EXHIBIT 6

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: Wayne W. Lin	**Group Art Unit:** 3625
Serial No.: 09/342,866	**Examiner:** Forest Thompson, Jr.
Filed: June 29, 1999	
For: SYSTEMS AND METHODS FOR TRANSACTING BUSINESS OVER A GLOBAL COMMUNICATIONS NETWORK SUCH AS THE INTERNET	

APPELLANT'S SUPPLEMENTAL APPEAL BRIEF IN ACCORDANCE WITH 37 C.F.R. §1.193(b)(2)(ii)

Assistant Commissioner for Patents
Washington, D.C. 20231

Dear Sir:

Appellant hereby submits the attached Supplemental Appeal Brief in accordance with 37 C.F.R. §1.193(b)(2)(ii), in support of Appellant's Request For Reinstatement of Appeal.

CERTIFICATE OF MAILING (37 C.F.R. §1.8a)

I hereby certify that this paper (along with any referred to as being attached or enclosed) is being deposited with the United States Postal Service on the date shown below with sufficient postage as First Class Mail in an envelope addressed to: Assistant Commissioner for Patents, Washington, D.C. 20231.

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Neal M. Cohen

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I. REAL PARTY IN INTEREST

The party named in the caption of the brief is the real party in interest.

II. RELATED APPEALS AND INTERFERENCES

Appellant filed an Appeal Brief in the above-captioned matter on December 14, 2001. (Appellant's Appeal Brief was originally filed on November 15, 2001, and a duplicate was filed on December 14, 2001). The present Appeal Brief is a Supplemental Appeal Brief in response to the Office Action mailed March 1, 2002.

III. STATUS OF CLAIMS

Claim 16 has been cancelled. Claims 1-15 and 17-44 are pending. Appellant hereby appeals from the rejection of all pending claims (1-15 and 17-44). Said claims are set forth in the Appendix pursuant to 37 C.F.R. §1.192(c)(9).

IV. STATUS OF AMENDMENTS

There have been no amendments filed subsequent to final rejection.

V. SUMMARY OF INVENTION

A buyer's performance during a Price Determining Activity (PDA) is used to determine the price of the product being purchased. (See, e.g., Original Specification at page 5, lines 3-12; Abstract lines 1-3.) Specifically, the price of the product is scaled to the performance of the buyer during the PDA. (See, e.g., Original Specification at page 3, line 22; page 14, lines 1-9.) Typically, the better the buyer performs during the PDA, the lower the price will be of the product being purchased. (See, e.g., Original Specification at page 3, lines 13-16.)

Each of the pending independent claims (1, 13, 19, and 35) recites that the price of the product is "scaled to the performance of the buyer", either "while participating in" (Claims 1, 13, and 19) or "during" (Claim 35) a Price-Determining-Activity (PDA).

VI. ISSUES

A. Whether the Examiner properly relied on U.S. Patent No. 5,855,008 (Goldhaber et al) and U.S. Patent No. 4,850,007 (Marino et al) as teaching certain limitations of Appellant's independent Claim 1, namely "**determining the price of [a] product [...] said price being [...] scaled to the performance of [a] buyer [...] while participating in a Price-Determining-Activity (PDA)**", and then for subsequently rejecting Claim 1 and all claims dependent thereon?

B. Whether the Examiner properly relied on U.S. Patent No. 5,855,008 (Goldhaber et al) and U.S. Patent No. 4,850,007 (Marino et al) as teaching certain limitations of Appellant's independent Claim 13, namely "**assigning a price to [a] product, said price being scaled to the performance of [a] buyer [...] while participating in a Price-Determining-Activity (PDA)**", and then for subsequently rejecting Claim 13 and all claims dependent thereon?

C. Whether the Examiner properly relied on U.S. Patent No. 5,855,008 (Goldhaber et al) and U.S. Patent No. 4,850,007 (Marino et al) as teaching certain limitations of Appellant's independent Claim 19, namely a computer server programmed to "**assign a price to [a] product, said price being scaled to the performance of [a] buyer [...] while participating in a Price-Determining-Activity (PDA)**", and then for subsequently rejecting Claim 19 and all claims dependent thereon?

D. Whether the Examiner properly relied on U.S. Patent No. 5,855,008 (Goldhaber et al) and U.S. Patent No. 4,850,007 (Marino et al) as teaching certain limitations of Appellant's independent Claim 35, namely "**assigning a price to [a] product, said price being scaled to the performance of [a] buyer [...] during a Price Determining Activity (PDA)**", and then for subsequently rejecting Claim 35 and all claims dependent thereon?

E. Whether claims which recite use of an auction to partially determine the price of a product are separately patentable from the claims from which they depend?

F. Whether claims which recite use of a video game as the Price-Determining Activity (PDA) are separately patentable from the claims from which they depend?

VII. GROUPING OF CLAIMS

For purposes of this appeal, and without making any admissions, Appellant submits that the claims in each group of two or more claims which are rejected on a particular grounds stand or fall together as set forth below, in reference to the particular new grounds for rejection set forth in the Office Action mailed March 1, 2002 (herein the "Office Action"). In accordance with 37 C.F.R. §1.192(c)(7), Appellant has set forth the reasons for these groupings in Appellant's Argument section below.

Rejections in paragraph 4 of the Office Action:

Claims 1-2, 12-15, 18-19, 26, 28, 30, 35-36, and 41 stand or fall together, independent of Claims 11, 25, and 39.

Claims 11, 25, and 39 stand or fall together, independent of Claims 1-2, 12-15, 18-19, 26, 28, 30, 35-36, and 41.

Rejections in paragraph 5 of the Office Action:

Claims 3-4, 6-10, and 20-23 stand or fall together, independent of Claims 29, 31, and 37.

Claims 29, 31, and 37 stand or fall together, independent of Claims 3-4, 6-10, and 20-23.

