

Enlarged Board of Appeal - happy with current EPO case law on computer implemented inventions

1.1 Following on from our PageStop of January 2009 ([Software Exclusions – Referral to Enlarged Board of Appeal at the EPO](#)) the Enlarged Board has now handed down its Opinion in case G3/08.

1.2 The referral was made by the President of the EPO on the grounds that there are “differences” in various decisions made by the Boards of Appeal on the EPO on the issue, essentially, of exclusion of computer software from patentability.

2.1 In its 50 page Opinion, the Enlarged Board has spent the first half analyzing whether the referral is admissible.

2.2 It starts by setting out what is required for an admissible referral, which is that, firstly, the questions need to be answered in order to ensure uniform application of the law or that they concern points of law of fundamental importance, *and*, secondly, that two Boards of Appeal have given different decisions on the questions referred.

3. The Opinion then considers the first requirement, encompassing its own *raison d’être*, the European Patent Organisation and its position within a democratic legal order, and the nature of referrals by the President.

4.1 The Opinion then goes on to suggest that development of the law is an essential aspect of its application, and is therefore inherent in all judicial activity.

4.2 Consequently, the Opinion goes on, legal development as such cannot on its own form the basis for a referral, only because case law in new legal territory does not always develop in linear fashion, and earlier approaches may be abandoned or modified.

4.3 In other words, given that the concept of legal development is a natural aspect of the judicial process, the fact that individual decisions may fall to one side or the other of a line leading to the conclusion of the development, perhaps some way from the line, does not mean that two decisions falling even substantially on opposite sides of the notional line of development should

be considered to be *different*, and it is this issue of whether two Boards of Appeal have given *different* decisions that leads to the conclusion that the referral is inadmissible, because the decisions referred to are not *different*.

5.1 This first half of the Opinion thus concludes that the Enlarged Board cannot develop the law in the same way as the Boards of Appeal, because it does not have to decide on facts of pending appeals.

5.2 It also concludes that a referral by the President cannot be made as a means of replacing Board of Appeal rulings with a decision of a putatively higher instance, nor merely because the European Parliament and Council have failed to adopt a directive on a matter (such as Computer Implemented Inventions) or because “the public at large” have called into question various Board of Appeal decisions, nor even if a court of a member state considers it would be useful in order to advance legal uniformity in Europe.

6. On the contrary, in such circumstances, the Board concludes, when judiciary-driven legal development meets its limits, it is time for the legislator to take over (rather than the Enlarged Board of Appeal).

7.1 Following this “navel gazing” part of the Opinion, the Enlarged Board then turned its consideration to the actual questions put in the referral, firstly to determine whether they were admissible.

7.2 Although in each case, they decided that the questions were not admissible and therefore did not actually answer them, the reason for the inadmissibility was that the decisions of the Boards of Appeal that were allegedly different, were not actually *different* when looked at as part of the development of the law and it is the analysis of the decisions and the explanations of why they are not considered to be *different* that is of interest and provides the “stamp of approval” of the Enlarged Board to the present development of the law.

8. Without going into the detail of each of the questions, it is noted that the two decisions that were alleged to be different were T1173/97 IBM and T424/03 Microsoft.

9.1 The first issue that was considered was whether the form of wording of a claim would affect its patentability. In

other words, the issue was whether patentability would depend on whether the claim was directed to a computer program, or to a computer program product stored on a computer readable medium, or to a method of operating a computer, or to a computer adapted to carry out a method, (or some other wording).

9.2 In T1173/97, the Board decided that (even) a computer program claimed by itself would not be excluded from patentability if the program, when running on a computer, brought about a "further technical effect" which goes beyond the normal physical interactions between the software and the hardware.

10. That conclusion meant that some programs, that did not include a further technical effect, were excluded from patentability, and the Board further decided that if the programs, claimed alone, were excluded, then so were such programs stored on a computer readable medium. The present Opinion considered that the Board in T1173/97 also therefore considered that claiming a computer loaded with the program, or the execution of a program on a computer, would also not escape the exclusion.

11.1 The Opinion also noted that the concept of the "further technical effect" did not take into account the prior art and therefore its presence did not require that it was novel or inventive to bring the claim outside the exclusion.

11.2 Indeed in T1173/97, the Board stated that determining the technical contribution an invention achieves with respect to the prior art is therefore more appropriate for the purpose of examining novelty and inventive step than for deciding on possible exclusion.

