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**Datasheet for the decision  
of 20 April 2011**

**Case Number:** T 1554/07 - 3.5.02

**Application Number:** 04021045.2

**Publication Number:** 1521217

**IPC:** G07B 17/00

**Language of the proceedings:** EN

**Title of invention:**  
Payment release system

**Applicant:**  
Pitney Bowes Inc.

**Headword:**  
-

**Relevant legal provisions:**  
EPC Art. 56

**Relevant legal provisions (EPC 1973):**  
-

**Keyword:**  
"Inventive step (yes - after amendments)"

**Decisions cited:**  
-

**Catchword:**  
-

**Case Number:** T 1554/07 - 3.5.02

**DECISION  
of the Technical Board of Appeal 3.5.02  
of 20 April 2011**

**Appellant:** Pitney Bowes Inc.  
One Elmcroft Road  
Stamford, CT 06926-0700 (US)

**Representative:** HOFFMANN EITLE  
Patent- und Rechtsanwälte  
Arabellastraße 4  
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**Decision under appeal:** Decision of the Examining Division of the  
European Patent Office posted 14 May 2007  
refusing European patent application  
No. 04021045.2 pursuant to Article 97(1)  
1973 EPC.

**Composition of the Board:**

**Chairman:** M. Ruggiu  
**Members:** M. Rognoni  
E. Lachacinski

**Summary of Facts and Submissions**

I. The applicant (appellant) appealed against the decision of the examining division refusing European application No. 04 021 045.2

II. In the decision under appeal, the examining division held, *inter alia*, that the subject-matter of claim 1 resulted from an obvious combination of the teachings of the following documents:

D1: US-A-2002/0026430  
D2: US-B-6 529 885.

Hence, the subject-matter of claim 1 did not involve an inventive step within the meaning of Article 56 EPC.

III. In a communication dated 28 December 2010 accompanying the summons to oral proceedings, the Board introduced the following document into the appeal proceedings:

D4: US-B-6 415 265.

IV. On 20 April 2011, oral proceedings were held before the Board.

V. The appellant requested that the decision under appeal be set aside and that a patent be granted in the following version:

Description: pages 1 to 3, 3a, 4, 5, 5a, 6 to 16 received in the oral proceedings,

Claims: no. 1 to 8 received in the oral proceedings,

Drawings: sheets 1/4 to 4/4 as originally filed.

VI. Claim 1 of the appellant's request reads as follows:

"Apparatus for authorizing payment upon delivery of an item comprising:

means for registering each one of a plurality of receiving parties with a transaction database (124);  
means for registering each one of a plurality of sending parties with the transaction database (124); and  
means for authorizing a debit from a selected receiving party's account,

wherein the transaction database (124) is maintained by a third party, and wherein the means for authorizing a debit operates in conjunction with the transaction database of the third party

characterized by:

an open system postage meter accessible by an information appliance of a sending party and operable to

generate a postal indicia and an identifier with tracking capability for affixation to an item;

means for associating the identifier with the particular sending party and a particular item;

means for storing data relating to the identifier and the particular sending party in the transaction database (124);

means for obtaining identifier data at a destination location;

means for correlating the identifier data for the delivered item to a sending party;

wherein the means for authorizing a debit is arranged to authorize the debit from the receiving party's account when the tracking status indicates delivery of the item to the receiving party."

Claims 2 to 4 are dependent on claim 1.

Claim 5 reads as follows:

"A method, performed by an apparatus according to claim 1, of authorizing payment upon delivery of an item, the method comprising:

registering each one of a plurality of receiving parties with a transaction database (204);

registering each one of a plurality of sending parties with the transaction database (204); and

authorizing a debit from a selected receiving party's account (230),

wherein the transaction database (124) is maintained by a third party, and wherein the means for authorizing a debit operates in conjunction with the transaction database of the third party

characterized by:

generating by an open system postage meter a postal indicia and an identifier with tracking capability for affixation by a sending party to an item (208);

associating the identifier with a particular sending party and a particular item (210);

storing data relating to the identifier and the particular sending party in the transaction database (210);

obtaining identifier data at a destination location;

correlating the identifier data for the delivered item to a sending party;

wherein the debit from the receiving party's account is authorised when the tracking status indicates delivery of the item to the receiving party."

Claims 6 to 8 are dependent on claim 1.

VII. The appellant's arguments relevant to the present decision may be summarized as follows:

The present invention was concerned with the automatic control of electronic payments. D2 was considered by the

examining division to be the closest prior art and the two-part form of claim 1 was based on D2.

D2 taught, *inter alia*, to store an electronic payment draft together with a number of contingencies that had to be removed before the electronic payment defined by the draft was made. As the people involved in the transaction had to log on to a computer site and remove the contingencies when the required contingency conditions were fulfilled, D2 suffered from the problem of poor reliability and security.

