

**PATENTS ACT 1977**

BETWEEN

Franks & Co. Limited

Requester

And

Amazon.Com Incorporated

Observer

PROCEEDINGS

Request under section 74A of the Patents Act 1977  
for an opinion on patent number EP 0927945 B

HEARING OFFICER

Phil Thorpe

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**DECISION**

**Introduction**

- 1 This decision relates to a request for an opinion.
- 2 The request was initially filed on 10 April 2007 in the name of Franks & Co Limited ("the requestor"). The request sought an opinion on whether patent EP 0927945 B in the name of Amazon.Com Incorporated is valid in view of the excluded subject matter provisions of section 1(2) of the Patents Act.
- 3 In a letter dated 12 April 2007, the UK Intellectual Property Office ("the Office") informed the requester that it proposed to refuse the request as it fell outside the remit of section 74A(1)(b) which provides that opinion requests in respect of validity should be limited to questions of novelty and inventive step.
- 4 The requester then submitted a revised request on 19 April 2007. This revised request sought an opinion as to whether the invention set out in the patent involved an inventive step as well as repeating the previous request regarding an

opinion on whether the patent is valid in light of the excluded subject matter of 1(2).

- 5 The Office wrote to the requester on 26 April 2007 advising him that the request would be advertised and copied to interested parties. The letter also reaffirmed that any opinion would be limited solely to the question of inventive step.
- 6 Observations were filed by the proprietor on 20 June 2007. In these the proprietor submits that the request should be refused on a number of grounds which I discuss further below. Observations in reply were filed by the requester on 29 June 2007 contesting the arguments put forward by the proprietor and asserting its request for an opinion.
- 7 The Office subsequently wrote to both sides on 12 July 2007 indicating that it was mindful to refuse the request. The letter offered a hearing to the requestor in the event that he wished to contest the decision. The letter noted that in the absence of any request for a hearing, the opinion request would be refused. The requester did not request a hearing. I therefore intend to refuse the request but before doing so will set out the reasons for my decision.

## **The law**

- 8 The law relating to opinions is set out in sections 74A and 74B of the Patents Act and in associated rules 77A to 77J of the Patents Rules 1995 as amended. The relevant provisions so far as this decision is concerned are:

### Section 74A(1)

The proprietor of a patent or any other person may request the comptroller to issue an opinion –

- (a) as to whether a particular act constitutes, or (if done) would constitute, an infringement of the patent;
- (b) as to whether, or to what extent, the invention in question is not patentable because the condition in section 1(1)(a) or (b) above is not satisfied.

### Section 74A(3)

The comptroller shall issue an opinion if requested to do so under subsection (1) above, but shall not do so-

- (a) in such circumstances as may be prescribed, or
- (b) if for any reason he considers it inappropriate in all the circumstances to do so.

### Rule 77A.

In rules 77B to 77K, unless the context otherwise requires—

.....

“proceedings” means proceedings (whether pending or concluded) before the comptroller, the court or the European Patent Office.

#### Rule 77B

(1) A request shall be made on Patents Form 17/77 and shall be accompanied by a copy and a statement setting out fully—

(2) The statement shall be accompanied by—

(a) ...

(b) particulars of any proceedings of which the requester is aware which relate to the patent and which may be relevant to that question.

#### Rule 77D

(1) The comptroller shall not issue an opinion if—

(a) the request appears to him to be frivolous or vexatious; or

(b) the question upon which the opinion is sought appears to him to have been sufficiently considered in any proceedings.

### **Reasons for refusing the request**

- 9 The revised request seeks an opinion on whether the invention set out in EP 0927945 involves an inventive step. The request does not identify any relevant prior art rather it seeks to argue that the computerising of the process set out in the patent is not inventive having regard to the common general knowledge at the priority date of the application. It is not necessary for me here to detail what the process covered by the patent involves.
- 10 In the letter informing the requestor that the Office was mindful to refuse the request, reference was made to both section 74A(3) and rule 77D(1).
- 11 I will start with the circumstances that have been prescribed under section 74A(3)(a) which are set out in rule 77D(1). The first such circumstance that would justify refusal of a request for an opinion is if the request is frivolous or vexatious.
- 12 In its observations, the proprietor submits that the requestor has not in any of its statements included details of opposition proceedings before the European Patent Office (“the EPO”) that are currently pending on the patent in suit. The proprietor goes on to argue that this omission may be indicative of the request being prepared without any thought or preparation. As such the request should be considered frivolous and refused. I would note that the requirement that the statement should include particulars of any proceedings of which the requester is aware which relate to the patent and which may be relevant to the question on which an opinion is sought is set out in rule 77B(2)(b).
- 13 In response the requestor suggests that the reference in this provision to

proceedings relates only to proceedings under UK law or before the Office and not those before the EPO. I do not believe that this argument has any legs whatsoever given the wording of rule 77A. As noted above this clearly states that:

“proceedings” means proceedings (whether pending or concluded) before the comptroller, the court or the European Patent Office.

