

Prior Art in the Field of Business Method Patents - When is an Electronic Document a Printed Publication for Prior Art Purposes?

Presented at AIPLA
Fall 2002

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I. EXECUTIVE SUMMARY

Recent growth in business technologies, particularly in areas related to electronic commerce, has been substantial. Computers and the Internet have created an information age that is revolutionizing society, and although the economy has experienced recent highs and lows, patent protection is still being sought for areas related to e-commerce and the Internet. Thus, the areas of the United States Patent and Trademark Office (USPTO) that examine patent applications related to business method inventions continue to attract public attention. Industry and patent practitioners have voiced concerns about the availability of prior art and the quality of the searches being performed in these emerging technology areas.

The one area in particular that receives the bulk of the public attention related to business method-type applications is the workgroup responsible for examining patent applications in automated business data processing technologies, U.S. Class 705. The majority of business method related applications are filed in this area since the methods and apparatuses claimed in these applications are related to financial and business data processing. However, not all business method claims are classified in Class 705. For example, methods of teaching are classified in Class 434, Education and Demonstration. Methods of playing games are classified in Class 273, Amusement Devices, Games. Methods of improving crop yields are classified in Class 47, Plant Husbandry. These are only a few examples. Other process and apparatus claims which may be labeled a "business method" are classified and examined according to their technology.

There has been some confusion in the patent community over what constitutes a business method claim. "Business method" is a generic term that has been used by many to describe various types of process claims. The Federal Circuit has not yet defined what it is that specifically characterizes a business method claim and separates it from other process claims. The Court has, however, stated that claims drawn to a method of doing business should not be categorized as a "business method" claim, instead they should be treated like any other process claim. *State Street Bank & Trust Co. v. Signature Financial Group, Inc.*, 47 USPQ2d 1596, 1604 (Fed. Cir. 1998).

On March 29, 2000, the USPTO announced an Action Plan for business method patents to improve the quality of the examination process in technologies related to electronic commerce and business methods. These initiatives have provided a forum through which mutual concerns, problems and possible solutions are being discussed, and USPTO operational efforts in this technology area are being shared. Feedback on prior art resources is also being gathered and input on expanding non-patent literature (NPL) information collections and databases is being solicited. There has been active discussion on these initiatives since their inception, and they will not be the focus of this paper.

Instead, this paper defines what constitutes prior art in today's information age. The evolution of prior art will be examined from its early foundation in published patents to its current non-patent literature and electronic formats. The challenge of identifying prior art in an emerging technology area such as business methods will also be discussed.

II. THE EVOLUTION OF PRIOR ART

Both U.S. and foreign patents have, in the past, been relied upon as the primary form of prior art during the examination process. However, in business methods, examiners must now rely heavily on non-patent literature (NPL), especially those in electronically searchable databases. To ensure that the appropriate electronically searchable databases were being utilized by the examiners in Class 705, a Federal Register notice was published in June, 2001 listing the current core NPL databases searched by the business method examiners and asking for public comment. This was and remains an opportunity for the public to inform the USPTO of searchable databases currently not being used and relative to the technology of Class 705.

A. NPL COMMERCIAL DATABASES

A new examiner is taught how to search the U.S. patent databases (known as EAST and WEST). Additionally, business method examiners are given training on searching commercial databases to locate relevant NPL documents such as professional journals, magazines, and conference proceedings. The business methods examiners have access to over 900 Commercial Databases of NPL.

Examiners can also request a commercial database search by the Electronic Information Center (EIC) which is a branch of the USPTO's Scientific and Technological Center (STIC). The EIC staff includes professional searchers who perform the searches for these examiners

NPL encompasses a wide variety of diverse published materials, such as textbooks, newspaper articles, magazine articles, sales brochures, professional journals, and conference proceedings. While a patent examiner can find prior art patents in the U.S. Patent database for many of the technologies examined at the USPTO, this database may be less useful for rapidly emerging technologies such as business methods. Thus, NPL searching is critical to the examination process in Class 705.

B. ACTION PLAN SEARCHING INITIATIVES

The March 2000 Director's Action Plan included initiatives on mandatory searching for business methods. Examiners in Class 705 now perform a mandatory search for all applications in Class 705 which includes a classified U.S. patent document search, a text search of U.S. patent documents, foreign patent documents, and a search of relevant NPL. The NPL search requires that search areas be correlated to the U.S. classification system for Class 705. In addition to these mandatory databases, the examiner also searches all appropriate databases from among the 900 available databases (e.g., Software Patent Institute [SPI], IEEE/IEE Electronic Library [IEL Online]).

III. THE CHALLENGE OF PRIOR ART

It can be extremely difficult to identify business methods that may have been common practice or common knowledge in an industry, but have not been documented properly, nor dated, nor disclosed in a form that is easily accessible by patent examiners. However, through communications and partnerships with industry, we are seeing improvements in this area.

