



1 December 2010

PATENTS ACT 1977

APPLICANT I2 Technologies US, Inc.

ISSUE Whether patent application number
GB 0604820.1 complies with section 1(2)

HEARING OFFICER J Pullen

DECISION

Introduction

1. Patent application number GB 0604820.1 was filed on 10th March 2006, claiming priority from two earlier US applications 60660747 filed 10 March 2005 and 11371960 filed eighth of March 2006. The application was published on 13 September 2006 as GB 2424098.
2. It was agreed, at the applicant's request, that for efficiency the application should be heard together with the applicant's co-pending applications 0604622.1 and 0604769.0, although it was also agreed that the applications were sufficiently different that I should issue decisions in respect of each application separately.
3. In the examination process the examiner, having already declined to carry out the prior art search on the application because he deemed it would serve no useful purpose, raised objections under section 1(1)(d) of the Patents Act which in turn relates to section 1(2) which is concerned with matter which is excluded from patentability. The examiner particularly maintained objections that the invention as claimed was unpatentable in relating to a computer program, a business method, a mental act and presentation of information as such. Unfortunately the matter could not be resolved by correspondence and the hearing was appointed to decide the matter. The hearing took place on October 1, 2010 before me and the applicant was represented by Mr Stephen Antrobus and Mr Paul Matthews of Barker Brettell.

The application

4. The methods, systems and computer programs described are concerned with the management of a supply chain and particularly with controlling access of trading partners in the supply chain to particular stages or "states" of the supply chain, in particular the trading partner can view the transaction in a given state, the state being for instance when a buyer is tendering or later on when a buyer is committed. The trading partners in the supply chain could be customer or supplier and manufacturer, buyer or a third-party.
5. The administrator of the supply chain management system, a trading partner or a vendor can use the user interface to enter information into a state model which defines how particular trading partners can interact with the transaction state, the state model either being an existing stored example or one that can be customised by the trading partner.

The claims

6. It was agreed that the hearing should proceed on the basis of new claims filed at the hearing by Mr Matthews. In fact the independent claims of the new claims filed at the hearing were identical to suggested replacement claims filed with the agent's letter dated 7 January 2010 and considered by the examiner, the claims filed at the hearing only differing in that they include a full set of dependant claims. These independent claims are as below:

1. An inter-enterprise server comprising:
a database for storing a configurable state model, the state model describing a plurality of states for a transaction and, for each state, which of a plurality of trading partner computing devices have the ability to perform actions at that state;
a transaction state module configured to allow a trading partner computing device to view a transaction and perform an action on the transaction based on the state of the transaction and on the function of the trading partner computing device; and
an interface coupled in communication with the transaction state module, configured to receive an action from a trading partner computing device;
wherein in response to the action, the transaction state module updates the transaction state.

9. A computer-readable medium storing a computer program product configured to perform a method for managing states of transactions between trading partners states of a supply chain with reference to a database comprising a configurable state model, the state model describing a plurality of states for a transaction and, for each state, which of a plurality of trading partner computing devices have the ability to perform actions at that state: the method comprising:

allowing a trading partner computing device to view a transaction and perform an action on the transaction based on the state of the transaction and on the function of the trading partner computing device; and
receiving an action from a trading partner computing device;
updating the transaction state in response to the action.

The Law

7. The examiner raised an objection under section 1(2) of the Patents Act 1977 that the invention is not patentable because it relates to a computer program and/or mental act as such; the relevant provisions of this section of the Act are shown below:

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) a discovery, scientific theory or mathematical method,

(b) a literary, dramatic, musical or artistic work or any other aesthetic creation whatsoever;

(c) a scheme, rule or method for performing a mental act, playing a game or doing business, or a program for a computer;

(d) the presentation of information;

but the foregoing provision shall prevent anything from being treated as an invention for the purposes of this Act only to the extent that a patent or application for a patent relates to that thing as such.

8. As explained in the notice published by the UK Intellectual Property Office on 8th December 2008, the starting point for determining whether an invention falls within the exclusions of section 1(2) is the judgment of the Court of Appeal in *Aerotel/Macrossan*¹.
9. The interpretation of section 1(2) has been considered by the Court of Appeal in *Symbian Ltd's Application*². *Symbian* arose under the computer program exclusion, but as with its previous decision in *Aerotel/Macrossan*, the Court gave general guidance on section 1(2). Although the Court approached the question of excluded matter primarily on the basis of whether there was a technical contribution, it nevertheless (at paragraph 59) considered its conclusion in the light of the *Aerotel* approach. The Court was quite clear (see paragraphs 8-15) that the structured four-step approach to the question in *Aerotel/Macrossan* was never intended to be a new departure in domestic law; that it remained bound by its previous

¹ *Aerotel Ltd v Telco Holdings Ltd (and others) and Macrossan's Application* [2007] R.P.C. 7

² *Symbian Ltd's Application* [2008] EWCA Civ 1066

decisions, particularly *Merrill Lynch*³ which rested on whether the contribution was technical; and that any differences in the two approaches should affect neither the applicable principles nor the outcome in any particular case. But the *Symbian* judgment does make it clear, that in deciding whether an invention is excluded, one must ask does it make a technical contribution? If it does, then it is not excluded.

