



Practice of methods of doing business and software protection by patents at the EPO. Future or reality?

Protection and access to innovation
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Practice of methods of doing business and software protection by patents at the EPO. Future or reality?

1. Patentability of Methods for Doing Business under the European Patent Convention
 - Articles and Rules
 - Interpretation (taking into account Decisions of the Boards of Appeal)

2. Practical Approach
 - Patentability
 - Inventive Step

3. Examples



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European Requirements:

Article 52(1), EPC

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

- Are susceptible of **industrial application**
- Are **new**
- Involve an **inventive step**



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European Requirements: Article 52(1), EPC amended

European patents shall be granted for any inventions, **in all fields of technology, provided that they** (which)

- Are susceptible of industrial application
- Are new
- Involve an inventive step



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European Requirements: Article 52(2) and (3)

The following, in particular, shall not be regarded as inventions

- discoveries, scientific theories, mathematical methods
- aesthetic creations,
- schemes, rules and **methods for** performing mental acts, playing games or **doing business**
- programs for computers
- presentations of information.

Only to the extent to which a European patent application relates to such subject matter or activities as such.



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Further European Requirements

Article 56: Inventive Step

An invention shall be considered as **involving an inventive step** if, having regard to the state of the art, it is **not obvious** to a person skilled in the art.

Rule 27:

The description shall (*inter alia*)

- **specify the technical field** to which the invention relates
- disclose the invention, as claimed, in such terms that the **technical problem** (even if not expressly stated as such) and its solution **can be understood**.

Rule 29:

The **claims** shall define the matter for which protection is sought in terms of the **technical features** of the invention.



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Interpretation

1. What is an invention?
2. What is technical?
3. What is a business method as such?
4. When is an inventive step involved?



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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 (Pension benefit scheme T 931/95)*
- *Technical character or technical effect are assessed without the knowledge of prior art, i.e. It is not a contribution approach (Computer Program Product T 1173/97; Pension benefit scheme T 931/95)*
- *Decisive is the technical effect of the invention as defined in the claim when considered as a whole (Koch&Sterzel T26/86).*



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What does technical mean? (1)

„A teaching for a systematic proceeding by application of controllable natural forces (and information) to achieve a causal perceivable result, which is the immediate consequence of the controllable natural forces without an intermediate step of the human intellect“

Rote Taube: GRUR 1969, 672



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What does technical mean? (1) revisited

„A process that involves – prior to the physical production – an intermediate step performed substantially with the aid of computers cannot be excluded from patentability on the grounds that it refrains from making direct use of controllable forces of nature 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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What does technical mean? (2)

„obliged to reject cases which amounted to the automation of operations that could, in principle, be performed by a human being even if in practice the unaided human could not perform those operations.

High Court; 1993 RPC 47; Raytheon

„if some practical (i.e. technical) effect is achieved by a computer or machine operating according to the instructions contained in a computer program, and such effect is novel and inventive, a claim directed to that practical effect will be patentable.

N_GB01/88 'Merril Lynch



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What does technical mean? (3)

- *processing physical data*
- *processing which affects the way a computer operates (OS, GUI, saving memory, increasing speed)*
- *processing whose structure involves „technical considerations“ (implementation details)*
- *Monetary values, business data and text are not physical data (T59/93, T265/92, T236/92, T216/89)*



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What is a business method as such?

- *„as such“ may be construed to mean that such subject matter is considered to be a mere abstract creation lacking in technical character (Computer program product T 1173/97)*
- *A feature of a method which concerns the use of technical means for a purely non-technical purpose and/or for processing purely non-technical information does not necessarily confer technical character to such a method (Pension benefit scheme T 931/95)*
- *An apparatus constituting a physical entity or concrete product, suitable for performing or supporting an economic activity, is an invention within the meaning of Article 52, EPC (T931/95)*



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When is an inventive step involved?

- *To assess inventive step, normally the „problem and solution approach“ is applied.*
- *The „problem and solution approach“ was primarily developed to ensure objective assessment of inventive step and avoid ex post facto analysis of the prior art.*



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Problem and Solution Approach

- Determine the closest prior art (1 document)
- Difference between claimed invention and closest prior art?
- Identify the (technical) effect of said difference
- Deduce the objective problem from said difference
- Is said objective problem technical?

