

24 February 2012

PATENTS ACT 1977

APPLICANT	Henri Duong
ISSUE	Whether application number GB 0713097.4 is excluded from patentability under section 1(2)
HEARING OFFICER	Ben Micklewright

DECISION**Introduction**

- 1 Patent application GB 0713097.4 was filed on 12 June 2007 in the name of Henri Duong. The application was subsequently examined and the examiner argued that the invention was excluded from patentability as a method of doing business as such. All other aspects of the examination process, included the search and issues of novelty, inventive step and clarity, were deferred until the patentability issue had been dealt with. The applicant disagreed with the examiner and, after a couple of rounds of correspondence, requested a decision based on the papers on file. The matter was therefore referred to me for a decision on the papers on 14 January 2012.

The invention

- 2 Although the application is not clearly drafted, the invention appears to relate to a method of running a business enterprise in which additional revenue is generated for the enterprise by creating insurance and/or banking lines besides the original business lines. These additional lines could for example relate to health insurance or life insurance. The additional insurance and banking lines are operated by the business enterprise's existing employees. Revenue generated by the additional line may be reinvested back into the original business. The latest form of claim 1, the only independent claim, was filed on 28 July 2011 and reads:

1. The basis/bases of "the created system provides finances to technical supports to modernize machineries, equipments for manufacturer, facilities for company in characteristic by creating insurance and/or banking activities as second/extra lines/activities in establishments including manufacturers , enterprises, companies, organizations, agencies, supermarkets, business groups, lines, hospitals, business with employees for making use of immediate proper employees by their employers, executors, of students of schools, of immediate members of chambers of commerce & industry,

associations as well as others by their presidents/owners, they establishing proper offices having features for handling/managing insurance and/or banking business activities in said establishments, companies, manufacturers, enterprises, chambers, others for their employees, employers, members, students, clients having features as insured, clients and their proper employers, owners having features as insurers, bankers based on the results of the created system of activities operating through insurance policies of paying premiums for insurance protection, indemnity/compensation, any and/or through banking activities of managing savings accounts, checking accounts, bank cards, credit cards, any, besides original business of employers/owners so that their income having feature of forming in two lines/activities, grounds”, including:

The law

- 3 Section 1(1)(d) of the Patents Act 1977 (“the Act”) states that a patent may be granted only for an invention in respect of which the grant of a patent for it is not excluded by subsections (2) and (3) or section 4A. Section 1(2)(c) states that things which consist of “a scheme, rule or method for performing a mental act, playing a game or doing business, or a program for a computer” are not inventions for the purposes of the Act, but only to the extent that a patent or application for a patent relates to that thing as such.
- 4 There is a large amount of case law in relation to these provisions. The most significant recent judgments of the Court of Appeal on the matter are *Aerotel Ltd v Telco Holdings Ltd Ors Rev 1* [2007] RPC 7 and *Symbian Ltd’s Application* [2009] RPC 1. In *Aerotel* the Court of Appeal reviewed all the previous case law and specified the following four-step test as a methodology of determining whether an invention was excluded from patentability under section 1(1)(d):
 - (1) Properly construe the claim;
 - (2) identify the actual or alleged contribution;
 - (3) ask whether it falls solely within the excluded subject matter;
 - (4) check whether the actual or alleged contribution is actually technical in nature.
- 5 In *Symbian* the Court of Appeal confirmed that the above test is intended to be equivalent to the prior case law test of “technical contribution”. In the present case I will therefore use the *Aerotel* test and ensure in my consideration of steps (3) and (4) that I determine whether the invention makes a technical contribution.

Assessment

(1) Properly construe the claim

- 6 The claims are not set out clearly. In general terms claim 1 may however be construed as a method by which a business enterprise creates a second line of business in the field of banking or insurance in addition to their existing activities which is operated by existing employees.

(2) Identify the actual or alleged contribution

- 7 Having construed the claim above, considering the invention as a whole the alleged contribution relates to a method in which a business enterprise creates a second line of business in the field of banking or insurance in addition to their existing activities which is operated by existing employees, so as to generate further income for the business enterprise. This further income may be re-invested back into the enterprise in relation to the original line of business, for example by modernising machinery.

(3) Ask whether it falls solely within the excluded subject matter; (4) Check whether the actual or alleged contribution is actually technical in nature

- 8 The applicant argued that the invention is a technical system because it provides finances to modernise technical support and modernise machinery. This, the applicant argued, amounts to a technical effect. He referred to advantages such as creating finances for technical innovation, extra revenues, job creation, and reduction in cost of existing products or services.
- 9 Decisions as to how to use employees to generate additional revenue streams are clearly business decisions. The use to which the extra revenue is put does not in itself constitute a technical contribution, but is again a business decision. All the steps I have identified in the contribution above are business steps of this type. Moreover the advantages listed by the application are business advantages, not advantages of a technical nature. There is nothing in the contribution which would take the claimed invention outside of the business method exclusion. I therefore conclude that the contribution lies solely in the excluded field of a method of doing business as such. The contribution contains no technical elements and therefore makes no technical contribution.

Conclusion

- 10 I have found that the contribution lies wholly in the excluded field of a method of doing business as such and makes no technical contribution. The invention is therefore excluded from patentability under section 1(2) of the Act. I have carefully examined the application including the dependent claims and cannot identify any possible amendment which would take the invention outside of the excluded subject matter. I therefore refuse the application.

Appeal

- 11 Under the Practice Direction to Part 52 of the Civil Procedure Rules, any appeal must be lodged within 28 days.

BEN MICKLEWRIGHT

Deputy Director, acting for the Comptroller