

Consumers Interstate secures patent for Internet Procurement Method

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Industrial Distribution Staff

Consumers' Interstate Corp., a Norwich, Conn.-based distributor of industrial supplies, has secured a U.S. Patent (#6,895,389) for the Internet Procurement Method. The patent gives the company the ability to protect its invention, which includes the creation of a personalized Web site order form that remembers and recalls the shopping history of an individual consumer (commonly referred to as the "favorites" list), enabling them to place their next orders more efficiently.

According to Consumers Interstate, specifically, the patent applies to providing individual shoppers and companies with the method for ordering on the Internet most efficiently; providing a password to access the host's Web site; organizing and storing the customer's specific product needs information in the host's database either through auditing the customer's purchasing records or interviewing the customer personally; displaying a custom order form that lists only the products unique to each shopper; and enabling the customer to place orders from the custom order form.

Filed on September 6, 2000, the Internet Procurement Patent will give Consumers Interstate Corp. protection against anyone else using or selling its business method for 21 years from the filing date.

"The patent was filed to protect Consumers Interstate's method of doing business on the Internet. After developing our Internet sales strategy and launching our Web site, I realized and feared that our business method was now available to be seen openly by our competition on the Internet and then copied," Kenn Fischburg, president of Consumers Interstate, said in a prepared statement. "I decided to pursue the patent because I wanted to protect my company's sales strategy and vision. Additionally, I did not want to violate or infringe on another company if they had a patent."

The U.S. Patent Office began issuing patents for business methods—as opposed to actual products, such as a power tool or vacuum—in the 1990s. The situation has garnered much controversy in recent years, as lawsuits have arisen across the country.

"The patent will surely have an effect on the e-commerce strategy within the distribution industry," Fischburg added. "Anyone using a Web site order form that remembers and

recalls the shopping history of an individual consumer is in potential infringing on Consumers Interstate's patent."

The company said it plans to offer and license the use of the patent to "innovative companies that wish to use it as part of their eCommerce sales strategy." The company said it will also target software development companies wishing to incorporate the method in their program offerings.

In a press release, the company added that, "While Consumers Interstate Corp. does not wish to assume an adversarial stance with anyone, they will enforce their patent rights against infringing competitors, product distributors, Web site designers, software development companies and programmers."

For more information on the Consumers Interstate patent, go to www.internetprocurementmethod.com.