BLO/297/04

29th September 2004

PATENTS ACT 1977

APPLICANT Adgistics Limited

ISSUE Whether patent application number GB 0123766.8 is excluded under section 1(2)(c)

HEARING OFFICER A Bartlett

DECISION

Introduction

1 Patent Application No GB0123766.8 was filed on 3 March 2001 in the name of Adgistics Limited claiming priority from two earlier UK applications. The application was entitled "Method and apparatus for designing advertisements using digital media assets" and was published on 17 April 2002 as GB 2367927.

2 The application was subject to a combined search and examination report issued on 11 February 2002 in which novelty and inventive step objections were raised based on a number of documents and webpage disclosures identified in the search. Objection was also raised that there was potential conflict between the claims on this and a co-pending application also in the applicants' name and sharing the same priority date. These issues have been resolved in the course of numerous rounds of amendment and re-examination.

3 However, throughout the examination process the examiner maintained an objection that the invention was excluded under section 1(2)(c) as a method of doing business and a program for a computer. It became apparent that further correspondence was unlikely to resolve that issue and thus the issue came before me at a hearing where the applicants were represented by Mr Peter Langley of Origin Intellectual Property Consulting.

The invention

4 The invention concerns a system for facilitating the design and distribution of advertisements using a computer network which for convenience I shall refer to as a design and send system. The application describes the environment in which such a system is used as being one of increasingly globalised trade where brand owners have an interest in maintaining the reputation of their brand whilst local retailers want advertisements which draw upon that reputation but which also reflect the preferences of their customers. The system disclosed in the application seeks to meet both these objectives. This is achieved by the provision of a

database for storing material to be used in various advertisements which can be accessed by local clients and agents to compile bespoke advertisements. Allied to this, the system also allows control of the process of delivering these advertisements to publishers and the like taking account of factors like publication deadlines and delivery lead times for individual publications.

5 The set of claims I was asked to consider at the hearing comprised 23 claims in total but I shall focus mainly on the single independent claim (claim 1) which reads as follows:

1. A computer system for designing an advertisement by using digital media assets stored in a database in the computer system, in which the computer system allows the selection, assembly or modification of the digital media assets into a proposed advertisement on instructions from a client computer operated by a user sent over a wide area network;

characterised in that the computer system also allows instructions from the client computer to initiate a delivery process for delivering pre-selected digital media assets to an entity responsible for producing a published advertisement by automatically obtaining information from one or more of the following databases:

i. a database storing advertisement deadlines for several such entities;

ii. a database storing minimum applicable delivery lead times; and

iii. a database storing delivery addresses for several such entities

The Law

6 The examiner has reported that the invention relates to a method for doing business and a program for a computer which are excluded under section 1(2)(c) of the Act. The relevant parts of that section are reproduced below:

> "1(2) 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) a discovery, scientific theory or mathematical method;
>
> (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."

7 These provisions are designated in section 130(7) as being so framed as to have, as nearly as practicable, the same effect as Article 52 of the European Patent Convention, to which they

correspond. I must therefore also have regard to the decisions of the European Boards of Appeal that have been issued under this Article in deciding whether the invention is patentable.

Points of agreement

8 At the hearing (and in some subsequent correspondence in which he reinforced the arguments advanced at it), Mr Langley accepted a number of principles regarding how the question of patentability should be considered and conceded that some of the arguments raised during the amendment rounds were not sustainable. I am extremely grateful to him for that as it means I have not had to rake over ground that has been covered on many occasions both during hearings before the comptroller's hearing officers and in their subsequent decisions. Instead I need only summarise the areas where we agree.

9 Firstly, in terms of the principles to be applied in assessing patentability, Mr Langley accepted that in deciding whether an invention is patentable it is the substance of the invention that is important, not the form of claim employed and that an invention does not amount to an excluded item *as such* if it makes a technical contribution. Moreover, we were in complete agreement that any doubt as to whether an invention is excluded should be resolved in favour of the applicant.

10 In the preliminary stages of the hearing, Mr Langley conceded that the invention was prima facie a method for doing business, and that despite being drafted in terms of a computer system, it was prima facie a program for a computer. He also accepted that the typical benefits associated with using a computer to do what had previously been done manually (such as increased accuracy and speed and the reduction of human labour) are not in themselves sufficient for an invention to be said to make a technical contribution and that the use of a database in the system was not necessarily sufficient to make the invention patentable.

Argument

11 Having conceded that prima facie the invention was a method for doing business and a program for a computer, Mr Langley sought to argue that it made a technical contribution and consequently was not excluded as being those things "as such".

12 In doing that, Mr Langley focused on the benefit that the invention provided over prior advertisement development systems. The application outlines in some detail the nature of the advertising industry prior to the invention being made. It also identifies a range of advantages that the invention provides over the prior art "systems". However, as Mr Langley acknowledged, most of these advantages were not technical in nature and he did not seek to argue that by solving them, the invention made a technical contribution. However, he drew my attention to one particular advantage referred to in the description as evidence that the invention did make a technical contribution. At page 13 lines 19-21, the description states that:

> "This (architecture) delivers several unique benefits:

- The number of files that need to be stored for any given press advertisement is at least halved, saving time and costs."

