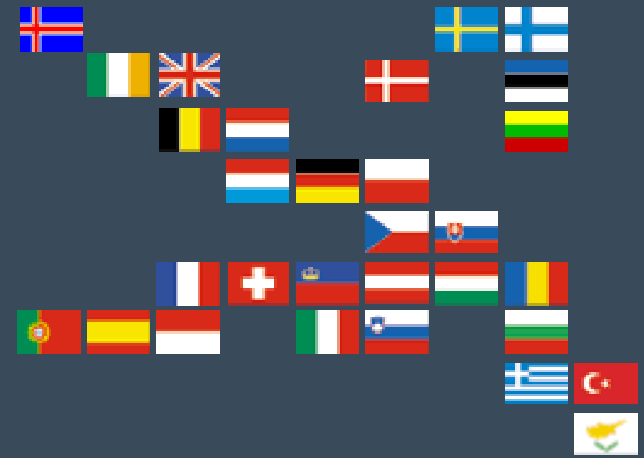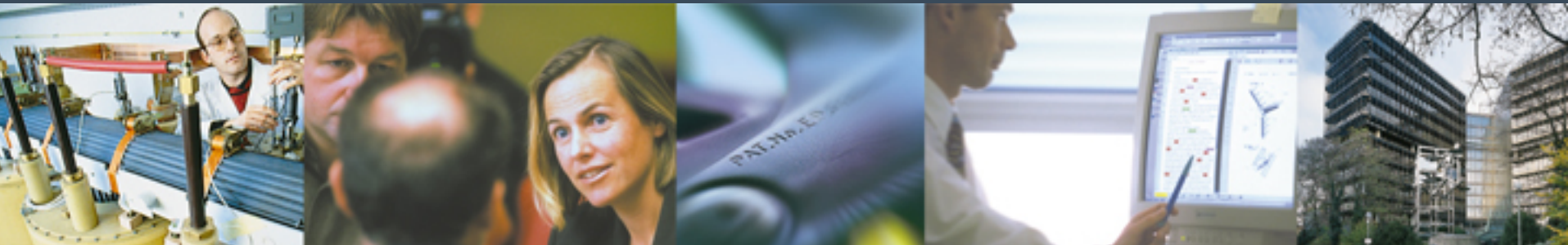**European Patent Office**

The European Patent Office

Service For Industry and Public

European Patent Office

Examination of CII and Business Methods Applications

Madrid

November 2006

Joerg Machek, Ph.D.,
Director 2.2.21

A method of promoting toy sales,

comprising the step of

placing the toys on the lower shelves of the store,
where they are easily accessible for children.

➢ classified in IPC class G06Q (was G06F17/60)
➢ ~ 80000 published applications

**Cluster
"Computers"**

Requirements
of the EPC

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A method for employing a training script

comprising the steps of

- receiving a training script;
**- detecting a characteristic of a workout;
    and**
**- displaying activity information
  designated by the training script in
  response to detecting the characteristic.**

➢ classified in IPC class G09B
➢ ~ 54.000 published applications
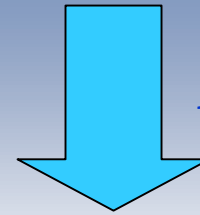
Requirements for patentability

Art. 52(1) EPC

European patents shall be granted for **inventions** which

- are **new**,

- involve **an inventive step** and

- are susceptible of **industrial application.**

What is excluded from patentability?

Article 52(2) :

The following in particular shall not be regarded as inventions

a) discoveries, scientific theories and mathematical methods

b) aesthetic creations

c) schemes, rules and methods for performing mental acts, playing games or doing business, and programs for computers;

d) presentation of information

...as long as claimed as such Article 52(3)

What is an invention?
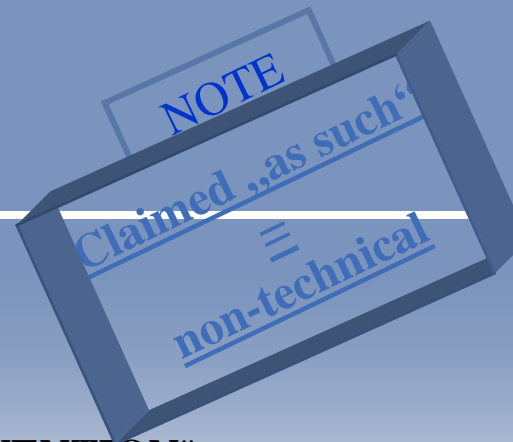
NOTE

Claimed "as such" ≡ non-technical

Art.52(1) EPC *"there must be an invention"*

(Guidelines C-IV, 1.1(i)) ✡ "hidden" requirement = "**INVENTION**"

Art.52(2) EPC *: non-exhaustive list of "non-inventions"* or
potential EXCLUSIONS

Art.52(3) EPC: The items in the list of Art.52(2) EPC become
exclusions only when they are claimed **AS SUCH**

✡   *IMPORTANT*: assessment of whether the claimed subject-matter represents an INVENTION or an EXCLUSION **without regard to prior art**.

✡   **The claim is considered as a whole**

What is an invention?

