

ENGLAND AND WALES / JUDGMENT

AT&T Knowledge Ventures LP, Re

Source: caselaw.nationalarchives.gov.uk · Research copy typeset by Esheria. Not court-issued or certified.

Neutral Citation Number: [2009] EWHC 343 (Pat) IN THE HIGH COURT OF JUSTICE CHANCERY DIVISION PATENTS COURT Royal Courts of Justice Strand, London, WC2A 2LL Date: 3 March 2009 Before: THE HONOURABLE MR. JUSTICE LEWISON

- ----- Case No: CH/2008/ APP/ 0509 IN THE MATTER OF the Patents Act 1977 -and- IN THE MATTER OF UK Patent Application No. GB 0602349.3 in the name of AT&T KNOWLEDGE VENTURES LP -and- IN THE MATTER OF an appeal from the decision of the Comptroller General of Patents dated 2 July 2008 -and- Case No: CH/2008/APP/0619 IN THE MATTER OF the Patents Act 1977 -and- IN THE MATTER OF UK Patent Application No. GB 0623571.7 in the name of CVON Innovations Limited -and- IN THE MATTER OF an appeal from the decision of the Comptroller General of Patents dated 15 August 2008 Mr Richard Davis (instructed by RGC Jenkins & Co.) for AT&T [and] (instructed by EIP) for CVON the Appellants Mr Michael Tappin (instructed by The Treasury Solicitor) for the Comptroller General of Patents Hearing dates: 17, 18 February 2009
- ----- Approved Judgment I direct that pursuant to CPR PD 39A para 6.1 no official shorthand note shall be taken of this Judgment and that copies of this version as handed down may be treated as authentic. THE HONOURABLE MR. JUSTICE LEWISON THE HONOURABLE MR. JUSTICE LEWISON Approved Judgment In the Matter of (1) AT&T (2) CVON and The Comptroller General of Patents MR. JUSTICE LEWISON:

Introduction

1. AT & T Knowledge Ventures LP and CVON Innovations Ltd each appeal against a decision by UKIPO that their claimed inventions were not patentable. In AT & T's case the decision was that of Mr RC Kennell, acting for the Comptroller; and in CVON's case the decision was that of Dr JE Porter, again acting for the Comptroller. The law 2. The appeals raise, once again, the scope of the exclusions from patentability contained in section 1 (2) of the Patents Act 1977, which corresponds to Article 52 of the European Patent Convention. Article 52, as amended, provides: "(1) European patents shall be granted for any inventions in all fields of technology which are susceptible of industrial application, which are new and which involve an inventive step.
- (2) The following in particular shall not be regarded as inventions within the meaning of paragraph 1: ...

- (c) schemes, rules or methods for performing mental acts, playing games or doing business, and programs for computers;
- (3) The provisions of paragraph 2 shall exclude patentability of the subject-matter or activities referred to in that provision only to the extent to which a European patent application or European patent relates to such subject-matter or activities as such.” 3. 4. The scope of these exclusions has now been considered twice by the Court of Appeal in recent times: first in *Aerotel v. Telco; Macrossan’s Application* [2007] RPC 7 (“Aerotel”), and second in *Symbian Ltd v Comptroller-General of Patents* [2009] RPC 1 (“Symbian”). I think that my first task is to consider what these two cases decide. In *Aerotel* the Court of Appeal laid down the following four step test to decide whether a claimed invention is patentable: i) ii) iii) properly construe the claim; identify the actual contribution; ask whether the identified contribution falls solely within the excluded subject matter; iv) check whether the actual or alleged contribution is actually technical in nature. THE HONOURABLE MR. JUSTICE LEWISON Approved Judgment In the Matter of (1) AT&T (2) CVON and The Comptroller General of Patents 5. The first step is plainly an exercise in claim construction and will be tailored to the patent or application in suit. No general point of principle arises. In *Aerotel* Jacob LJ described the second step as follows: “How do you assess the contribution? Mr Birss submits that the test is workable – it is an exercise in judgment probably involving the problem to be solved, how the invention works, what its advantages are. What has the inventor really added to human knowledge perhaps best sums up the exercise. The formulation involves looking at substance not form – which is surely what the legislator intended.” 6. He described the third step as follows: “The third step – is the contribution solely of excluded matter? – is merely an expression of the “as such” qualification of Art.52(3). During the course of argument Mr Birss accepted a re-formulation of the third step: Ask whether the contribution thus identified consists of excluded subject matter as such? We think either formulation will do – they mean the same thing.” 7. 8. 9. In deciding whether the contribution is solely of excluded matter the Court of Appeal held that the correct approach was what it described as “the technical effect approach with the rider”. This was summarised earlier in the judgment as being: “Ask whether the invention as defined in the claim makes a technical contribution to the known art - if no, Art. 52(2) applies. A possible clarification (at least by way of exclusion) of this approach is to add the rider that novel or inventive purely excluded matter does not count as a “technical contribution.” If I may venture two comments at this stage: first, asking what the inventor has added to human knowledge necessarily means that the questioner has some notion of the state of the art. In other words, patentability cannot be put into a watertight compartment completely separate from novelty. Second, in *Aerotel* the court did not elucidate what it meant by “technical”. What this encompasses is something to which I will return. In the course of its review of a number of decisions of the EPO Technical Board of Appeal (“the Board”) the Court of Appeal was critical of a number of its decisions. This led to some ill-feeling in Munich; and in its turn the Board accused the approach of the Court of Appeal as not being “consistent with good faith interpretation of the EPC” (*Duns Licensing Associates T 0154/04*). Thus the stage