13 Expanding upon this, Mr Langley put it to me that in the conventional advertisement development chain, terabits of data might need to be stored both by the organization developing the advertisements and in the organization arranging publication. By integrating the design and send processes he said that the amount of data required to be stored and the hardware needed to store it could be significantly reduced. Thus he said

> "The invention directly addresses and solves one of the most challenging technical problems facing anyone implementing a computer system, namely how to save hardware resources".

14 He went on to say that the applicants considered that 'a computer system having substantially lower hardware resource requirements represents a technical contribution over the prior art.'

15 I do not agree. Whilst the system disclosed in the invention may indeed provide many advantages over prior art systems, including reduced hardware requirements, I do not consider this to be sufficient for the invention to be said to make the required technical contribution. To my mind a reduction in data storage requirements is precisely the sort of advantage you would expect to achieve by employing a networked computer system to do what had previously been done using stand alone computers.

16 There is no hint in the application as filed that the hardware through which the invention is implemented is anything other than conventional and in the absence of any evidence to the contrary I conclude it to be conventional. I am in complete agreement with Mr Langley that the invention has a technical character by virtue of it being implemented via computer hardware. However there is abundant precedent case law teaching us that the use of a computer is not sufficient to make an otherwise excluded invention patentable. Whilst I agree with Mr Langley that the reduction of computer hardware resources can be viewed as a technical problem, the applicant has achieved that reduction in the present invention by using a conventional computer network to achieve the precise advantages you would expect to achieve from doing so. I fail to see how in doing that the invention makes a technical contribution.

17 Recognising that neither the design nor send functions were of themselves new, Mr Langley argued that there was no barrier in patent law to inventions comprising the combination of known elements. In support of this proposition he referred me to the advantages of monocoque car constructions and motorbikes having the engine formed as an integral part of the frame. Whilst I am in complete agreement that combinations can be patentable, I do not think these analogies help advance the present applicants' case. In the examples given, the inventors recognized the benefits of combining various elements to produce stronger, lighter vehicles. The end result in both instances was an improved vehicle. Whilst it may be difficult to define precisely the boundary between technical and non-technical, I am in no doubt that vehicle manufacture is a technical activity and that those inventions provided a technical contribution. By contrast, the creation and distribution of advertisements to my mind falls squarely into the field of business activites.

18 Mr Langley also put it to me that the fact that the hardware might be conventional did not prevent the invention providing "novelty of purpose". He said there was no evidence that the equipment specified in claim 1 had been used previously as "an integrated advertisement creation and delivery computer system that is accessible by a client computer over a WAN". In the absence of any such evidence he said the invention should be taken to be novel and since it solved a technical problem (reducing data storage requirements) via technical apparatus he said I was bound to conclude that it made a technical contribution.

19 I am not convinced by this line of argument which seems to me to be precisely the issue considered by the Court of Appeal in *Fujitsu Limited's Application* [1997] RPC 608. In his decision in that case, Aldous LJ acknowledged that the computer set up according to the teaching of that application provided a new tool. The Court concluded, however, that that was not sufficient for the invention to avoid being excluded as a program for a computer, however useful and labour saving that tool proved to be. Likewise, whilst the computer system of the present invention may indeed provide a new tool for improving advertisement design and send functions, I can see no technical contribution made by it. What the inventors have done is to recognize that advertisement design and send activities could be more efficiently carried out using a system of networked computers rather than separate, stand alone systems. Their proposed solution uses conventional hardware equipment programmed in a conventional way to achieve precisely the benefits you would expect to achieve from using a computer network. In short the inventors have developed a new organizational arrangement for creating advertisements. That to my mind is a method for doing business and one implemented using a program for a computer.

20 If the applicant had identified some particular technical problem to be overcome by using such a networked system in the advertisement generation field I might have come to a different conclusion. However, they have not. The specific problem to be overcome seems to me to be one of self interest in the industry whereby it has been in advertising agencies' interest to keep these two functions separate. I can see no technical problem that needed to be solved to allow them to be brought together and which could save the invention from being said to amount to excluded matter as such.

21 Mr Langley also referred me to the decision of Neuberger J. in *Kirin Amgen Inc v. Roche Diagnostics GmbH* [20002] RPC 1 as further support for his argument that the invention made a technical contribution. Whilst I agree entirely with Mr Langley's interpretation of that decision, namely that the application of s1(2) excluded inventions in a way that is capable of industrial application is not excluded from patentability, I fail to see how that helps his case in the present instance. The discussion of patentability in *Kirin Amgen* concerns the practical application of an excluded invention. The present invention concerns a different scenario where the end result is itself excluded. It will only be patentable if a technical contribution is made in achieving that end result and however hard I try, I can see no such technical contribution made by the present invention.

Decision

22 I have found the invention defined in claim 1 to be excluded under section 1(2)(c) as a method for doing business and a program for a computer as such. The remaining claims are

concerned with the particular ways in which the system functionality is provided for example how default settings are chosen depending upon the particular advertisement destination in claim 2. I can see nothing in any of those remaining claims or in the remainder of the specification which could form the basis for a patentable invention. I therefore refuse the application under section 18(3) as relating to matter excluded under section 1(2)(c).

Appeal

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

A Bartlett
Deputy Director acting for the Comptroller