

Neutral Citation Number: [2013] EWHC 2673 (Pat)

IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
PATENTS COURT

Rolls Building
7 Rolls Buildings
Fetter Lane
London EC4A 1NL

Date: 04/09/2013

Before :

MR JUSTICE BIRSS

Between :

	IN THE MATTER OF The Patents Act 1977 and IN THE MATTER OF UK Patent application GB 1014714.8 in the name of LANTANA LTD and IN THE MATTER OF an appeal from the Decision of the Comptroller General of Patents, Designs and Trade Marks dated 4th February 2013	
	LANTANA LTD	<u>Appellant</u>
	- and -	
	THE COMPTROLLER-GENERAL OF PATENTS, DESIGNS AND TRADE MARKS	<u>Respondent</u>

Keith Beresford of Beresford & Co.) for the Appellant
Thomas Mitcheson (instructed by The Treasury Solicitor) for the Respondent
Hearing dates: 27th June 2013

Judgment **Mr Justice Birss** :

1. This is an appeal from the Comptroller in relation to patent application GB1014714.8 applied

for by Lantana Ltd. The decision under appeal is decision BL O/056/13 dated 4th February 2013 of Dr Stephen Brown, a Deputy Director acting for the Comptroller. The Hearing Officer refused the application because he found that it was excluded under s1(2) of the Patents Act 1977 as relating to a computer program as such.

2. The appellant is the applicant and is represented by Mr Keith Beresford. The Comptroller is represented by Mr Thomas Mitcheson.

The nature of the appeal

3. This appeal is a review and not a rehearing (although as I said in Halliburton Energy Services [2011] EWHC 2508, in many cases of this kind there may be little difference between the two.) As Mr Mitcheson submitted, the Court should have in mind the observations of Lord Hoffmann in Designers Guild [2001] FSR 11 at paragraph 29 and the observations of Robert Walker LJ in Reef [2003] RPC 5 at paragraphs 17 to 30 and in particular 26 to 28. I will set out those latter paragraphs:

“26. How reluctant should an appellate court be to interfere with the trial judge’s evaluation of, and conclusion on, the primary facts? As Hoffmann LJ made clear in *Grayan* there is no single standard which is appropriate to every case. The most important variables include the nature of the evaluation required, the standing and experience of the fact-finding judge or tribunal, and the extent to which the judge or tribunal had to assess oral evidence.

27. It is worth noting that *Biogen* was a case very close to the top end of the scale. It involved very complex biotechnology which was the subject of a lot of expert evidence given at a lengthy trial before a very experienced judge of the Patents Court. In the circumstances Lord Hoffmann’s memorable reference to Renan was not (if I may respectfully say so) out of place. There are far fewer nuances to be picked up from a bundle of statutory declarations which contain a good deal of irrelevant or tendentious material and on which there is no cross-examination.

28. In this case the hearing officer had to make what he himself referred to as a multi-factorial comparison, evaluating similarity of marks, similarity of goods and other factors in order to reach conclusions about likelihood of confusion and the outcome of a notional passing-off claim. It is not suggested that he was not experienced in this field, and there is nothing in the Civil Procedure Rules to diminish the degree of respect which has traditionally been shown to a hearing officer’s specialised

experience. (It is interesting to compare the observations made by Lord Radcliffe in *Edwards v Bairstow* [1956] AC 14, 38-9, about the general commissioners, a tribunal with a specialised function but often little specialised training.) On the other hand the hearing officer did not hear any oral evidence. In such circumstances an appellate court should in my view show a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle.”