Rejections in paragraph 7 of the Office Action:

Claims 24, 27, 32, 34, 38, and 42-44 stand or fall together, independent of Claim 33.

Claim 33 stands or falls independent of Claims 24, 27, 32, 34, 38, and 42-44.

VIII. ARGUMENT

A. The Examiner improperly relied on U.S. Patent No. 5,855,008 (Goldhaber et al) and U.S. Patent No. 4,850,007 (Marino et al) as teaching certain limitations of Appellant's independent Claim 1, namely **"determining the price of [a] product [...] said price being [...] scaled to the performance of [a] buyer [...] while participating in a Price-Determining-Activity (PDA)"**, and then for subsequently rejecting Claim 1 and all claims dependent thereon.

In the Office Action, the Examiner rejected independent Claim 1, and each claim dependent thereon, as follows: Claims 1, 2, 11, 12, and 28 were rejected as unpatentable over Goldhaber et al, and further in view of **Marino et al** (Office Action, ¶4); Claims 3-4, 6-10, 22-23, and 29 were rejected over Goldhaber et al, and further in view of **Marino et al** and U.S. Patent No. 5,269,521 (Rossides) (Office Action, ¶5); Claim 5 was rejected over Goldhaber et al, and further in view of **Marino et al**, Rossides, and "Allotafun! To Develop Extensive Toy Internet Site;" PR Newswire; 03 December 1998 (hereafter referred to as Alottafun) (Office Action ¶6); Claim 24 was rejected as unpatentable over Goldhaber et al in view of **Marino et al**, and U.S. Patent No. 5,816,918 (Kelly et al) (Office Action, ¶7).

Of the aforementioned claims, only Claim 1 is independent, and the others are dependent thereon. Claim 1 recites "determining the price of [a] product [...] said price being [...] scaled to the performance of [a] buyer [...] while participating in a Price-Determining-Activity (PDA)." (See Appendix, Claim 1.)

The Examiner has relied on Marino et al as teaching or suggesting these limitations (Office Action, ¶4), and based on that reliance the Examiner then rejected Claim 1 and all claims dependent thereon as stated above. Appellant respectfully disagrees with the Examiner, because: 1) Marino et al is a non-analogous reference for the purpose of determining the obviousness of Appellant's claims; and 2) Marino et al does not teach or

suggest "determining the price of [a] product [...] said price being [...] scaled to the performance of [a] buyer [...] while participating in a Price-Determining-Activity (PDA)."

1. MARINO IS A NON-ANALOGOUS REFERENCE

"USPTO policy is to follow *Graham v. John Deere* in the consideration and determination of obviousness under 35 U.S.C. 103." (MPEP 2141) The *Graham* standard of patentability to be applied in obviousness type rejections includes determining the scope and content of the prior art. In making the determination of the scope of the prior art, "The Examiner must determine what is analogous prior art for the purpose of analyzing the obviousness of the subject matter at issue. In order to rely on a reference as a basis for rejection of an applicant's invention, the reference must either be **[a]** in the field of applicant's [appellant's] endeavor or, if not, then be **[b]** reasonably pertinent to the particular problem with which the inventor was concerned." (MPEP 2141.01(a) [case citations, and internal quotes omitted].) Furthermore, **[c]** the USPTO classification is some evidence of "non-analogy" or "analogy" of references and cross-references. (MPEP 2141.01(a).)

(a) MARINO IS NOT IN THE SAME FIELD AS APPELLANT'S ENDEAVOR

Although there is no clear-cut formula in determining the same field part of the analogous prior art inquiry, the determination may be made by answering the question, "Is the Marino et al reference in the ***field of the appellant's endeavor***?" The answer is no. Simply stated, the Marino et al reference is in the field of advertising, e.g., attention brokerage, and the Appellant / inventor's **endeavor** is in the field of a competitive or entertainment-based price determining business model.

An advertisement is used to tell about or praise a product and/or service publicly. In Marino et al an ***"announcement consisting of at least one advertisement"*** (Col. 1, lines 48-

49) is generated. Marino et al does not teach or suggest a competitive or entertainment-based price determining business model. Rather, Marino et al is concerned with generating advertisements, and making the advertisement accessible for customers to receive. The following portions of Marino et al, with emphasis added, clearly illustrate this point: "Nevertheless, he can be very interested ... if the advertisement selection technique is adapted to pick ***advertisements suited to his general interest.***" (Col. 2, lines 9-12); "***Among the various bases for determining what advertising message will be connected*** ... foremost are ***various types of demographic information*** ..." (Col. 4, lines 21-24); "In order that the advertisements may be more focused to the interests of the caller ... a caller ... may let the telephone company know ... ***which of several different categories of subjects he is interested in*** ..." (Col. 5, lines 67-68 and Col. 6, lines 1-5).

Marino et al thus teaches generating advertisements and providing that information to telephone service users. The information may be regarding a wide variety of subject matter, including: 1) the general interest of the caller, 2) the demographic location of the caller, or 3) the location that the caller is attempting to reach. In essence, information, in the form of an advertisement, is used to tell about or praise a product and/or service. There is absolutely no teaching or suggestion of a competitive or entertaining price determining activity in Marino et al.

Furthermore, Marino et al teaches that it is beneficial that the caller is attentive to the advertisement. That's the whole idea behind the Attention Brokerage industry. The following portions of Marino et al, with emphasis added, clearly illustrate this point: "The announcement period can be interactive ***so that the advertiser can be assured that the calling party actually listens*** to his ad ..." (Col. 2, lines 13-15); "One way of ***verifying that***

the caller is actually listening ..." (Col. 2, lines 18-19). In exchange for their attentiveness, while receiving information, i.e., advertising, a customer is provided a form of payment.

