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Datasheet for the decision
of 13 June 2012

Case Number: T 1990/07 - 3.5.01

Application Number: 99952952.2

Publication Number: 1131754

IPC: G06F 17/60, G06F 1/00

Language of the proceedings: EN

Title of invention:
Method of and system for distributing and redeeming electronic
coupons

Applicant:
Catalina Marketing Corporation

Opponent:
-

Headword:
Online coupons / CATALINA

Relevant legal provisions:
RPBA Art. 12(2)(4), 13(1)(3)

Relevant legal provisions (EPC 1973):
EPC Art. 54(1)(2)

Keyword:
"Novelty - no"
"Late-filed auxiliary request - not admitted"

Decisions cited:
-

Catchword:
-

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Case Number: T 1990/07 **-** 3.5.01

D E C I S I O N
of the Technical Board of Appeal 3.5.01
of 13 June 2012

Appellant: Catalina Marketing Corporation
(Applicant)   200 Carillon Parkway
                     St. Petersburg, FL 33716   (US)

Representative: Reynolds, Julian David
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Decision under appeal: **Decision of the Examining Division of the
                             European Patent Office posted 11 July 2007
                             refusing European patent application
                             No. 99952952.2 pursuant to Article 97(1)
                             EPC 1973.**

Composition of the Board:

Chairman: S. Wibergh
Members: K. Bumes
                   A. Pignatelli

C7830.D

Summary of Facts and Submissions

I.   This appeal is against the decision of the examining
        division to refuse European patent application
        No. 99952952.2, entitled "*Method of and system for
        distributing and redeeming electronic coupons*", filed
        as international application PCT/US99/22169 and
        published as

                        A1: WO-A1-00/19348.
        The refusal was based on the ground of obviousness
        (Article 56 EPC 1973) as the application was considered
        to relate to a business process, the automation of
        which relied on well-known technical means. *Obiter*, the
        decision under appeal cited prior art relating to the
        transfer of information in computer networks,

                        D1: WO-A-98/19224.

        Claim 3 of the main request was rejected due to added
        matter (Article 123(2) EPC 1973) arising from
        rearranged claim dependencies.

II.   In the statement setting out the grounds of appeal, the
        appellant requested that the decision under appeal be
        set aside and maintained the four requests (main
        request, auxiliary requests 1 to 3) rejected by the
        examining division. Oral proceedings were requested on
        an auxiliary basis.

(a)   Claim 1 according to the main request (18.04.2005) and
        auxiliary request 1 (05.04.2007) reads:

        "1. A system (100) for distributing and redeeming
        electronic coupons (304), comprising:

a first server system (120) including a computer
processor and associated memory, said first server
system (120) being connected by a communications
channel(160) to a client system (110), said first
server system (120) including means for providing an
electronic token to said client system (110);

said client system (110) including a computer
processor and associated memory, said client system
(110) being adapted for receiving and storing said
electronic token in said memory;

characterised by said first server system (120)
including means for associating an electronic coupon
(304) with said client system (110) and for providing
an electronic token to said client system (110) without
regard to predetermined client criteria, said token
having a data structure associating said client system
(110) with said electronic coupon,   and in that the
system (100) further includes retrieval means (120; 130;
314) for establishing a connection with said client
system (110), for detecting and retrieving said
electronic token stored on said client system (110),
and for redeeming said electronic coupon (304)."

(b)   Auxiliary requests 2 and 3 (05.04.2007) append the
       following paragraph to claim 1:

       ", the retrieval means (130; 314) includes a second
       server system (130) connected to said communications
       channel (160), and in that the system further comprises
       a third server system (140; 150) connected to said
       communications channel (160), said third server system
       (140; 150) including means for communicating with said
       second server system (130) and for identifying and

authorizing the redemption of said electronic coupon (304)."

III.   According to the statement of grounds of appeal, the invention addressed problems encountered with particular types of interaction over the Internet. Previously, there had been no effective way to distribute and redeem coupons online. The extent of common general knowledge had not been proven by the examining division. In view of considerable design freedom for the skilled person, it could not be said without hindsight that the skilled person could and would arrive at the solution claimed. The early priority year (1998) of the application had to be respected.

IV.   The Board summoned to oral proceedings and expressed its preliminary opinion that the digital coupon scheme described in D1 seemed to anticipate the system according to claim 1 of the main request and auxiliary requests 1 to 3.