- Having **technical character** is an implicit requirement of the EPC to be met by an invention in order to be an invention within the meaning of Article 52(1) EPC.

  T 931/95 - Pension benefit scheme

- A method involving **technical means** is an invention within the meaning of Article 52(1) EPC.

  T 0258/03 - HITACHI Headnote I.

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Technicality

What is technical?

**No definition of the word „technical" is
contained in the European Patent Convention
(EPC).**

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Definition of German Federal Court of Justice

„A teaching for a <u>systematic proceeding by application of controllable natural forces</u> to achieve a causal perceivable result, which is the immediate consequence of the controllable natural forces without an intermediate step of the human intellect."

Antiblockiersystem: GRUR 1980, 802

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Definition of German Federal Court of Justice revisited

„A process that involves – prior to the physical production – an intermediate step performed substantially with the aid of computers <u>cannot be excluded from patentability on the grounds that it refrains from making direct use of controllable forces of nature</u> if the solution seeks to promote the possibility of manufacturing technically workable products in a different manner by technical knowledge."

Logikverifikation: BGH ref X ZB 11/98

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EPO Approach

Rather than attempting a general definition of technical", the Board's present approach is to stake out, through a series of individual decisions, the grey area requiring interpretation.

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Requirements of the EPC

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Technical is...

- processing **physical data**

  parameters or control values of an industrial process

- processing which **affects the way a computer operates**
  - ✓ saving memory, increasing speed
  - ✓ security of a process, rate of data transfer etc.

- technical character may be implied by the **physical features of an entity**
  - ✓ memory, port etc.

Technicality

- **Features relating to non-inventions within the meaning of Art. 52 (2) EPC are non technical features, e.g.**

  - selling, trading, insurance

  - choosing amongst candidates for a job

  - order placement and management

EPO procedure

Cluster "Computers"

Requirements of the EPC

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The examining division is responsible for the examination of European patent applications. (Article 18(1) EPC).

=> proceedings *ex parte*

EPO procedure

An Opposition Division shall be responsible for the examination of oppositions against any European patent (Article 19(1) EPC).

=> proceedings *inter partes*

Cluster
"Computers"

Requirements
of the EPC
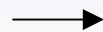
Technicality

EPO Practice

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EPO Practice

1. If the subject matter of the claims does **not** comprise a **technical character**

⟶ object under Article 52(2) and (3)

[possible 'no search'; double-check description]

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EPO Practice

"No Search" Statement :

The claims relate to subject matter excluded from patentability under Art. 52(2) and (3) EPC.

Given that the claims are formulated in terms of such subject matter or merely specify commonplace features relating to its technological implementation, **the search examiner could not establish any technical problem which might potentially have required an inventive step to overcome**.

Hence it was not possible to carry out a <u>meaningful</u> search into the state of the art (Rule 45 EPC). See also Guidelines Part B Chapter VIII, 1-3.

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EPO Practice

260   Amtsblatt EPA / Official Journal EPO / Journal officiel OEB   5/2002

MITTEILUNGEN DES EURO-PÄISCHEN PATENTAMTS

INFORMATION FROM THE EUROPEAN PATENT OFFICE

COMMUNICATIONS DE L'OFFICE EUROPEEN DES BREVETS

Mitteilung des Europäischen Patentamts vom 26. März 2002 über Geschäftsmethoden[1]

Notice from the European Patent Office dated 26 March 2002 concerning business methods[1]

Communiqué de l'Office européen des brevets, en date du 26 mars 2002, concernant les méthodes dans le domaine des activités économiques[1]

PCT

In den letzten Monaten hat sich gezeigt, daß immer mehr internationale Anmeldungen, für die das EPA als Internationale Recherchenbehörde und mit der internationalen vorläufigen Prüfung beauftragte Behörde tätig werden soll, im wesentlichen auf Geschäftsmethoden[2] und allgemein bekannte Merkmale gerichtet sind, die sich auf deren technische Umsetzung beziehen.

PCT

It has become apparent in recent months that an ever increasing number of international applications for which the EPO is to act as International Searching Authority and International Preliminary Examining Authority relate primarily to methods of doing business[2] and commonplace features relating to their technological implementation.

PCT

Il a été constaté ces derniers mois qu'un nombre sans cesse croissant de demandes internationales pour lesquelles l'OEB fait office d'administration chargée de la recherche internationale et d'administration chargée de l'examen préliminaire international avaient trait essentiellement à des méthodes dans le domaine des activités économiques[2] et à des caractéristiques banales relatives à la mise en oeuvre technique de ces méthodes.

