



16 September 2010

PATENTS ACT 1977

APPLICANT Dell Products LP

ISSUE Whether application number 0610518.3
 complies with section 1(2) of the Patents
 Act

HEARING OFFICER Ceri Witchard

DECISION

Introduction

- 1 This decision relates to application number 0610518.3 and whether it relates to excluded subject matter, contrary to section 1(2) of the Patents Act 1977 ('the Act').
- 2 The application was filed on 26 May 2006, claiming priority of 31 May 2005. There have been several rounds of correspondence between the examiner and the applicant since this date, and amendments to the claims have been filed. However, the applicant has not been able to persuade the examiner that the invention is not excluded. The final report issued by the examiner argued that the application relates to a method of doing business and a computer program for performing that method.
- 3 This matter came before me for decision. The applicant requested a decision be taken on the papers.

The application

- 4 The application relates to an automated method for replacing legacy systems within a package of applications. The method is applicable to information handling systems where there may be a number of legacy information systems, each having its own configuration of hardware and software interfaced with a network of a deployment site and connected manufacture site. The method determines which legacy systems are present within the network (asset discovery) then applies a set of rules to a list of these systems (an assets table) to determine which legacy systems need replacing and generates an order for the necessary replacement configurations.

5 The application has two independent claims. These currently read:

1. A system for managing replacement of legacy information handling systems interfaced with a network of a deployment site and connected to a distant manufacture site, the system comprising:

an asset discovery tool associated with the deployment site, the deployment site having plural networked legacy information handling systems, each legacy information handling system having a configuration, the asset discovery tool operable to automatically discover the configuration of the legacy information handling systems through the network to generate a discovered assets table;

an application package tool operable to package selected applications discovered by the asset discovery tool and to communicate the packaged applications to the manufacture site;

an order tool associated with the deployment site and operable to communicate the discovered assets table to the manufacture site, the order tool further operable to order a replacement information handling system for one or more of the legacy information handling systems in the discovered assets table wherein the order tool defines rules to automatically generate proposed orders for replacement information handling systems based on the analysis of the discovered assets table, wherein the rules include rules relating to processor speed, system age, memory speed, available memory and/or networking capability;

a customer application database associated with the manufacture site and operable to store the packaged applications;

a manufacture application database associated with the manufacture site and operable to store predetermined common applications;

an asset translation engine associated with the manufacture site, the asset translation engine operable to translate the configurations of the one or more legacy information handling systems into replacement configurations for building the replacement information handling systems based on translation rules, wherein the translation rules map a legacy operating system, CPU type and storage capacity to a replacement operating system, CPU type and storage capacity; and,

the asset translation engine associated with the manufacture site further compares applications of a legacy configuration with the common applications in the manufacture application database and the packaged applications in the customer application database and requests missing applications from the application package tool.

8. A method for managing replacement of legacy information handling systems interfaced with a network of a deployment site and connected to a distant manufacture site, the method comprising:

running an asset discovery tool at the deployment site to automatically discover the configuration of the legacy information handling systems through the network, wherein running the asset discovery tool further comprises discovering the software application configurations of the legacy information handling systems;

packaging up one or more applications at the deployment site;

communicating the configurations of the legacy information handling

systems and the packaged applications to a manufacture site;
storing the packaged applications in a customer application database;
storing predetermined common applications in a manufacture application database;
selecting one or more of the legacy information handling systems for replacement based on rules including rules relating to processor speed, system age, memory speed, available memory and networking capability;
translating at the manufacture site the configuration of the selected legacy information handling system to a replacement configuration based on translation rules, wherein the translation rules map a legacy operating system, CPU type and storage capacity to a replacement operating system, CPU type and storage capacity;
comparing applications of a legacy configuration with the common applications in the manufacture application database and the packaged applications in the customer application database;
requesting missing applications from an application package tool; and,
building at the manufacture site the replacement information handling system with the replacement configuration.

The law

6 Section 1 of the Act sets out the requirements an invention must fulfil for it to be patentable including, in section 1(2), a list of things for which patent protection is not available. The relevant parts of section 1(2) read:

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)

(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 purpose of this Act only to the extent that a patent or application for a patent relates to that thing as such.

