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Department of Policy and Business Practices

Comments on the draft EC Directive on the Patentability of Computer Related Inventions

Prepared by the Commission on Intellectual Property

Introduction

Computer related inventions are essential tools for businesses and the backbone of several industries. The question of intellectual property protection for computer-implemented inventions (CIIs) is therefore of singular importance to the business community worldwide.

The discrepancies in current patenting practices on computer- implemented inventions have been of great concern to many governments and to businesses globally. The patent systems most concerned by these practices are those in Europe, Japan and the US.

The European Patent Office and the Japan Patent Office both require that technical aspects be expressed in a patent claim. While the European Patent Office (EPO) requires the claim to specify a technical feature over and above that represented by the computer alone, the Japan Patent Office is satisfied with a software invention provided the patent claim specifies a computer.

This approach can be contrasted with the practice in the US. To obtain a patent in the United States, an invention must be implicitly within the technological arts. Although a "tangible result" is required, the invention does not have to provide a "technical contribution" as such.

Situation in Europe

Two factors have resulted in a certain ambiguity and lack of transparency in the patenting of CIIs i n the European Union. While Article 52 (2)(c) of the European Patent Convention excludes "computer programs as such" from patentable subject matter, the EPO has in practice granted many patents on computer implemented inventions, by narrowly interpreting this exclusion.

Secondly, as national courts of EC member states are not bound to follow the decision of EPO appellate bodies, this has led in practice to divergences in the interpretation of the EPC and consequently in the scope of protection accorded in different EU member states to certain classes of invention, including CIIs.

Following several years of thoughtful discussion, the European Commission has now issued a draft Directive on the Patentability of Computer Implemented Inventions as an attempt to codify EPO practice and jurisprudence, and to harmonise EU member states' treatment of CII patent applications.

General comments on EC draft directive

ICC supports the European Commission's objective to improve the transparency and coherence of the EU system and to harmonize the approaches of EU national courts.

As stated in its July 2001 policy statement concerning software and business methods, ICC firmly believes that patents provide an incentive for innovation by encouraging investment in R&D and promoting the dissemination of technology through the publication of patents. Technologically innovative companies should be able to obtain patents to protect their inventions without

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discrimination as to the technological field. On the other hand, it has long been established that creations of a purely abstract nature cannot be patented.

ICC particularly supports the Commission's view that a special set of rules for CIIs should not be created. ICC's position is that computer-implemented inventions should not be treated differently from any other inventions, and should be patentable as long as they meet all of the usual requirements of patentability applied to other fields of technology, including technical content. At the same time, however, it is critical to ensure that the standard rules and requirements for patentability are appropriately applied in examining applications in these fields.

In parallel to the work on the directive, ICC urges all interested parties to continue their efforts to delete the exclusion of computer programmes in Article 52(2), to remove remaining ambiguities in the system.

Specific comments on draft directive

ICC appreciates the fact that the draft directive addresses a difficult policy area where there are divisions of opinion, and therefore reflects an attempt to take into account the different interests involved. It is however essential that the resulting text is clear, and accurately reflects current law and practice, if it is to achieve its objective.

ICC would therefore like to make the following suggestions to improve the wording in the current draft directive and to bring it into line with the ICC opinion as expressed in its July 2001 policy statement concerning software and business methods.

Article 2 - Definitions

This article provides the basis for the rest of the text and its clarity is therefore essential.

(a) "Computer-implemented invention"

Although this definition appears to be derived from the EPO Guidelines for Examination, it is, in ICC's view, too complex for the purposes of a directive which is intended to increase transparency. ICC supports the alternative wording suggested by the EPO for this article which it believes would improve its clarity. This reads :

"computer-implemented invention" means any invention the performance of which involves the use of a computer, computer network or other programmable apparatus [and having one or more prima facie novel features] which [are] is realised wholly or partly by means of a computer program or computer programs."

(b) "Technical contribution"

The requirement in this definition that the technical contribution should be "not obvious" is confusing. Article 4(2) states that an "inventive step" (equivalent to non-obviousness) must involve a "technical contribution" and to then state in Article 2 that this technical contribution must itself be non-obvious makes the combination of the two articles a circular statement. ICC therefore proposes that the reference to non-obviousness in the definition should be deleted and again supports the wording proposed by the EPO, as follows:

"technical contribution" means a contribution to the state of the art in a [technical] field [which is not obvious to a person skilled in the art] of technology."

Article 4 - Conditions for patentability

Article 4(2)

"Member States shall ensure that it is a condition of involving an inventive step that a computer-implemented invention must make a technical contribution."

Article 4(3)

"The [technical contribution] inventive step shall be assessed by consideration of the difference between the scope of the patent claim considered as a whole, elements of which may comprise both technical and non-technical features, and the state of the art."

The technical implementation must go beyond merely using a known computer in a straightforward manner to implement the method. In such a case the technical contribution results from the technical considerations that are at the root of the claimed invention. This is widely accepted where mathematical concepts are involved and it appears appropriate to apply the same reasoning to other kinds of methods, including business methods.

Article 5 - Form of claims

ICC believes that the directive should follow current practice in the EPO and a number of EU member states and make it clear that computer program products can be claimed. To disallow such claims in the directive would create great legal uncertainty for holders of such patents already granted. Prohibiting product claims would also render enforcement of patents difficult and raise questions with respect to TRIPS compliance. TRIPS requires patents not only to be available, but also to be "enjoyable" in all areas of technology.

If program claims are prohibited, patent holders will in most cases be forced to defend their rights under the patent by relying on "contributory infringement" arguments which are often difficult to establish and, in any case, would only apply when the distributor of the computer program and user of such program are located in the same member state. It is unlikely that the patent holder would be able to assert his or her rights in the very common cases where the distributor and user of the program are located in different EU member states.

The proposed wording of Article 5 would allow the production and distribution in Europe of computer programs which, when run in a computer, infringe valid patents. Consumers will be put in the undesirable situation of purchasing computer programs in good faith, but then finding themselves infringing a patent when computer programs are executed by the consumer at home or in the workplace.

ICC therefore proposes the following reformulation of Article 5:

"Member States shall ensure that a computer-implemented invention may be claimed using any form of claim considered appropriate by the applicant . Suitable forms of claims include, for example, claims to [as] a product, that is [as] a programmed computer, a programmed computer network, [or] other programmed apparatus [or] and a computer program, and claims to [as] a process carried out by [such] a computer, computer network or apparatus through the execution of software."

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Article 6 - Relationship with Directive 91/250 EC

Current wording of Article 6:

"Acts permitted under Directive 91/250/EEC on the legal protection of computer programs by copyright, in particular provisions thereof relating to decompilation and interoperability, or the provisions concerning semiconductor topographies or trade marks, shall not be affected through the protection granted by patents for inventions within the scope of this Directive."

ICC believes that the proposed Article 6 should be reconsidered. One reason is that the scope of the provision is not limited to just decompilation or interoperability; the draft article generally provides that whatever is permitted under the copyright directive shall also be permitted under the draft software patent directive.

Conclusion

ICC fully welcomes the current endeavours to provide certainty for the patentability of computer-implemented inventions in Europe. It recognises that, for the directive to realise its objective, it is of the utmost importance that the wording of the proposal provides complete clarity for conditions of patentability. Ambiguous wording could run the risk of introducing different requirements for the patentabilty of CIIs than are applied to other fields of technology and may produce an undesired retrospective effect on existing software patents granted by individual member states and the EPO itself. ICC believes that the adoption of its suggestions for alternative wording would reduce these risks, assisting the draft proposal to a ttain its goal.

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