



US007840486B2

(12) **United States Patent**  
**D'Agostino**

(10) **Patent No.:** **US 7,840,486 B2**  
(45) **Date of Patent:** **Nov. 23, 2010**

(54) **SYSTEM AND METHOD FOR PERFORMING SECURE CREDIT CARD PURCHASES**

OTHER PUBLICATIONS

(76) Inventor: **John D'Agostino**, 6237 Weymouth Dr., Sarasota, FL (US) 34238

Lee et al.: Evolutionary business models for e-cash with smart cards, Korea Advanced Institute of Science and Technology, Korea, <http://koasas.kaist.ac.kr/bitstream/10203/4774/1/2000-092.pdf> , pp. 352-358.\*

(\* ) Notice: Subject to any disclaimer, the term of this patent is extended or adjusted under 35 U.S.C. 154(b) by 0 days.

(Continued)

(21) Appl. No.: **11/252,009**

*Primary Examiner*—Hani Kazimi  
*Assistant Examiner*—Bijendra K Shrestha  
(74) *Attorney, Agent, or Firm*—Maxey Law Offices, PLLC; Stephen Lewellyn

(22) Filed: **Oct. 17, 2005**

(65) **Prior Publication Data**  
US 2006/0031161 A1 Feb. 9, 2006

(57) **ABSTRACT**

**Related U.S. Application Data**

A method and system of performing secure credit card purchases in the context of a remote commercial transaction, such as over the telephone, wherein only the customer, once generally deciding upon a product or service to be purchased, communicates with a custodial authorizing entity, such as a credit card company or issuing bank wherein such entity has previous knowledge of the credit card number as well as custodial control of other account parameters such as interest rate, payment history, available credit limit etc. The customer supplies the custodial authorizing entity with the account identification data such as the credit card number and a requested one of a possible plurality of predetermined payment categories which define the dollar amount for the purchase and specific, predetermined time parameters within which authorization by the custodial authorizing entity will remain in effect. The custodial authorizing entity then generates a transaction code which is communicated exclusively to the customer wherein the customer in turn communicates only the transaction code to the merchant instead of a credit card number. The transaction code is indicative of merchant identification, credit card account identification and a designated one of the plurality of predetermined payment categories.

(63) Continuation of application No. 10/037,007, filed on Nov. 9, 2001, now abandoned, which is a continuation-in-part of application No. 09/231,745, filed on Jan. 15, 1999, now Pat. No. 6,324,526.

(51) **Int. Cl.**  
**G06Q 40/00** (2006.01)

(52) **U.S. Cl.** ..... **705/44; 705/41**

(58) **Field of Classification Search** ..... **705/39, 705/40, 44**  
See application file for complete search history.

(56) **References Cited**

**U.S. PATENT DOCUMENTS**

3,938,091 A 2/1976 Atalla et al.  
4,423,316 A 12/1983 Sano et al.

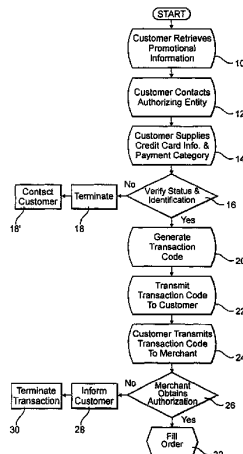
(Continued)

**FOREIGN PATENT DOCUMENTS**

CA 2167543 7/1997

(Continued)