The relevant case law

7 As a Hearing Officer at the IPO, I am bound to follow the decisions of the UK courts. The applicant has argued that, in this case, I am permitted follow the practice adopted by the European Patent Office (EPO), rather than that of the High Courts and should choose to do so.

8 In *Symbian*¹ the Court of Appeal considered the role of precedent and the question of whether the UK should follow the EPO practice. The relevant paragraphs are:

33. *As we have mentioned, there are three previous decisions of this court on the effect of section 1(2)(c) of the 1977 Act, and, as we have implied, there are a number of decisions of the Board on art 52(2)(c) of the EPC. In principle, the Court of Appeal is bound by one of its previous decisions unless that previous decision is inconsistent with a subsequent decision of the House of Lords (in which case, the previous decision cannot be followed), is inconsistent with an earlier Court of Appeal decision (in which case the court may choose which previous decision to follow), or can be shown to have been arrived at per incuriam (i.e. without reference to a relevant statutory provision or other authority) – see *Young v Bristol Aeroplane Co Ltd* [1944] KB 718.*

34. *However, in *Actavis UK Ltd v Merck & Co Inc* [2008] EWCA Civ 444, Jacob LJ, giving the judgment of the court, held that this court was also free to depart (but not bound to depart) from one of its previous decisions on a point in the field of patent law if satisfied that the Board have formed a settled view on that point, which differs from that arrived at in that previous decision. At [48], Jacob LJ made it clear that the right to depart from a previous decision only arose if the "jurisprudence of the EPO" on the point at issue was "settled", and that, even where that was the case, this court was "not bound to do so": for instance in "the unlikely event" that it thought the jurisprudence was plainly unsatisfactory.*

35. *This analysis is reinforced by two observations in the House of Lords, namely *Merrell Dow v Norton* [1996] RPC 76 at 82, and, very recently, *Conor v Angiotech* [2008] UKHL 49, [3] where Lord Hoffmann emphasised the desirability of the English courts adopting the same principles as that of the Board when assessing obviousness.*

36. *Given that there are decisions of this court and of the Board which relate to the ambit of the computer program exclusion in art 52, the right basis for assessing that ambit in this court should be as follows. If the judgments in the Court of Appeal cases give tolerably clear guidance which would resolve the issue on this appeal, then we should follow that guidance, unless it is inconsistent with clear guidance from the Board, in which case we should follow the latter guidance unless satisfied that it is wrong.*

9 The applicant has argued that, in considering the issue of excluded matter in this application, I should follow the case law of the EPO on the basis that this can now be regarded as 'settled'. The argument made is that, following *Symbian*, a referral was made to the Enlarged Board of Appeal² to address differences between the decisions of the EPO. The Enlarged Board dismissed this reference as inadmissible on the basis that there is no divergence in the European case

¹ *Symbian Limited's Application* [2008] EWCA Civ 1066

² Opinion of the Enlarged Board of Appeal (12 May 2010) G0#003/08

law, but there were legitimate developments within the case law. Therefore, the applicant argues that the Enlarged Board has indicated that the law is settled and I should now apply the practice of the EPO when considering this application.

- 10 The applicant has further argued that, in the case of *Symbian*, the Court has said that I may follow the EPO practice if it is deemed to be settled. I do not accept this argument. Paragraph 34 of *Symbian* states that '*this Court*', that is the Court of Appeal, *may* depart from, although it is not bound to depart from, its previous decisions if it is satisfied that the Board have formed a settled view on an issue. If I could be certain that the Court of Appeal would follow the EPO's approach, it might be difficult for me to continue to follow the precedent set in *Symbian*. However, the Court of Appeal clearly did not consider the law at the EPO to be settled at the time of *Symbian*, and it is worth noting that the questions deemed inadmissible by the Enlarged Board were not the same as those on which the Court of Appeal sought clarity. Further, even if the Court did now consider the law settled it is not certain that it would adopt the EPO approach, as it is not bound to depart from its earlier precedent.
- 11 The decision that the Court of Appeal may choose to depart from its own previous decisions does not allow me, as a Hearing Officer within the IPO, to choose to depart from the Court's previous decisions even if, and I do not decide this issue here, I consider the law to be settled within the EPO.
- 12 In considering this application I will therefore follow the case law established in the UK in *Aerotel/Macrossan*³, and further elaborated in *Symbian* and *AT&T/CVON*⁴.