Yes: Is there an indication in the prior art which would prompt the skilled person to solve the problem in the way the invention solves it?

No: There is no technical contribution to the prior art => in consequence there is no inventive step (T931/95)



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TWO STAGE APPROACH:

1. Technical character of claimed invention

Does the invention provide a „technical effect“?

If not: there is no invention in the sense of Article 52 =>

The invention is *a priori* excluded

2. Novelty, inventive step etc. of claimed inventions

Novelty: are all claimed features known in combination?

Inventive Step: technical problem? Technical contribution?

Problem and solution approach



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Example claim:

Heated rear window for a car, comprising a glass plate having electrically conducting wires cast into it, **characterised in that**

The wires are arranged in the form of the ,AUDI'-logo 

Examination of the invention:

Stage 1:

Technical character?  YES



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Example claim:

Heated rear window for a car, comprising a glass plate having electrically conducting wires cast into it, **characterised in that**

The wires are arranged in the form of the ,AUDI'-logo



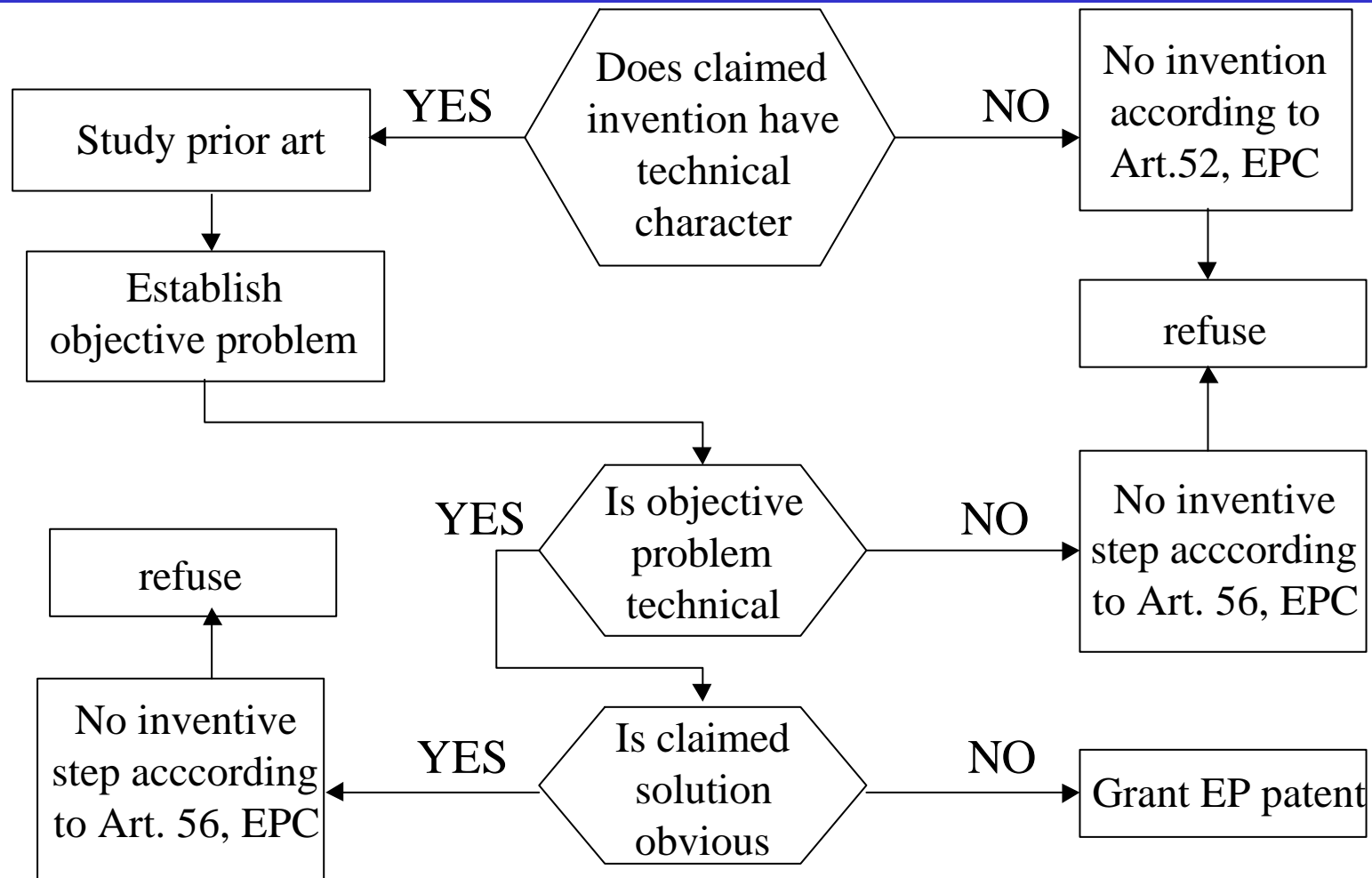
Examination of the invention:

Stage 2:

- Closest prior art:
 - Difference
 - Effect of difference
 - Objective problem
 - Is problem technical
-



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Example: US5930769

A method of fashion shopping by a customer comprising the steps of

- **Receiving personal information from the customer**
- **Selecting the body type and fashion category based on the personal information**
- **Selecting fashions from a plurality of clothes times based on the body type and fashion category**
- **Outputting a plurality of fashion data based on the selected fashions,**
- **Receiving selection information from the customer, and**
- **Processing order information to place an order for the selected fashions.**



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Example: US6007340

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**



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Example: WO0043936

A system for providing custom-fit golf clubs comprising:

- **A computer with a processor for receiving a selection of physical characteristics for an individual golfer including at least
 - **A height for the individual golfer,**
 - **A wrist-to-floor measurement for the individual golfer,**
 - **An approximate distance the individual golfer hits a golf ball with a preselected club,**
 - **A glove size for the individual golfer, and****
 - **A memory storage for sorting at least one look-up table of club fitting values corresponding to the selection of physical characteristics;**
 - **A club fitting program for directing the processor to provide a custom-fit golf club design output derived from the club fitting values; and**
 - **A display for graphically representing the custom-fit golf club design output.**
-



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Example: WO0150348

A method for collaborating on due diligence issues to affect efficient knowledge building within due diligence teams, said method comprising the steps of:

- accessing stored, accumulated knowledge in a repository from prior due diligence exercises;**
- Applying to due diligence decisions criteria based on consolidated analytical building blocks of past due diligence exercises; and**
- Storing newly accumulated knowledge from the current due diligence exercise into the repository of accumulated knowledge.**

A computer configured to provide a due diligence team collaborating on due diligence issues with efficient knowledge building, said computer programmed to: ...



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Example: US5960411

A method of placing an order for an item comprising under control of a client system,

- **Displaying information identifying the item; and in response to only a single action being performed, sending a request to order the item along with an identifier of a purchaser of the item to a server system;**

Under control of a single-action ordering component of the server system,

- **Receiving the request;**
 - **Retrieving additional information previously stored for the purchaser identified by the identifier in the received request; and**
 - **Generating an order to purchase the requested item for the purchaser identified by the identifier in the received request using the retrieved additional information; and**
 - **Fulfilling the generated order to complete purchase of the item**
 - **Whereby the item is ordered without using a shopping cart ordering model**
-



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Example: WO0051029

An apparatus for electronically delivering an electronic document to a receiving system over a network, comprising:

- **A sending system connected to the network and comprising digital information representing an electronic document designated for delivery to the receiving system and a processor executing encryption software to encode the document before transmitting the document on the network, and**
- **A server system connected to the network to receive the encoded document, the server system comprising a processor executing decryption software to decode the document encoded by the sending system and executing encryption software to encode the decoded document before delivering the document to the receiving system.**



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Donald Knuth on patents:

I'm against patents on things that any student should be expected to discover.