The term attention brokerage implies that payment is made in exchange for a customer's attention. Marino et al uses a form of payment, e.g., ***"reduced rate billing and/or credit,"*** (Col. 4, lines 18-19) to a customer in exchange for ***"listening to, or watching, advertising messages from advertising system."*** (Col. 3, lines 12-14) Marino et al does not teach or suggest a competitive or entertainment-based price determining business model. Rather, Marino et al is directed to the field of attention brokerage – that is, paying a customer for the customer's attention. The following portions of Marino et al, with emphasis added, clearly illustrate this point: "***After the advertisement is announcement is completed*** ...[a] call is processed ... ***at a reduced rate of charge or with automatic credit being given the customer's account.***" (Col. 1, lines 54-58); "It is also possible that coupons good for the purchase of merchandise or services could be in the form, in whole or in part, in which the ***caller receives value for his cooperation.***" (Col. 2, line 38-41); "In general ... the billing will be returned which shows his ***reduced telephone toll charge rate or, alternatively, the lump sum credits he is receiving for listening to, or watching, advertising messages*** ..." (Col. 2, lines 62-68); "Request for either of these services may be an occasion to ***offer a subscriber a reduced rate or a credit in return for listening to, watching, advertising messages*** ..." (Col. 3, lines 12-15); "Also at the conclusion of the message, the appropriate billing item is generated ... ***this reduced rate billing and/or credit is accumulated*** ..." (Col. 4, lines 16-19). Therefore, Marino et al teaches a payment to a subscriber for the subscriber's attention, i.e., attention brokerage.

Appellant teaches a ***competitive or entertainment-based*** price determining activity. (See, e.g., original application, page 1, lines 6-7; page 2, lines 14-16; page, 3, lines 2-4; page 3, lines 10-11; page 4, lines 13-14) Thus, the price of the product is determined during a competitive or entertainment-based PDA. That is, the buyer also receives a side benefit of the entertainment value of the activity or even motor skill enhancement via video game play or similar activities. The Appellant's invention does not pay the user for the user's attention to an advertisement. Appellant's invention uses PDAs such as a video game, electronic board game, gambling game, sports bet, etc. to encourage customers to engage in the activity of buying products (see, e.g., original specification, page 9, lines 10-13). The PDA (activity) is **directly** connected to the price of the product.

On the other hand, Marino et al offers a discounted phone service. Such a service is generally associated with other utilities including gas, water, and electric in which the price for such service is non-negotiable. Marino et al states, ***"This new telephone toll service differs from telephone shopping services in that the caller is not looking for the specific information contained in the advertisement – indeed, he is looking for other information or seeking to place a personal long-distance call."*** (Col. 2, lines 4-8 [emphasis added]) Therefore, if Marino et al differs from telephone shopping services it surely differs from Appellant's interactive PDA-based shopping services.

Marino et al is in the field of attention brokerage, and Appellant's invention is in the field of a competitive or entertainment-based price determining model. No matter how Marino el al is viewed, it simply does not disclose or suggest a scaling the price of a product to a performance of the buyer during a PDA.

Linking the price of a product to a performance during a PDA (Appellant's Claims) is completely different from paying someone for their attention (Marino et al). In the former, the *price of the product* *is not fixed*, and the seller hopes to close the sale by allowing the buyer to lower the price based upon the buyer's performance while participating in a PDA. In the latter, the *price of the product* *is fixed*, and the seller hopes to close the deal by ensuring the buyer listens to the seller's sales presentation, which is why the seller pays the buyer for the buyer's attention.

(b) MARINO IS NOT REASONABLY PERTINENT TO THE INVENTOR'S PARTICULAR PROBLEM

Under the two-step test for determining whether a prior art reference is non-analogous, if the reference is not within the field of the inventor's endeavor it must be determined whether the reference is "reasonably pertinent to the particular problem with which the inventor was involved." (MPEP 2141.01(a) citing *In re Deminski*, 796 F.2d 436, 230 USPQ 313 (Fed. Cir. 1986).) "If a reference disclosure has the same purpose as the claimed invention, the reference relates to the same problem ... [I]f it is directed to a different purpose, the inventor would accordingly have had less motivation or occasion to consider it." (*In re Clay*, 966 F.2d 656, 23 USPQ 2d 1058, 1060-61 (Fed. Cir. 1992).)

Marino et al seeks to solve the problem of how to recover sufficient revenues to cover the cost of directory assistance calling, other information services, and long-distance service, when faced with a demand to lower such costs (Col. 1, lines 11-25). Hence, in an era of increasing deregulation, the phone companies seek a system that would enable the phone companies to continue to make selected service available. "The above-described problems are solved according to the invention by providing ... ***at least one advertisement*** ... After

the advertising announcement is completed the toll call and/or directory assistance call is processed as usual but at a reduced rate of charge or with automatic credit being given to the customer's account." (Col. 1, lines 39- 58) In other words, Marino et al solves the problem of telephone service deregulation by selling advertising space to an advertiser at a higher rate than the phone company discounts the telephone service.

On the other hand, Appellant seeks to create an alternative e-commerce system and method that encourages customers to engage in the buying of products. Appellant solves the problem by providing systems and methods that "allow a potential buyer to engage in competitive/entertaining activities wherein the activities ultimately determine the price of the product or service to be bought, depending on the buyer's performance while participating in the PDA." (Page 3, lines 1-6). Appellant uses PDAs such as a video game, electronic board game, gambling game, sports bet, etc. to encourage customers to engage in the activity of buying products (Page 9, lines 10-13).

Marino et al simply does seek to solve a problem reasonably pertinent to the particular problem with which the Appellant was involved.

(c) USPTO CLASSIFICATION IS EVIDENCE THAT MARINO IS A NON-ANALOGOUS REFERENCE

The USPTO classification system is some evidence of "non-analogy" or "analogy" of references and cross-references. A cross reference in the official PTO search notes is some evidence of analogy, particularly when "nearly identical classification of the application and references ... are the result of the close similarity in structure and function of the invention and the prior art." (*In re Deminski*, 796 F.2d 436, 230 USPQ 313 (Fed. Cir. 1986).)