Cluster
"Computers"

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EPO Practice

Example:

A method for evaluating leadership effectiveness, comprising the steps of:

- **gathering target information quantifying at least one domain selected from the group consisting of having personal convictions, being visionary, building emotional bonds, being inspirational, being team oriented, being a risk taker and having a drive to excel;**

- **comparing the target information with a standard, the standard including standard values of the domain; and**

- **identifying non-standard responses of the target.**

**Cluster
"Computers"**

Requirements
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EPO Practice

2. If there is a <u>mix</u> of **non-technical** and **technical** features:

<table>
<tr><td>"requirement specification"</td><td></td><td>prior art in a field of technology</td></tr>
</table>

= instructions given to the programmer summarising the requirements of the customer

e.g. a business or administrative process to be automated

• skilled person is aware of it

• normally found in description & (in summarised form) in claims

...return

Does the claim comprise:

A feature or group of features that, considered independently from the group of remaining features of the claim, define subject-matter excluded from patentability under Article 52(2) and (3) EPC; wherein

said feature or group of features does not combine with the group of remaining features of the claim in a way such that the combination of both groups of features has a different technical character to that of the group of remaining features of the claim when considered on its own.

If the answer to this question is yes then said feature or group of features is considered to be non-technical.

EPO Practice

based on the **technical** implementation set out in the claims and description:

> identify
> **closest prior art**
> in the field of technology

IF:
so widely known as to be considered as **common-place**
e.g. computer network or
general purpose computer

THEN:
no **written** evidence is necessary to prove its existence

[possible no-search]

OTHERWISE:
search for the closest document describing the technical features.

Cluster
"Computers"

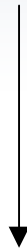Requirements
of the EPC

Technicality

EPO Practice

Statistics

EPO Practice

4. Identify **all the differences** between the subject matter of the claim and the closest prior art

a)

if there
are none

↓

object
under
Art. 54

b)

if the differences are
not technical

no objective
technical
problem

object. technical
problem =
implementation/
automation of
requirements specification

object
under
Art. 56

double-check: Is there a non-obvious technical effect achieved by the non-technical features in combination with the technical features?

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Requirements of the EPC

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EPO Practice

4. Identify **all the differences** between the subject matter of the claim and the closest prior art

c)

if differences =
mix of non-technical & technical features

i) formulate the objective technical problem
   taking into account the requirements specification
   *e.g. "how to adapt system of CPA in order to implement
       the business concept"*

   Solution:
   solution of the objective technical problem must require
   the technical features of the above identified differences.

ii) if the solution of the technical problem is obvious

   ⟶ object under Art. 56

double-check: Is there a <u>non-obvious</u> technical
effect achieved by the non-technical features
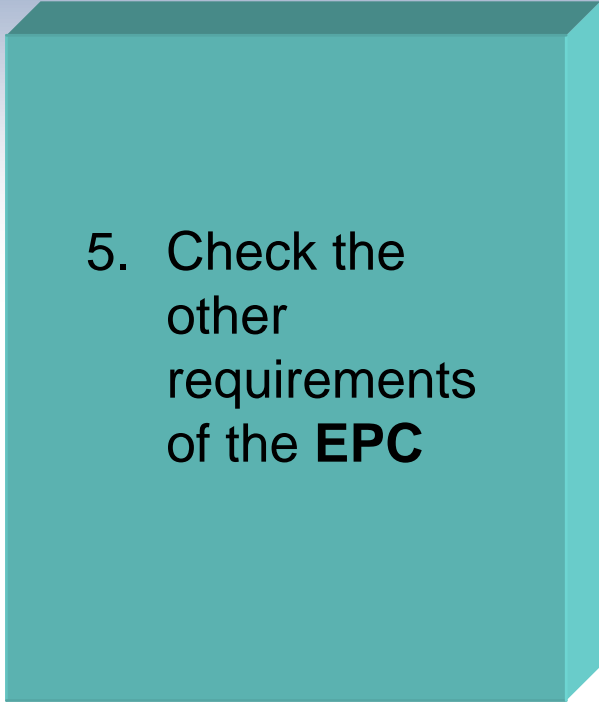in combination with the technical features?

d)

if differences
are purely
technical

apply
classical
PSA

EPO Practice

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"Computers"

