

Patent Must Describe Claimed Functions Since Non-Disclosure Invalidates Claimed Invention

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In Net MoneyIn, Inc. v. Verisign, Inc., 545 F.3d 1359 (Fed. Cir. 2008), the Court affirmed a grant of summary judgment, invalidating computer-related patent claims under 35 U.S.C. § 112 ¶ 2, because certain means plus function claim language was not described in the patent specification and the lack thereof caused the claim to be indefinite under the Patent Statute. The specification failed to describe the corresponding structure, material, or acts for the “means plus function” claim language in the computer system claim. The Patent Statute requires that the “claim shall be construed to cover the corresponding structure, material, or acts described in the specification,” 35 U.S.C. § 112 ¶ 2, and since the specification did not describe the corresponding structure, material, or acts, the claim was invalid.

Net MoneyIn has a patent for a computer related system which processes credit card transactions over the Internet wherein an intermediary “payment processing” or “financial processing” entity which supplements the conventional four entity transaction model embodied by (a) the customer, (b) the merchant, (c) the merchant’s bank, and (d) the credit card issuing bank. In summary, the claim recites:

A financial transaction system comprising:

- a) a first bank computer containing financial data therein, said financial data including customer account numbers and available credit data, said first bank computer including means for generating an authorization indicia in response to queries containing a customer account number and amount;
- b) a merchant computer containing promotional data;
- c) a customer computer being linked with said merchant computer and receiving said promotional data; and,
- d) a financial processing computer remote from said merchant computer and having means for:
 - 1) receiving customer account data and amount data from said customer computer,
 - 2) querying said first bank computer with said customer account data and said amount data,
 - 3) receiving an authorization indicia from said first bank computer,
 - 4) communicating a self-generated transaction indicia to said customer computer, and,
 - 5) communicating the self-generated transaction indicia to said merchant computer.

Defendant Verisign argued that the specification did not disclose the statutorily required “corresponding structure, material, or acts” for a portion of claim element (a), the “means for generating an authorization indicia,” in the first bank computer.

The use of “means” in the claim raises a presumption that the Section 112 ¶ 2 statutory requirement must be met. Net MoneyIn, 545 F. 3d at 1366, citing Envirco Corp. v. Clestra Cleanroom, Inc., 209 F.3d 1360, 1364 (Fed. Cir. 2000). The presumption is rebutted, however, “if the claim itself recites sufficient structure to perform the claimed function.” Id.; see also Sage Prods., Inc. v. Devon Indus., Inc., 126 F.3d 1420, 1427-28 (Fed. Cir. 1997) (“[W]here a claim recites a function, but then goes on to elaborate sufficient structure, material, or acts within the claim itself to perform entirely the recited function, the claim is not in means-plus-function format.”).

Although patentee Net MoneyIn argued that the claim itself had enough structure to rebut the presumption, since persons of ordinary skill in the art would know how to construct a structure for generating the bank's authorization indicia, the Court agreed with Defendant Verisign that "because of the wide variety of types and classes of computers in existence, each being configurable in a variety of different ways using many different programming languages," there is not enough structure in the claim. Net MoneyIn, 545 F. 3d at 1366. Further, the claim states that the bank computer "includes" the "means for generating authorization indicia." Therefore, something more than a general purpose computer must be disclosed and discussed. "[T]here must be a recitation of structure that is a component of the bank computer to rebut the presumption. The claim contains no such recitation." Id.

The Court then reviewed the patent specification. Although not discussed by the Court, a review of the Net MoneyIn's U.S. Patent No. 5,822,737, reveals that (a) the drawings do not show an authorization functional block in the bank's computer and (b) the term "bank computer" is used only three (3) times in the specification. The specification states: "In a send 37D, mode, the payment processing computer contacts the bank computer and determines if the credit card is valid and if the amount is available. If the charge is authorized, the screen changes to 30C in which the order window 36 has been replaced with authorization window 38 which shows that the charge has been accepted 39A, the transaction no. (A1483) 39B, and the password (GO) 39C which the consumer is to use with the merchant." U.S. Patent No. 5,822,737, column 6, lines 23-29.

Verisign argued that there was no algorithm to show the structure or acts used by the bank's general purpose computer. The Court stated:

To avoid purely functional claiming in cases involving computer-implemented inventions, we have "consistently required that the structure disclosed in the specification be more than simply a general purpose computer or microprocessor." Aristocrat Techs. Austral. Pty Ltd. v. Int'l Game Tech., 521 F.3d 1328, 1333 (Fed. Cir. 2008). "Because general purpose computers can be programmed to perform very different tasks in very different ways, simply disclosing a computer as the structure designated to perform a particular function does not limit the scope of the claim to 'the corresponding structure, material, or acts' that perform the function, as required by section 112 paragraph 6." Id. "Thus, in a means-plus-function claim 'in which the disclosed structure is a computer, or microprocessor, programmed to carry out an algorithm, the disclosed structure is not the general purpose computer, but rather the special purpose computer programmed to perform the disclosed algorithm.'" Id. (quoting WMS Gaming, Inc. v. Int'l Game Tech., 184 F.3d 1339, 1349 (Fed. Cir. 1999)). Consequently, a means-plus-function claim element for which the only disclosed structure is a general purpose computer is invalid if the specification fails to disclose an algorithm for performing the claimed function. See id. at 1337-38.

Net MoneyIN, 545 F. 3d at 1367.

The Court found that the patentee failed to disclose an algorithm that generates the authorization indicia used by the general purpose bank computer. In a footnote, the Court reported counsel's statements at oral argument that "conceded that '[t]here is nothing in the written description that expressly states what is going on inside that bank computer.'" Id. at 1367, fnt 3.

The Net MoneyIn case illustrates the importance of describing in the specification and/or the drawings functional blocks or hardware to support all “means plus function” claim elements in a patent claim.

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