was set for Symbian. 10. In Symbian Lord Neuberger of Abbotsbury said that the approach in Aerotel and the approach of the Board could be reconciled (§ 11). He said of the third step in Aerotel: “So far as we can see, there is no reason, at least in principle, why that test should not amount to the same as that identified in THE HONOURABLE MR. JUSTICE LEWISON Approved Judgment In the Matter of (1) AT&T (2) CVON and The Comptroller General of Patents Duns, namely whether the contribution cannot be characterised as “technical”.” 11. Stripping out the double negative, Lord Neuberger was saying that the two tests were the same. Continuing, he said (§ 13): “As for the Board’s approach in Duns, it appears to us to involve explaining the limitation “as such” in art 52(3) as imposing a requirement that a computer program has a technical effect before it is patentable. Of course, this can be said to beg the question as to what constitutes technical effect, but the point remains that the requirement represents the Board’s view of the effect of art 52(2) and art 52(3). Accordingly, at least on the question of the proper approach to an art 52 argument, there is no necessary inconsistency between the two decisions.” 12. Having referred to a further decision of the Board, he said that it was necessary to find that the contribution must be “technical” (§ 15). He then warned against following a staged approach blindly in every case (§ 16). I take this to mean that the four stage Aerotel test is not inevitable. Lord Neuberger then discussed the rival submissions on the appeal. He said: “29 Finally, the Comptroller makes the point that there is no reference to any “technical” requirement or test in art 52, and, indeed, that the meaning and effect of the term have never been explained by the Board. We see the force of that point. The stipulation of a requirement for a technical contribution can lead to a potentially dangerous exercise of asking whether an application satisfies that stipulation rather than whether it satisfies the statutory requirement itself. 30 The danger is all the greater because the concept of a “technical” contribution is imprecise, and could easily mean different things to different people. But that does not mean that the “technical contribution” test is unhelpful or inappropriate. Given the lack of clarity in the concept of “programs for computers ... as such”, it is understandable, indeed desirable, that tribunals charged with applying that expression give guidance as to its meaning. However, it is essential that such guidance should be clear: otherwise, it has all the disadvantages of the original obscure wording, with the added disadvantage of not even providing the actual legislative test.” 13. Curiously, having said that the “technical contribution” test is helpful, he went on (§

- 31) to endorse remarks made by a German patent judge deprecating the use of the word “technical” not least because a computer program’s interaction with the hardware is always, in a sense “technical”. After a discussion of authority, Lord Neuberger concluded that the court should follow the approach laid down in Aerotel (§§ 44 and 46). Lord Neuberger then went on to apply “the principles” to the facts. What, then, are the principles? I think they are: THE HONOURABLE MR. JUSTICE LEWISON Approved Judgment In the Matter of (1) AT&T (2) CVON and The Comptroller General of Patents i) ii) That the four-stage test in Aerotel remains the law, but it should not be followed blindly; That the question whether the contribution is “technical” must be asked and answered in the course of the inquiry, but that

