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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte JOSHUA M. KOPELMAN and SRINIVAS BALIJEPALLI

Appeal 2016-007254¹
Application 11/318,003²
Technology Center 3700

Before MURRIEL E. CRAWFORD, NINA L. MEDLOCK, and
JAMES A. WORTH, *Administrative Patent Judges*.

MEDLOCK, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Appellants appeal under 35 U.S.C. § 134(a) from the Examiner's rejection of claims 35–68. We have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.

¹ Our decision references Appellants' Appeal Brief ("App. Br.," filed November 9, 2015) and Reply Brief ("Reply Br.," filed July 19, 2016), the Examiner's Answer ("Ans.," mailed May 19, 2016) and Non-Final Office Action ("Non-Final Act.," mailed April 13, 2015), and the Board's Decision on Appeal in Appeal 2012-003948 ("Decision," mailed October 17, 2014).

² Appellants identify eBay, Inc. as the real party in interest. App. Br. 2.

CLAIMED INVENTION

Appellants' claimed invention "relates generally to the field of sales of goods and particularly to a method and apparatus for promoting resale of goods in electronic commerce applications using communications networks" (Spec. 1, ll. 5–8).

Claims 35, 56, 57, and 62 are the independent claims on appeal. Claim 35, reproduced below, is illustrative of the claimed subject matter:

35. A computer-implemented method for promoting resale of a seller's good in a marketplace, comprising:

at a marketeer computer system including at least one processor and memory storing at least one program, the at least one processor executing the at least one program to perform the operations of:

confirming a buyer's desire to purchase the good;
soliciting the buyer to agree to offer the good for resale;

presenting to the buyer an incentive for agreeing to offer the good in the marketplace for resale to another third party;

receiving the buyer's agreement to offer the good for resale to another third party;

facilitating sale of the good from the seller to the buyer to complete a sale transaction, wherein physical possession of the good is transferred from the seller to the buyer; and

presenting the good for resale, the good being offered for resale by the buyer;

wherein the marketeer computer system acts as an intermediary between the buyer and a seller.

REJECTIONS

Claims 35–68 are rejected under 35 U.S.C. § 101 as directed to non-statutory subject matter.

Claims 35–42, 44–53, 56–59, and 62–66 are rejected under 35 U.S.C. § 102(a) as anticipated by Woolston (US 5,845,265, iss. Dec. 1, 1998).

Claims 43, 54, 55, 60, 61, 67, and 68 are rejected under 35 U.S.C. § 103(a) as unpatentable over Woolston.

Claims 35–68 are alternatively rejected under 35 U.S.C. § 103(a) as unpatentable over Dinwoodie (US 6,415,269 B1, iss. July 2, 2002) and Woolston.

ANALYSIS

Non-Statutory Subject Matter

Appellants do not present any response to the Examiner’s rejection of claims 35–68 under 35 U.S.C. § 101. Therefore, we summarily sustain the Examiner’s rejection.³

Anticipation

Independent Claims 57 and 62 and Dependent Claims 58, 59, 63–66

First, by way of background, this application was previously before us on appeal. In the previous appeal, Appeal 2012-003948, the Examiner rejected then pending claims 35–68, *inter alia*, under 35 U.S.C. § 103(a) as unpatentable over Dinwoodie and Woolston (*see* Final Office Action (“Final Act.,” mailed January 25, 2011)). The Examiner cited Dinwoodie as disclosing that consumers have preferences to engage in rental or “buy back” agreements for goods (Final Act. 11). And the Examiner concluded that

³ Appellants assert, “[t]he Grounds of Rejection under § 101 are *not* Appealed at this time, and the Board is requested not to consider this ground on Appeal” (Reply Br. 2). Under the USPTO Rules of Practice, “[a]n appeal, when taken, is presumed to be taken from the rejection of all claims under rejection unless cancelled by an amendment filed by the applicant and entered by the Office.” 37 C.F.R. § 41.31(c).

“[i]t would have been obvious to one of ordinary skill at the time of the invention for the system of Woolston to include provisions for the ability for good exchanges that include such ‘buy back’ agreements” (*id.*).

