A

BL/O/364/04

14 December 2004

PATENTS ACT 1977

B

APPLICANT	Honda Giken Kogyo Kabushiki Kaisha
ISSUE	Whether patent application number GB0203567.3 is excluded from being patentable under section 1(2)
HEARING OFFICER	A Bartlett

C

DECISION

D

This decision was given orally. The attached is the transcript of the decision as approved by the hearing officer.

E

F

G

H

A

THE PATENT OFFICE

Conference Room 1B07
Concept House
Cardiff Road
Newport
Gwent, NP10 8QQ

Fos: 14

B

Tuesday, 7th December, 2004

C

Before:
MR ANDREW BARTLETT
(Deputy Director)

(Sitting for the Comptroller-General of Patents, etc.)

D

In the Matter of THE PATENTS ACT 1977, section 1(2)(c)

And

E

In the Matter of THE APPLICATION No 0203567.3
of HONDA GIKEN KOGYO KABUSHIKI KAISHA
for Letters Patent

(Ex Partes Technical Hearing)

F

Transcript of the Shorthand Notes of Harry Counsell (Wales)
41, Llewellyn Park Drive, Morriston, Swansea, SA6 8PF
(Tel: 01792 773001 Fax: 01792 700815 e-mail: HarryCounsellW@aol.com)
Verbatim Reporters

MR CHRIS VIGARS (of Messrs Haseltine Lake & Co., Patent & Trade Mark Attorneys, Temple Gate House, Temple Gate, Bristol BS1 6PT), assisted by MISS SUSAN ROXBURGH, appeared on behalf of the Applicant

G

MR PHILIP OSMAN and MR STEVEN GROSS (Examiners, The Patent Office)

DECISION

H

A B C D E F G H

THE DEPUTY DIRECTOR: This decision concerns application number 0203567.3 filed by Honda Giken Kogyo Kabushiki Kaisha on 6th June 2001 and published as GB2370143. The applicants were represented at the hearing by Christopher Vigars and Susan Roxburgh of Haseltine Lake, Patent and Trade Mark Attorneys. Throughout the processing and examination of this application objection has been raised that the invention concerns a business method and a program for a computer, and it is that issue that I am here to decide today.

I do not think that I need to recite the claims in full: instead I shall provide a summary. The particular invention provides an automated price correction system, implemented via the internet, in which the buyer inputs a specification for an item. The sellers of those items place bids, including overall cost and cost of the individual parts, the latter being quite important. Then one of the bids submitted by potential sellers is chosen as a standard item. The buyer is then able to change the specification of the item he has selected, and he can see the effect on the price without the seller having to be contacted directly. The advantage is self-obvious, in that it reduces the need to re-contact the seller, and that reduces e-mail traffic and band-width requirements, and reduces the communication burden.

At the hearing Mr Vigars kindly accepted the general principles that I should apply in deciding this issue -

1. If an invention makes a technical contribution, that will make an otherwise unpatentable invention patentable;
2. In deciding whether an invention makes a technical contribution, I need to decide each case on its merits;

A

3. It is the substance of the invention, not form of claim that prevails under UK law;

4. It is desirable that the exclusions be treated in the same way under the EPC and under the Patents Act in the UK, but, where there is a discrepancy, I am bound to follow the approach of the UK courts;

B

5. If there is any benefit of the doubt, I will resolve that in favour of the applicants;

C

6. Under UK law the exclusions are treated separately from novelty and inventive step considerations; and

7. Just because the applicants have restricted the claims to a business application does not make it a business method as such.

D

Mr Vigars sought to convince me that the invention made the technical contribution required to make an otherwise excluded invention patentable. He said that the invention was not in the business aspect in this case. He said the crux of the invention was concerned with the storage and transmission of electronic data which, in line with the EPO Board of Appeal decision in Hitachi, was deemed to be "technical" and thus avoided the exclusion. He went on that the invention aims to solve the technical problem of reducing the amount of data that needs to be transmitted, and thus it is concerned with improving an existing technical system, and thus should not be excluded.

E

F

Regrettably, I do not agree. The test in UK law for whether an invention is excluded is not that it is "technical"; it must make a technical contribution. And, whilst they considered "technical contribution" under the inventive step provisions, the Board of Appeal in Hitachi said in that decision -

G

H

A

> "Method steps consisting of modifications to a business scheme and aimed at circumventing a technical problem rather than solving it by technical means cannot contribute to the technical character of the subject matter claimed".

B

It is my considered view that any contribution the present invention makes is a consequence of a new business rule being implemented: namely, that sellers must provide individual element cost information as well as overall cost. Actually implementing the new process seems to me to then be entirely straightforward.

C

The technical implementation is driven by the new business rule. Such implementation was considered by the comptroller's hearing officer in eBay Inc's Application, BLO/314/04, where the hearing officer said at paragraph 24 -

D

> "I believe that the differences between this case and the prior art stem directly from the different business method that lies at the heart of the invention. Once that new business method has been arrived at it was relatively straightforward to implement it in a network-based system, albeit that the programmer or system developer would have had to use their technical knowledge to do so".

E

Having decided that, the hearing officer refused the application in eBay as not making a technical contribution.

F

I can see no reason to come to a different conclusion in the present case. The invention of the independent claims is in substance a method of doing business and a program for a computer, and one that I find makes no technical contribution. Furthermore, I can see nothing in the dependent claims or the

G

remainder of the specification that could form the basis of a patentable invention.

H

A

Consequently I refuse the application under section 18(3) as being excluded under section 1(2)(c) as a method for doing business and a program for a computer as such. Under the Practice Direction, Part 52 of the Civil Procedure Rules, any appeal must be lodged within 28 days.

B

Approved

C

A Bartlett
Hearing Officer

D

E

F

G

H