it does not matter whether it is asked at stage three or stage four. 14. In his application of the principles to the facts Lord Neuberger gave some consideration to the meaning of “technical”. He said (§§ 48 and 49): “Given that the Application seeks to register a computer program, the issue has to be resolved by answering the question whether it reveals a “technical” contribution to the state of the art. Despite Mr Prescott’s sustained and elegant, and not unjustified, attack on the vagueness and arbitrariness of the term “technical”, that question embodies the consistent jurisprudence of the Board (even though the precise meaning given to the term has not been consistent), and it has been applied by this court in Merrill Lynch, Gale, and (arguably with an inconsistent result) Fujitsu; indeed, it was accepted, through stage 4, in Aerotel. In deciding whether the Application reveals a “technical” contribution, it seems to us that the most reliable guidance is to be found in the Board’s analysis in Vicom and the two IBM Corp. decisions, and in what this court said in Merrill Lynch and Gale.” 15. He also said, somewhat depressingly, that: “... we believe that it would also be dangerous to suggest that there is a clear rule available to determine whether or not a program is excluded by art 52(2)(c). Each case must be determined by reference to its particular facts and features, bearing in mind the guidance given in the decisions mentioned in the previous paragraph.” 16. Lord Neuberger’s statement (§ 48) that the question of patentability has to be resolved by answering the question whether it makes a technical contribution to the state of the art emphasises the need to understand what “technical” means in this context. As the German judge pointed out, any interaction between software and hardware is in a sense “technical”; and the buyer of a computer program often receives what the software house describes as “technical support” for dealing with malfunctions in the software. But that cannot be what “technical” means in this context. Lord Neuberger said that the best guidance about the meaning of the word in this context was to be found in the decisions to which he referred in § 48. I turn to them. 17. Vicom (T 0208/84) concerned the digital processing of images. The application was rejected by the Examining Division on the ground that it claimed a mathematical method and a computer program as such. On appeal to the Board the appellant argued that a novel technical feature clearly existed in not only the hardware, but also in the

THE HONOURABLE MR. JUSTICE LEWISON Approved Judgment In the Matter of (1) AT&T (2) CVON and The Comptroller General of Patents method recited in the claims. The invention conferred a technical benefit namely a substantial increase in processing speed compared with the prior art. Digital filtering in general and digital image processing in particular are “real world” activities that start in the real world (with a picture) and end in the real world (with a picture). What goes on in between is not an abstract process, but the physical manipulation of electrical signals representing the picture in accordance with the procedures defined in the claims. Thus the claimed technical benefit was an increase in processing speed. The Board first dealt with whether the claimed invention was susceptible of industrial application. It was in that context that they made the observations quoted by Lord Neuberger in §37 of Symbian. They then went on to consider whether the claim was excluded as being a mathematical method as such; and concluded that it was not because the mathematical method which underlay the invention was being used in a technical

process which was carried out on a physical entity by technical means. Turning to the computer program exclusion they said (§12): “The Board is of the opinion that a claim directed to a technical process which process is carried out under the control of a program (be this implemented in hardware or in software), cannot be regarded as relating to a computer program as such within the meaning of Article 52(3) EPC, as it is the application of the program for determining the sequence of steps in the process for which in effect protection is sought. Consequently, such a claim is allowable under Article 52(2)(c) and (3) EPC.” 18. The point which I think the Board are making is that what was claimed was not the computer program at all, but the process of manipulating the images. That process was a technical process and hence made a technical contribution. It is, I think, the same point that they make in the other extract quoted by Lord Neuberger (§ 15): “Generally claims which can be considered as being directed to a computer set up to operate in accordance with a specified program (whether by means of hardware or software) for controlling or carrying out a technical process cannot be regarded as relating to a computer program as such and thus are not objectionable under Article 52(2)(c) and (3) EPC.” 19. The Board continued (§ 16): “Generally speaking, an invention which would be patentable in accordance with conventional patentability criteria should not be excluded from protection by the mere fact that for its implementation modern technical means in the form of a computer program are used. Decisive is what technical contribution the invention as defined in the claim when considered as a whole makes to the known art.”

20. What the Board are saying in this paragraph is, I think, that you assess the patentability of a claimed invention ignoring the fact that it operates through a computer program. If, ignoring the computer program, it would be patentable, then the fact that a computer drives the invention does not deprive it of patentability. THE HONOURABLE MR. JUSTICE LEWISON Approved Judgment In the Matter of (1) AT&T (2) CVON and The Comptroller General of Patents 21. In the first of the IBM cases (T 0006/83) the invention consisted of an improved method of communication between programs and files held at different processors within a known network. It did this by creating a “mirror transaction” which enabled a user to use remote resources without the need to know and write into the local program the actual location of those resources; and without any interference with the integrity of the remote resources. At the user’s terminal the applications would run as one. The Board said: “5. It can be concluded from the foregoing that the invention is concerned with the internal workings of the processors and the transmission equipment irrespective of the nature of the data and the way in which a particular application program operates on the data files. In so far the proposed control program is comparable to the conventional operating programs which are required for any computer to control and coordinate its internal basic functions and thereby permit the running of a number of programs for specific applications.