**30 Claims, 2 Drawing Sheets**



U.S. PATENT DOCUMENTS

4,707,592 A 11/1987 Ware  
 4,720,860 A 1/1988 Weiss  
 4,725,719 A 2/1988 Oncken et al.  
 4,747,050 A 5/1988 Brachtl et al.  
 4,797,920 A 1/1989 Stein  
 4,893,330 A \* 1/1990 Franco ..... 379/91.02  
 5,097,505 A 3/1992 Weiss  
 5,130,519 A 7/1992 Bush et al.  
 5,163,097 A 11/1992 Pegg  
 5,193,114 A 3/1993 Moseley  
 5,196,840 A 3/1993 Leith et al.  
 5,202,826 A 4/1993 McCarthy  
 5,239,583 A 8/1993 Parrillo  
 5,287,268 A 2/1994 McCarthy  
 5,317,636 A 5/1994 Vizcaino  
 5,323,338 A 6/1994 Hawthorne  
 5,326,960 A 7/1994 Tannenbaum  
 5,350,906 A 9/1994 Brody et al.  
 5,363,449 A 11/1994 Bestock  
 5,428,684 A 6/1995 Akiyama et al.  
 5,466,919 A 11/1995 Hovakimian  
 5,478,994 A 12/1995 Rahman et al.  
 5,485,510 A 1/1996 Colbert  
 5,500,513 A \* 3/1996 Langhans et al. .... 235/380  
 5,504,808 A 4/1996 Hamrick, Jr.  
 5,555,497 A 9/1996 Helbling  
 5,577,109 A 11/1996 Stimson et al.  
 5,583,918 A 12/1996 Nakagawa  
 5,606,614 A 2/1997 Brady et al.  
 5,621,201 A 4/1997 Langhans et al.  
 5,627,355 A 5/1997 Rahman et al.  
 5,671,279 A 9/1997 Elgama  
 5,677,955 A 10/1997 Doggett et al.  
 5,694,471 A 12/1997 Chen et al.  
 5,696,908 A 12/1997 Muehlberger et al.  
 5,715,314 A 2/1998 Payne et al.  
 5,721,768 A 2/1998 Stimson et al.  
 5,724,424 A 3/1998 Gifford  
 5,727,163 A 3/1998 Bezos  
 5,729,594 A 3/1998 Klingman  
 5,748,908 A 5/1998 Yu  
 5,757,917 A 5/1998 Rose et al.  
 5,768,381 A 6/1998 Hawthorne  
 5,777,305 A 7/1998 Smith et al.  
 5,777,306 A 7/1998 Masuda  
 5,794,221 A 8/1998 Egendorf  
 5,815,657 A 9/1998 Williams et al.  
 5,822,737 A 10/1998 Ogram  
 5,825,881 A 10/1998 Colvin, Sr.  
 5,826,241 A 10/1998 Stein et al.  
 5,826,243 A 10/1998 Musmanno et al.  
 5,832,087 A 11/1998 Hawthorne  
 5,845,281 A \* 12/1998 Benson et al. .... 1/1  
 5,864,830 A 1/1999 Armetta et al.  
 5,868,236 A 2/1999 Rademacher  
 5,883,810 A 3/1999 Franklin et al.  
 5,890,137 A 3/1999 Koreeda  
 5,893,907 A 4/1999 Ukuda  
 5,903,878 A 5/1999 Talati et al.  
 5,914,472 A \* 6/1999 Foladare et al. .... 235/380  
 5,953,710 A \* 9/1999 Fleming ..... 705/38  
 5,956,699 A 9/1999 Wong et al.  
 5,984,180 A 11/1999 Albrecht  
 5,991,749 A \* 11/1999 Morrill, Jr. .... 705/44  
 5,991,750 A \* 11/1999 Watson ..... 705/44  
 6,000,832 A \* 12/1999 Franklin et al. .... 700/232  
 6,014,650 A \* 1/2000 Zampese ..... 705/44  
 6,029,150 A \* 2/2000 Kravitz ..... 705/39  
 6,029,890 A 2/2000 Austin  
 6,144,948 A 11/2000 Walker et al.  
 6,163,771 A \* 12/2000 Walker et al. .... 705/18

6,188,761 B1 2/2001 Dickerman et al.  
 6,226,624 B1 \* 5/2001 Watson et al. .... 705/44  
 6,240,397 B1 5/2001 Sachs  
 6,267,292 B1 7/2001 Walker et al.  
 6,298,335 B1 10/2001 Bernstein  
 6,324,526 B1 11/2001 D'Agostino  
 6,339,766 B1 1/2002 Gephart  
 6,341,724 B2 1/2002 Campisano  
 6,343,279 B1 1/2002 Bissonette et al.  
 6,375,084 B1 4/2002 Stanford et al.  
 6,422,462 B1 7/2002 Cohen  
 6,456,984 B1 \* 9/2002 Demoff et al. .... 705/40  
 6,598,031 B1 7/2003 Ice  
 6,636,833 B1 10/2003 Flitcroft et al.  
 2001/0011249 A1 \* 8/2001 Yanagihara et al. .... 705/41  
 2002/0120587 A1 8/2002 D'Agostino  
 2002/0152158 A1 \* 10/2002 Paleiov et al. .... 705/39  
 2003/0018567 A1 1/2003 Flitcroft et al.  
 2003/0028481 A1 2/2003 Flitcroft et al.  
 2003/0097331 A1 5/2003 Cohen  
 2003/0216997 A1 11/2003 Cohen