The apparatus according to claim 1 relied on an open system postage meter which was accessible by an information appliance of a sending party and was operable to generate an identifier with tracking capability to be affixed by the sending party to an item and to be stored in a transaction database which was maintained by a third party. By means of this identifier, the third party responsible for authorizing the electronic payment could identify the parties and the item involved in the transaction and the tracking status of the item so as to authorize the payment when the contingency concerning the item delivery was removed. As the claimed system did not involve the manual input of a tracking number generated at the time of shipping or a correlation between different identifiers, i. e. one representative of the transaction and one with tracking capability, it improved the reliability and security of prior art systems.

The postal indicia generated in D1 offered no tracking capability and thus were not comparable with the indicia and identifiers generated by the open system postage meter specified in claim 1.

D4 merely hinted at the possibility that payment was collected by the sales support server after confirmation that an order had been delivered. However, the more detailed description presented in the embodiments did not refer to tracking the delivery of a product and collecting only after confirmation of successful delivery.

In any case, a significant difference between the system in D4 and the system in the present application was that a customer in the system of D4 made a purchase from the sales support server, with the sales support server then being responsible for downloading or shipping the purchased goods to the customer. The sales support server of D4 could, therefore, not address problems in systems such as that with which the present application was concerned, namely a system to assist buyers and sellers who were independent of the server, with the seller (and not the server) having responsibility for shipping the purchased goods to the buyer.

In summary, the subject-matter of claims 1 and 5 of the present application did not result from a combination of the

teachings of D2 and D4 or D1 and thus involved an inventive step (Article 56 EPC).

### Reasons for the Decision

1. The appeal is admissible.

#### Article 123 (2) EPC

2.1 Claim 1 of the appellant's request relates to "an apparatus for authorizing payment upon delivery of an item" comprising the following features:

- (a) means for registering each one of a plurality of receiving parties with a transaction database,
- (b) means for registering each one of a plurality of sending parties with the transaction database,
- (c') means for authorizing a debit from a selected receiving party's account,
- (c'') wherein the transaction database is maintained by a third party, and
- (c''') wherein the means for authorizing a debit operates in conjunction with the transaction database of the third party,
- (d) an open system postage meter accessible by an information appliance of a sending party and operable to generate a postal indicia and an identifier with tracking capability for affixation to an item,
- (e) means for associating the identifier with the particular sending party and a particular item,
- (f) means for storing data relating to the identifier and the particular sending party in the transaction database,
- (g) means for obtaining identifier data at a destination location;
- (h) means for correlating the identifier data for the delivered item to a sending party,
- (i) wherein the means for authorizing a debit is arranged to authorize the debit from the receiving party's account when the tracking status indicates delivery of the item to the receiving party.

2.2 Features (a) to (c') and (e) to (h) of claim 1 are recited in claim 14 of the application as originally filed.

Feature (c'') is recited in claim 17 as originally filed, whereas feature (c''') is essentially disclosed in paragraph [0073] of the original application.

Feature (d) corresponds to the disclosure in paragraphs [0011], [0025], [0032] and [0067] of the original application.

Feature (i) finds support in paragraphs [0002], [0017], [0054], [0064] and [0068] of the original application.

Claim 5 is directed to a method, performed by the apparatus according to claim 1, and comprises the corresponding method steps.

- 2.3 The description has been brought into conformity with the claims of the appellant's request, in particular, by deleting subject-matter no longer covered by such claims.
- 2.4 Hence, the Board is satisfied that all amendments made to the application documents as originally filed are admissible under Article 123 (2) EPC.

Article 54 EPC

- 3.1 None of the prior art documents on file discloses an apparatus comprising all the features recited in claim 1 of the appellant's request, or a method according to claim 5.
- 3.2 Hence, the subject-matter of claims 1 and 5 is new within the meaning of Article 54 EPC.

Article 56 EPC

- 4.1 D2 relates to methods and systems for carrying out directory-authenticated electronic transactions including contingency-dependent payments via secure electronic bank drafts.

The method according to D2 (column 4, line 51 to column 5, line 4) comprises the step of establishing a secure computer site controlled by a bank and accessible only to authenticated parties to the transaction. This site is configured *"to provide a description of a contingency and to include an option to remove the contingency, the removal of the contingency being a precondition to the bank releasing payment on the draft to a payee of the draft"*. Hence, payment on the draft is released *"only when a drawer of the draft is successfully authenticated by the bank and when the option to remove the contingency is timely exercised by an authenticated party that is authorized to remove the contingency."*

Examples of contingencies are given in the two examples 1 and 2 which relate to online auctions and real estate transactions, respectively. In the case of an online

auction, a contingency has to be removed by the buyer after having received and accepted the item which constitutes the object of the transaction.

