



28 September 2012

PATENTS ACT 1977

APPLICANT Bank of America Corporation

ISSUE Whether patent application number
GB 0911029.7 complies with section
1(2)

HEARING OFFICER MRS S E CHALMERS

DECISION

Introduction

- 1 Patent application GB 0911029.7 entitled "Systems and methods for providing a consumption network" was filed on 25 June 2009 was published on 30 December 2009 as GB 2461179A.
- 2 The examiner declined to carry out a search under section 17(5)(b) and issued a report objecting that the invention related to a business method and a computer program as such. Despite amendment of the claims, the applicant has been unable to persuade the examiner that the invention is patentable. At the request of the applicant, the matter has come to me for a decision on the papers.

The application

- 3 The application is concerned with a communications network to enable consumers to share purchasing decision information with each other within a mobile phone environment. For example, one consumer may post information on a special offer or about specific goods and services on a central database which can then be shared with other members of the network. By using the geographical context of a mobile phone logged on to the network, the database can send relevant information relating to the actual physical location of that mobile phone.

The claims

- 4 I have made my decision on the basis of the amended claims filed on 23 April 2012. These comprise 4 independent claims which share the same inventive concept. The claims relate to a communications network for sending and

receiving purchasing information (claims 1 and 17) and computer-readable media storing executable instructions for providing the communications network (claims 10 and 22). For the purposes of this decision, I only need to recite claim 1:

1. A communications network comprising: a plurality of mobile devices, each of the mobile devices enabled to receive and record purchasing decisions; and a central database for receiving information from the plurality of mobile devices corresponding to the purchasing decisions and for distributing at least a portion of the information to a portion of the plurality of mobile devices, wherein the central database is configured to use geographical context information received from a mobile device to send purchasing decision information to that mobile device relating to the present physical context of the mobile device.

The law

- 5 The examiner raised an objection under section 1(2)(c) that the invention is not patentable because it relates to a computer program and a method for doing business as such. The relevant parts of section 1(2) read as follows:

It is hereby declared that the following (among other things) are not inventions for the purposes of this Act, that is to say, anything which consists of –

- (a) ...;
- (b) ...;
- (c) *a scheme, rule or method for performing a mental act, playing a game or doing business or a program for a computer;*
- (d) ...;

but the foregoing provision shall prevent anything from being treated as an invention for the purposes of this Act only to the extent that a patent or application for a patent relates to that thing as such

- 6 The assessment of patentability under section 1(2) is governed by the judgment of the Court of Appeal in its judgment in *Aerotel*¹. In this case the court reviewed the case law on the interpretation of section 1(2) and approved a four-step test for the assessment of patentability, namely:

- 1) Properly construe the claim;
- 2) Identify the actual contribution;
- 3) Ask whether it falls solely within the excluded matter;
- 4) Check whether the contribution is actually technical in nature.

- 7 The operation of the test is explained at paragraphs 40-48 of the judgment. Paragraph 43 confirms that identification of the contribution is essentially a matter of determining what it is the inventor has really added to human knowledge, and involves looking at substance, not form. Paragraph 47 adds that a contribution which consists solely of excluded matter will not count as a technical contribution.

¹ *Aerotel Ltd v Telco Holdings Ltd and Macrossan's Application* [2006] EWCA Civ 1371

- 8 In *Symbian Ltd's Application*², the court made it clear that in deciding whether an invention is excluded, one must ask does it make a technical contribution? It does not matter whether it is asked at step 3 or step 4. If it does, then the invention is not excluded.
- 9 The Court of Appeal in *Halliburton*³ gave further guidance at paragraphs 33-36 on how to assess whether an invention implemented in computer software might make a technical contribution. It particularly emphasised the need to consider what task the program (or programmed computer) performed (paragraph 33). Paragraph 34 states "If the task the system performs itself falls within the excluded matter and there is no more to it, then the invention is not patentable" even though the task may have real world consequences. Specifically, paragraph 35 says:

"The business method cases can be tricky to analyse by just asking whether the invention has a technical effect or makes a technical contribution. The reason is that computers are self evidently technical in nature. Thus when a business method is implemented on a computer, the patentee has a rich vein of arguments to deploy in seeking to contend that his invention gives rise to a technical effect or makes a technical contribution. For example the computer is said to be a faster, more efficient computerized book keeper than before and surely, says the patentee, that is a technical effect or technical advance. And so it is, in a way, but the law has resolutely sought to hold the line at excluding such things from patents. That means that some apparently technical effects do not always count. So a computer programmed to be a better computer is patentable (*Symbian*) but as Fox LJ pointed out in relation to the business method exclusion in *Merrill Lynch*, the fact that the method for doing business may be an improvement on previous methods is immaterial because the business method exclusion is generic."