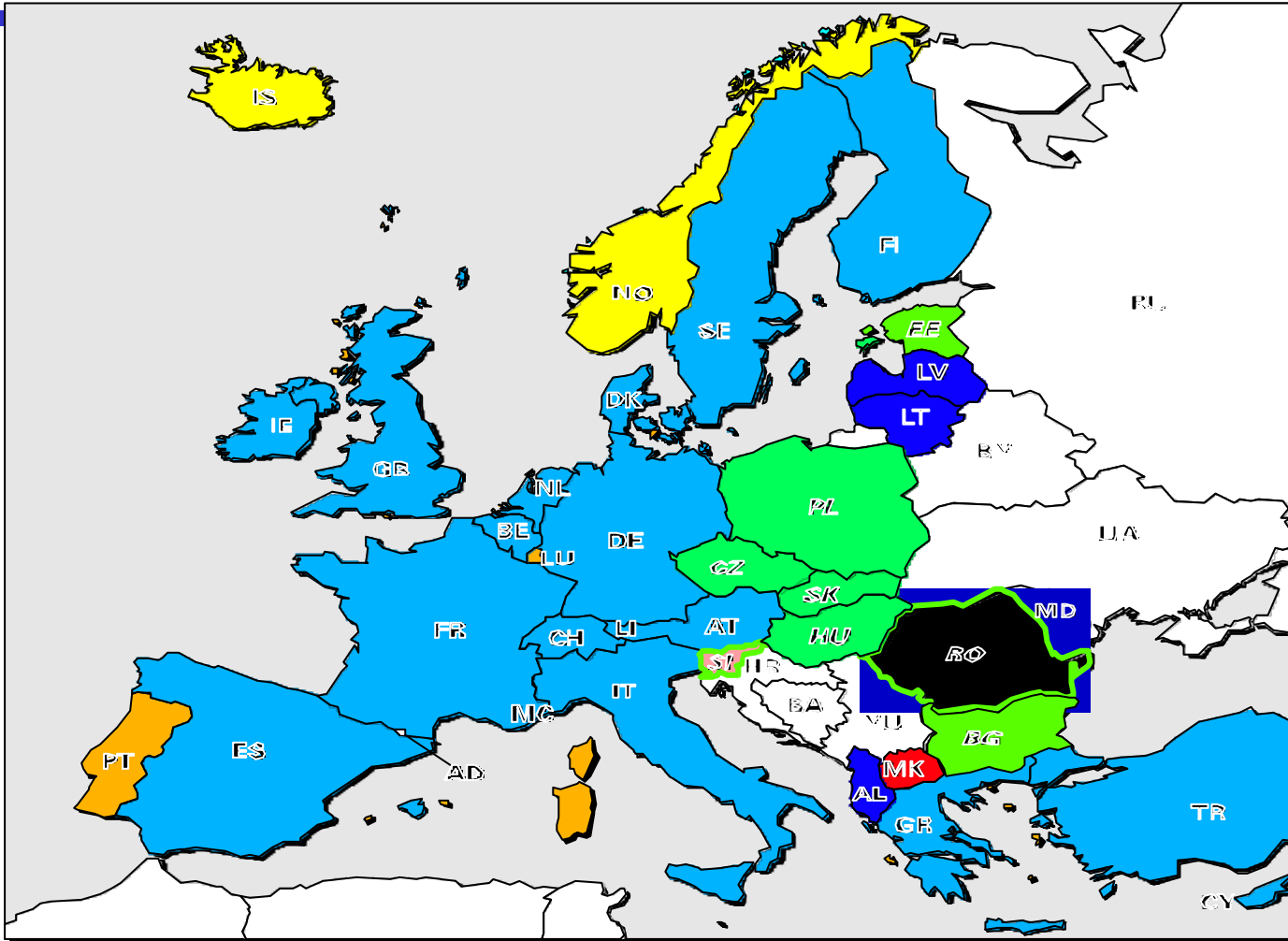
... Algorithms are inherently mathematical things that should be as unpatentable as the value of B .

*... for **something non-trivial** ... there's more justification for somebody getting **a right to license** the method ..., instead of keeping a trade secret.*

That's the whole idea of patents; ..."



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