10. Subject to the clarification provided by *Symbian*, it is therefore appropriate for me to proceed on the basis of the four step approach explained that paragraphs 40-48 of *Aerotel/Maccrossan* namely:

- 1) properly construe the claims
- 2) identify the actual contribution
- 3) ask whether the identified contribution falls solely within the excluded matter
- 4) check whether the actual or alleged contribution is actually technical in nature.

Applying the excluded matter test

Construe the claim

11. There do not appear to be any issues regarding the clarity of the claims. Claim 1 is now to a database server, transaction module and interface, but it was not suggested to me that the hardware involved is anything other than standard.

Identify the contribution

12. This is defined as what the invention has added to human knowledge. The contribution put forward by the examiner in his report of 11 September 2009 is a 'computer implemented method for managing supply chain transaction data'. In response to this report the applicant does not appear to clearly define what he assesses to be the contribution, but sets out, in his agent's letter of 7 January 2010, a number of advantages and effects. In his examination report of 1 April 2010, the examiner then attempts to address these points. This correspondence does not assist me in clarifying the contribution.

13. One of the problems to be overcome by the invention, given on lines 5-10 of page 3 of the description, is that in "conventional inter-enterprise supply chain management software transactions are typically presented from one point of view" and that similar options are presented to the user "regardless of their role in the transaction or current state of the transaction".

³ Merrill Lynch's Application [1989] R.P.C. 561

14. At the hearing however, Mr Matthews additionally wanted to emphasise a contribution in providing data integrity by ensuring a correct set of data. This is essentially achieved by controlling access to the data to make sure that only those that need to access it can do so, i.e. by ensuring that the data is not inaccurate due to it being acted on and updated by trading partners who do not have a role at that point and also preventing regression of the data to an earlier version.
15. Mr Matthews also argued that this contribution was generic, i.e. that although it operates on supply chain data it needn't do so because it is addressing the general problem of granting permissions for access to the data. Having reviewed all of the information before me I cannot accept this generic nature. The access or permissions are claimed in relation to trading partners and the state of the transaction so I do not see how it could be applied to generic access to data in general.
16. Mr Matthews also put forward the analogy of a safe where only certain people have keys to that safe at a given time. I have to admit I have some difficulty in accepting this analogy and do not think that it assists in assessing the contribution.
17. Having reviewed all of the information before me I consider the contribution to be a supply chain management tool which grants access for relevant trading partners to view a given transaction or to perform an action on that transaction depending on the state of the transaction.

Ask whether the contribution falls within the excluded matter

18. There is no doubt in my mind that aspects of business are involved as the contribution is clearly essentially involved with business transactions. The question is, does the granting of access give an aspect of the contribution outside the business method exclusion? Patent applications may be allowed for granting permissions but in this case the granting of permission to access data is entirely dependent on a business aspect, i.e. the state of the transaction. I therefore conclude that the contribution falls wholly within the business method exclusion.
19. The examiner also objected that the contribution involved the presentation of information and indeed the purpose of allowing access to the transaction is both to view, i.e. presenting information, and perform an action. As I have however accepted that the contribution relates to the allowing of permissions then I do not think the presentation of information exclusion is now relevant.
20. I do not think that the mental act exclusion applies as the contribution relates to granting access to transaction data. Although the database used could simply be a lookup table, the transaction state module must store details of permissions and therefore I do not think that the contribution I

have identified can relate to a mental act.

21. As regards the computer program exclusion, a business method implemented using a computer program which runs on conventional hardware remains excluded. Therefore I have no need to consider this further.

Is the contribution technical?

22. As I found the contribution relates to a business method, the claims are defined in terms of trading partners and that access based on a transaction state. The access to data is in response to a trading relation and that is a business, i.e. non-technical, aspect. I therefore consider that the contribution is not technical.

23. In discussing this Mr Matthews at the hearing, he pointed me towards the "signposts" set out by Mr Justice Lewison in AT&T/CVON⁴. As this was in relation to exclusion as a computer program, I have no need to consider this further.

Conclusion

24. I conclude that the contribution defined in the claims filed on October 1 2010 falls wholly within the business method exclusion and is therefore excluded under section 1 (2).

25. Having read the specification I do not think that any saving amendments are possible. I therefore refuse the application under section 18 (3).

Appeal

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

J Pullen

Deputy Director acting for the Comptroller

⁴ AT&T Knowledge Ventures LP and CVON Innovations Limited v Comptroller General Of Patents [2009] EWHC 343 (Patents)