Marino el al is classified by the USPTO in U.S. class 379 (telephonic communications) and subclasses 67 (audio message storage, retrieval, or synthesis), 112 (call traffic recording by computer or control processor), and 84 (at switching facility). On the other hand, classification of Appellant's application is listed under 705 (data processing: financial, business practice, management, or cost/price determination). Class and subclass terminology used in classifying Marino et al cannot be found anywhere within Appellant's application. Terminology such as telephone communications, audio messages storage, call traffic recoding, and switching facility are completely foreign to the systems and methods of the Appellant's invention. As evidenced by the USPTO's own classification system, Marino et al is a non-analogous reference for the purpose of determining the obviousness of Appellant's claims.

Based on the arguments set forth herein, Appellant submits that Marino et al is clearly a non-analogous reference, and therefore cannot be used to reject Appellant's claims. (Furthermore, the Goldhaber reference which the Examiner also used to reject Appellant's claims, is also non-analogous, for the same reasons Marino et al is non-analogous. That is, Goldhaber, too, is clearly directed to the field of Attention Brokerage (see, e.g., the title of Goldhaber is "Attention Brokerage").) Based on these arguments alone, Appellant submits that the Examiner's rejections should be withdrawn.

2. MARINO at el DOES NOT TEACH OR SUGGEST "DETERMINING THE PRICE OF [A] PRODUCT [...] SAID PRICE BEING [...] SCALED TO THE PERFORMANCE OF [A] BUYER [...] WHILE PARTICIPATING IN A PRICE-DETERMINING-ACTIVITY (PDA)."

The Examiner's rejections should further be withdrawn, because even if Marino et al was not a non-analogous reference, it nonetheless does not teach or suggest the limitations of Appellant's Claim 1, which requires "determining the price of [a] product [...] said price being [...] scaled to the performance of [a] buyer [...] while participating in a price-determining-activity (PDA).

A PDA is described in detail in Appellant's original specification as an activity which is performed and which performance thereof is used to determine the price of the product. (See, e.g., page 2, lines 13-16; page 3, lines 1-4; page 6, lines 19-22; page 9, lines 15-19; Example on page 9, line 20, through page 11, line 7; and page 13, line 4, through page 17, line 5.) Thus, the price of the product is determined based upon the performance of the buyer during the PDA. That is, the performance has a direct effect on the determination of the price of the product. Furthermore, the price is scaled to the performance of the buyer during the PDA, such that the better the buyer performs during the PDA, the lower the price will typically be of the product being purchased. (See, e.g., Original Specification at page 3, lines 13-22; page 14, lines 1-9.)

Marino et al does not teach or suggest such a connection between a PDA, a performance during a PDA, and the price of the product. Rather, Marino et al is directed to the field of attention brokerage - that is, paying a customer for the customer's attention.

Appellant's Claim 1, on the other hand, recites a ***direct link*** between a Price-Determining-Activity (PDA) and the price of the product, namely "determining the price of

[a] product [...] said price being [...] scaled to the performance of [a] buyer [...] while participating in a Price-Determining-Activity (PDA)."

Appellant's arguments as set forth in paragraph VIII.A of Appellant's Brief filed December 14, 2001 are hereby incorporated by reference and apply to Marino et al. In addition to the aforementioned arguments, Marino et al lacks, i.e., does not teach, significant inherent characteristics found in Appellant's recitation of the use of a PDA, in Claim 1, including: 1) uncertainty of actual final cost of the product or service; 2) enhanced cognitive reasoning; 3) high motor skill participation of the user; and 4) competition and/or entertainment qualities.

(a) MARINO DOES NOT TEACH UNCERTAINTY OF THE ACTUAL FINAL COST OF A PRODUCT OR SERVICE

The final cost of an item is inherently uncertain in the Appellant's recitation of the use of a PDA, in Claim 1. The following portions of Appellant's application, with emphasis added, clearly illustrate this point: "Thus, ***if a buyer performs poorly at the activity, the price will be higher, whereas if the buyer does well, the price will be lower."*** (Page 3, lines 13-16); "The actual range may be a scaled set of prices ... ***for which the buyer will either "win" the contract or "lose"*** ... or ... ***the product or service might be attainable for free*** ..." (Page 3, lines 22-23 and Page 4, line 1-4); "Buyers, on the other hand, are willing to accept ***the possibility of paying the highest price ... in exchange for the opportunity to pay the lower price*** ..." (Page 4, lines 10-13); "Sellers offer their product/service ... buyers accept the offer, ***in exchange for the opportunity to close the transaction at the lowest price offered*** ..." (Page 6, lines 16-19); "For example, ... the buyer may be entitled to a

further discount ... ***which discount may be greater ... or not so great*** ..." (Page 7, lines 22-23 and Page 8, lines 1-2).

The Appellant's recitation of the use of a PDA, in Claim 1, thus teaches that the final cost of an item is inherently uncertain. Buyers are willing to accept the possibility of paying a price within an agreed upon range. The willingness of the buyer to engage in an activity where the buyer faces an uncertainty in the final product price is inherent in PDAs as described in Appellant's application.

Marino el al, on the other hand, does not teach such inherent uncertainty in the final price a customer will pay for a service. A customer, wanting to access telephone service, knows exactly the predetermined fees for such service. The customer makes a definite and certain choice, pressing a key, for the pricing fee they desire to obtain. The only uncertainty associated with Marino et al is in the generation of an advertisement. The following portions of Marino et al, with emphasis added, clearly illustrate this point: "The advertisements are selected from ***some predetermined technique*** ..." (Col. 1, lines 49-53); "These announcement could also have been ***chosen on a random basis*** ..." (Col. 4, lines 61-64); "Further, ... ***a round-robin type of sequencing*** of appropriate advertisements ..." (Col. 5, lines 10-22).