Application of the Aerotel test

Step 1: Properly construe the claims

- 10 I do not think this presents any problems. There are no difficulties of construction: the claims are clear and there has been no dispute regarding their meaning.

Step 2: Identify the actual contribution

- 11 There is no suggestion by either the examiner or the applicant that the contribution is, or should be, different for each of the respective independent claims set out above. The claims therefore stand or fall together.
- 12 The applicant submits that the invention resides in a system made up of several hardware components and the flow of information between them. In use, mobile devices receive and record purchasing decisions and then send information corresponding to those purchasing decisions to a central database. The central database then distributes at least a portion of this information to a portion of the plurality of mobile devices. In addition, the central database receives geographical context information from at least one of the mobile devices, whereby the central database is configured to use that geographical context information to send purchasing decision information to that mobile device relating

² *Symbian Ltd's Application* [2008] EWCA Civ 1066

³ *Re Halliburton Energy Services Inc* [2011] EWHC 2508 (Pat)

to the present physical context of the mobile device. Thus, the central database is configured to send selected information based on the received geographical context of the recipient mobile device. The advantage is therefore that the user can obtain more relevant purchasing decision information, which can enhance the user experience. In the applicant's view, the contribution is:

"A network of mobile devices and a central database configured to enable a computer to send more relevant purchasing decision information to a user".

- 13 In the examiner's view, what the inventor has added to the stock of human knowledge is not the hardware *itself* since the hardware used in the present application is a conventional networked server and mobile devices. In substance, he argues that it is the functionality of this system which forms the contribution. He therefore assesses the contribution as:

"A way of providing a user with more relevant purchasing information, by recording purchasing decisions and their geographical context on mobile devices and sending this information to a central data for subsequent dissemination of the purchasing information to other users' mobile devices, based upon their physical context."

- 14 So what has been added to the sum of human knowledge? There is no doubt in my mind that the problem being addressed is a business or administrative problem and that what has been added to the sum of human knowledge is a better way of sharing information on purchasing decisions within a network. Looking at the substance of the claims, I therefore agree with the examiner's assessment of the contribution as set out above.

Steps 3 & 4: Ask whether the contribution relates solely to excluded matter and whether it is technical

- 15 Although the applicant acknowledges that even if the advantage that a user can receive more relevant purchasing information is considered a business advantage, he submits that how the present invention achieves this advantage demands technical considerations. He argues that the contribution is not just a computer programmed to perform a business method; rather the invention resides in a novel, physical interaction between hardware devices, which together provide a technical contribution. In the applicant's view, the claimed invention confers a technical contribution in a non-excluded field.
- 16 I disagree. There is nothing in the application as filed to suggest that the way in which information is sent and/or received from the mobile devices is other than conventional. Furthermore, the recording and transmitting of location information (e.g. GPS) at mobile devices is also conventional. The communications network is therefore characterised only in that it provides purchasing decision information. In other words the "network" including the "physical interaction between hardware devices" is new only in that it implements an allegedly new method for doing business.
- 17 I also note that other applications which relate to a network of mobile devices and a central database configured according to business advantages have been

refused as methods for doing business – see for example the judgment in *AT&T*⁴. It is also clear from paragraph 35 of *Halliburton* that a computer-implemented method for providing purchasing information, albeit one that may be better than previous methods, falls solely within the business method exclusion because the business method exclusion is generic.

- 18 There is also no doubt in my mind that the contribution requires a computer program for its implementation. However, in considering the nature of this contribution, I am mindful of paragraph 22 of *Aerotel*, which reminds me that just because a computer is used in an invention, it does not necessarily mean that the invention is excluded from patentability. What matters is whether or not the program provides a technical contribution.
- 19 The Court of Appeal in *Symbian* gave useful guidance at paragraphs 52-58 as to when a program might make a technical contribution sufficient to avoid the exclusion. It particularly emphasised (see paragraph 56) the need to look at the practical reality of what the program achieved and to ask whether there was something more than just a “better program”. At paragraph 58 the Court stated that a technical innovation, whether within or outside the computer, would normally suffice to ensure patentability.
- 20 However, as a matter of practical reality the application does not relate to a better computer or better communications network. It relates to a computer program which, when executed by a processor on a computer system, provides a method for sending relevant purchasing information (ie a business method). Therefore the claimed invention is not patentable.

Conclusion

- 21 I find that the invention as claimed is excluded from patentability under section 1(2) because it relates to a computer program as such and a method for doing business as such. I have carefully reviewed the specification and do not think that any saving amendment is possible.
- 22 I therefore refuse the application under section 18(3).

Appeal

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

MRS S E CHALMERS

Deputy Director acting for the Comptroller

⁴ *AT&T Knowledge Ventures LP, Re* [2009] EWHC 343 (Pat)