        The Board added that the application dealt with a business method which required a number of technical partial problems to be solved at the implementation level. However, the solutions to those problems appeared to rely on common technical knowledge as exemplified by D1 and acknowledged by the present application (A1, page 1, lines 10 to 21: providing a cookie to a client is "common practice").

V.   By a fax received on 8 June 2012, the appellant filed arguments in favour of novelty (main request, auxiliary

request 1) and inventive step (auxiliary requests 2
and 3).

(a)   According to the appellant, D1 does not disclose a
        server system that includes retrieval means for
        retrieving an electronic token stored on a client
        system. The offer-providing server of D1 receives an
        acceptance of an offer rather than an electronic token
        stored at the client (D1, Figure 4B, step 130).
        A program (D1, Figure 4A, step 118: *smart digital offer
        object*) is transferred to the client and accesses the
        coupon at the client and generates an offer (based on
        the coupon) at the client (D1, page 12, line 20 to
        page 14, line 3). Thus, in D1 it is the client rather
        than the server that retrieves the coupon data. The
        program executing at the client does not communicate
        the coupon to a server.

(b)   Unlike D1, the present application described a
        technical problem with cookies: "some web browsers [...]
        limit a website to depositing and retrieving Cookies
        only for itself" (A1, page 9, lines 19 to 21). One
        server might be technically unable to retrieve a cookie
        written to a client by another server. The present
        application described a technical solution to this
        technical problem, which included "retrieval means (120;
        130; 314) for establishing a connection with said
        client system (110), for detecting and retrieving said
        electronic token stored on said client system (110)."

        As D1 was silent with respect to different servers
        retrieving the coupon, claim 1 of auxiliary requests 2
        and 3 did not lack an inventive step over D1.

VI.   The fax of 8 June 2012 includes an amended version of
       claim 1 as a fourth auxiliary request.

(a)   Claim 1 according to auxiliary request 4 reads:
       "1. A system (100) for distributing and redeeming
       electronic coupons (304), comprising:
            a first server system (120) including a computer
       processor and associated memory, said first server
       system (120) being connected by a communications
       channel (160) to a client system (110), said first
       server system (120) including means for providing a
       cookie to said client system (110);
            characterised by said first server system (120)
       including means for associating an electronic coupon
       (304) with said client system (110) and for providing a
       cookie to said client system (110), said token [sic]
       having a data structure associating said client system
       (110) with said electronic coupon, and in that the
       system (100) further includes means for distributing a
       frame-generating script (254) to a plurality of
       websites, wherein the frame-generating script generates
       a frame to be spawned at each of the plurality of
       websites and the frame deposits a cookie on the client
       system and reads the cookie stored at the client system
       from any one of the plurality of websites."

(b)   The amended claim 1 addresses the technical problem
       that a server may be unable to retrieve a cookie
       written to a client computer by another server. The
       solution --- a frame-generating script is distributed
       to a plurality of websites and the frame deposits a
       cookie on the client system and reads that cookie from
       any one of the plurality of websites --- is said to be

based on the description (A1, page 9, lines 17 to 29;
page 10, lines 21 to 28).

VII.   Oral proceedings before the Board took place as
       scheduled (13 June 2012) and covered in particular the
       construction of claim 1 (main request, auxiliary
       requests 1 to 3) and its comparison with the prior art
       according to D1.

       Regarding auxiliary request 4, the professional
       representative explained that its late submission was
       due to a recent change in the appellant's US
       representatives (*instructing attorneys*). In addition,
       clarifications and changes in terminology appeared
       necessary to highlight technical aspects of the
       invention in response to the Board's preliminary
       opinion annexed to the summons.

Reasons for the decision

1.   *The application*

       The application aims at an effective way to distribute
       and redeem coupons online in a network environment (A1,
       page 2, lines 1 to 8), and proposes to transfer an
       electronic token (e.g. in the form of a "cookie") from
       a server system to a client system. The token may
       constitute the coupon, i.e. it may include all the data
       necessary for processing the coupon (page 2, lines 28
       to 30; page 6, paragraph 2), or the token is only a
       pointer to the actual coupon data stored on a server
       system (page 3, lines 10 to 14; page 7, lines 9 to 15;
       original claims 31/32). The handling of the token and

coupon (generation, storage, detection, authentication, authorisation, redemption, accounting) may be distributed over several servers (see e.g. page 2, line 24 to page 3, line 9).