Thus, Marino el al does not teach such inherent uncertainty in the final price a customer will pay for a service, and this too is a distinction between the attention brokerage teachings of Marino, versus the e-commerce business model of Appellant's claims.

(b) MARINO DOES NOT TEACH ENHANCED COGNITIVE REASONING

Enhanced cognitive reasoning is inherent in the Appellant's recitation of the use of a PDA, in Claim 1. The following portions of Appellant's application, with emphasis added,

clearly illustrate this point: "The "games" are: ... 2) a ... ***trivia quiz of ten questions; 3) an offer to predict ...***" (Page 10, lines 8-13); "He has no time to ***read the next two questions*** ..." (Page 11, lines 1-2); "A buyer may submit his or her ***prediction*** ..." (Page 14, lines 10-11); "A buyer may submit his or her wager or ***prediction*** ..." (Page 14, lines 19-21); "Other PDAs include ... electronic board games such as ***chess, backgammon, checkers*** ..." (Page 15, lines 1-6).

The Appellant's recitation of the use of a PDA, in Claim 1, thus teaches that enhanced cognitive reasoning is inherent. In a typical application, the use of a PDA requires a buyer to answer questions that involve memory access and retrieval. Furthermore, games such as chess or backgammon require a certain level of pre-learned skills coupled with strategic game play. In addition, the ability to make predictions involves comparisons and an understanding and use of the laws of probability.

Alternatively, Marino el al does not teach such inherent enhanced cognitive reasoning such as that found in a PDA. The following portions of Marino et al, with emphasis added, clearly illustrate this point: "In general ... for ***listening to, or watching,*** advertising messages ..." (Col. 2, lines 62-68); "In point of fact, this ***message may be either an aural or visual nature*** ..." (Col. 4, lines 1-4); "The local central office ... will play a recorded message as follows: ***Choose one, two, or three minutes of advertisement*** by pressing keys 1, 2, or 3 on your telephone pad." (Col. 4, lines 50-54).

In Marino et al customers mindlessly listen or watch advertising messages. The activity of simply listening or watching an advertisement is so devoid of any cognitive reasoning that customers are asked to press a keypad button in order to alleviate boredom and assure that the caller is actually listening. The caller could actually place down the

phone, walk away, and return at the appropriate time to press a keypad button in order to receive the requested service fee.

Therefore, Marino el al does not teach such inherent enhanced cognitive reasoning such as that found in a PDA, and this too is a distinction between the attention brokerage teachings of Marino, versus the e-commerce business model of Appellant's claims.

(c) MARINO DOES NOT TEACH GREATER MOTOR SKILL PARTICIPATION OF THE USER

High-level motor skill participation of the user is inherent in the Appellant's recitation of the use of a PDA, in Claim 1. The following portions of Appellant's application, with emphasis added, clearly illustrate this point: "The "games" are: 5) a classic PacMan ***video arcade game.***" (Page 10, lines 8-13); "A classic example of a PDA is a ***video game*** ..." (Page 14, lines 1-2).

The Appellant's recitation of the use of a PDA, in Claim 1, thus teaches that high motor skill participation of the user is inherent. Typically, video game play involves keen hand/eye coordination. Players must scan the field of play, anticipate future actions, and make split second movements in order to successively complete the required game tasks. More often than not a video game player is required to manipulate numerous controls having varied functions in order to effectively score well.

On the other hand, Marino el al teaches no such inherent motor skill participation of the user such as those found in a PDA. The following portions of Marino et al, with emphasis added, clearly illustrate this point: "The announcement period can be interactive... assuring that the calling party actually ***listens*** to his ad ... One way to verify that the caller is actually ***listening*** is for him to be ***ask to send an alpha-numeric signal or a voice signal*** ...

the customer could be asked to ***press the number 9 on his telephone keypad***" (Col. 2, lines 13-29); "The local central office ... will play a recorded message as follows: Choose one, two, or three minutes of advertisement by ***pressing keys 1, 2, or 3 on your telephone pad.***" (Col. 4, lines 50-54).

In Marino et al telephone users, at most, are required to press keys on the telephone pad. The aforementioned key pressing activity, coupled with the ability to pick-up and dial a phone, and listen or watch an advertisement, does not remotely amount to what might be considered a high level of motor skill activity. Keen hand/eye coordination and split second movements are not needed to successively complete the required phone tasks.

Therefore, Marino et al teaches no inherent motor skill participation of the user such as those found in a PDA, and this too is a distinction between the attention brokerage teachings of Marino, versus the e-commerce business model of Appellant's claims..

(d) MARINO DOES NOT TEACH COMPETITION AND/OR ENTERTAINMENT QUALITIES

Competition and/or entertainment qualities are inherent in the Appellant's recitation of the use of a PDA, in Claim 1. The following portions of Appellant's application, with emphasis added, clearly illustrate this point: "The activity may be a ***video game ... electronic board game, crossword puzzle or other word game, sports bet, card game*** ..." (Page 3, lines 16-18); "Buyer also ***receive a side benefit of the entertainment value of the activity*** ..." (Page 4, lines 13-14); "The activity may be a ***video game, electronic board game, sports bet, card game*** ..." (Page 6, lines 20-21); "The PDA may be a ***video game, electronic board game, gambling game, sports bet*** ..." (Page 9, lines 10-13); "The "games" are: 1) ***a bridge game*** ... 2) a ... ***trivia quiz*** of ten questions; 3) ***an offer to predict*** ... 4) ***a***

game of keno ... and 5) ***a ... video game***." (Page 10, lines 8-13); "A classic example of a PDA is a ***video game*** ..." (Page 14, lines 1-2); "Other PDAs include ***electronic card games, such as bridge, cribbage, black jack, poker, or other card games, craps, roulette, and electronic board games such as chess, backgammon, checkers, or a proprietary game such as Trivial Pursuit, Monopoly***, or other game." (Page 15, lines 1-6).