4. This is the approach which I will follow.

The subject matter of the application

5. The application is entitled “Methods, Systems, and Computer program products for retrieving a file or machine readable data”. The priority date is 22nd February 2008. The application explains that a particular concern is a situation in which a user at a “local station” (i.e. a computer) wishes to access a file stored in a “remote data storage device”, i.e. another computer. The application refers to various known services which facilitate this process. The application does not elaborate but it is common ground that an example of these sorts of services is a system in which one can establish a connection over the internet between two computers such that the user can see part of the desktop on the remote computer on the screen of the local computer. The user can access the desktop of the remote computer and for example by moving his or her local mouse, move the cursor on the remote desktop and ultimately access files on that remote computer. The application states that these services are characterised by the need to establish a continuous connection, often for a relatively long period of time between the local computer and the remote computer. The application points out that this connection can be difficult to maintain, often can be costly and run the risk that intruders can access the file at the local or remote computer during the time of the connection. The application states that there is a need for a method for accessing files on the remote computer in which the connection is established for a relatively short period of time and that can automatically restore the connection if an interruption occurs.

6. The invention is set out in claim 1, which I will set out below. The application also includes other claims and refers to more things than are claimed in claim 1. In the Decision, as well as finding that claim 1 did not satisfy section 1(2) the Hearing Officer also held that having read the specification he could see nothing that could be reasonably expected to form the basis of a valid claim (paragraph 31). On appeal the appellant submitted that even if the conclusion about claim 1 was upheld, this decision was wrong and the appeal should be allowed on that ground. The appellant’s grounds of appeal and skeleton did not clearly identify what other matters beyond claim 1 might form the basis for a valid claim if claim 1 was refused. Mr Beresford indicated in reply that he was relying on a diagram which had been filed on appeal and had been used in the course of argument. If

this point was to be successful a new claim would have to be crafted and the application re-examined. The diagram, with Mr Beresford's explanation, was a useful aid to understanding the claimed invention and did contain some matter which was beyond claim 1 but I am not satisfied that if claim 1 is unpatentable any further matter in that diagram could give rise to a valid claim. Further it is not the court's task, particularly on appeal, to work out what else might be patentable in this way. If the appellant had wished to put something specific forward, it could and should have done so and the point could have been considered. Accordingly I will confine the rest of this judgment to claim 1.

7.Claim 1 is:

An electronic data retrieval system comprising a local station, a remote station, a packet switched network to provide a transmission path between the local station and the remote station, and a machine-readable data storage device storing retrievable data files including machine-readable data representing at least one of a visual product and an audio product,

wherein said local station includes:

a data store storing a plurality of machine-readable data retrieval criteria identifying data files among said retrievable data files stored at said machine-readable data storage device to be retrieved;

a packet switched network interface connected to said packet switched network;

a user interface co-operable with said data store and interactable with a user, to enable selection by the user of one or more machine-readable data retrieval criteria; and

an electronic processor configured to produce, in response to the selection by the user of the one or more machine-readable data retrieval criteria, a first e-mail message including the selected one or more machine-readable data retrieval criteria together with a machine-readable instruction for retrieving data files, among said retrievable data files stored at said machine-readable data storage device, using the selected machine-readable data retrieval criteria, and to send the first email message to the remote station via said packet switched network interface and said packet switched network;

wherein said remote station includes:

a packet switched network interface connected to said packet

switched network to receive the first e-mail message from the packet switched network;

a filter adapted to parse the first e-mail message to determine whether the first e-mail message includes any machine-readable instruction and any data retrieval criteria; and

an electronic processor to execute the first machine-readable instruction, and upon execution of the machine-readable instruction and in accordance with the selected machine-readable data retrieval criterion, retrieve the one or more required data files among said retrievable data files stored at said machine-readable data storage device from the machine-readable data storage device, produce one or more second e-mail messages, the one or more second e-mail messages including the retrieved one or more data files as one or more attachments, and send to said local station, via the packet switched network interface of the remote station, and the packet switched network, the one or more e-mail messages and one or more attachments.

8. Despite the length of this claim, the essence of what is going on can be shortly stated. The claim envisages two computers connected via the internet. The user of the local computer wants to retrieve data from the remote computer. When required, the local computer creates an email message containing machine-readable retrieval criteria and sends it to the remote computer. The remote computer receives the email, works out if the email contains any machine readable instruction and, if so, executes that instruction, retrieves the data and sends back an e-mail containing the requested data.

