

Kluwer Patent Blog

Fordham Conference 2015 – Patentable Subject Matter.

Daniel Byrne (Bristows) · Thursday, April 9th, 2015

Myles Jelf (Bristows LLP) talks about the difficulty with software patents. The difficulty arises from a need to identify the dividing line between the pure algorithm which should not be patentable and a technical invention which happens to use a computer. There are three different definitions between the UK, EPO and theUS.

The EPC Article 52 sets out the exclusions, including for programs for computers ‘as such’. In the UK the test has stabilised to:

1. construe the claim
2. identify the contribution to the art
3. does that contribution fall solely within excluded class?
4. is the contribution technical in nature?

The second and third questions are most difficult. Useful signposts are questions about whether there is a real world effect or does it just happen in the computer.

The EPO also derives from Article 52 EPC. The test is relatively simple; does the claim involve any technical (hardware) component?

In the USA there are no statutory exemptions to patentability but the judiciary have identified categories, such as laws of nature, natural phenomena and abstract ideas. A computer program is in one sense abstract, but the Supreme Court (in Alice Corp) has decided that the requirement is to find some inventive concept outside of the exemptions. It remains a question of substance over form.

Mr Jelf stated that the common thread between the jurisdictions is the requirement that there be something inventive over and above the abstract (exempted) idea. The technical effect requirement is an additional gloss on the European perspective which would be unlikely not to be met in the US situation in any event. The developing case law in each jurisdiction remains useful for cross-fertilisation of ideas.

Hon. William Chandler (Member, Board of Appeal, EPO) gave the example of an idea implemented by a computer. Does the computer make it technical to overcome the test or is it that the technical part is not inventive and the software is excluded? He considers that the EPO takes a middle ground (T1173/97) where the software has to provide a further technical effect. He referred to 5 signposts pointing in the right direction including whether it operates at the level of

architecture of computer irrespective of the data itself (interacting with the computer) or operates the computer in a new way in a technical sense.

The idea that a piece of software makes something more flexible or easy to use is not necessarily enough in itself; the effect of ease of use might mean programming which is an abstract activity and not a technical effect. If the computer is made to run more flexibly this might be a technical effect (for example determining which runtime programs needed re-generating).

Erich Anderson (VP and Deputy General Counsel, Microsoft) said that Microsoft supports patent litigation reform in the form it has been put forward to congress. However, he mentioned there are other issues on the horizon, including patent eligibility. The *Alice* case test for patentability reaffirmed *Bilski*. The two part test is to determine whether the claim is an abstract idea and whether the claim is just a generic computer performing generic computer functions. Microsoft is finding it hard to understand why patent applications are being rejected outside of the business method inventions and is seeking guidance from the USPTO.

The Hon. Annabelle Bennett AO (Judge of the Federal Court of Australia) has said that Australian judges were encouraged to see what other jurisdictions were doing and to take them into account, including with Australia's major trading partners. She pointed out that they have few statutory exceptions to patentability. They start from the case of *NRDC* for the framework and principled basis upon which to determine patentability. The case points out that it is not helpful to refer to the 'laws of nature' when determining what is and what is not patentable; what is said to matter is that there is an 'artificial state of affairs'. A particular example is the *Myriad* case in Australia where it was recognised that taking the nucleic acid from the cell would be patentable. The enquiry is not to the form of words, it is to the subject matter once one has understood the nature of the invention which is claimed. She later confirmed that, in contrast to the chemical differences that the extracted gene had to the natural gene sequence (which she saw as the US approach), they were more interested in the functional differences.

Dr Matthew Pavao (Cooley LLP) goes into further detail on the *Myriad* (and *Prometheus*) case in the US. *Prometheus* was considered in light of *Bilski* which states that as soon as a compound is administered to a human it becomes a metabolite.

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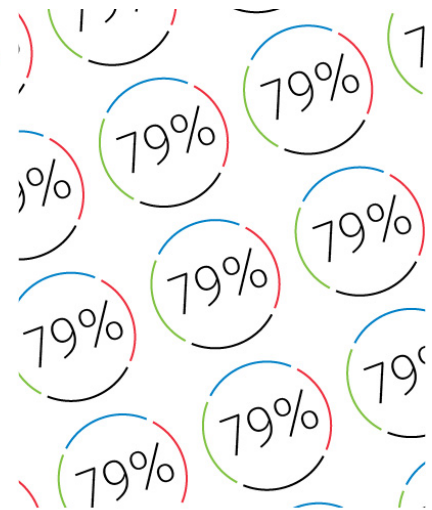
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