FOREIGN PATENT DOCUMENTS

EP 0 081 921 A1 6/1983  
 EP 0 590 861 A2 4/1994  
 EP 0 590 861 A3 4/1994  
 EP 0 590 961 A2 4/1994  
 FR 2 661 996 A1 11/1991  
 GB 2 145 265 A 3/1985  
 GB 2 252 270 A 8/1992  
 GB 2 327 831 A 2/1999  
 GB 2 361 790 A 10/2001  
 WO WO 91/12693 5/1992  
 WO WO 93/14476 7/1993  
 WO WO 95/07512 3/1995  
 WO WO 96/08756 3/1996  
 WO WO 96/42150 12/1996  
 WO WO 97/15893 5/1997  
 WO WO 97/19549 5/1997  
 WO WO 98/26376 6/1998  
 WO WO 99/49424 9/1999  
 WO WO 00/42486 7/2000

OTHER PUBLICATIONS

Jones, R.: Prepaid cards, an emerging internet payment mechanism, the Nuvantage Group, Jun. 2001, pp. 1-9.\*  
 Eran Gabber and Abraham Silberschatz, A Minimal Distributed Protocol for Electronic Commerce, www.usenix.org/publications (Article), Oakland, USA, Nov. 18-21, 1996.  
 Citi.com, Total Fraud Protection . . . Solutions for your safety and peace of mind, (printout) CBSD002144-CBSD002153.  
 Owen Thomas, Money Changers, www.ecompany.com, (Article), Oct. 2000.  
 Netchex—a short brief, www.tml.hut.fi/Studiesi/Tik-110.50/1997/Ecommerce/netchex-5.html, (Article), Nov. 5, 2002.  
 GE Capital Financial Inc., GE Pre-Authorization System, (GE's website printout).  
 Matt Barthel, Diebold Plans Major Push in Market for Debit-Card Point of Sale Terminals, Sep. 28, 1993, American Banker, pp. 1-2.  
 Bob Woods, New Dell E-Commerce Guarantee Called "Weak", Aug. 13, 1998, Newbytes News pp. 1-2.  
 Anne Finnigan, The Safe Way to Shop Online, Good Housekeeping, Sep. 1998, pp. 1-2.  
 Paul Demery, Attaching the Smart Card Fortress, Credit Card Management, Sep. 1998, pp. 1-4.  
 Larry Chase, Taking Transactions Online, Target Marketing, Oct. 1998, 1-4.  
 Virtual Credit Card (VCC), www.geocities.com/Eureka/Park/5014/vcc.htm, (printout), Jun. 28, 1999.  
 Smart Cards, disc.cba.uh.edu, (printout), Nov. 1, 2001.

Vincent Moscaritolo & Robert Hettinga, Digital Commerce for the Rest of Us Apple in a Geodesic Economy. [www.shipwright.com/rants/rant\\_15.html](http://www.shipwright.com/rants/rant_15.html), (article), Sep. 4, 1996.

Black Ives & Michael Earl, Mondex International Reengineering Money, London Business School Article, [ids.bus.lsu.edu/cases/mondex.html](http://ids.bus.lsu.edu/cases/mondex.html), Nov. 1, 2001.

Smart Card New Ltd's Information Gateway, [www.smartcard.co.uk/articles/electronicmoney.html](http://www.smartcard.co.uk/articles/electronicmoney.html), Nov. 1, 2001.

Putting Risk in Perspective, (Article) Internet Outlook (Jul. 20, 1997), vol. 1 No. 3, [www.webreference.com](http://www.webreference.com), Nov. 1, 2001.

Keith Lamond, Credit Card Transactions Real World and Online. [www.virtualschools.edu/mon/ElectronicProperty/klamond/credit\\_card.htm](http://www.virtualschools.edu/mon/ElectronicProperty/klamond/credit_card.htm), Sep. 11, 2001.

Steven P. Ketchpel & Andreas Paepcke, Shopping Models: A Flexible Architecture for Information Commerce, [dbpubs.stanford.edu:8090](http://dbpubs.stanford.edu:8090), Oct. 1, 2002, (Stanford, USA).