A. 37 CFR 1.105

37 CFR 1.105 gives the examiner the authority to require certain information from the applicant. 37 CFR 1.105(a)(1) states in part that "the examiner or other Office employee may require the submission of such information as may be reasonably necessary to properly examine or treat the matter." An example of the type of information that may be required under the rule is the existence of any relevant commercial database known to any of the inventors that could be searched for a particular aspect of the invention. Invoking 37 CFR 1.105 can be helpful to examiners in understanding the invention and creating search strategies.

B. THIRD PARTY SUBMISSION 37 CFR 1.99

37 CFR 1.99 permits a member of the public to submit patents or publications relevant to a pending published application. These submissions under 37 CFR 1.99 may be entered in the application file if the requirements of the rule are complied with. The submission must be filed within two months of the publication date, or prior to the mailing of a notice of allowance whichever is earlier.

IV. WHAT CONSTITUTES PRIOR ART?

A. PICTURES AND DRAWINGS

Pictures and drawings can be used as prior art to the extent they show sufficient structural claim element detail. See MPEP 2125.

B. U.S. AND FOREIGN PATENTS

Patents are relevant prior art for: the specification, non-preferred embodiments, disclosed examples, subject matter incorporated by reference, and anything that would have been reasonably suggested to one having ordinary skill in the art. See MPEP 2127.

C. U.S. PUBLISHED PATENT APPLICATIONS

For applications filed on or after November 29, 2000 or filed prior to November 29, 2000 and voluntarily published, U.S. application publications are also available as prior art under 35 U.S.C. 102(e) as of their filing dates. See MPEP 706.02(a) and 2136.

D. PRINTED PUBLICATIONS

A reference is a printed publication if it is accessible to the public. A reference is proven to be a "printed publication" upon a satisfactory showing that such document has been disseminated or otherwise made available to the extent that persons interested and ordinarily skilled in the subject matter or art, exercising reasonable diligence, can locate it. In re Wyer, 655 F.2d 221, 210 USPQ 790 (CCPA 1981). Orally presented papers can constitute a "printed publication" if written copies of the paper(s) are made available without restriction to all interested persons. MIT v. AB Fortia, 774 F.2d 1104, 1109, 227 USPQ 428, 432 (Fed. Cir. 1985).

Internal documents intended to be confidential are not "printed publications" and are unavailable for use as prior art. This is regardless of how many copies are distributed. Additionally, note that "[w]hile distribution to government agencies and personnel alone may not constitute publication, distribution to commercial companies without restriction on use clearly does." Garrett v. United States, 422 F.2d 874, 878, 164 USPQ 521, 524 (Ct. Cl. 1970).

And finally, publication disseminated by mail is prior art on the date it is received by at least one member of the public. In re Schlittler, 234 F.2d 882, 110 USPQ 304 (CCPA 1956).

E. DOCUMENTATION AND/OR ADMISSIONS BY APPLICANT

Applicant's own work, available to the public more than one year prior to the filing date, is prior art. Applicant's disclosure of his or her work within the year before the application filing date of the invention cannot be used as prior art to reject patent claims. Additionally, submissions to other government agencies that are made public can be used as prior art e.g., U.S. Securities and Exchange Commission's EDGAR database <http://www.sec.gov/edgar.shtml> (http://www.uspto.gov/cgi-bin/exitconf/internet_exitconf.pl?target=www.sec.gov/edgar.shtml).

F. PUBLIC USE OR ON SALE BAR (35 U.S.C. 102(b))

An invention is in "public use" if that invention is publicly used without restriction or obligation of secrecy. A single sale or offer to sell the invention may constitute a bar to patentability. See MPEP 706.02(c) and 2133.03(b).

G. ELECTRONIC PUBLICATIONS

An electronic publication, like any publication, may be relied upon for all that it would have suggested to one having ordinary skill in the art. See MPEP 2121.01, 2123 and 2128.01. One should note that for a document to be considered a published document, that document need not necessarily be a printed document. "Given the state of technology in document duplication, data storage and data systems retrieval, the 'probability of dissemination' of an item very often has little to do with whether or not it is 'printed' in the sense of that word when it was introduced into the patent statutes in 1836." In re Wyer, 655 F.2d 221, 226, 210 USPQ 790, 794 (CCPA 1981).

An electronic publication, including an on-line database or Internet publication, is considered to be a "printed publication" within the meaning of 35 U.S.C. § 102(a) and (b) provided the publication was accessible to persons concerned with the art to which the document relates. Thus, "whether information is printed, handwritten, or on microfilm or magnetic disk or tape, etc., the individual who wishes to characterize the information as a printed publication should produce sufficient evidence of its dissemination or that it has been otherwise available and accessible to persons concerned with the art to which the document relates." Wyer, 655 F.2d at 227, 210 USPQ at 795, Amazon.com v. Barnesandnoble.com, 73 F. Supp. 2d 1228, 53 USPQ 2d 1115, 1119 (W.D. Wash. 1999)

In situations where the electronic version and the published version of the same or corresponding document differ appreciably, each version may need to be cited and relied upon as independent references based on what they each disclose. MPEP 2128.