Requirements
of the EPC

Technicality

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Statistics

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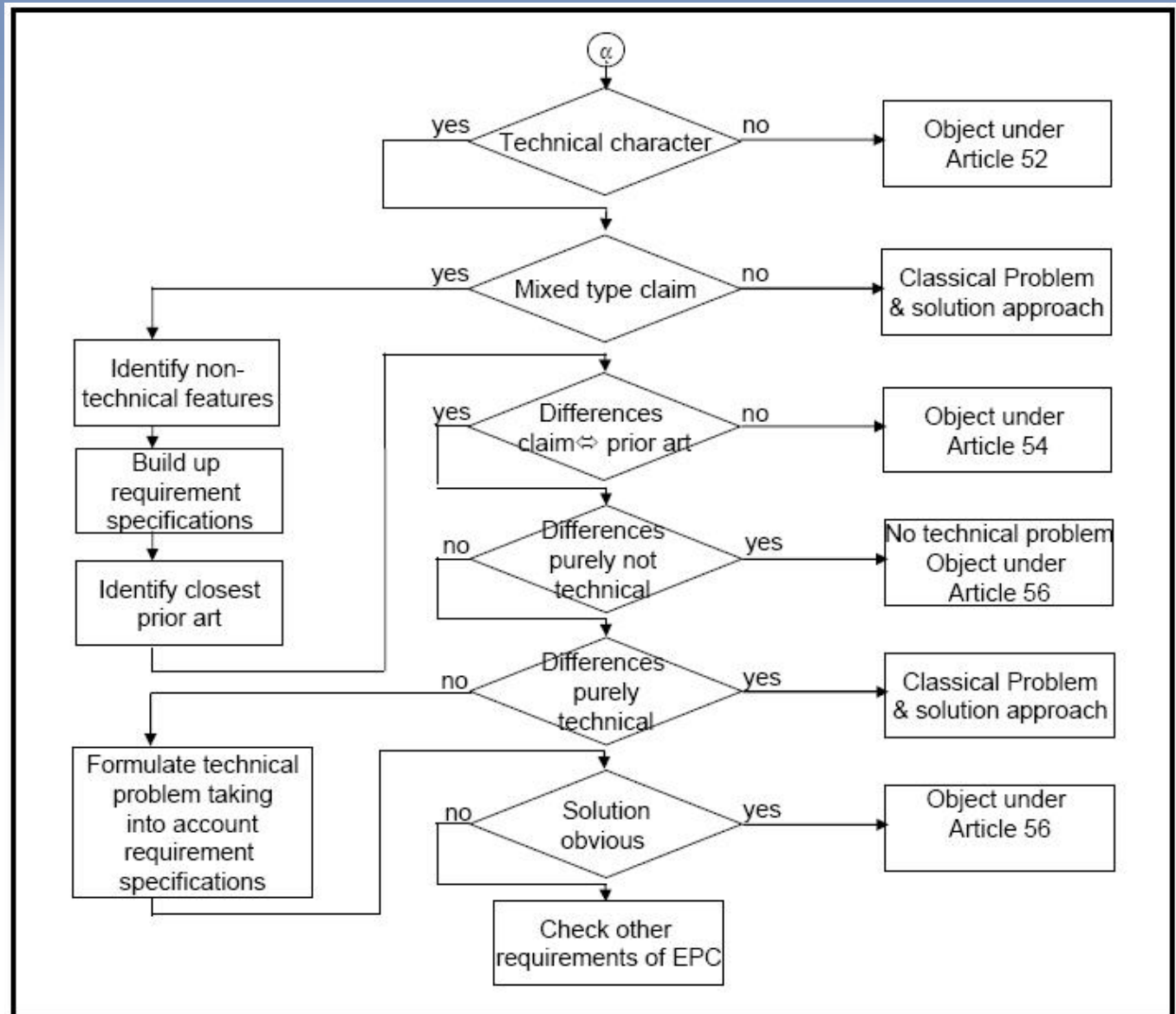5. Check the other requirements of the **EPC**

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"Computers"

Requirements
of the EPC

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EPO Practice

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EPO Practice

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Example:

A **computerised** method for evaluating leadership effectiveness, comprising the steps of:

- **receiving on a computer** target information quantifying at least one domain selected from the group consisting of having personal convictions, being visionary, building emotional bonds, being inspirational, being team oriented, being a risk taker and having a drive to excel;

- comparing **electronically** the target information with a standard, the standard including standard values of the domain; and

- identifying **electronically** non-standard responses of the target;

- outputting the non-standard responses on **a display screen.**

Cluster
"Computers"

Requirements
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EPO Practice

Technical	**Yes**
Mixed type claim	**Yes**
Requirement specs	**Evaluating leadership**
Closest prior art	**General purpose computer**
Differences	**Data processing**
Technical problem	**Adapt a computer**
Solution obvious	**Yes**

Requirement Specifications

A computerised method for evaluating leadership effectiveness, comprising the steps of:

A method for evaluating leadership effectiveness,

- **where**
- **receiving on a computer target information quantifying at least one domain selected from the group consisting of having personal convictions, being visionary, building emotional bonds, being inspirational, being team oriented, being a risk taker and having a drive to excel;**

- **information being a group of attributes is received from a potential candidate;**

- **the target information is compared with a pre-defined standard; and**

- **comparing electronically the target information with a standard, the standard including standard values of the domain; and**

- **non-standard responses are identified;**

- **identifying electronically non-standard responses of the target;**

- **outputting the non-standard responses on a display screen.**

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Requirements of the EPC

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Differences

A **computerised** method for evaluating leadership effectiveness, comprising the steps of:

- **receiving** target information **on a computer**;

- **electronically comparing** the information with a standard, at least one domain selected from the group consisting of having personal convictions, being visionary, building emotional bonds, being inspirational, being team oriented, being a risk taker and having a drive to excel;

- **electronically identifying** non-standard responses;

- **outputting** the non-standard responses **on a display screen**.

- comparing **electronically** the target information with a standard, the standard including standard values of the domain; and

- identifying **electronically** non-standard responses of the target;

- outputting the non-standard responses on **a display screen**.

Cluster
"Computers"

Requirements
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Objective technical problem

adapt the general purpose computer so that

the requirement specifications are implemented and can be performed electronically and the resulting information is displayed on a screen.

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Requirements
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EPO Practice

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EPO Practice

Example:

Method for purchasing and payment of goods and services, preferably audio and/or video data provided on a provider's platform in a computer network, like the Internet,
comprising the steps:
- taking a customer's order for goods and services, preferably an order for audio and/or video data files;
- providing a download of ordered goods and services, preferably of audio and/or video data files, for the customer;
and
- debiting a mobile telephone account of the customer.

