

June 2010

## Software Patents @ the EPO It's a Duns Deal

The Enlarged Board of Appeal of the European Patent Office (“EPO”) has issued its opinion on the president’s referral of questions relating to the rules for patenting computer program inventions.

The Enlarged Board decided that the referral was inadmissible as the differences between previous Technical Board of Appeal decisions were merely development of the law rather than divergence in the law. The opinion analyses the four questions raised in the referral and concludes that: “the case law, as summarised in T154/04 (*Duns Licensing*) has created a practicable system for delimiting the inventions for which a patent may be granted.”

### Background

The President of the EPO is permitted to refer important questions of law to the Enlarged Board of Appeal when there are different decisions of the Boards of Appeal. The president referred four groups of questions to the Enlarged Board and an analysis of the decisions of Technical Boards of Appeal believed to be in conflict.

### Admissibility

The Enlarged Board considered the admissibility of the referral and concluded that there was in fact no conflict between the earlier decisions. They commented that the purpose of the Enlarged Board is to take “decisions on specific legal questions and that neither the Boards of Appeal nor the President are authorised to consult it whenever they so wish in order to clarify abstract points of law. For that purpose the President can call upon a separate Legal Department within the office.”

The Enlarged Board also commented that it was not to be used as a means of replacing Board of Appeal rulings nor to “advance the cause of Legal uniformity in Europe” unless possible under the EPC. “When judiciary-

driven legal development meets its limits, it is time for the legislator to take over.”

### Answers to the Questions

#### Question 1

The first question addresses whether only claims to “a computer program” where excluded at the EPO.

The Enlarged Board considers there to be no divergence between T1173/97 (*IBM*) and later cases. Rather, *IBM* is considered internally inconsistent in its abandonment of the “contribution approach” (*i.e.* considering only the novel features when assessing excluded subject matter) and the requirement for a “further technical effect”. The later cases simply clarified that inconsistency by developing the abandonment of the contribution approach to the current position that any technical means in a claim takes the claim outside the computer program exclusion.

However, excluded subject matter still has a significant effect in the application of the inventive step test.

#### Question 2

The second question goes to whether claiming a storage medium avoids the computer program exclusion. The referral argued that claims to a computer program and a computer implemented method have identical scope.

However, the Enlarged Board held that this was confusing the item which defines the steps of the method and the actual carrying out of those method steps. The Enlarged Board further found there to be no divergence in the case law as earlier cases had not equated a computer program product with a computer implemented method and so the point underlying question 2 was found not to be made.

### Question 3

The third question asked whether a claim feature has to cause a technical effect in the real world so as to contribute to the technical character of a claim.

This question was criticised for focussing on individual features of a claim rather than the invention as a whole. The Enlarged Board found that the case law had consistently considered the invention as a whole when determining whether an invention has technical character. The case law is not considered to diverge. Rather the case law indicates that a technical effect on a physical entity in the real world is sufficient to avoid the computer program exclusion, but is not necessary.

### Question 4

The final question queried whether computer programming always involves technical considerations. This was based on perceived contradictions between earlier cases finding programming always to involve technical considerations and cases finding a programmers activity to be a mental act.

The Enlarged Board found there to be no contradiction between these two positions, as exemplified by the process of designing a bicycle: this involves technical considerations, and the process may initially be a mental process. To the extent that the process is a mental act, it is excluded.

The Enlarged Board went on to comment on the position that any technical considerations will confer technical character. Although programming involves technical considerations, that in itself may not be enough for the resulting program to have technical character: “the programmer must have had technical considerations beyond “merely” finding a computer algorithm to carry out some procedure.”

The abstract formulation of algorithms does not belong to a technical field. For a program to have technical character, writing the program should require “further technical considerations”.

It appears that this final commentary in the opinion is to prevent the Enlarged Board’s finding that computer programming always involves technical considerations from eviscerating the inventive

step test. Otherwise all the features of a computer implemented business method might be considered to be solving the technical problem of how to implement the business method in software.

At present the inventive step test (as set out in Duns Licensing and affirmed by the Enlarged Board) is to consider business method features of the claim to be known and not part of the technical problem to be solved.

### Conclusion

The EPO will continue to deal with software patents using the approach summarised by Duns Licensing. Provided the claims specify technical means the computer program exclusion will not apply. The limits on software patentability will continue to be set by the standard of whether the software would obviously be arrived at by a computer programmer with knowledge of the prior art and any non-technical features of the claim.

This opinion further confirms the divergence in the tests used by the EPO and the UK Patent Office when examining software inventions, and the approach of the UK Courts when assessing the validity of software patents.

The Enlarged Board have placed the burden of resolving that conflict squarely on the shoulders of the legislature.

For further advice on, or questions relating to, the issues raised by the Enlarged Board’s opinion, please contact your local UDL representative or Andrew Alton at our Leeds Office.

Andrew Alton  
June 2010