claims 6 and 37.

*Third and Fourth Grounds of Rejection*

Appellants rely on the same arguments of error presented for reversal of the first and second grounds of rejection as the basis for reversal of the third and fourth grounds of rejection. Appeal Br. 18–19. For the reasons set forth above, we likewise sustain the third ground of rejection of claims 1–5, 7, 8, 74, 78, and 79 and sustain the fourth ground of rejection of claims 75–77. We do not sustain the third ground of rejection of claims 6 and 37.

DECISION

The decision of the Examiner to reject claims 1–5, 7, 8, and 74–79 is AFFIRMED. The decision of the Examiner to reject claims 6 and 37 is REVERSED.

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).

AFFIRMED-IN-PART