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"Computers"

Requirements
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EPO Practice

Technical	**Yes**
Mixed type claim	**Yes**
Requirement specs	**<u>Ordering and paying for goods</u>**
Closest prior art	**Platform for downloading audio files from the Internet**
Differences	**<u>Debiting mobile phone account</u>**
Technical problem	**<u>none</u>**
Solution obvious	**n.a.**

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Requirements
of the EPC

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Requirement Specifications

Method for selling/purchasing and/or ordered services,
preferably audio and/or video data provided on a
provider's **platform in a computer network**, like the
Internet,
comprising the steps
- taking a customer's order for goods and services,
preferably telephone for **audio and/or video data files**,
- providing a **download** of ordered goods and services,
  preferably of audio and/or video data files, for the
customer;
  and
- debiting a mobile telephone account of the customer.

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Differences

Method for purchasing and payment of goods and services, preferably audio and/or video data provided on a provider's platform in a computer network, like the Internet,
comprising the steps:
- taking a customer's order for goods and services,
   preferably an order for audio and/or video data files;
- providing a download of ordered goods and services,
   preferably of audio and/or video data files, for the customer;
   and
- debiting a mobile telephone account of the customer.

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EPO Practice

Objective technical problem

no objective technical problem can be identified

There is no inventive step involved.

Cluster
"Computers"

Requirements
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Example:

Method for purchasing and payment of goods and services, preferably audio and/or video data provided on a provider's platform in a computer network, like the Internet,
comprising the steps:
- taking a customer's order for goods and services, preferably an order for audio and/or video data files;
- providing a download of ordered goods and services, preferably of audio and/or video data files, for the customer;
** and**
- debiting a mobile telephone account of the customer, whereby the purchase data sent to the telephone company are at least partially encrypted by a password.

EPO Practice

Technical	**Yes**
Mixed type claim	**Yes**
Requirement specs	**Ordering and paying for goods**
Closest prior art	**Platform for downloading audio files from the Internet**
Differences	**Debiting mobile phone account and encrypting purchase data**
Technical problem	**Enhance data security**
Solution obvious	**Was encryption known?**

Cluster
"Computers"

Requirements
of the EPC

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5. Check the other

requirements of the **EPC**

Statistics

Cluster "Computers"

Requirements of the EPC

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Total and CII Applications at EPO
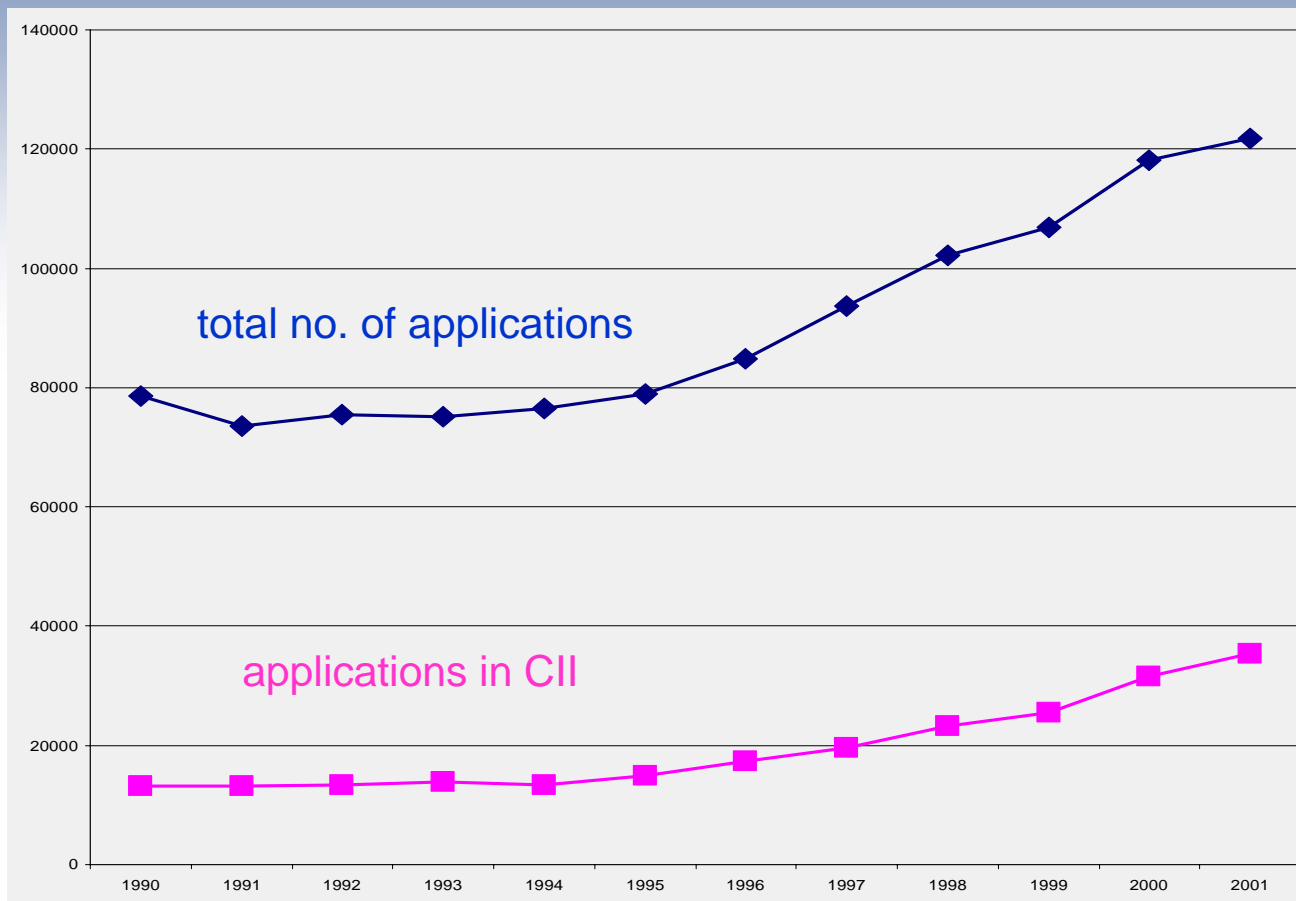
total no. of applications