6. The Board holds the view that an invention relating to the coordination and control of the internal communication between programs and data files held at different processors in a data processing system having a plurality of interconnected data processors in a telecommunication network, and the features of which are not concerned with the nature of the data and the way in which a particular application program operates on them, is to be regarded as solving a problem which is essentially technical. Such an invention therefore is to be regarded as an invention within the meaning of Article 52(1) EPC. ” 22. 23. The key here seems to be that the invention works irrespective of the nature of the data and irrespective of the particular application programs which are used. It thus relates to the architecture of the computer system and produces a better computer as a result. In the second of the IBM cases (T 0115/85) the claims related to a method of decoding stored phrases and obtaining a read-out of events in a text processing system, using a message build program. The Examining Division refused a patent on the ground that what was claimed was a computer program as such. On appeal the appellant argued that the claim did not relate to a computer program in the sense of a set of instructions; but rather to a new method of operating a text processing system. They also argued that the claim required new hardware and that claimed method defined an unconventional way of operating the hardware elements. The Board allowed the appeal. They said: “Generally the Board takes the view that giving visual indications automatically about conditions prevailing in an apparatus or system is basically a technical problem.” 24. It is not entirely clear (to me at least) why this is described as a “technical problem” rather than, for example, a “technical goal”. They continued: THE HONOURABLE MR. JUSTICE LEWISON Approved Judgment In the Matter of (1) AT&T (2) CVON and The Comptroller General of Patents “The application proposes a solution to a specific problem of this kind namely providing a visual indication about events occurring in the input/output device of a text processor. The solution includes the use of a computer program and certain tables stored in a memory to build up the phrases to be displayed.
9. Even if the basic idea underlying the present invention might be considered to reside in that computer program and the way the tables are structured, a claim directed to its use in the solution of a technical problem cannot be regarded in the Board's opinion as seeking protection for the program as such within the meaning of Article 52(2)(c) and (3) EPC.” 25. 26. The point that the Board is making is that the computer output results in something happening in the real world, namely the giving of visual indications. The claim related to things going on inside the workings of the computer, rather than any form of data processing. It was that, I think, that led the Board to describe the claim as directed to use in the solution of a technical problem. I pass now to the decisions of the Court of Appeal that Lord Neuberger commended for guidance. In Merrill Lynch's Application [1989] R. P. C. 561 the claimed invention related to a data processing system for making a trading market in securities. A known computer system was used, controlled by a program coded in any known programming language. The Court of Appeal held that it was not patentable. Fox LJ said: “it cannot be permissible to patent an item excluded by section 1(2) under the guise of