Note: Prior art disclosures on the Internet or in an on-line database are considered to be publicly available as of the date the item was publicly posted. This is provided that the item is dated and not temporal, and can be indexed for subsequent retrieval. An example of a temporal item is a web broadcast that cannot be saved, retrieved or printed, e.g., a live simulcast feed that is not archived, and a "streaming" audio or video that "flashes" across the screen.

1. THE RULES ARE THE SAME FOR ELECTRONIC OR PRINTED PRIOR ART

Regardless of whether the prior art is in an electronic or printed form, the rules governing the use of the prior art are the same. There must be a satisfactory showing that the document(s) have been disseminated or otherwise made available to persons with interest and ordinary skill in the art.

Examples: A document distributed internally within an organization, which was intended to remain confidential, does not qualify as a "printed publication" just as a confidential internal website available only to specific users may not qualify as prior art. However, documents downloaded from an online database or website that was only available for a limited time may be considered prior art if an adequate showing is provided that the database or website was properly dated and publicly accessible at the time of document retrieval.

Note: The office policy requiring recordation of the field of search and search results weighs in favor of finding that Internet and on-line database references cited by the examiner are "accessible to persons concerned with the art to which the document relates and thus most likely to avail themselves of its contents." In re Wyer, 655 F.2d at 221, 210 USPQ at 790. Office copies of an electronic document must be retained if the same document may not be available for retrieval in the future. This is especially important for sources such as the Internet and on-line databases. See MPEP 2128.

H. WEBSITES AS PRIOR ART

Websites can be used as references if posting dates can be found, and those posting dates predate the invention.

I. SOFTWARE PRODUCTS AS PRIOR ART

Software products can be relied upon as prior art as of the date they were first installed or released. In re Epstein, 32 F.3d 1559, 31 USPQ2d 1817 (Fed. Cir. 1994). Additionally, database printouts of abstracts which were not themselves prior art publications were properly relied upon as providing evidence that the software products referenced therein were "first installed" or "released" more than one year prior to applicant's filing date.

V. RESOURCES BUSINESS METHODS EXAMINERS USE TO ESTABLISH WEBSITE DATES

Examiners utilize commercial databases and the Wayback Machine to help establish website posting dates in order to qualify the website as prior art.

A. COMMERCIAL DATABASES

Commercial Databases are often used by Examiners to discover dates for websites. Articles can be used to provide the date of the website, however, only information in the website that can be traced back to the date provided by the article can be relied upon.

B. WAYBACK MACHINE

The Wayback Machine finds archived web pages back to 1996 (each archived page is dated), and it covers many, but not all, web pages.

Find archived pages for: <http://attrasoft.com> (http://www.uspto.gov/cgi-bin/exitconf/internet_exitconf.pl?target=attrasoft.com)

Electronic documents that are not themselves dated and have no posting date, but are/were available as links on a website that is archived on the Wayback Machine, are dated as of the archived date of the website.

1. WAYBACK MACHINE - CAUTION

Clicking on links within an archived web page does not always take you to another archive page. It may link you to a current web page.

If "web.archive.org" and the archive date is part of the URL, you are still in the archived pages. If it is not part of the URL, copy the URL you linked to, paste it into the Wayback Machine, and search for archived pages of that URL.

VI. COMMUNICATE QUESTIONS/PROBLEMS

It is important that the lines of communication between the USPTO and the applicant are open and productive. If you have any questions on how prior art has been applied in an Office action, please contact the examiner or the examiner's supervisor. Additionally, if you have questions or problems that are not being resolved, don't hesitate to call the Technology Center Director. See [Table 1 \(#table1\)](#) for a list of manager contacts in Class 705.

Table 1

Group 3620 - Class 705 Director John J. Love (703)308-1020

AU 3621 - Business Cryptography SPE - Jim Trammell (703) 305-9768
AU 3622 - Incentive Programs/Coupons SPE - Eric Stamber (703) 8469
AU 3623 - Operations Research, Voting, Transportation SPE - Tariq Hafiz (703)305-9643
AU 3624 - Finance & Banking SPE - Vincent Millin (703) 308-1065
AU 3625 - E-shopping SPE - Wynn Coggins (703) 308-1344
AU 3626 - Health Care/Insurance SPE - Joe Thomas (703) 305-9588
AU 3627 - Point of Sale/Inventory/Accounting SPE - Robert Olszewski (703)308-5183
AU 3628 - Finance & Banking SPE (acting) - Franzy Poinvil (703) 305-9779
AU 3629 - Business Processing, Cost/Price, Reservations SPE - John Weiss (703) 308-2702

VII. CONCLUSION

In addition to the traditional sources of prior art, examiners are now focusing on electronically searchable databases and other forms of NPL to examine patents in business methods. The USPTO has provided the tools and the resources to search hundreds of NPL sources, and the courts have provided guidelines on how some NPL is to be treated. Please refer to MPEP Chapter 2100 for more detailed instruction regarding the application of prior art.

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