

**THIS OPINION WAS NOT WRITTEN FOR PUBLICATION**

The opinion in support of the decision being entered today (1) was not written for publication in a law journal and (2) is not binding precedent of the Board.

Paper No. 8

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

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Ex parte DAVID V. ALBERTSON

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Appeal No. 96-0667  
Application 08/061,249<sup>1</sup>

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ON BRIEF

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Before HAIRSTON, KRASS and FLEMING, Administrative Patent Judges.  
KRASS, Administrative Patent Judge.

**DECISION ON APPEAL**

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<sup>1</sup> Application for patent filed May 17, 1993.

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This is a decision on appeal from the final rejection of claims 1 through 12, all of the claims pending in the application.

The invention is directed to a communication system for a pay telephone. More particularly, advertising materials for selected business locations, along with toll-free telephone numbers for those business locations, are located adjacent pay telephones. Data is recorded regarding the use of such toll-free telephone numbers and a statement is then sent to each of the selected businesses for the cost of each telephone call, as well as the cost of the toll-free service and the cost of advertising associated with each pay telephone. In this manner, business operators are provided with information concerning the cost and effectiveness of advertising for each pay telephone so that less effective pay telephone locations can be dropped or changes in advertising materials can be made.

Claims 1 through 6 relate to pay telephones and claims 7 through 12 relate to "smart" pay telephones.

Representative independent claim 1 is reproduced as follows:

1. A method of communication with a pay telephone connected to selected business locations through a local telephone carrier and a long distance telephone carrier: assigning a separate 1+800-XXX telephone number to each business

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location, placing the assigned telephone numbers on advertising materials located adjacent the pay telephone and indicating to the caller that telephone calls to the assigned telephone numbers are free to the caller, recording the telephone calls of the assigned telephone numbers by the long distance carrier, monitoring and recording all telephone calls of the assigned telephone numbers that are handled by the long distance carrier, and accessing the recorded telephone calls and rendering a statement to each selected business location for the cost of each telephone call to each selected business location, cost of 1+800-XXX service, and cost of advertising associated with each selected pay telephone.

The references of record relied upon by the examiner are:

Hird et al. (Hird)	4,933,966	Jun. 12, 1990
Smith et al. (Smith)	4,942,604	Jul. 17, 1990
Davis	5,272,748	Dec. 21, 1993

(filed May 21, 1991)

Claims 1 through 12 stand rejected under 35 U.S.C. 103. As evidence of obviousness, the examiner offers Davis and Smith with regard to claims 1 through 6, adding Hird to this combination with regard to claims 7 through 12.

Reference is made to the brief and answer for the respective details of the positions of appellant and the examiner.

#### OPINION

We reverse.

The examiner employs Davis for the teaching of a pay telephone having telephone numbers for business locations located

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adjacent thereto. The examiner states [answer, page 3] that it is "inherent" for the businesses "to be charged an advertising fee for the numbers being attached to the telephone." However, appellant challenges the examiner's allegation of "inherency," at page 9 of the brief, stating that "[t]here are no advertising fees in the prior art for signage [?] used with selected pay telephone numbers." Since Davis speaks of "subscribing taxi companies" [column 7, line 40], it is not unreasonable to assume that these taxi companies pay for the privilege of advertising their telephone number.

The examiner recognizes that Davis does not disclose these telephone numbers as being of the toll-free variety or that the cost of advertising will be added to the billing statement, as claimed. However, the examiner contends [answer, page 4], that it is "well known" to provide businesses with toll-free telephone numbers and cites Smith for that proposition, adding that it is an "inherent" feature to record the toll-free calls for proper billing.

While we can agree with the examiner insofar as the notoriety of providing businesses with toll-free telephone numbers and of charging businesses for such service and for advertising, the instant claims do not merely call for charging a

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fee for advertising. Rather, the claims require that the statement rendered to the businesses include thereon "the cost of each telephone call to each selected business location, cost of 1+800-XXX service, and cost of advertising associated with each selected pay telephone" [emphasis ours]-claim 1; or "the cost of each telephone call to the assigned telephone number from each pay telephone for the cost of each telephone call and the cost of advertising associated with each pay telephone" [emphasis ours]-claim 7.

As recognized by appellant, at page 9 of the brief, while businesses certainly have been charged for advertising and for toll-free telephone service, the bill therefor included a total charge for the service without regard to the particular telephone from which the calls were made. As explained by appellant, "[t]hese bills are not separated for selected pay telephone locations with supporting statements for calls from the selected pay telephone along with costs of advertising located adjacent the selected pay telephone." As required by the instant claims, the statement rendered according to the claimed method includes, inter alia, the "cost of advertising associated with each selected pay telephone." This is not taught or suggested by the prior art of record.

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While the examiner takes the position that billing the cost of advertising associated with each selected pay telephone is not a patentable distinction over the prior art because the type of, or frequency of, billing is merely "a contractual agreement set between two parties" [answer, page 4], we agree with appellant that "[t]his is a process step defined in the claims and not a contractual agreement" [brief, page 9]. Especially in view of any suggestion by the applied references to render a statement regarding the cost of advertising associated with individually selected pay telephones and in view of the advantages obtained by the instant claimed invention in terms of cost effectiveness information for business operators regarding advertising at individual pay telephone locations, the examiner's contention that the method of billing is simply an obvious contractual agreement between parties appears to be founded on impermissible hindsight employing appellant's disclosure as a guide.

Hird is applied by the examiner with regard to claims 7 through 12 to show "smart" pay telephones and while we agree that it would have been obvious to apply the teachings Davis and/or Smith to "smart" pay telephones, Hird does not provide for the deficiencies of Davis and Smith regarding rendering a statement

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showing the cost of advertising associated with each selected pay  
telephone.

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Accordingly, the examiner's decision rejecting claims 1 through 12 under 35 U.S.C. 103 is reversed.

**REVERSED**

KENNETH W. HAIRSTON	)	
Administrative Patent Judge	)	
	)	
	)	
ERROL A. KRASS	)	BOARD OF PATENT
Administrative Patent Judge	)	APPEALS AND
	)	INTERFERENCES
	)	
	)	
MICHAEL R, FLEMING	)	
Administrative Patent Judge	)	

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