4.2 Hence, D2 discloses an apparatus according to the preamble of claim 1 (see features (a), (b), (c'), (c'') and (c''')).

5.1 According to the appellant, the apparatus known from D2 suffered from the problem of poor reliability and security. In fact, the electronic transaction would fail if the buyer forgot (or deliberately did not) remove the buyer examination contingency.

5.2 The Board agrees with the appellant that the present invention allows the buyer, whose payment is handled by a third party payment system, to withhold payment to the seller until the tracking status of the purchased goods indicates their delivery to the buyer, but, at the same time gives the seller assurance that this contingency will be removed without the active participation of the buyer.

6.1 Hence, starting from D2, a problem addressed by the present application could be seen in providing an apparatus and a method which increase the reliability and security of the transaction both for the buyer and for the seller.

6.2 The solution proposed in claim 1 combines the following elements of the transaction:

- an open system postage meter generates postal indicia and an identifier with tracking capability for affixation to an item;
- the seller obtains the identifier for the package from the open system postage meter;
- the identifier, associated with the particular sending party and corresponding item, is stored in a transaction database maintained by a third party;
- the third party looks for a match between the stored identifier and the received identifier data and authorizes payment when the tracking status indicates delivery of the item to the receiving party.

In other words, the identifier with tracking capability generated by the open system postage meter is used by a third party to identify the transaction (i.e. sending party, receiving party and item) and to track delivery to the buyer without any active input of data on the part of the seller or of the buyer.

7.1 D4 relates, *inter alia*, to a "server which can be attached to an electronic computer network, ..., and which accepts purchase requests and payment via the network directly from



a customer's computer and issues a shipping order to send a physical product to the customer ... . When the selected product is physical, the Sales Support Server issues a shipping order to a shipping and handling system to transfer the product " (column 2, lines 10 to 27).

D4 points out that, as "with any sales system that uses a bolt-on or an affiliate Shipping and Handling system, Customer Tracking Information and Order Tracking must be kept until the confirmation of the delivery is received. After the confirmation of the delivery is received, the payment is collected .." (column 2, lines 38 to 43, emphasis added).

Furthermore, when "a Shipping and Handling System has (sic) in interactive relationship with the Sales Server, the Sales Server can query the Shipping and Handling system directly for the Order Tracking Information" (column 2, lines 55 to 58).

- 7.2 Thus, it can be assumed that D4 discloses or necessarily implies features (a), (c'), (c''), (c''') and (i) recited in claim 1 of the appellant's request. However, D4 does not specify how the tracking identifier is generated and how transaction data and identifier data may be correlated prior to authorizing payment. In particular, it does not disclose the use of an open system postage meter for generating an identifier with tracking capability which is accessible by the seller and the third party.
- 8. D1 relates to a mail piece verification system and shows, *inter alia*, postal indicia printed by a postage metering system and suitable to be processed by the mail piece verification system. As pointed out by the appellant, D1 is not concerned with providing a mail delivery system which provides tracking capability.
- 9. In summary, none of the prior art documents on file teaches using an open system postage meter to generate an identifier with tracking capability to be sent to a sending party and to be stored in the database of a third party, so that the third party may monitor the tracking status of the item to be delivered to the buyer and authorize payment to the seller upon delivery of the item to the buyer without direct involvement of the seller or the buyer.
- 10.1 In the light of the cited prior art, it was not obvious to a person skilled in the art, starting from D2 and wishing to improve the security of the known system, to arrive at an apparatus falling within the terms of claim 1 of the appellant's request.

Hence, the subject-matter of claim 1 involves an inventive step within the meaning of Article 56 EPC.

10.2 The subject-matter of claim 5 corresponds essentially to the subject-matter of claim 1 expressed in terms of steps of a method, performed by the apparatus according to claim 1. For the same reasons given above, the claimed method also involves an inventive step.

Claims 2 to 4 and 6 to 8 are dependent on claims 1 and 5, respectively.

11. In summary, the application documents according to the appellant's request satisfy the requirements of the EPC and thus provide a basis for granting a patent.

12. Hence, the Board finds that a patent can be granted according to the appellant's request.

**Order**

**For the above reasons it is decided that:**

1. The decision under appeal is set aside.
2. The case is remitted to the department of first instance with the order to grant a patent in the following version:

Description: pages 1 to 3, 3a, 4, 5, 5a, 6 to 16 received in the oral proceedings of 20 April 2011,

Claims: no. 1 to 8 received in the oral proceedings of 20 April 2011,

Drawings: sheets 1/4 to 4/4 as originally filed.

The Registrar:

The Chairman

C. Moser

M. Ruggiu