The Appellant's recitation of the use of a PDA, in Claim 1, thus teaches that competition and/or entertainment qualities are inherent. Nearly every game has some competitive and/or entertainment quality associated with it. *Webster's New World College Dictionary*, 3rd ed., defines game [with emphasis added] as, "any specific contest, engagement, ***amusement,*** computer simulation, or sport involving physical or mental ***competition*** under specific rules, as football, ***chess***, or war game."

Marino el al, however, does not teach such inherent competition and/or entertainment qualities. The following portion of Marino et al, with emphasis added, clearly illustrate this point: "The local central office ... will play a recorded message as follows: Choose one, two, or three minutes of advertisement by ***pressing keys 1, 2, or 3 on your telephone pad.***" (Col. 4, lines 50-54).

Simply stated, pressing keys 1,2, or 3, on a telephone pad cannot be considered to involve a competitive or entertaining quality. No matter how Marino is viewed, it simply does not teach, disclose or suggest any level of competitive and/or entertainment qualities, and this too is a distinction between the attention brokerage teachings of Marino, versus the e-commerce business model of Appellant's claims.

Based on the arguments set forth herein, and particularly in this Section, Appellant respectfully submits that Marino et al does not teach or suggest "determining the price of [a] product [...] said price being [...] scaled to the performance of [a] buyer [...] while participating in a Price-Determining-Activity (PDA)." Thus, Appellant's independent Claim 1, and all claims dependent thereon, are patentable over the cited art, and the Examiner's rejections should be withdrawn

B. The Examiner improperly relied on U.S. Patent No. 5,855,008 (Goldhaber et al) and U.S. Patent No. 4,850,007 (Marino et al) as teaching certain limitations of Appellant's independent Claim 13, namely "**assigning a price to [a] product, said price being scaled to the performance of [a] buyer [...] while participating in a Price-Determining-Activity (PDA)**", and then for subsequently rejecting Claim 13 and all claims dependent thereon.

In the Office Action, the Examiner rejected independent Claim 13, and each claim dependent thereon, as follows: Claims 13-15, 18, 25-26, and 30 were rejected as unpatentable over Goldhaber et al, and further in view of **Marino et al** (Office Action, ¶4); Claim 31 was rejected over Goldhaber et al, and further in view of **Marino et al** and U.S. Patent No. 5,269,521 Rossides (Office Action, ¶5); Claims 27, and 32-33 were rejected over Goldhaber et al, and further in view of **Marino et al** and U.S. Patent No. 5,816,918 Kelly et al (Office Action, ¶7); Claim 17 was rejected as unpatentable over Goldhaber et al, and further in view of **Marino et al**, Kelly et al, and Rossides (Office Action, ¶9).

Of the aforementioned claims, only Claim 13 is independent, and the others are dependent thereon. Claim 13 recites "assigning a price to [a] product, said price being scaled to the performance of [a] buyer [...] while participating in a Price-Determining-Activity (PDA)". (Appendix, Claim 13.)

The Examiner has relied on **Marino et al** as teaching or suggesting these limitations (Office Action, ¶4), and based on that reliance the Examiner then rejected Claim 13 and all

claims dependent thereon as stated above. Appellant respectfully disagrees with the Examiner, because Marino et al does not teach or suggest "assigning a price to [a] product, said price being scaled to the performance of [a] buyer [...] while participating in a Price-Determining-Activity (PDA)".

Appellant's arguments are set forth herein in paragraph VIII.A, and Appellant hereby incorporates the arguments herein by reference.

Based on the arguments set forth herein, Appellant respectfully submits that independent Claim 13, and all claims dependent thereon, are patentable over the cited art, and the Examiner's rejections should be withdrawn.

C. The Examiner improperly relied on U.S. Patent No. 5,855,008 (Goldhaber et al) and U.S. Patent No. 4,850,007 (Marino et al) as teaching certain limitations of Appellant's independent Claim 19, namely a computer server programmed to "**assign a price to [a] product, said price being scaled to the performance of [a] buyer [...] while participating in a Price-Determining-Activity (PDA)**", and then for subsequently rejecting Claim 19 and all claims dependent thereon.

In the Office Action, the Examiner rejected independent Claim 19, and each claim dependent thereon, as follows: Claim 19 was rejected over Goldhaber et al, and further in view of **Marino et al** (Office Action, ¶4); Claims 20 and 21 were rejected over Goldhaber et al, and further in view of **Marino et al** and U.S. Patent No. 5,269,521 Rossides (Office Action, ¶5); Claim 34 was rejected over Goldhaber et al, and further in view of **Marino et al** and U.S. Patent No. 5,816,918 Kelly et al (Office Action, ¶7).

Of the aforementioned claims, only Claim 19 is independent, and the others are dependent thereon. Claim 19 recites a computer server programmed to "assign a price to [a] product, said price being scaled to the performance of [a] buyer [...] while participating in a Price-Determining-Activity (PDA)." (Appendix, Claim 19.)

The Examiner has relied on **Marino et al** as teaching or suggesting these limitations (Office Action, ¶4), and based on that reliance the Examiner then rejected Claim 19 and all claims dependent thereon as stated above. Appellant respectfully disagrees with the Examiner, because Marino et al does not teach or suggest a computer server programmed to "assign a price to [a] product, said price being scaled to the performance of [a] buyer [...] while participating in a Price-Determining-Activity (PDA)."

Appellant's arguments are set forth herein in paragraph VIII.A, and Appellant hereby incorporates the arguments herein by reference.

Based on the arguments set forth herein, Appellant respectfully submits that independent Claim 19, and all claims dependent thereon, are patentable over the cited art, and the Examiner's rejections should be withdrawn.