11.3 Since this part of the decision of T1173/97, which thus deliberately abandoned the "contribution approach" (which looked at the contribution the invention made over and above the prior art), has never been challenged by subsequent Boards of Appeal and is therefore established case law, there is no known *different* decision on this matter.

12.1 Nevertheless, it will be seen from the above that T1173/97 still considered that programs that did not include a further

technical effect were excluded from patentability, even when stored on a computer readable medium or loaded into a computer.

12.2 Some intervening decisions (T931/95 Pension Benefit Systems and T258/03 Hitachi) decided that, even if there was no "further technical effect", initially, a computer loaded with the program was nevertheless an apparatus and therefore not excluded, and secondly, that any claim involving a technical means (even paper and pen) was not excluded.

12.3 However, until T424/03 Microsoft, the question of whether a program on a computer readable medium avoided exclusion had not been dealt with.

12.4 Thus, in T424/03 the Board decided that it does not matter whether a program is claimed by itself or as a record on a carrier, and that a computer readable medium has technical character. There was therefore, on this point a difference between T1173/97 and T424/03.

13.1 Thus, the Enlarged Board, in the present Opinion, needed to decide whether that difference meant that the decisions were *different* or whether the difference was merely part of the development of the law.

13.2 The Opinion noted that, although T1173/97 is followed with respect to the "further technical effect" approach, it has not been followed on the issue of excluding programs stored on a computer readable medium, whereas, conversely, the decision in T424/03 has not been challenged in any later decision and was not an isolated decision, but the culmination of a line of decisions.

13.3 In fact, the Opinion also goes on to show that T1173/97 is not internally consistent, and, following on from its own decision to abandon the contribution approach and its rationale for doing so, if followed through logically, it would come to the same conclusion as T424/03.

13.4 The fact that there was a time difference of seven years (considered to be compatible with the timescale of legal evolution) was also noted. Accordingly, the Enlarged Board decided that, although the two decisions, as expressed, do deviate, this is a legitimate development of case law, and

since T1173/97 had not been followed since on this particular point, it was considered that the two decisions were not, in fact, *different*, and that the referral was inadmissible on this point.

14.1 In passing, the Enlarged Board, noted that they had not been asked to comment on the validity of judging inventive step, as has been developed by the case law, by using the excluded subject matter to ignore such excluded features when considering inventive step.

14.2 The Opinion suggested that this may be because no divergence of case law on this could be found, and concluded that it also cannot find any such divergence and the Boards are quite happy with this approach.

15. Similar analyses were carried out with respect to the other questions, and, in all cases, the Enlarged Board considered that there was no divergence in the decisions, when looked at properly, so that they were not *different* and the questions were not admissible.

16.1 Consequently, it can be said that the interpretation of the law on patentability of Computer Implemented Inventions has not changed following this Opinion, but that it has been approved.

16.2 Thus, the National Courts, for example in the UK, which used the excuse that there are *different* decisions from the EPO Boards of Appeal in order not maintain a different interpretation in the UK, will no longer be able to use this excuse.

16.3 It is to be hoped, therefore, that the UK National Court will be able to bring itself further into line with the EPO, but we will have to see.

17.1 Specific conclusions of the Enlarged Board with respect particular questions were thus that:

A claim in the area of computer programs can avoid exclusion merely by explicitly mentioning the use of a computer or computer readable medium (although of course they may still not be patentable for lack of inventive step).

18. The case law, as summarized in T154/04 Duns, on how to determine inventive step of a computer implemented invention, is practical and seems to be accepted.

19.1 All features of a claim must be considered. An approach that involves weighting of features or which tries to define the “essence” of the invention is to be avoided.

19.2 All the features together must first be considered to determine whether the claimed subject matter has technical character, although once this determination has been made, the question of which claimed features contribute to that technical character can then be considered to assess which features should be taken into account in deciding whether there is an inventive step.

19.3 Furthermore, even though some features, if taken in isolation, belong to excluded categories, they may nevertheless contribute to the technical character of the claimed invention and therefore cannot be discarded in the consideration of inventive step.

20. In short the law has not changed. A further paper on the subject will be available in due course together with a new set of Practice Tips.

For further information please contact:

Chris Hirsz
Cambridge
United Kingdom

Tel: +44 (0)1223 225 300

Email: chris.hirsz@hlbbshaw.com

Website: www.hlbbshaw.com

Peer reviewed by John Moffat

The information provided in this document is, of course, of a general nature and should not be considered as legal advice; if you have any specific questions, please contact us as set out above.

© HLBBshaw Ltd June 2010