an article which contains that item — that is to say, in the case of a computer program, the patenting of a conventional computer containing that program. Something further is necessary. The nature of that addition is, I think, to be found in the *Vicom* case where it is stated: “Decisive is what technical contribution the invention makes to the known art”. There must, I think, be some technical advance on the prior art in the form of a new result (e.g., a substantial increase in processing speed as in *Vicom*).” 27. Although it was only an example, the kind of technical advance that Fox LJ mentioned was an increase in processing speed, which would affect the computer irrespective of the nature of the data being processed. 28. He continued: “Now let it be supposed that claim 1 can be regarded as producing a new result in the form of a technical contribution to the prior art. That result, whatever the technical advance may be, is simply the production of a trading system. It is a data- processing system for doing a specific business, that is to say, making a trading market in securities. The end result, therefore, is simply “a method of doing business”, and is excluded by THE HONOURABLE MR. JUSTICE LEWISON Approved Judgment In the Matter of (1) AT&T (2) CVON and The Comptroller General of Patents section 1(2)(c). The fact that the method of doing business may be an improvement on previous methods of doing business does not seem to me to be material. The prohibition in section 1(2)(c) is generic; qualitative considerations do not enter into the matter. The section draws no distinction between the method by which the mode of doing business is achieved.” 29. 30. Here the specificity of the data being processed is one of the factors that militates against patentability. In *Re Gale’s Application* [1991] R. P. C. 305 Mr Gale tried to patent a new algorithm for the calculation of square roots embedded in a silicon chip. The Court of Appeal held that it was not patentable. Of the three judges, the only one to touch on the meaning of “technical” was Nicholls LJ. He said: “Nor, as I understand the case as presented to us, do the instructions solve a “technical” problem lying within the computer, as happened with patent applications such as *IBM Corp./Computer-related invention* (Decision T115/85) [1990] E. P. O. R. 107 and *IBM Corp./Data processor network* (Decision T06/83), [1990] E. P. O. R. 91. I confess to having difficulty in identifying clearly the boundary line between what is and what is not a technical problem for this purpose. That, at least to some extent, may well be no more than a reflection of my lack of expertise in this technical field. But, as I understand it, in the present case Mr. Gale has devised an improvement in programming. What his instructions do, but it is all they do, is to prescribe for the cpu in a conventional computer a different set of calculations from those normally prescribed when the user wants a square root. I do not think that makes a claim to those instructions other than a claim to the instructions as such. The instructions do not define a new way of operating the computer in a technical sense, to adopt the expression used in *IBM Corp./Document abstracting and receiving* (Decision T22/85), [1990] E. P. O. R. 98, 105” 31. As noted, the two IBM cases which Lord Neuberger commended involved inventions which operated irrespective of the nature of the data processed or the applications in operation. But Nicholls LJ also appears to me to have approved the third of the IBM decisions in which one of the criteria was said to be whether the invention defines a new way of operating the computer in a technical sense. This too, of course, leaves the phrase “in a technical sense”

undefined, but it points towards some generally applicable method of operating a computer rather than a way of handling particular types of information. 32. In the same case Browne-Wilkinson V-C said: "As Nicholls L. J. points out, other difficult cases can arise where the computer program, whether in hardware or software, produces a novel technical effect either on a process which is not itself a computing process (see VICOM/Computer-related THE HONOURABLE MR. JUSTICE LEWISON Approved Judgment In the Matter of (1) AT&T (2) CVON and The Comptroller General of Patents invention (Decision T208/84), [1987] 2 E. P. O. R 74) or on the operation of the computer itself (see IBM Corp./Computer- related invention (Decision T115/85), [1990] E. P. O. R. 107). But, in my judgment, those difficulties do not arise in the present case." 33. 34. 35. Again, therefore, the search is for a claimed invention which either has effects outside the computer, or which affects the operation of the computer itself. By the "operation of the computer itself" I understand the Vice Chancellor to have envisaged an effect on the computer which was not dependent on the particular data being processed or the particular application being used. In Symbian itself, the invention was patentable because it resulted in a faster and more reliable computer. The increase in speed and reliability was not, as I understand the invention, dependent of the type of data being processed or the particular application being used to do the processing. The invention operated at a much higher level of generality within the computer. Although it is not on Lord Neuberger's approved list of sources of guidance, it is I think useful at this point to refer to Hitachi (2004) T258/03, which was quoted in Aerotel. The claim in that case was to a computerised auction method. Although the Board decided that the invention was not excluded from patentability by article 52, they decided that the application failed for lack of an inventive step. In the course of its discussion of that question it shed some light on what the Board considers to be a technical effect. The Board 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." (My emphasis) 36. In Symbian the court was fortified in its conclusion by the more recent decision of the Board in Gameaccount (T 1543/06). The application in that case related to a computerised method of playing a game. Although the Board held that it was potentially patentable, the application failed for want of an inventive step. The Board said: "The Board is of the firm belief, that it cannot have been the legislator's purpose and intent on the one hand to exclude from patent protection such subject matter, while on the other hand awarding protection to a technical implementation thereof, where the only identifiable contribution of the claimed technical implementation to the state of the art is the excluded subject-matter itself. It is noted that here the term "contribution" encompasses both means (i.e. tangible features of the implementation) and effects resulting from the implementation. In that case Article 52(2) EPC would be reduced to a mere requirement as to form, easily circumvented. The Board believes it is intended as substantive in nature, whatever considerations may have been the source of this exclusion at the time of its adoption." THE HONOURABLE MR. JUSTICE LEWISON Approved Judgment In the Matter of (1) AT&T (2) CVON and The Comptroller General of Patents 37. Thus the Board concluded: "It follows from the above that the mere technical implementation of excluded