Appellants argued that the rejection was improper because “a ‘*buy back agreement*’ necessarily requires that the seller buy back a good that is sold to the buyer. In contrast, claims 35, 56, 57, and 62 require that the good is resold by the buyer **NOT** the seller” (*see* Decision 5).

In rejecting Appellants’ argument, the Board concluded that the claim language, when construed under a broadest reasonable interpretation standard, encompasses the buyer agreeing to sell the item back to the original seller (*id.*). The Board, thus, found “nothing in the language of any of independent claims 35, 56, 57, and 62 that requires the solicitation be for the buyer to resell the goods to a third party” (*id.*)

Turning to the present appeal, Appellants assert that the independent claims have been amended to require resale to a third party and, thereby, exclude the “buy-back” situation (e.g., independent claim 57, as amended, recites “querying the buyer . . . to solicit the buyer’s agreement to offer the good for resale to another third party” and claim 62, as amended, includes a substantially similar recitation) (App. Br. 9–10). Then, referencing the Board’s prior Decision, Appellants argue that the rejections under §§ 102 and 103 should be withdrawn because the claims “have been amended to require the element that the Board held was missing and required to distinguish over the art” (*id.* at 9).

Appellants’ argument is not persuasive. Although the Board, in its 2014 Decision, found “nothing in the language of any of independent claims 35, 56, 57, and 62 that requires the solicitation be for the buyer to resell the

goods to a third party” (Decision 5), the Board did not hold, in the previous appeal, that the claims would be allowable over the combination of Woolston and Dinwoodie if the claims were amended to require resale to a third party. No such claim was before the Board on appeal and no such claim was considered.

Appellants summarily assert in their Reply Brief that Woolston does not disclose or suggest “receiving a buyer’s agreement to offer the good for resale to another third party,” as called for in the claims (Reply Br. 3 (“None of these alleged actions in Woolston [i.e., a buyer soliciting an agent to search for a particular good, and storing a transaction in a database so that previous transactions can be searched and a solicitation to sell the item can be initiated] discloses, teaches or even suggests at least ‘receiving a buyer’s agreement to offer the good for resale to another third party,’ as claimed”). But Appellants offer no substantive arguments to rebut the specific underlying factual findings made by the Examiner, i.e., the specific disclosure of Woolston found to constitute “solicit[ing] the buyer’s agreement to offer the good for resale to another third party,” as recited in claims 57 and 62 (*see* Non-Final Act. 8 (citing Woolston, col. 5, ll. 15–45; col. 7, ll. 1–41)).

In the absence of a more detailed explanation, we are not persuaded of error on the part of the Examiner. *See In re Jung*, 637 F.3d 1356, 1365 (Fed. Cir. 2011) (“[I]t has long been the Board’s practice to require an applicant to identify the alleged error in the examiner’s rejections” (citing *Ex Parte Frye*, 94 USPQ2d 1072 (BPAI 2010) (precedential) (“The panel then reviews the obviousness rejection for error based upon the issues identified by appellant, and in light of the arguments and evidence produced

thereon.”))). Therefore, we sustain the Examiner’s rejection under 35 U.S.C. § 102(a) of claims 57–59 and 62–66.

Independent Claim 35 and Dependent Claims 36–42 and 44–53

We are persuaded that the Examiner erred in rejecting independent claim 35 under 35 U.S.C. § 102(a) at least because Woolston does not disclose or suggest that a buyer is offered *an incentive* to resell his/her good in the marketplace, i.e., “presenting to the buyer an incentive for agreeing to offer the good in the marketplace for resale,” as recited in claim 35.

Woolston is directed to a method and apparatus for creating a computerized market for used and collectible goods, and discloses that a participant, i.e. a buyer, may log onto a consignment node and peruse a database of goods; the participant, on finding an article of interest, e.g., a posted Frank Robinson baseball card, may decide to purchase the card (Woolston, col. 4, l. 60 – col. 5, l. 7). Using the Frank Robinson card as an example, Woolston discloses that after the purchase transaction has cleared, the system electronically transfers ownership of the card to the participant; the participant then is presented with a choice of either taking delivery of the card or “post[ing] a new reserve or offer price for the card and directing that the card remain in the possession of the consignment node user,” i.e., offering the good for resale (*id.* at col. 5, ll. 18–25).