D. The Examiner improperly relied on U.S. Patent No. 5,855,008 (Goldhaber et al) and U.S. Patent No. 4,850,007 (Marino et al) as teaching certain limitations of Appellant's independent Claim 35, namely "**assigning a price to [a] product, said price being scaled to the performance of [a] buyer [...] during a Price Determining Activity (PDA)**", and then for subsequently rejecting Claim 35 and all claims dependent thereon.

In the Office Action, the Examiner rejected independent Claim 35, and each claim dependent thereon, as follows: Claims 35-36, 39, and 41 were rejected over Goldhaber et al, and further in view of **Marino et al** (Office Action, ¶4); Claim 37 was rejected over Goldhaber et al, and further in view of **Marino et al** and U.S. Patent No. 5,269,521 Rossides (Office Action, ¶5); Claims 38, and 42-44 were rejected over Goldhaber et al, and further in view of **Marino et al** and U.S. Patent No. 5,816,918 Kelly et al (Office Action, ¶7); Claim 40 was rejected over as applied to Claim 35, and further in view of Goldhaber et al, and further in view of **Marino et al**, and Rockoff: Design of an Internet-based system for remote Dutch Auctions" (Office Action, ¶8).

Of the aforementioned claims, only Claim 35 is independent, and the others are dependent thereon. Claim 35 recites "assigning a price to [a] product, said price being scaled to the performance of [a] buyer [...] during a Price Determining Activity (PDA)". (Appendix, Claim 35.)

The Examiner has relied on **Marino et al** as teaching or suggesting these limitations (Office Action, ¶4), and based on that reliance the Examiner then rejected Claim 35 and all claims dependent thereon as stated above. Appellant respectfully disagrees with the Examiner, because Marino et al does not teach or suggest "assigning a price to [a] product, said price being scaled to the performance of [a] buyer [...] during a Price Determining Activity (PDA)."

Appellant's arguments are set forth herein in paragraph VIII.A, and Appellant hereby incorporates the arguments herein by reference.

Based on the arguments set forth herein, Appellant respectfully submits that independent Claim 35, and all claims dependent thereon, are patentable over the cited art, and the Examiner's rejections should be withdrawn.

E. Claims which recite use of an auction to partially determine the price of a product are separately patentable from the claims from which they depend.

As set forth in Paragraph VII herein, Appellant submits that of the claims rejected in ¶4 of the Office Action, Claims 11, 25, and 39 are separately patentable from the others because Claims 11, 25, and 39 each recite that the price is determined at least partially upon either "participation of the buyer in" (Claims 11 and 39) or "results of" (Claim 25) "an auction." Based on these limitations, Claims 11, 25, and 39 are separately patentable, as is Claim 40 which depends from Claim 39.

Using an auction as an additional factor in determining the price of a product is not obvious over the cited art, because though auctions were known in the art, auctions were not used in combination with a PDA in which the price of a product was scaled to the performance of a buyer while participating in the PDA. The portion of Goldhaber et al relied on by the Examiner in the Office Action to reject these claims (Goldhaber, Col. 4, lines 63-64) merely discloses an auction in the context of attention brokerage, not in the context as set forth in Appellant's claims. As stated herein previously, attention brokerage and price reduction represent two completely different fields.

F. Claims which recite use of a video game as the Price-Determining Activity (PDA) are separately patentable from the claims from which they depend.

As set forth in Paragraph VII herein, Appellant submits that of the claims rejected in ¶5 of the Office Action, Claims 29, 31, and 37 are separately patentable from the others. Similarly, Claim 5 (rejected in ¶6 of the Office Action), and Claim 33 (rejected in ¶7 of the Office Action), are separately patentable from the others. Claims 5, 29, 31, 33, and 37 each recite that "the PDA is a video game". Based on these limitations, Claims 5, 29, 31, 33, and 37 are separately patentable.

Using a video game as a Price-Determining Activity is not obvious over the cited art, because though video games were known in the art, video games were not used to determine the price of a product by scaling the price to a performance while participating in the video game. Use of video games as a PDA is not obvious merely because video games are popular.

Furthermore, Claims 29, 31, and 37 were rejected in ¶5 of the Office Action over the Goldhaber, Marino, and Rossides references, in which the Examiner stated that Claims 29, 31, and 37 "contain the same limitation as Claim 5; therefore, the same rejection is applied".

However, the Examiner's only rejection of Claim 5 is in ¶6 of the Office Action, in which an additional reference is required to reject Claim 5 - namely the Allotafun reference. Thus, the Examiner's rejections of Claims 29, 31, and 37 are further inappropriate for this reason.

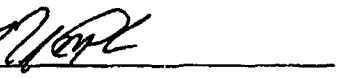
Likewise, Claim 33 was rejected in ¶7 of the Office Action over the Goldhaber, Marino, and Kelly references, in which the Examiner stated that Claim 33 "contains the same limitation as Claim 5; therefore, the same rejection is applied". However, as stated above, the Examiner's only rejection of Claim 5 is in ¶6 of the Office Action, in which an additional reference is required to reject Claim 5 - namely the Allotafun reference. Thus, the Examiner's rejection of Claim 33 is further inappropriate for this reason.

IX. CONCLUSION

For the foregoing reasons, Appellant submits that the Examiner's rejections of Claims 1-15 and 17-44 were erroneous, and reversal of the rejections is hereby requested.

Respectfully submitted,

DATE: July 31, 2002

By 

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X. APPENDIX - CLAIMS ON APPEAL

1. A method of doing business over a global communications network comprising the steps:

communicating to a buyer via the global communications network, a description of a product;

accepting a first request from the buyer to buy the product for a price to be determined within a price range;

accepting a second request from the buyer to allow the price to be determined based upon a performance of the buyer while participating in a Price-Determining-Activity (PDA);

receiving data from the buyer over the global communications network, said data representing the performance of the buyer during the PDA; and

determining the price of the product based at least partially upon the data received, said price being within the price range and scaled to the performance of the buyer.