subject-matter per se cannot form the basis for inventive step. The Board concludes that inventive step can be based only on the particular manner of implementation.” 38. 39. 40. Although the Board appears to skate over the question of patentability when considering whether an application is barred by article 52, this is really illusory. It brings back in precisely the same considerations at the stage when it comes to consider inventive step. It seems to me, therefore, that Lord Neuberger’s reconciliation of the approach in *Aerotel* (by which the Court of Appeal in *Symbian* held itself bound, and by which I am undoubtedly bound) continues to require our courts to exclude as an irrelevant “technical effect” a technical effect that lies solely in excluded matter. As Lord Neuberger pointed out, it is impossible to define the meaning of “technical effect” in this context, but it seems to me that useful signposts to a relevant technical effect are: i) ii) iii) iv) v) whether the claimed technical effect has a technical effect on a process which is carried on outside the computer; 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; whether the claimed technical effect results in the computer being made to operate in a new way; whether there is an increase in the speed or reliability of the computer; whether the perceived problem is overcome by the claimed invention as opposed to merely being circumvented. 41. If there is a technical effect in this sense, it is still necessary to consider whether the claimed technical effect lies solely in excluded matter. AT & T’s appeal 42. The application relates to “a content broker hosting service system”. This is a system which acts as an intermediary between a user wishing to buy digital content (e.g. music) and digital content suppliers. Clearly, if you buy music to play on your computer or MP3 player, you want it to work. The problem that the inventor has perceived is that digital content suppliers supply content (e.g. music) without knowing the functionality of the device on which it is to be played. This may mean, for example, that the user devices cannot decode or display the digital content. In short you will have bought music that you cannot play. The solution to this problem is the invention claimed by the application in suit. The problem is solved by the provision of a “device profile table” which indicates the capabilities of the various user devices THE HONOURABLE MR. JUSTICE LEWISON Approved Judgment In the Matter of (1) AT&T (2) CVON and The Comptroller General of Patents that can be connected to the system, so that the system can select and supply content which is compatible with a given device. In other words by giving this information to the supplier, you only buy music that will work on the particular device on which you want to play it. 43. The Hearing Officer described the inventive contribution as follows: “In a brokerage system which interfaces to a network to allow a user to communicate with one or more third party digital content providers and to store and manage the digital content which he obtains, the provision of means to store information about the functionality and capability of one or more devices held by the user and to supply it to the provider so that the provider can supply content which is suitable for use on the device.” 44. He then considered whether this inventive contribution lay outside the area of excluded matter, and concluded that it did not. He said: “I do not think that the contribution does in fact produce any relevant technical effect which would take it outside the computer

program exclusion. It seems to me that in essence what the invention does is to provide, in a network-based system for supplying digital content, a more comprehensive list of information about the devices which the user owns, so that the supplier can avoid the risk of supplying digital content which cannot be used. Even if this is not simply the computerisation of a known process as was arguably the case in *Macrossan and Fujitsu*, I do not think that the contribution embodies any process for supplying content which exists outside a computer, or causes a computer to operate in any new way technically when processing information about the devices. Indeed, it seems to me that there is some similarity with *Gale* in that the invention provides a better way of carrying out something that a computer (or networked computer system) does, but not in a way which exists outside the computer or computer system. In my view there is ultimately no technical effect over and above the mere running of a program; the invention may well solve a problem but I do not think it is a technical one.”

45. Mr Davis, for A T & T, says that the Hearing Officer was wrong. He says that the device profile table provides the missing “in-between means” for the content broker to work better. This is not known in the art and is a technical solution to a technical problem. Moreover, he says, the transmission of digital content that is tailored for use upon a particular user device is a “new result”. In contrast, the prior art adopts a ‘one size fits all’ approach and transmits only one type of content, regardless of whether that content will actually work on a particular user device. Mr Davis summarised his submission as follows: i) What we are looking for is a technical effect; THE HONOURABLE MR. JUSTICE LEWISON Approved Judgment In the Matter of (1) AT&T (2) CVON and The Comptroller General of Patents ii) iii) iv) v) In the case of a mixed invention the question is whether there is a relevant technical effect; All computers are in a sense technical so that although the mere computerisation of a method of doing business is technical, it is not a relevant technical contribution; If there is more than a mere computerisation of a method of doing business, (e.g. a teaching of how to computerise it) then the mode of computerisation adds to the sum of human knowledge and is a relevant technical effect; One way of testing this is to postulate the patent being read by a businessman and a technical person. If only the businessman learns something new, then the patent teaches a method of doing business which is not patentable. But if the technical person (e.g. a software engineer) learns something new then there is a relevant technical effect. I do not accept the submission that the Hearing Officer was wrong. First, the claimed invention does not make the computer work in a new or different way. Second, the claimed invention does not operate irrespective of the data being processed. All that it does is to cause the computer to send particular information to a potential supplier. Third, the claimed invention does not make formats compatible which were once incompatible. Thus it does not solve the technical problem of incompatibility between formats. Rather it circumvents the problem by supplying information which eliminates (or at least minimises) the chance of buying something useless. Fourth, the claimed invention does not result in an increase in the speed or reliability of the computer. Fifth, as Mr Tappin for the Comptroller submitted, Mr Davis defines a “method of doing business” at too high a level of generality. A