The law

9. The exclusions from patentability are contained in s.1 (2) of the Patents Act 1977. This implements Article 52 of the EPC which (as amended) reads:

(1) European patents shall be granted for any inventions, in all fields of technology, provided that they are new, involve an inventive step and are susceptible of industrial application.

(2) The following in particular shall not be regarded as inventions within the meaning of paragraph 1:

(a) discoveries, scientific theories and mathematical methods;

(b) aesthetic creations;

(c) schemes, rules and methods for performing mental acts,

playing games or doing business, and programs for computers;

(d) presentations of information.

(3) Paragraph 2 shall exclude the patentability of the subject-matter or activities referred to therein only to the extent to which a European patent application or European patent relates to such subject-matter or activities as such.

10. The law on this issue has very recently been considered by the Court of Appeal (Richards, Lewison and Kitchin LJ) in *HTC v Apple* [2013] EWCA Civ 451. Kitchin LJ reviewed the English authorities on the question of computer programs as such, including the approach set out in *Aerotel Ltd v Telco Holdings Ltd; Macrossan's Patent Application* [2006] EWCA Civ 1371, the judgment in *Symbian v Comptroller-General of Patents* [2008] EWCA Civ 1066, [2009] RPC 1 and the position in the European Patent Office. At paragraph 44 Kitchin LJ held that it would not be appropriate to abandon the approach explained in *Aerotel*. He said:

“For the reasons given in *Symbian*, I believe we must continue to consider whether the invention made a technical contribution to the known art, with the rider that novel or inventive purely excluded subject matter does not count as a technical contribution. Further, in addressing that issue I believe it remains appropriate (though not strictly necessary) to follow the four stage structured approach adopted in *Aerotel*.”

11. The four stage approach is :

- i) properly construe the claim;
- ii) identify the actual contribution;
- iii) ask whether it falls solely within the excluded subject matter;
- iv) check whether the actual or alleged contribution is actually technical in nature.

12. Some useful signposts as to the existence of a technical effect were first set out by Lewison J as he then was in *AT&T Knowledge Ventures' Application* [2009] EWHC 343 and were refined in this case at paragraph 51 (Kitchin LJ) and paragraphs 150-151 (Lewison LJ).

13. The signposts to a relevant technical effect (as modified in *HTC v Apple*) 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 the program makes the computer a better computer in the sense of running more efficiently and effectively as a computer;
- v) whether the perceived problem is overcome by the invention as opposed to merely being circumvented.

14. With a particular relevance to the facts of this case, Mr Beresford drew attention to Lewison LJ's reference in *HTC v Apple* to the EPO decision *IBM CORP/Data processor network* T6/83 [1990] OJ EPO 5. At paragraph 153 Lewison LJ said:

“Next, I think it is helpful to consider the facts of some of the cases in which a computer program was held to be patentable. In *IBM CORP/Data processor network* (T6/83) [1990] OJ EPO 5; [1990] EPOR 91 the invention consisted of an improved method of communication between programs and files held at different processors within a known network. It was held to be patentable. In *Symbian* itself the patentable computer program was a new means of accessing dynamic link libraries which had potential application in a variety of devices such as cameras and mobile phones. If those inventions were patentable, why is the invention in the present case not?”

15. Mr Beresford put this EPO decision at the forefront of his case. He also pointed out that it had been referred to and relied on by the Court of Appeal in *Symbian* at paragraph 57 of the judgment of the court and by the Court of Appeal in *Aerotel* in paragraph 88 of the judgment of Jacob LJ. For example in *Symbian* the Court said:

“In particular, in *IBM Corp./Data processor network*, the "technical" contribution identified by the Board was, as explained in [88] of *Aerotel*, "the removal of limitations of prior art systems with the result that the data processing system was more flexible and had ... 'improved communication systems between programs and files'...”

16. The ***IBM*** decision T6/86 is significant as an example of what can be regarded as a technical contribution but I do not accept the argument put forward by Mr Beresford goes as far as he seeks to take it. The fact that in the ***IBM*** case the method of communication between programs and files held at different processors within a known network was held to be patentable in 1988 does not mean that any method of communicating between programs and files on different computers over a network necessarily involves a technical contribution today. The significance of the decision is that such a thing *can* involve a technical contribution, not that it always does or necessarily must.