14 But can the request be considered frivolous because it fails to mention related proceedings before the EPO? I think to do this, in the absence of any other evidence and given that the opinion procedure is relatively new, would be extremely harsh. I should perhaps stress that I am not dismissing the requirement on the requestor to provide this information - rather I am not equating failure to meet the requirement in this case with the request being frivolous. I therefore do not believe the request to be frivolous. In the absence of any argument or evidence to the contrary, I also do not consider the request to be vexatious.

15 I turn now to the second part of rule 77D(1) and the question of whether the question upon which the opinion is sought appears to have been sufficiently considered in any proceedings. This particular provision was cited in the letter to the requestor indicating that the Office was mindful to refuse the request. The letter noted that it is the view of the Office that this request should be refused because it merely covers issues which have been sufficiently considered in the examination proceedings before the EPO. It notes in particular that

“ the request seeks an opinion on whether the “computerising of a method comprising steps individually known in the art to have been performed as human activities” involves an inventive step. The question of whether such computerisation would involve an inventive step has however already clearly been considered by the European Patent Office as evidenced by way of example only in its examination report of 16-11-2001 at paragraph 2 where it states:

“... The Implementation of the business method as claimed in claims 1-17 is done using technical equipment, namely computers and phones, in a trivial manner, and is not inventive in the sense of Art. 56 EPC””

16 Responding to an earlier communication along similar lines, the requestor notes that

“It is true that the patent has already undergone a detailed examination by the European Patent Office as a pre grant procedure. However, the opinion procedure is a post grant procedure and therefore already acknowledges that a review of prior art and the matter of inventive step will have already been taken into consideration in earlier proceedings”

17 I do not see anything contentious or particularly helpful to the requestor in this observation. What matters here is not whether the procedure is post grant, which it clearly is, or if there has already been a review of prior art and an investigation into the question of inventive step, which there will have been, but whether an

opinion can cover essentially the same ground as that earlier review and investigation.

18 It was I believe always the intention that the opinion service would not be used to repeat or in some way reappraise the examination of the patent performed either in this Office or at the EPO.

19 Evidence of this can be found in the material and arguments supporting the passage of the legislation through Parliament. For example, the Parliamentary Under Secretary of State for Trade and Industry, Mr Gerry Sutcliffe, introducing the second reading of the Patents Bill to Parliament<sup>1</sup> commented on the relevant part of the Bill so far as this issue is concerned as follows:

*Clause 13 provides the framework for a new procedure whereby the Patent Office can provide on request, an impartial opinion on certain issues that are likely to arise in a patent dispute. The two most common questions in such disputes are first, whether a certain act, such as making product x or using process y would fall within the scope of the invention defined by the patent and so result in an infringement of that patent and, secondly, whether new evidence, such as an article published in a scientific journal, that was not considered at the time that the patent was applied for means that the patent should not have been granted – in other words, does that mean that the patent is not valid.*

20 The expectation that opinions on validity would be based on “new” evidence was also brought out in the Notes on the Clauses produced for the Grand Committee of the House of Lords in March 2004. These raise the question of whether the opinion procedure would result in greater uncertainty over the validity of patents in general. In answering this question the Notes state that:

*If it emerges, after a patent has been granted, that there is some new piece of documentary evidence that was not available to the granting office at the time the patent application was being searched and examined, and which appears to cast doubt on the novelty or inventiveness of the invention, then it is appropriate that it should be considered carefully. If the document does show that the invention is not valid then there is a strong public interest in making sure that the patent does not remain in force.*

21 Hence it would seem clear that the intent was always that there should at least be something new – the request should not simply seek to go over old ground. The rationale for this would seem to be, not unreasonably, that a patentee should not be asked to deal again with questions that he has already dealt with to the satisfaction of the Office pre-grant.

22 So was this intent reflected in the legislation and if so where? I have already referred to rule 77D(1)(b). This refers to “any proceedings” which when read with rule 77A extends to cover proceedings before the EPO. But does the term “proceedings” as used here cover the pre-grant examination process in this Office or the same in the EPO. I believe that such proceedings, if they can in fact be considered as proceedings, would not be classified as “proceedings before the Comptroller” and as such would be outside the scope of rule 77D(1)(b).

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<sup>1</sup> 7 June 2004

- 23 However the Act in section 74A(3)(b) gives the Comptroller broad powers to refuse to issue an opinion if for any reason he considers it inappropriate in all the circumstances to do so. It is my view that one such circumstance would be if the request merely seeks to cover old ground rather than raising something new. I should perhaps add that I do not believe that this requires that every request for an opinion should cite a new piece of prior art but it does require that there be at least a new argument. In this case I can find no new argument – the argument that the mere computerising of a known process is obvious is clearly something that will have been considered pre-grant, as indeed is evidenced by the extract from the EPO examination report cited above.
- 24 In addition, despite being partly presented in terms of a request for an opinion on inventive step, the issue at the heart of this request still appears to be excluded matter. This is evidenced for example by the continuing references in the “Observations in Reply” to “technical” aspects of the invention when discussing inventive step and case law dealing primarily with the issue of such excluded matter. This reinforces my view that it is would not be appropriate in all the circumstances to issue an opinion in this case.

### **Conclusion**

- 25 I refuse the request made under section 74 by Franks & Co. Limited for an opinion on patent number EP 0927945

### **Appeal**

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

### **Phil Thorpe**

Deputy Director acting for the Comptroller