method of implementing a method of doing business may itself be no more than a method of doing business. The device profile table is no more than a computerised list of characteristics of particular devices. 46.

47. Mr Davis laid emphasis on the ability of a supplier to supply content in different formats, as opposed to what he said was the previous “one size fits all” approach. But this does not, in my judgment, meet the point at all, and does not constitute a technical effect, let alone a relevant technical effect. Suppose that a clothing store wishes to sell garments to customers and wishes to eliminate the possibility of selling something the wrong size. To that end, it maintains a card index of its customers’ bust, waist and hip sizes, height etc; and on the arrival of each customer retrieves those measurements from the card index and hands them to a personal shopper who looks after the customer. Clearly, in my judgment, that is no more than a method of doing business. In my judgment the claimed invention is no more than a computerised version of the same thing. Sixth, as Mr Tappin again submitted, the claimed new result is not a new technical effect, but simply the delivery of useful, rather than useless, content. That is essentially a method of doing business. 48. I conclude that the Hearing Officer was correct. I dismiss this appeal. THE HONOURABLE MR. JUSTICE LEWISON Approved Judgment In the Matter of (1) AT&T (2) CVON and The Comptroller General of Patents CVON’s appeal 49. CVON’s claimed invention relates to a messaging system, such as that used for transmitting text messages between mobile phones, which modifies messages sent from one terminal to another dependent on the membership of sender or recipient of a “group”; which may be anything from a supermarket loyalty scheme to a sports club or an online community such as Facebook. Thus if a member of a supermarket loyalty scheme sends a text message, it may be modified by the addition of an advertising slogan (e.g. “This message is provided free by” the supermarket in question). This scheme is implemented on a number of known pieces of hardware: a user terminal belonging to the transmitter of the message; a user terminal belonging to its recipient, a mobile telecommunications network, and a third party database server which contains details of the members of the group in question. CVON make no claim to the scheme per se. Nor do they make any claim to the hardware (since this is conventional and so such a claim would not be novel). Nor do they claim the software which would merely cause the hardware to function so as to carry out the scheme. What, then, do they claim?
50. Mr Davis, for CVON, identified the problem and the solution as follows. The old way of modifying messages on the basis of group membership (where group membership records were held in a third party database) was that the third party database periodically transferred data to the telecommunications network so as to update the latter’s records of group membership. In other words the transfer of data was initiated by the third party. The particular problems of this way of doing things were that: i) ii) iii) There might be a time lag between a subscriber joining a group and being able to benefit from its advantages; If the whole of the third party database was transferred periodically there is an enormous amount of data which has to be transmitted to and then stored at the telecommunications network; Data might be transferred unnecessarily if a group member was not a subscriber to the

particular telecommunications network or, although a subscriber, he did not want to use the advantages of group membership;