17. In his argument Mr Beresford conducted a thorough review of the numerous authorities on the issue of software patenting. I do not propose to engage with that review in this judgment. The general point being made suffered from the same problem as the argument about ***IBM*** T6/86 in that it was too broadly stated. Simply because it is possible to construct a generalised category which includes both the claimed invention in this case and a previous decision in which a claim was held to be patentable, does not help. It shows that such things can be patentable in some cases but does not show that the invention in this case is patentable.

18. I asked Mr Beresford what it was that made the difference between being patentable and unpatentable in this context. His answer was that if the contribution was produced by features of a novel and inventive claim then the law would be satisfied. I do not accept that submission. I agree that the fact the claim is novel and inventive is not irrelevant. For example I cannot see how it makes much sense to talk about the contribution of a claim which lacks novelty. Also, if the claim is obvious then again it is hard to see what sort of contribution it could be said to make. However the fact the claim is novel and inventive is not the determinant of whether it satisfies Art 52 EPC. Being novel and inventive is not what takes a contribution outside the excluded area nor is it what makes an effect or contribution “technical”.

19. One of the cases referred to was the judgment of Lewison J in ***Autonomy*** [2008] RPC 16, in particular paragraph 29(x) which states:

“29(x) The manipulation of data stored on a computer (whether on the computer in use or on a remote computer) is unlikely to give rise to a contribution that exists independently of whether it is implemented by a computer (*Bloomberg*)”

20. This was focussed upon because it referred to a remote computer and therefore might have a bearing on a case like the present one with two computers connected by a network. Given the reference to ***Bloomberg***, [2007] EWHC 476 (Pat) (Pumfrey J) which was not in the authorities’ bundles, I decided I would have a look at that case after the hearing and indicated as much to the parties, giving them the opportunity if so advised to file written submissions on it. I received four sets of submissions on ***Bloomberg***, which, having now read the case, exaggerates its significance in relation to the issues I have to

decide on this appeal. In terms of legal principles, there is nothing I need to add to what I have said above.

The decision

21. The Hearing Officer applied the approach set out by the Court of Appeal in *Aerotel*. At step one he clearly understood the claim correctly and summarised it in paragraph 9 of the Decision. There is no issue about that. At step two the Hearing Officer identified the contribution as a computer implemented system for retrieving data from a remote station across a network using e-mails containing machine-readable instructions and/or retrieved data (paragraphs 10-13). No issue arises about that characterisation but it is best considered along side the reasons which the applicant relied on before the Hearing Officer to support patentability. Those three reasons were set out in paragraph 14 of the Decision as follows:

- i. The transfer of data over a network is not among the list of exclusions;
- ii. Extracting data from a database has been held by the High Court to be a technical process;
- iii. The transfer of data between memories in a computer has been held by the High Court to be a technical process thus by extension the transfer of data between computers must also be a technical process;

22. The Hearing Officer considered those points and rejected each one in turn. For each he thought the proposition being advanced was too broad. For example in paragraph 17 Dr Brown held that just because in one case (*IGT/Acres Gaming*, [2008] EWHC 568(Pat)) a method of addressing a database was thought to be technical, it does not follow that all methods of addressing databases are technical.

23. The Hearing Officer then considered the *AT&T* signposts and found that they did not assist the applicant. In relation to the fourth and fifth signposts (increase in speed or reliability or overcoming as opposed to circumventing a problem) the Hearing Officer said this:

27 In respect of the fourth signpost, any increase in the reliability of the data retrieval process is solely due to the use of e-mail rather than any other communication method. There is no evidence of either of the two computers or the network being intrinsically more reliable themselves. In the case of Symbian it was accepted that an overall improvement in reliability of the computer itself was achieved. The contribution in this case does not seem to operate with anything like the same level of

generality.