Re-examination of U.S. Patent No. 6,324,526 granted to John D'Agostino, assigned U.S. Appl. No. 90/007,481, filed Mar. 28, 2005.

\* cited by examiner

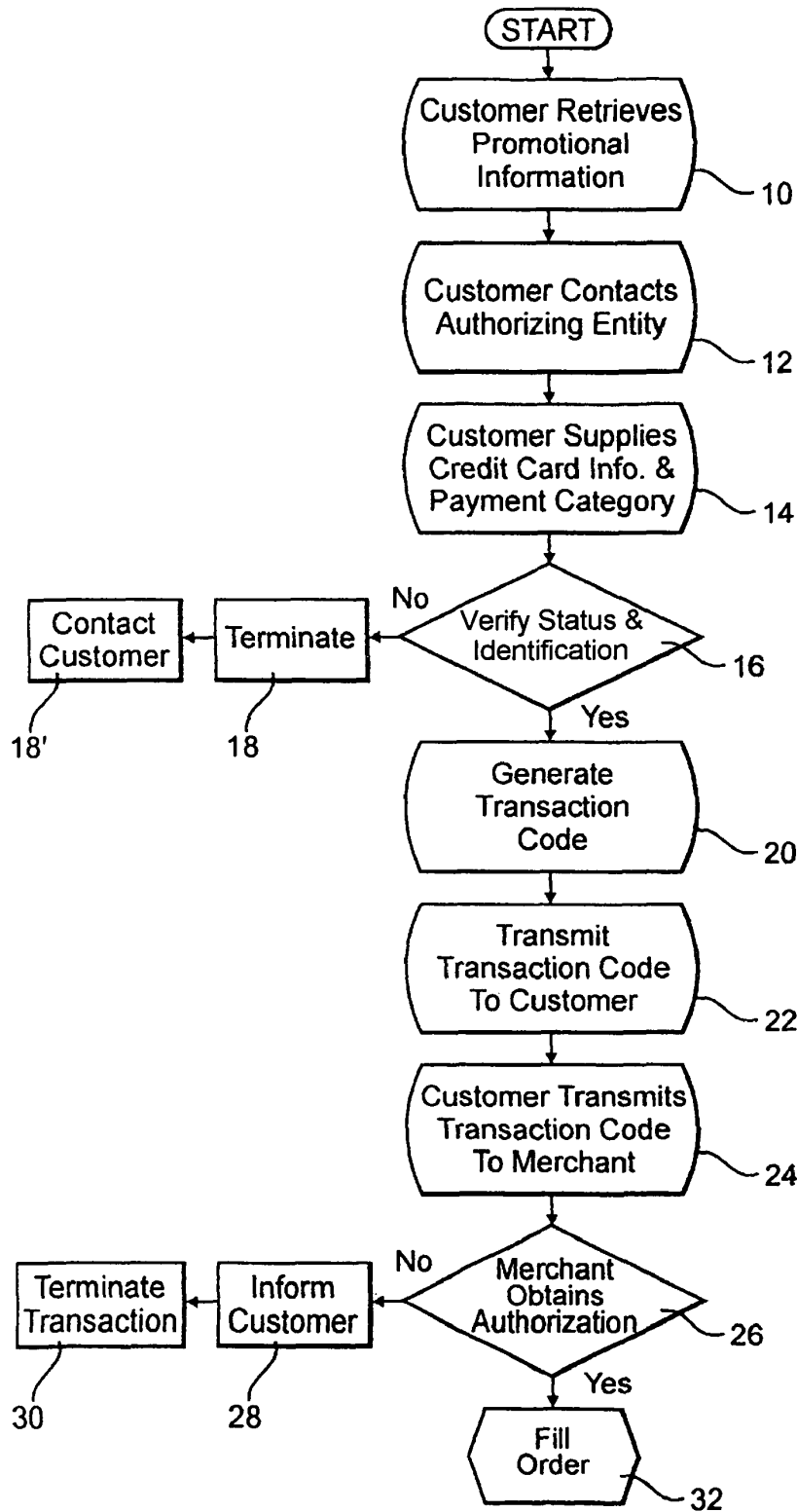


FIG. 1

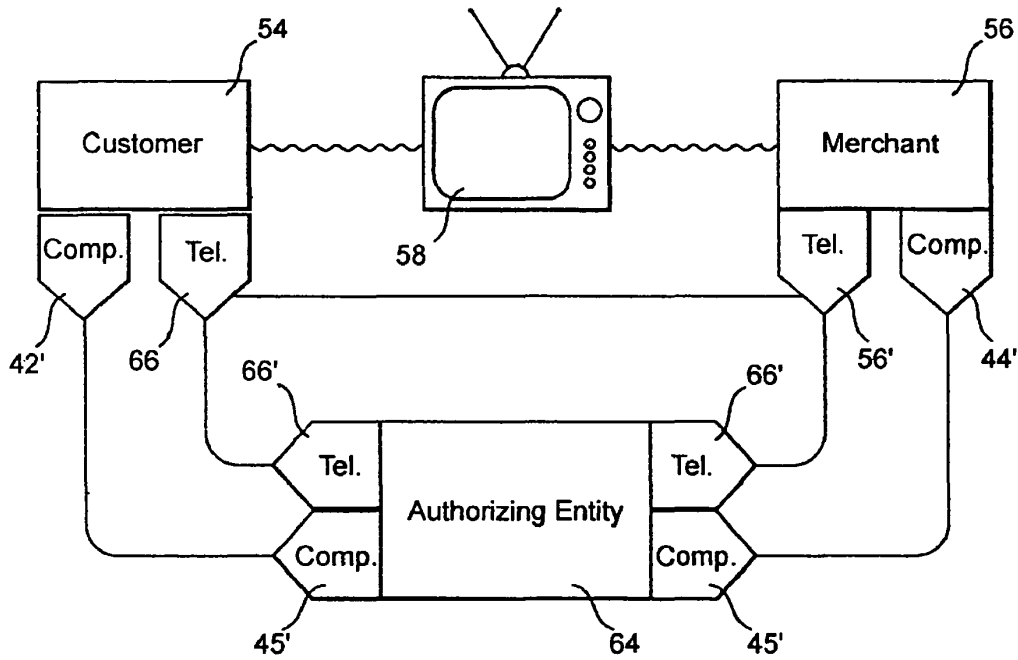


FIG. 2

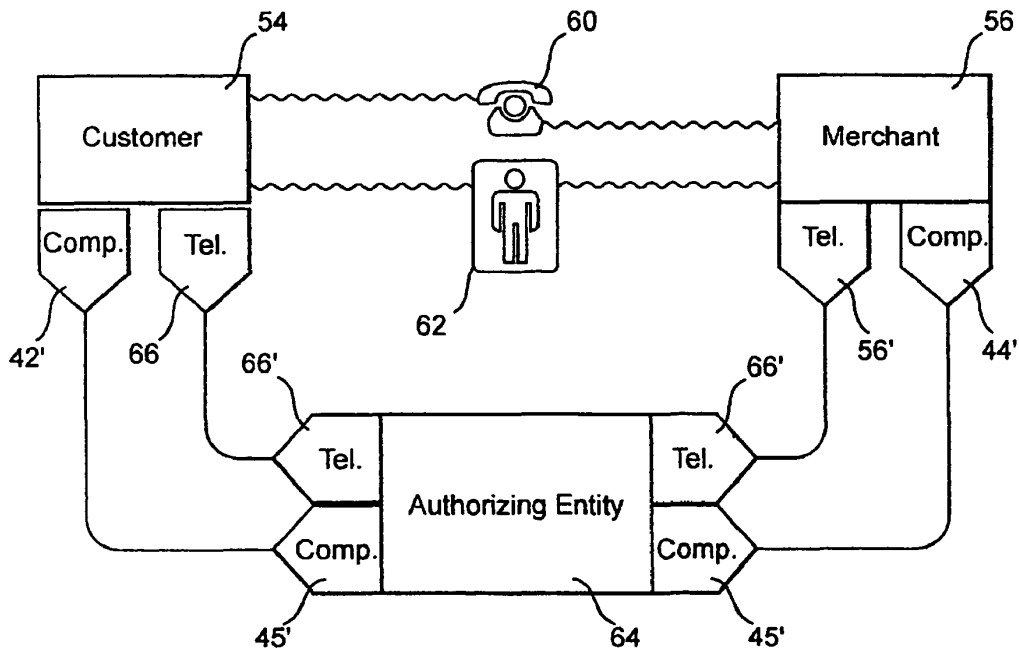


FIG. 3

# Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

## Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

## Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

## Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

## API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

## LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

## FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

## E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.