51. Mr Davis also suggested that there were problems of interoperability between the telecommunications network and the third party database. However, I do not consider that this alleged problem is one that is identified by the application in suit, or in the evidence that was given to the Hearing Officer; and in any event, if it is a problem the claimed invention does not claim a technical solution to it. 52. The claimed invention solves the problems I have identified by holding a database containing the group membership of its subscribers at the telecommunications network end, updating the group membership by using user provided information to attempt a log-on operation on the third party server. It updates its group membership records on the basis of the third party server's response to its attempted log-on. In short, the subscriber himself initiates the authentication process by using a user ID and password. 53. The Hearing Officer interpreted the claims as follows (§ 14): THE HONOURABLE MR. JUSTICE LEWISON Approved Judgment In the Matter of (1) AT&T (2) CVON and The Comptroller General of Patents claims. "Claim construction was dealt with fairly briefly at the hearing, and in my view there is no great difficulty in construing the independent to a mobile telecommunications network messaging system and method, in which group membership of a subscriber is authenticated (or not), and then used as a basis for modifying messages sent between users' terminals, at least one of whom is a subscriber. They relate 15 This involves group membership data being received from a subscriber and used to identify an appropriate information source, access to which is requested using identification data. The response is used to authenticate (or not) membership of the group, and to update the subscriber records accordingly. When a message is being transmitted between user terminals, the messaging parties (at least one of whom is a subscriber) are identified from transmission data. The subscriber is then identified and their group membership is determined from the updated subscriber record. The message is modified on the basis of that membership and then transmitted to the receiving party's terminal."
54. Mr Davis did not suggest that this interpretation was wrong. The Hearing Officer then considered the contribution made by the claimed invention. He said: "I agree with [CVON] that a contribution made by the invention is the process by which subscriber-driven updates may be effected to the group membership data." (§ 20) "Thus, looking at the description and the invention as claimed, it seems to me that what has been added to the sum of human knowledge is not an improved mobile telecommunications network. Rather, the contribution made by the claimed invention is in providing subscriber-driven updating and authentication of the subscriber's group membership data, which is held as part of a message modification service in a mobile telecommunication network." (§ 44) 55. In other words the contribution is that it is the subscriber, rather than the third party, who initiates the authentication process. The information about the subscriber flows round the circuit of devices involved in the messaging process, but its starting point is different. I do not think that Mr Davis essentially quarrelled with this. However, what he said was that this was a

technical effect because: i) ii) This is a particular method of implementing subscriber-driven updates and if it was only one out of many it was more than merely a method of doing business; The process was being run in a technically different way in order to obviate the need to convert data. 56. The Hearing Officer disagreed; and so do I. He said (§ 47): THE HONOURABLE MR. JUSTICE LEWISON Approved Judgment In the Matter of (1) AT&T (2) CVON and The Comptroller General of Patents “In my view, allowing a subscriber to prompt for updates to and authentication of his group membership records is not a technical matter, but a decision in relation to the business of running a message modification service. In particular, it is a business choice, made when deciding how to run the message modification service, that one should obtain some sort of confirmation that the subscriber is a member of the group claimed. Furthermore, it is a business choice to allow the authentication to be prompted by the subscriber – that is to say, it is a business decision about how the authentication should be carried out. Thus, for example, it is a choice made in respect of the business of running a message modification service to decide to ask the subscriber to provide log-in details or other data, which are used to verify membership of a particular on-line forum or other group. The way in which this data is then used to carry out the authentication involves the conventional use of websites and the Internet. Thus the decision to use such an authentication step bestows no saving technical element upon the contribution as I have identified it. 48 It follows that there is nothing in these improvements which bring the claimed invention outside of the business method exclusion. The improvement that results is an improved business method – that is to say, a better way of using a conventional message modification system to modify the content of messages on the basis of subscribers’ records.” 57. I agree with all this. More specifically: i) ii) iii) iv) v) vi) The claimed invention does not make the computer work in a new or different way; The claimed invention does not operate irrespective of the data being processed. All that it does is to cause particular information to flow in a different direction; The claimed invention does not provide a technical solution to any alleged incompatibility of formats. It avoids the problem by changing the direction of flow of information; The message modification operates in exactly the same way however information about the subscriber is gathered; The claimed invention does not result in an increase in the speed or reliability of the computer; The fact that there may be several ways of putting a method of doing business into practical operation does not mean that the selection of one of them is relevantly “technical”. Each way of practical implementation may itself be a method of doing business; THE HONOURABLE MR. JUSTICE LEWISON Approved Judgment In the Matter of (1) AT&T (2) CVON and The Comptroller General of Patents vii) The reduction in time lag is precisely the kind of benefit that was rejected as relevantly technical in Merrill Lynch. 58. I dismiss this appeal too.

Source & reproduction note

Judgment wording, source notices and original paragraph numbers are retained. Esheria supplies the layout and this PDF's page numbers; these are not the source pagination. This is a research copy, not an official or certified court document. Check quotations, citations and publication restrictions against the original source before relying on it.

ORIGINAL SOURCE <https://caselaw.nationalarchives.gov.uk/ewhc/pat/2009/343>

CASE PAGE <https://chat.esheria.ai/case-law/england-and-wales/at-and-t-knowledge-ventures-lp-re-2009>

Prepared on 26 October 2026 · Esheria