applications in CII
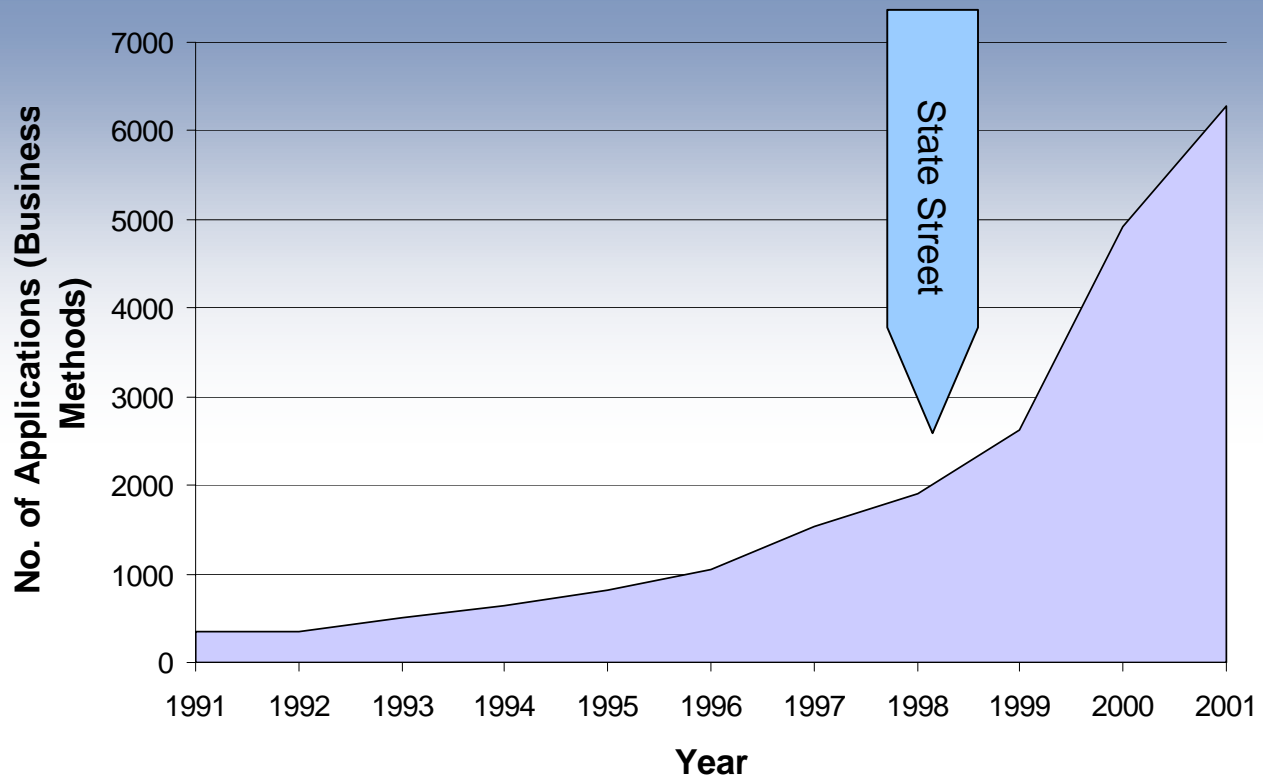
Statistics

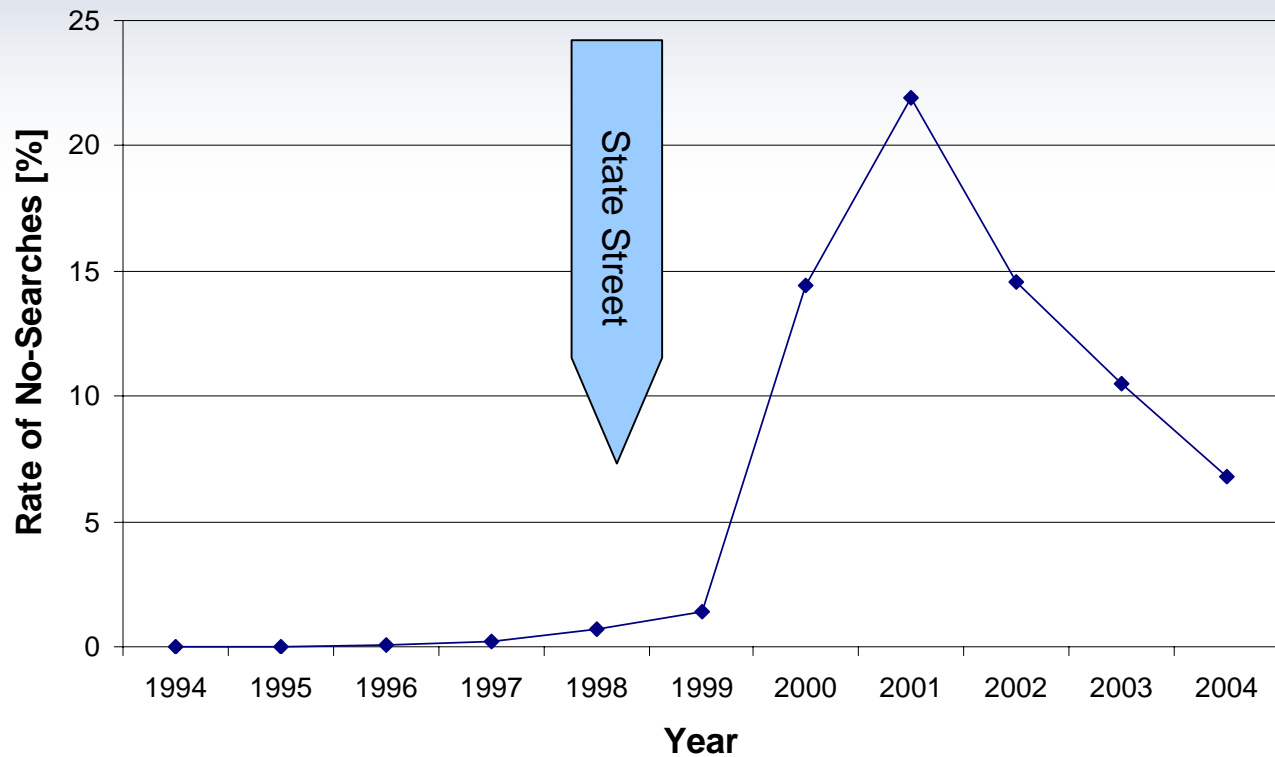The number of applications to be searched at the EPO increased dramatically in the field of business methods.

Statistics

Rate = number of 'No Search' / the total number of applications
(in the field of business methods)