28 Finally, in respect of the fifth signpost, the problem addressed is that of how to retrieve data from a remote station without the usual problems associated with establishing a continuous connection to said station. The current application addresses this issue by choosing to use a well known non-continuous communication technology instead, namely e-mail. The contribution cannot be said to solve the problems identified. Rather it circumvents the problems of maintaining a good continuous connection by simply not using a continuous connection.

24. He concluded that the contribution was excluded by the statute. Dr Brown summarised his findings as follows:

29 To summarise: the contribution is a better way of retrieving data from a remote station by using e-mail to transmit retrieval criteria and to receive back the corresponding data. I can see no technical effect outside of the two computers. Neither is either computer or the connecting network operating in a new way. I am therefore forced to conclude that the contribution is excluded as a program for a computer as such.

25. He refused the application.

The arguments on appeal

26. The Appellant's case on appeal was that the invention could be regarded as providing four technical effects which showed the contribution made by the invention was technical in nature and not within the exclusions on patentability. The four effects relied on are these:

- (i) telecommunications messages are generated by computers forming part of a telecommunications network, and transmitted from one computer to another over the network;
- (ii) one computer remotely controls the processing performed by another via a telecommunications network;
- (iii) the result of this remote control is the transmission of files and information from the remote computer over a telecommunications network to the local computer;
- (iv) this remote control and transmission is achieved in a manner which does not require a continuous connection between the two computers.

27. Although not expressed in the same terms, these things are close to the points put in

argument before the Hearing Officer below. One element which receives more stress before me is the argument that the local computer controls the processing performed by the remote computer.

28. The Appellant's primary case was as follows. The examiner of the application had accepted that the claim was novel and inventive. The only issue was patentability. The Hearing Officer had misapplied the law because he should have held that what made these various aspects patentable and revealed their technical character was the fact that they were achieved by the novel and inventive processing set out in the claim. I do not accept that this argument is correct in law. As I have said already, the fact the claim is novel and inventive is not the determinant of whether it satisfies the requirements for patentability in the Act and the EPC.

29. Nevertheless despite rejecting this primary point made by the Appellant I should go on and consider whether the claimed invention satisfies the requirements of the law. Mr Mitcheson acting for the Comptroller submitted it did not. He submitted that the Appellant's argument that the transmission of information by email between the local and remote computers was a well known non-continuous communication method. The movement of data by email cannot itself amount to a technical contribution and more generally, the transmission and retrieval of information over a network is a standard part of the function of computer programs. On the issue of "control" Mr Mitcheson submitted that this was not part of the claim nor part of the (unchallenged) findings of the Hearing Officer. He also argued that the email messages in this case do not control the remote computer in a conventional sense. They request information and, if the remote computer is able, it will respond. This is not true control and is not the sort of control which has been found to exist in other cases, such as T1658/06 (*Digital Rights Management/MICROSOFT*) relied on by the Appellant. Mr Mitcheson also supported the Hearing Officer's analysis of the five AT&T signposts. Although the fourth one had been modified somewhat by the Court of Appeal in *HTC v Apple*, he said it did not assist the Appellant in this case.

Assessment

30. I start by noting that this invention consists entirely of software running on a conventional computing arrangement. I use the term "computing arrangement" rather than computer because the applicant is at pains to point out that this system requires two computers connected by a "telecommunications network". So it does but at the relevant date (2008) two computers connected across the internet was an entirely conventional computing arrangement. The fact that two computers and the internet are required is not what makes a software invention patentable.

31. The invention here is therefore in the tricky territory I identified in *Halliburton* (paragraph 37) because everything is going on inside the computer, or rather inside the computing

arrangement. Thus the first signpost cannot assist the applicant.

32. I will consider the four effects relied on. The first one is no more than the fact that the invention involves communication between two computers over the internet. This cannot help. At the priority date in 2008 (as today) this was entirely conventional and cannot form part of anything contributed by the invention. The same goes for the third effect, that files or information are transferred from one computer to another over a telecommunications network.