Main Request and First Auxiliary Request

2.   *Construction of claim 1*

2.1   The Board interprets the first characterising feature "*said first server system (120) including means for associating an electronic coupon (304) with said client system (110)*" broadly. For example, the fact that a coupon is sent to the client system entails an associating step as the server must address the coupon to the client system. Any association of a coupon with a client is covered by the claim wording; whenever a component of the system knows that a coupon is related to a specific client, the coupon and the client have been associated with each other.

The description of the application supports such a broad understanding: according to the *Summary of the Invention*, the server merely "transfers" coupons to the client system and the client system stores the coupon (A1, page 2, lines 15/16 and 28/29; page 3, lines 10 to 12; etc). See also original claim 1 ("transmitting").

The specific embodiment of Figure 3 (to which claim 1 is not restricted) mentions that a first server (advertising website 120) may store coupon information "associated with the Client (110)" into the database of another server (clearinghouse 150). Again, this wording

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covers any manner in which the overall system
establishes a relationship between a coupon and a
client.

2.2   The second characterising feature, *"providing an
        electronic token to said client system (110) without
        regard to predetermined client criteria"* generally
        means that the claimed system does *not* comprise means
        for filtering clients when tokens are transferred to
        client systems. In other words, any client is allowed
        to request and receive a token. No other explanation is
        provided by any part of the description.

2.3   The third characterising feature, "*said token having* a
        *data structure associating said client system (110)
        with said electronic coupon*", can be embodied by any
        pointer which is stored on the client system and points
        to a storage location of the actual coupon data (e.g.
        to a server).

3.   *Closest prior art according to Article 54(2) EPC 1973*

3.1   D1 is entitled "*Controlled transfer of information in
        computer networks*" and discloses a first server system
        (Figure 3: *coupon-providing server 102*) which sends a
        digital, i.e. electronic, coupon to the *client computer
        100* (see also Figures 4A/4B; page 12, from line 6
        onwards), i.e. the first server (102) associates the
        coupon with the client system in a general manner by
        addressing it to the client system.

        The coupon may be a digitally signed set of inputs sent
        from the first server (102) to a program residing at
        the client computer (page 12, lines 28 to 30). This is

an additional, specific way of associating the coupon
with the (resident program of the) client system.

3.2   The coupon may simply contain a coded number that can
         be understood by a program (*smart digital offer object*)
         which the client computer may activate at the client
         computer or at a second server (*offer-providing server
         106*) (page 12, lines 33 to 35; page 14, lines 3 to 12;
         Figure 4A, steps 120/122/126; claim 29).

3.3   The *smart digital offer object* (*program*) examines the
         "*coupon and other user-specific information*" and
         presents an offer to the user based on the coupon and
         other information (Figure 4A, step 126), resulting in a
         redemption of the coupon by the user accepting a
         granted discount (page 12, lines 30 to 32; Figure 4B).

3.4   The embodiment of D1 which activates the *smart digital
         offer object* (*program*) at the second (offer-providing)
         server includes server means for retrieving the coupon
         from the client system, see D1, page 14 (lines 3 to 12):
         "*to observe the parameters of the execution environment
         at the client machine, including the presence of
         coupons*".

3.5   Where the coupon consists of a coded number, it
         implicitly acts as a pointer (token) to the full coupon
         information. Otherwise, the *smart digital offer object*
         activated at the *offer-providing server (106)* would not
         be able to examine the coupon.

         At the same time, the *offer-providing server (106)*
         knows that the coupon (or pointer or token) under
         examination originates from the client system which

activated the *smart digital offer object* (Figure 4A, steps 120, 126). Thus, the coupon structure as a whole is associated with the client system (100).

3.6 The token is provided to the client system "*without regard to predetermined client criteria*". There is no filtering of clients who are allowed or disallowed to request electronic coupons; none of the restrictions mentioned at page 12 (lines 30 to 32) relates to clients.

3.7 Basic technical components (*computer processor and associated memory*) are implied in the client and server systems of D1.

4. *Article 54(1) EPC 1973 - Lack of novelty*

Therefore, the Board judges that all the features of claim 1 (main request, auxiliary request 1) are present in D1.

Consequently, the system according to claim 1 lacks novelty (Article 54(1) EPC 1973).

Auxiliary Requests 2 and 3

5. *Article 54(1) EPC 1973 - Lack of novelty*

5.1 Claim 1 according to auxiliary requests 2 and 3 adds that "*a third server system*" communicates with "*a second server system*" over a communications channel for identifying and authorising the redemption of the electronic coupon.