rate of 'No Search'
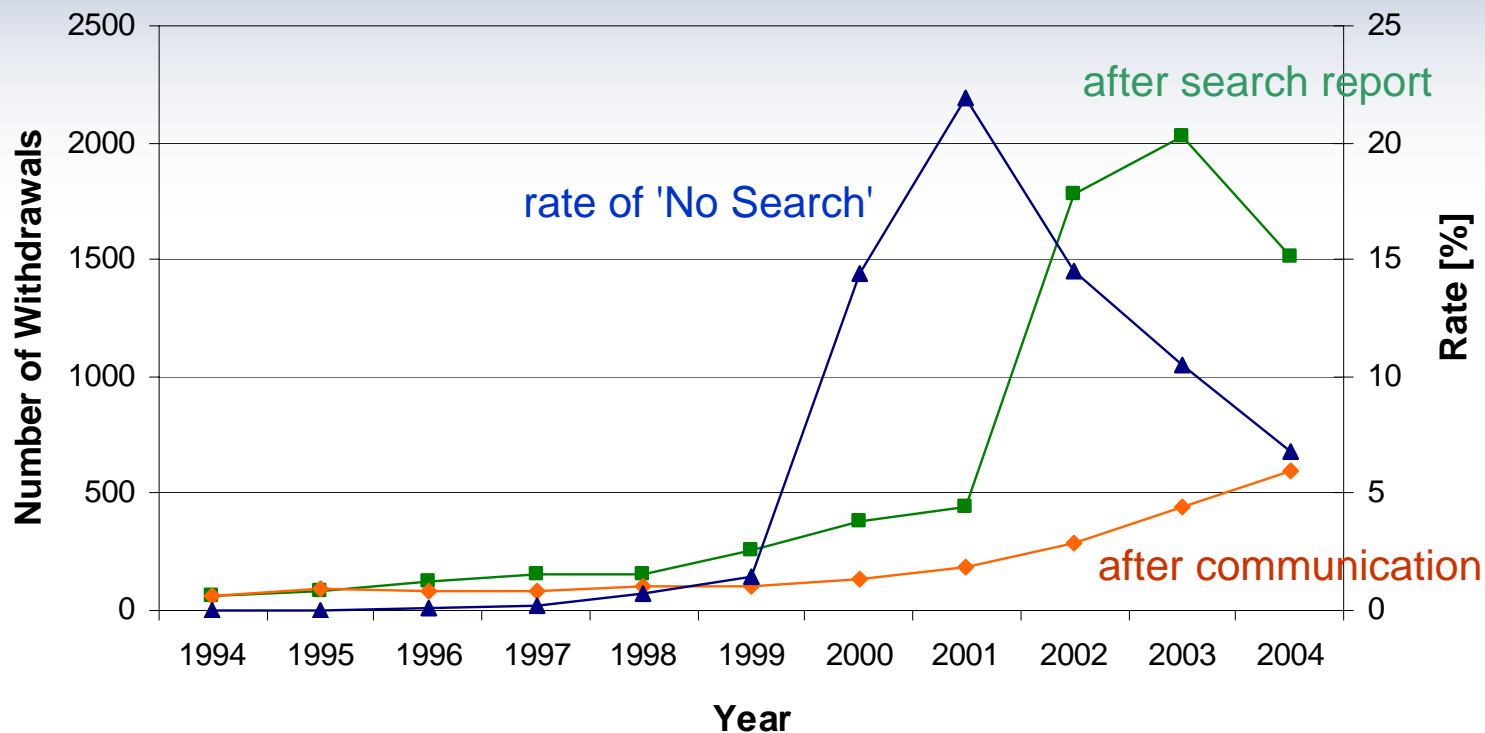
State Street

Cluster
"Computers"

Requirements
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Statistics

Number of withdrawals after 'No Search' and after written communication
(in the field of business methods)
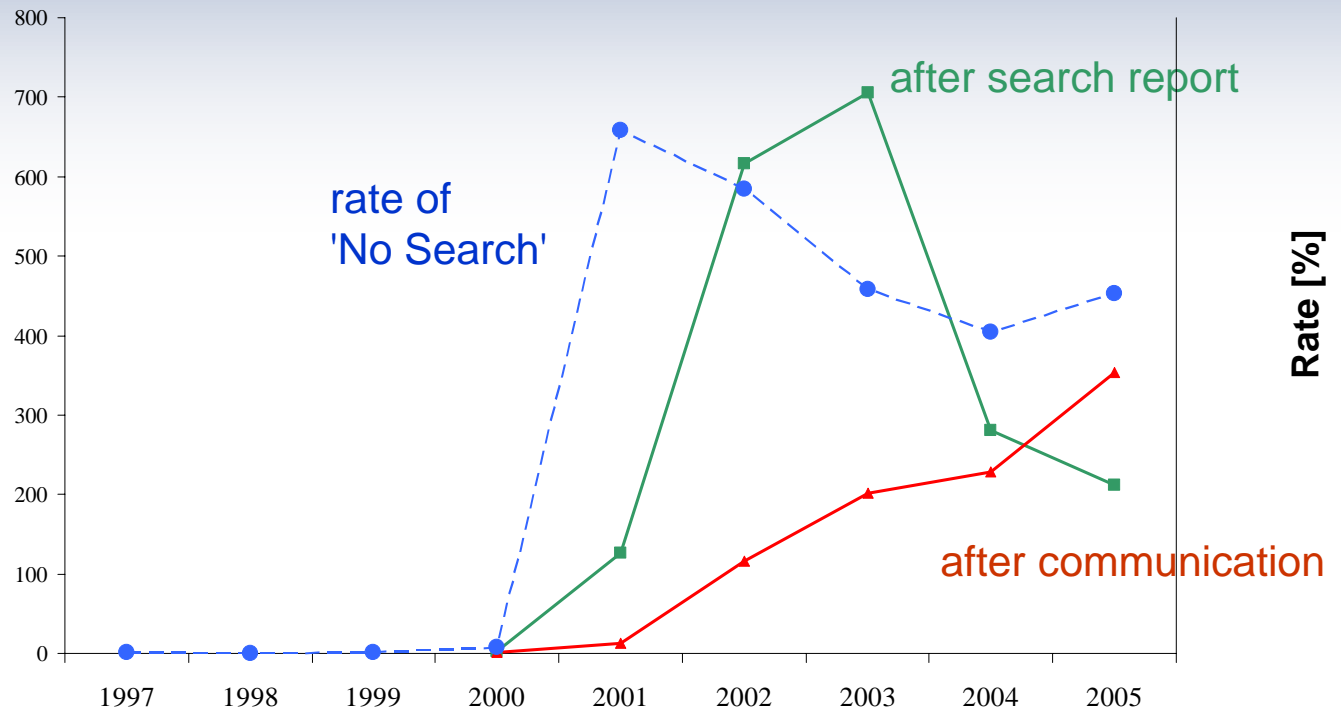
Statistics

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Number of withdrawals after 'No Search' and after written communication
(in the field of business methods)

European Patent Office

http://www.european-patent-office.org/

http://patlib.european-patent-office.org/

Patlib - 293 patent information centres in all member states of the EPO

http://www.european-patent-office.org/legal/guiapp1/pdf/g1de_net.pdf

Guide for applicants

Joerg Machek, Ph.D.,
Director 2.2.21