33. The second effect is that one computer remotely controls another. I do not accept this as a fair characterisation of what is going on. If one computer really was exercising control over another in some way that might be a genuine technical contribution but all that is happening here is one computer is sending an email message to another. That is not control at all. The first email message includes machine readable instructions directed to the remote computer. But this is not something these inventors have contributed to the art at all. Conventional examples of emails which include code which can be executed by the computer receiving the message were mentioned at the hearing. An example can be found in figure 5 of one of the cited prior art documents (US Application 2006/0059129 A1). Mr Beresford submitted that this conflicted with the acceptance by the examiner that the claim was novel and non-obvious. I do not agree. Those matters apply to the claim as a whole, that is to say the entire combination of features. The point here is a different one, i.e. that the idea of an email message containing machine readable instructions as a contribution to the art in this case is wrong. The computers in the claim are not operating in a new way and the third signpost does not assist the applicant.

34. The fourth effect relied on is said to be that the remote control and transmission is achieved in a manner which does not require a continuous connection between the two computers. This is said to be a solution to the problem of the need for continuous connections described in the patent. The Hearing Officer dealt with this point in paragraph 28 of the Decision (quoted above). He characterised the use of email not as solving the problem but as circumventing it.

35. This distinction is one which arises from previous cases in this area and was picked up as the fifth ***AT&T*** signpost. It is important to keep in mind that this is not an issue of inventive step. The distinction between solving and circumventing a problem may or may not be relevant to inventive step. The point is relevant in this context because the question is one of technical character. It makes sense to think of something which is a solution to a technical problem as itself having technical character because it takes that character from the technical nature of the problem to be solved. But if a thing is not solving the technical problem but only circumventing it, then that thing cannot be said to have taken any technical character from the problem.

36. So here, the nature of the continuous network connections needed to carry out the tasks

described at the start of the patent may very well give rise to detailed highly technical problems which, if solved, would be likely to have a technical character. But this invention does not grapple with those technical issues at all. It uses email and thereby avoids the technical problems of continuous communications altogether. That may or may not be inventive but it does not take its character from the problem addressed. I agree with Dr Brown's decision on this point. The fifth signpost does not assist the applicant in this case.

37. I have now addressed all four of the effects relied on and found nothing which amounts to a technical contribution arising from the claim. I have also mentioned three of the five signposts and so I will address the remaining two.

38. As regards architecture (the second signpost), although the claim is limited to data representing a visual product and an audio product I accept Mr Beresford's submission that this was an artefact of the prosecution process and does not mean the effects relied on really depend on the particular data being processed. Nonetheless I agree with Dr Brown's consideration of the second signpost in paragraph 25 of his decision. He said:

25. In respect of the second signpost, it is quite clear that the claimed technical effect does not operate at the level of architecture in either 'station'. Rather it is a way of retrieving data from the remote station by 'piggy-backing' on the operation of an e-mail application. The crux of Symbian2 was that it related to a program which allowed a computer to operate on other programs faster - in essence a generic program. That is not the case here - there is nothing to suggest that the two computers' architectures are anything other than conventional.

39. The second signpost does not assist the applicant.

40. Given the date of the Decision, when the fourth signpost was considered by the Hearing Officer it was in the pre-*HTC v Apple* form (see paragraph 27 of the Decision quoted above). As he said, there was no evidence of either of the two computers or the network being intrinsically more reliable and the same reasoning applies if one considers efficiency and effectiveness (the terms used in *HTC v Apple*) as well as reliability. Thus the fourth signpost does not assist the applicant either.

41. Finally I will stand back from the detailed submissions and look at the claim overall. In substance the claim relates to computer software running on conventional computers connected by a conventional network. The task the software performs moves data from one computer to another using a conventional technique for carrying out that task, i.e. email. The context in which this arises is that accessing remote computers via continuous connections can be problematic but this is not a technical solution to those

problems, it avoids them, but does so using a conventional technique. The claim has been found to be novel and inventive by the examiner and in that sense it makes a contribution of some kind to the art, but the applicant has been unable to identify anything which this claim can fairly be said to contribute which has a technical character. In my judgment this claim is to unpatentable subject matter and is contrary to s1(2) of the Act / Art 52 EPC.

Conclusion

42.I will dismiss this appeal.