2. The method of claim 1, further comprising the step of accepting payment information from the buyer over the global communications network.

3. The method of claim 1, further comprising the step of presenting to the buyer over the global communications network, a plurality of PDAs to choose from, said presentation of the plurality of PDAs occurring before accepting the second request from the buyer.

4. The method of claim 3, further comprising the step of presenting price determination rules to the buyer over the global communications network, said price determination rules being associated with the plurality of PDAs.

5. The method of claim 4, wherein the PDA is a video game.

6. The method of claim 1, further comprising the step of associating the PDA with the product based at least partially upon a number of participants required for execution of the PDA.

7. The method of claim 1, further comprising the step of sending price data to the buyer via the global communications network, said price data representing the price.

8. The method of claim 1, further comprising the step of accepting offer data from the seller representing an offer from the seller to sell the product within the price range.

9. The method of claim 1, wherein the PDA requires participation of at least one participant in addition to the buyer.

10. The method of claim 1, wherein the steps of accepting the first request from the buyer, accepting the second request from the buyer, and receiving the performance data from the buyer, are performed by a master controller.

11. The method of claim 1, wherein the price is determined at least partially upon participation of the buyer in an auction.

12. The method of claim 1, wherein the global communications network is the Internet.

13. A method of determining a price of a product using a global communications network, comprising the steps:

communicating to a buyer via the global communications network, data representing a plurality of products available, said plurality of products including a first product;

accepting acknowledgement from the buyer representing an intent of the buyer to buy the first product at a price to be determined based upon a performance of the buyer while participating in a Price-Determining-Activity (PDA), said acknowledgement being communicated over the global communications network;

determining the performance of the buyer; and

assigning a price to the product, said price being scaled to the performance of the buyer.

14. The method of claim 13, further comprising the step of receiving data over the global communications network representing an election of the buyer to select the PDA.

15. The method of claim 13, further comprising the step of accepting payment information from the buyer over the global communications network.

17. The method of claim 32, wherein the PDA is adapted to accommodate participation of a second participant.

18. The method of claim 13 wherein the price is dependent at least partially upon a bid selected by the buyer.

19. A system for conducting e-commerce over a global communications network, comprising:

a computer server having access to the global communications network, and being programmed to:

a) communicate to a buyer via the global communications network, data representing a plurality of products, said plurality of products including a first product;

b) accept acknowledgement from the buyer representing an intent of the buyer to buy the first product at a price to be determined dependent on a performance of the buyer while participating in a Price-Determining-Activity (PDA), said acknowledgement being communicated over the global communications network;

c) determine the performance of the buyer based upon data received over the global communications network; and

d) assign a price to the product, said price being scaled to the performance of the buyer.

20. The system of claim 19, wherein the PDA comprises computer-executable code sent to the buyer over the global communications network.

21. The system of claim 20, wherein the server is further programmed to process payment information of the buyer communicated over the global communications network.

22. The method as in claim 1, wherein the price is determined at least partially upon an offer received from the buyer.

23. The method as in claim 9, further comprising the step of determining the price based at least partially upon a competition between the buyer and the at least one participant using the PDA.

24. The method as in claim 23, wherein the at least one participant is a second buyer, and further comprising the steps of accepting a second request from the second buyer to buy the product for a second price to be determined within the price range, and determining said second price based at least partially upon the competition.

25. The method as in claim 13, wherein the price is determined at least partially upon results of an auction.

26. The method as in claim 13, wherein the price is determined at least partially upon an offer received from the buyer.

27. The method as in claim 17, further comprising the step of determining the price based at least partially upon a competition between the buyer and the second participant using the PDA.

28. The method of Claim 1, wherein the PDA is selected by the buyer.

29. The method of Claim 1, wherein the PDA is a video game.

30. The method of Claim 13 wherein the PDA is selected by the buyer.

31. The method of Claim 13, wherein the PDA is a video game.

32. The method of Claim 13, further comprising the step of determining a price range prior to determining the performance of the buyer, said price range having a lower limit associated with a best performance, and an upper limit associated with a worst performance, and wherein the price assigned to the product is within the price range.

33. The method of Claim 32, wherein the PDA is a video game.

34. The system of Claim 19, wherein the server is further programmed to determine a price range prior to determining the performance of the buyer, said price range having a lower limit associated with a best performance, and an upper limit associated with a worst performance, and wherein the server is further programmed to assign the price to the product within the price range.

35. A method of assigning a price to a product comprising the steps:

determining a performance of a buyer during a Price Determining Activity (PDA); and

assigning a price to the product, said price being scaled to the performance of the buyer.

36. The method of Claim 35, further comprising the step of determining a price range prior to determining the performance of the buyer, said price range having a lower limit associated with a best performance, and an upper limit associated with a worst performance, and wherein the price is within the price range.

37. The method of Claim 36, wherein the PDA is a video game.

38. The method of Claim 36, further comprising the step of setting a difficulty level of the PDA based at least in part on an average target price for the product.

39. The method of Claim 36, wherein the price is determined at least partially based upon participation of the buyer in an auction.

40. The method of Claim 39, wherein the auction is a reverse auction.

41. The method of Claim 35, further comprising the step of determining a target price prior to determining the performance of the buyer, said target price being selected by the buyer, and wherein the price is not greater than the target price.

42. The method of Claim 35, further comprising the step of selecting the PDA based at least in part on a minimum price associated with the product.

43. The method of Claim 35, further comprising the step of selecting the PDA based at least in part on a skill level of the buyer.

44. The method of Claim 35, further comprising the step of setting a difficulty level of the PDA based at least in part on an average target price for the product.