5.2   D1, Figure 4B (steps 130/132) refers to a third server
       (*intermediary server*, see also Figure 3, reference
       numeral 111) in addition to the *coupon-providing server
       102* and the *offer-providing server 106*. As a coupon
       represents financial value, it needs to be protected
       from fraud and the redemption of coupons resumes
       security features of conventional online payment
       schemes. A conventional security measure is the use of
       a trusted intermediary server as set out by D1 (page 6,
       lines 31 to 33: "*notification server 16 that acts as a
       trusted intermediary*"; page 15, lines 6 to 25).

       The communications channel used by the three servers
       may be embodied by the world wide web (D1, e.g. page 2,
       paragraph 2).

5.3   Therefore, the Board judges that also claim 1 according
       to auxiliary requests 2 and 3 contains no novel feature
       over D1.

       Admissibility of Auxiliary Request 4

6.   Claim 1 according to auxiliary request 4 was filed
       three working days before the oral proceedings
       appointed by the Board of Appeal.

       However, under the provision of Article 12(2) RPBA the
       statement setting out the grounds of appeal shall
       contain a party's complete case.

       According to Articles 12(4) and 13(1)(3) RPBA, the
       Board has a discretion to disregard requests, facts and

evidence filed after the statement setting out the
grounds of appeal has been filed.

The discretion shall be exercised in view of *inter alia*
the complexity of the amended subject-matter, the
current state of the proceedings and the need for
procedural economy (Article 13(1) RPBA).

7.   As far as procedural economy is concerned, an amendment
at a late stage in the proceedings is justifiable if it
is an appropriate and immediate reaction to
unforeseeable developments in the previous proceedings
which do not lie in the responsibility of the party
submitting the amendment.

In the present case, the Board's annex to the summons
stated that an inventive step required a technical
solution rather than a commercial innovation. However,
an objection on that basis had been raised by the
examining division and was the substantive ground for
refusal (decision under appeal, points II.2 to II.4).

The issue was therefore not surprising to the appellant
and it could have filed auxiliary request 4 even during
the first-instance proceedings. Nevertheless, the
appeal refrained from introducing the subject-matter
which auxiliary request 4 now highlights as a technical
solution to a technical problem.

Also the change of representatives does not constitute
an unforeseeable development lying outside the sphere
of responsibility of the appellant. On the contrary, it
was an internal decision of the appellant (cf. *Case Law*

of the Boards of Appeal of the EPO, 6th edition 2010,
section VII.C. 1.5.3, for jurisprudence on this point).

Therefore, the Board holds that there was no procedural
justification for filing this request at so late a
stage of the proceedings.

8.   As far as the complexity of the new subject-matter is
        concerned, according to the established jurisprudence
        of the boards of appeal, amendments submitted at, or a
        few days before, oral proceedings should only be
        admitted if they are clearly allowable (cf. *Case Law of
        the Boards of Appeal of the EPO*, 6th edition 2010,
        VII.E. 16.1.1 and 16.4.1).

        Claim 1 entails considerable amendments including
        deletions of features (with respect to the main request)
        and insertions of features based exclusively on the
        description (A1, page 9, line 17 to page 11, line 5).

        As the claim resumes only part of the features of the
        main request and is shifted to a different group of
        features (cookie generation rather than server
        structure), the Board considers the claimed system as
        diverging subject-matter (*claim hopping*) which in
        general should not be admitted into second-instance
        proceedings, in particular at its final stage.

        Furthermore, the amendments are based on features from
        the description which may not have been searched.

        Moreover, the deletion of features in claim 1 creates
        inter alia a clarity problem or a lack of support by
        the description (Article 84 EPC 1973): the redeeming

step has been deleted (from the end of claim 1 of the
main request) although the application and all previous
versions of claim 1 relate to a "system for
distributing and redeeming electronic coupons".

Thus, the claims of auxiliary request 4 are not clearly
allowable. The Board is not in a position to come to a
substantive conclusion on the request without extending
the procedure by a considerable amount of time, which
would be detrimental to procedural economy and legal
certainty. No procedural circumstances would justify
such a conduct of the proceedings.

9.   After having taken all these circumstances into account
       in exercising the discretion given to it in Articles
       12(2)(4) and 13(1) RPBA, the Board did not admit the
       late-filed auxiliary request 4 into the proceedings.

Order

For these reasons, it is decided that:

The appeal is dismissed.

The Registrar: The Chairman:

T. Buschek   S. Wibergh