Exclusion from patentability

- 13 I shall take each of the steps set out in *Aerotel/Macrossan* separately.

Step 1: Properly construe the claim

- 14 There are no difficulties of construction, the claims are clear and there has been no dispute regarding their meaning. The claims relate to the management of information handling systems such that certain systems within an overall network of systems interfaced with a deployment site are identified for replacement, based on criteria such as memory speed, processor speed or being otherwise aged. Orders are then automatically placed so that these systems are replaced with a system that meets performance criteria and can fit into the network.

Step 2: Identify the actual contribution

- 15 The applicant has argued that it is appropriate to consider the plurality of information handling systems constituting a deployment site as a 'computer' for which speed or reliability may be increased. The argument is that by identifying the elements of the system that should be replaced, either because they are too slow, have limited networking capability or are generally aged, then the speed

³ *Aerotel Ltd v Telco Holdings Ltd (and others) and Macrossan's Application* [2006] EWCA Civ 1371

⁴ *AT&T Knowledge Ventures LP and CVON Innovations Limited* [2009] EWHC 343

and reliability of the computer, in this case the network as a whole, is improved regardless of the data being processed.

- 16 I agree with the applicant that it is appropriate to consider the network as a whole, and consider the contribution in light of the whole system. However, I do not agree that the contribution of the invention itself lies in the improvement of the speed or reliability of the system. The contribution is in applying a set of rules to the network to identify which parts of a legacy system are most in need of replacement, and placing orders for suitable replacement systems. The contribution is therefore in the automatic ordering of replacement systems within the network based on a set of rules to determine which systems are outdated.

Steps 3 and 4: Does the contribution fall solely within the excluded subject matter? and: Is it actually technical?

- 17 The contribution as I have characterized it above lies within the business method and computer program exclusions. It is an improved system for taking the business decision as to which elements of a network should be replaced and then placing the order for replacing the identified elements, the improved system being implemented via a computer program.
- 18 The applicant has referred to the signposts set out in *AT&T/CVON* for considering whether the invention is in fact technical, and has argued that there is indeed a technical contribution in the present invention. If the contribution is in fact technical it will not be excluded. I will therefore consider the signposts to determine whether the invention is technical in nature.
- 19 The signposts to be considered are:
- i. Whether the claimed technical effect has a technical effect on a process which is carried on outside the computer;
 - ii. Whether the claimed technical effect operates at the level of the architecture of the computer, that is to say whether the effect is produced irrespective of the data being processed or the applications being run;
 - iii. Whether the claimed technical effect results in the computer being made to operate in a new way;
 - iv. Whether there is an increase in the speed or reliability of the computer;
 - v. Whether the perceived problem is overcome by the claimed invention as opposed to merely being circumvented.
- 20 There is no effect on any process outside the computer (or in this case the network) due to the application of the invention, and the claimed technical effect does not result in the computer operating in any new way. Therefore neither signpost i or iii assists the applicant's case.
- 21 The applicant has argued that the technical effect of the claim is such that it operates at the fundamental level of the computer such that an effect is produced

irrespective of the data being processed or applications being run, signpost ii, and also that there is an increase in the speed or reliability of the computer, signpost iv. The applicant further argues that there are 'technical considerations' in identifying those systems in the network that should be replaced. These technical considerations may include slow processor speeds, slow memory speed, limited available memory, limited networking capability or because they are otherwise aged. However, I find that the 'technical considerations' are mere business rules for determining which systems should be replaced to improve the overall efficiency of a network. The effect does not make the computer systems faster or more reliable in itself, nor does it operate to produce an effect regardless of the data being processed. The improvement is only achieved by replacing the old systems with new systems.

- 22 The overall network may indeed be faster or more reliable, but this is not due to a technical effect of the invention but merely due to the business decision to upgrade certain systems. This does not solve any technical problems within the system; the perceived problems of slowness or limited capability are circumvented by replacing the problematic elements. Therefore signpost v does not help the applicant's case.
- 23 Therefore, I find that that the contribution made lies within the excluded fields and, as it is not in fact 'technical' is excluded.

Conclusion

- 24 I find that the application is excluded under section 1(2) as relating to a business method, and a computer program for implementing that business method. I also find that there are no possible amendments to allow the application to progress to grant and therefore refuse it.

Appeal

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

C L Witchard

Deputy Director acting for the Comptroller