Responding to Appellants’ arguments in the Answer, the Examiner observes that the term “incentive” is not defined in Appellants’ Specification (Ans. 4), and explains that “the examiner is using the Merriam and Webster Online dictionary definition of the term which is ‘something that encourages a person to do something or to work harder’” (*id.*). Citing column 5, lines 18–25 of Woolston, the Examiner asserts that by presenting a user with

the choice of posting a new reserve or offer price for the Frank Robinson card, Woolston discloses “presenting an incentive for agreeing to offer the good in the marketplace for resale” (*id.* at 4–5). The Examiner, thus, reasons that “[p]roviding the user the ability to speculate on the price of the good is something that encourages a person to resell the good” (*id.* at 5).

The Specification discloses that, in the preferred embodiment, the buyer’s agreement to offer the good for resale is solicited near the time when the buyer confirms his desire to purchase the good, and that the buyer is preferably presented with an incentive to agree to offer the good for resale, e.g., an opportunity to purchase the good that he desires at a discounted price (Spec. 8).

In our view, a person of ordinary skill in the art would reasonably understand from the Specification, including the claim language, that merely presenting a user with a choice to list a good for resale on a particular marketplace, as disclosed in Woolston, does not constitute “presenting an incentive for agreeing to offer the good in the marketplace,” as recited in claim 35. Instead, the user must be offered an incentive, i.e., some inducement, to resell his/her good on the marketplace, i.e., on this particular marketplace as opposed to another marketplace.

We agree with the Examiner that a user may be motivated, i.e., have an incentive, to list an article for resale by the ability to speculate on the price of the good, and the prospect of profiting from a higher resale price. But that incentive exists independently of the particular marketplace or other avenue through which the good is offered for resale. It does not constitute an incentive to prefer one marketplace for resale over another.

We are persuaded that the Examiner erred in finding that Woolston discloses “presenting an incentive for agreeing to offer the good . . . for resale in the marketplace,” as recited in claim 35. Therefore, we do not sustain the Examiner’s rejection of claim 35 under 35 U.S.C. § 102(a). For the same reason, we also do not sustain the Examiner’s rejection of dependent claims 36–42 and 44–53.

Independent Claim 56

Independent claim 56 includes language substantially similar to the language of claim 35. Therefore, we do not sustain the Examiner’s rejection under 35 U.S.C. § 102(a) of independent claim 56 for the same reasons set forth above with respect to claim 35.

Obviousness Over Woolston or Alternatively Over the Combination of Woolston and Dinwoodie

Independent Claims 35 and 56 and Dependent Claims 36–55

The Examiner’s obviousness rejections of claims 35–56 are based on the same rationale with respect to Woolston that we found unpersuasive in considering the rejection of claims 35 and 56 under § 102(a). Therefore, we do not sustain the Examiner’s rejections of claims 36–55 under 35 U.S.C. § 103(a) for substantially the same reasons.

Independent Claims 57 and 62 and Dependent Claims 58–61 and 63–68

Appellants offer no substantive arguments to rebut the specific underlying factual findings made by the Examiner in support of the obviousness determination. And we decline to examine the claims *sua sponte*, looking for distinctions over the prior art. *Cf. In re Baxter Travenol Labs.*, 952 F.2d 388, 391 (Fed. Cir. 1991) (“It is not the function of this

court to examine the claims in greater detail than argued by an appellant, looking for [patentable] distinctions over the prior art.”).

In the absence of a more detailed explanation, we are not persuaded of error on the part of the Examiner. Therefore, we sustain the Examiner’s rejections of claims 57–68 under 35 U.S.C. § 103(a).

DECISION

The Examiner’s rejection of claims 35–68 under 35 U.S.C. § 101 is affirmed.

The Examiner’s rejection of claims 35–42, 44–53, and 56 under 35 U.S.C. § 102(b) is reversed.

The Examiner’s rejections of claims 35–56 under 35 U.S.C. § 103(a) are reversed.

The Examiner’s rejection of claims 57–59 and 62–66 under 35 U.S.C. § 102(b) is affirmed.

The Examiner’s rejections of claims 57–68 under 35 U.S.C. § 103(a) are affirmed.

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

AFFIRMED