



BL/O/365/04

14 December 2004

**PATENTS ACT 1977**

APPLICANT                    Honda Giken Kogyo Kabushiki Kaisha

ISSUE                         Whether patent application number GB0114842.8  
                                      is excluded from being patentable under section  
                                      1(2)

HEARING OFFICER                    A Bartlett

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**DECISION**

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

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**THE PATENT OFFICE**

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Fos: 17

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

Tuesday, 7th December, 2004

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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 0114842.8  
of HONDA GIKEN KOGYO KABUSHIKI KAISHA  
for Letters Patent

(Ex Partes Technical Hearing)

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Transcript of the Shorthand Notes of Harry Counsell (Wales)  
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(Tel: 01792 773001 Fax: 01792 700815 e-mail: HarryCounsellW@aol.com)  
Verbatim Reporters

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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

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

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DECISION

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THE DEPUTY DIRECTOR: This decision concerns application number 0114842.8 filed by Honda Giken Kogyo Kabushiki Kaisha on 18th June 2001 and published as GB2368938. The applicants were represented at the hearing by Christopher Vigars and Susan Roxburgh of Haseltine Lake, Patent and Trade Mark Attorneys. Throughout the examination process objection has been raised that the invention related to a method of doing business and a program for a computer, and was therefore excluded under the Patents Act. It is that issue I am here to decide today.

For the purpose of this decision I do not need to recite the claims in full: instead I shall provide a summary. The invention is entitled "Electronic Document Classification System", which in the embodiment described is a system for electronically handling tender documents. The method comprises the following steps -

1. Invitations to tender are sent out by a requesting party.
2. Tenders are submitted by potential partners. Each contains a set of items.
3. Each item is then assessed against a predetermined value - which may represent things like the volume of goods to be ordered and the materials involved or the total cost of the order.
4. If the submitted tender fails to meet the specification in any regard, then that tender is rejected without further processing.
5. If it is not rejected, you obtain a score relating to each item, which is totalled. You add the score relating to the attributes of a potential partner (for instance, if you have worked with that partner before) to that total score, and then the non-rejected tenders are prioritised using the total score.

A Thus I would describe this as being a two-stage process aimed at filtering out non-compliant tenders before a detailed comparison has to be done. This has the clear benefit of reducing data processing overheads.

B Helpfully, at the hearing Mr Vigars agreed the general principles that I should apply in deciding whether the invention is excluded or not, these being that -

1. The presence of a technical contribution makes an otherwise unpatentable invention patentable;
- C 2. In deciding whether an invention makes a technical contribution I need to decide each case on its merits;
3. It is the substance of the invention, not form of claim, that prevails in UK law;
- D 4. It is desirable that the exclusions are treated in the same way under the EPC and under the UK Patents Act;
5. If there is benefit of the doubt, that goes in favour of the applicants;
6. That under UK law exclusions are separate from the novelty and inventive step considerations; and
- E 7. Just because the applicants have restricted the claims to business method aspects does not make it a business method as such.

F Mr Vigars argued the invention was concerned with the technical means which permitted a changed business process to be implemented, and thus that it made a technical contribution. He said that, irrespective of the presence of limiting business features in the claims, the invention was not excluded as a method of doing business or a program for a computer as such. He said it was G concerned with data transmission and storage which, according to the EPO Board of Appeal in Hitachi, was “technical” and thus avoided the exclusions. In short, he said that the technical aspects of the invention drove the business H

A method rather than vice-versa, and this resulted in more efficient use of resources.

B Whilst I agree that more efficient processing is indeed the outcome, I do not agree that the technical aspects drive a business method, or that the invention is patentable. The test in UK law for whether an invention is excluded is not that it is technical: it must make a technical contribution. Whilst they considered “technical contribution” under the “inventive step” provisions, the Board of Appeal in Hitachi said -

“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”.

D It is my considered view that any contribution the present invention makes is a consequence of a new business rule being implemented. In this case that new business rule is that a two-stage tender filtering process is favourable over one where all tenders are assessed in detail. Whilst the prior art acknowledged in E the specification does not disclose that two-stage process in an electronic tender system, it is my considered view that it was known at the priority date of the invention to do so in manual systems.

F It is my considered view that the invention is merely the automation of a known manual process. And, as the Court of Appeal made clear in Fujitsu, that is not enough for it to be said to make a technical contribution. Even if such a two-stage manual process was not known at the priority date, I can still see no G technical contribution made by the invention.

H The inventors may well have developed an improvement to an existing electronic tender system, but they have done so by changing the business process, not the technical implementation; and, from Hitachi, that is

A circumventing rather than overcoming a technical problem using technical means.

Actually implementing the new business process then seems to me to be entirely straightforward. Such implementation was considered by the B comptroller's hearing officer in eBay's Application, BLO/314/04, where he said at paragraph 24 -

C "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 this invention. Once that new business method had 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".

D He then went on to refuse that application as not making a technical contribution.

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 consider to make no E technical contribution. Further, I can see nothing in the dependent claims or the remainder of the specification which could form the basis of a patentable invention. Consequently I refuse this application under section 18(3) as being F excluded under section 1(2)(c) as a method for doing business and a program for a computer as such.

Under the Practice Notice, Part 52 of the Civil Procedure Rules, any appeal must be lodged within 28 days.

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Approved

H A Bartlett  
Hearing Officer

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