

# **The current Philips' view on the patentability of computer-implemented inventions**

Philips' response to the  
Consultation Paper by the Services of  
the Directorate General for the Internal Market

## Introduction

It is with great interest that Philips has studied this thorough Consultation Paper and the accompanying Study on the economic impact of patentability of computer programs. After all, an increasing number of Philips' present and future products involve the use of software to an ever-increasing extent. Moreover, Philips considers its intellectual property as one of its key business tools, so that a discussion on an issue involving both software and intellectual property attracts our special interest.

Philips agrees with the view that the present wording of Article 52(2)(c) EPC\* is misleading, as it gives the wrong impression that no patent protection whatsoever can be obtained for software-related inventions. So, there definitely is a need for a change.

In our view, the current standard for patentability is that laid down in Article 27(1) TRIPs Agreement, an agreement to which both the European Community and its Member States are parties and to which they thus should comply. Basically, we feel that legislative measures should not go beyond this provision, as any more detailed legislative provisions might easily result in a deviation of Article 27(1) TRIPs Agreement. Moreover, we believe that any more detailed legislative provisions would inevitably result in a too rigid system that will not be sufficiently adaptable to present and future needs of European industry employing software-related inventions.

At this juncture, Philips would draw attention to the fact that in the development of case-law on software-related inventions the most important EPC provisions were not those of Article 52, paragraphs 2 and 3, EPC, but those of Rules 27 EPC (technical field, technical problem\*\*) and 29 EPC (technical features), so written down in secondary and flexible legislation. Having this in mind, Philips believes that should there be a desire to legislate beyond the basic provisions of Article 27(1) TRIPs Agreement, such further provisions should be laid down in more easily amendable rules that are of lower rank than a basic provision in the EPC Articles themselves. In this way, any conflict between the EPC and the TRIPs Agreement is automatically resolved by the operation of Article 164(2) EPC providing that the EPC Articles overrule any conflicting EPC Rules.

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\* For simplicity, we will only refer to the relevant EPC provisions rather than to the corresponding provisions in the respective national patent laws of the EC Member States.

\*\* If anything should be changed in EP patent law apart from the obvious need to replace Article 52, paragraphs 1-3, EPC by a provision that just repeats Article 27(1) TRIPs Agreement, we feel that the problem should no longer be required to be a technical problem as currently prescribed by Rule 27(1)(c) EPC; it should suffice that the claims recite the technical features of the invention as currently prescribed by Rule 29(1) EPC. An invention should be deemed to relate to patentable subject matter if some problem is solved by technical means in a new, non-obvious and industrially applicable way.

Given our preference for primary legislation that does not go beyond Article 27(1) TRIPs, to which the EC Member States are already bound, so that they are already obliged to adjust their patent legislation thereto, we seriously doubt whether an EC directive on the patentability of computer-implemented inventions would have any added value.

Having these basic principles in mind, Philips will now give its comments to the possible key elements laid down in the consultation document.

i. The principle

As mentioned above, Philips agrees to the first sentence that simply reflects Article 27(1) TRIPs Agreement. However, Philips is not yet sure whether each computer-implemented invention should be susceptible of patent protection simply of its being implemented by means of a computer. While Philips could imagine case law going into that direction, it might be that in this manner, patents are granted for things for which the patent system is neither intended nor fit. This illustrates the need for not legislating beyond the provision of Article 27(1) TRIPs Agreement in a provision that is of equal rank with an EPC article simply reflecting that TRIPs article, viz. Article 52(1) EPC according to the Basic Proposal for the revision of the European Patent Convention, document MR/2/00.

Anyhow, we feel that it does not make much sense to generously acknowledge patentability for any invention that uses a computer, while at the same time it is proposed (see key elements iii. and v.) that in the examination as to inventive step only the technical innovative elements recited in a claim are to be taken into account. Accordingly, in this respect Philips cannot agree to the approach taken in the recent EPO Technical Board of Appeal decision T 931/95. We believe that as soon as a claim relates to patentable subject matter, all features recited in that claim should be taken into account in the examination as to the presence of an inventive step.

ii. The complementary nature of patent and copyright protection

Philips most strongly disagrees to this possible key element. If a certain invention is patentable in view of Article 27(1) TRIPs Agreement, the scope of a patent on that invention should not only extend to methods embodying the inventive algorithm and to devices operating in accordance with that algorithm, but also to any computer-readable medium on which a computer program is stored that enables a machine to operate in accordance with that algorithm, and it should also be possible to prevent making available for downloading such a computer program. In this respect, it should not matter whether this computer program is in source code or in object code. So, overlap of copyright protection and patent protection should be allowed, with the patent protecting anything that embodies the technical principle, and copyright protecting the specific expression.

iii. The requirement of a non-obvious technical contribution and

v. The assessment of technical and non-technical features

As set out above, we strongly believe as soon as a claim relates to patentable subject-matter within the meaning of Article 27(1) TRIPs Agreement, all elements in that claim should be taken into account in the inventive step assessment, and thus not the technical contribution alone, isolated from the context.

We agree to what has been stated at b): a straightforward automation of a known process using known automation techniques is not patentable for lack of inventive step.

iv. The "technical considerations" criterion

While Philips believes that the "technical considerations" criterion is a sound way (but only just one sound way, not excluding other tools) to determine whether the invention meets the "in any field of technology" criterion laid down in Article 27(1) TRIPs Agreement, it should only be applied in this context; it should thus only be applied in the examination as to whether the invention relates to patentable subject-matter, but not in the examination as to the presence of an inventive step.

As this criterion is just one sound tool, while in future other tools might appear to be more suitable, it should not be laid down in Articles of the EPC or in Articles of an EC directive. Case law should be allowed to develop on this issue without being hampered by provisions cast in stone.

vi. The possible claims

Philips agrees to the approach proposed in the Consultation Paper in this respect: both claims on the programmed computer and claims on the process carried out by the programmed computer should be possible as soon as the invention meets the requirements of Article 27(1) TRIPs Agreement. Moreover, it should not matter whether an invention is claimed as a sequence of method steps using specifically indicated respective technical tools, or as a combination of these technical tools for carrying out the respective method steps. In this respect, we thus disagree with the approach taken in the above-mentioned EPO Technical Board of Appeal decision T 931/95. In addition, to prevent the exploitation of a patent on a patentable invention from being impeded by unnecessary restrictions, the EPO should (continue to) allow claims on a computer-readable medium on which a computer program is stored that enables a machine to carry out the above-mentioned process, and on making available for downloading such a computer program.

vii. General patent law as continuous essential basis for protection

We agree that should an EC directive be adopted on the patentability of computer-implemented inventions, anything not governed by this directive should continue to be governed by the presently available body of law.

However, as mentioned above, given our strong preference for both Article 52 EPC and the corresponding primary national legislations on patents to just repeat Article 27(1) TRIPs Agreement, we doubt whether such an EC directive has any added value.

Conclusions

Primary legislation on the patentability of computer-implemented inventions should be confined to a repetition of Article 27(1) TRIPs Agreement. The remainder should be left to secondary legislation and/or case law.

Consequently, there is no need for an EC directive; the obligations following from the TRIPs Agreement suffice.

As to the proposed EPC amendment, Article 52, paragraph 1, should indeed repeat Article 27(1) TRIPs Agreement, while paragraphs 2 and 3 of Article 52 EPC should be deleted from the EPC Articles.