

29 October 2007

PATENTS ACT 1977

APPLICANT Thomas Guy Sneesby

ISSUE Whether patent application number GB
 0318502.2 complies with section 1

HEARING OFFICER A Bartlett

DECISION

Introduction

- 1 This decision is about whether Patent Application GB0318502.2 (published as GB2404751) relates to subject matter that is excluded under section 1(2)(c) of the Act.

- 2 The application is entitled “Meta ad format and integral meta ad server” and concerns a system for generating bespoke adverts targeted at specific website visitors. In his first examination report the examiner objected that the claims were unclear but as far as he could make out were not novel or inventive over a piece of prior art (Gupta¹) cited by the search examiner. He also warned the Applicant that in amending the claims he would need to ensure that the invention did not fall foul of the business method exclusion.

- 3 The amendments filed by the Applicant with his letter dated 14 September 2006 clarified the claims significantly and overcame the novelty and inventive step objections. However, in his subsequent report the examiner reported that the invention defined in the claims was excluded, the clarification leading him to consider the computer program exclusion to be the relevant head. The Applicant disagreed and as he and the examiner were not able to resolve this, a hearing was arranged for 29 August 2007 to help me decide the issue. In the event, Mr Sneesby was not able to attend the hearing and subsequently agreed in his email of 11 September that I should decide the issue on the papers subject to him having the opportunity to make further submissions before I decided the matter.

- 4 In that email Mr Sneesby indicated a number of issues which those submissions would address but in the event he did not file any further submissions within the

¹ US6487538 B1

period I allowed him for doing so. The Office's response to that email addressed the points Mr Sneesby raised which concerned the originality of an as yet ungranted application made by a competing firm, a misconception that UK patent law favors US applicants over UK ones and the policy issue of why software is not patentable in the UK. None of those issues have any bearing on the present issue which is whether Mr Sneesby's application complies with the UK Patents Act and I do not feel it necessary to go into them in detail here.

The Application

5 As last amended on 14 September 2006, the application contains 8 claims in total of which claims 1 and 4 are independent apparatus and method claims. They read:

1. Apparatus for generating user specific content, the apparatus comprising:

a server configured and arranged to receive a request for an advert and to receive user demographic data of a user engaged, in use, with the apparatus; and

a generator, arranged in dependence on the user demographic data to generate user-specific content in the form of an advert for provision to the user, the user specific content being generated by selection of appropriate assets in dependence on the user demographic data from plural arrays of data thereby to generate the user specific content on the fly by populating fields of an advert template with the selected assets.

4. A method of generating user specific content on the fly, the method comprising:

at a server, receiving a request for an advert;

at a reader associated with the server, receiving user demographic data of a user engaged with the server; and

in dependence on the user demographic data, generating user-specific content in the form of an advert for provision to the server by selecting appropriate assets in dependence on the user demographic data from plural arrays of data thereby to generate the user specific content on the fly by populating fields of an advert template with the selected assets.

6 It also contains a claim (claim 3) to a computer program which, when run on a computer or network of computers, makes the computer(s) function as the apparatus of claim 1. This claim will require specific consideration later.

The Law

7 Section 1 of the Act sets out the requirements that an invention must fulfil for it to be patentable including, in section 1(2), a list of things for which patent protection is not available. The relevant parts of section 1(2) read:

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

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

8 The test for deciding whether an invention is excluded was set out by the Court of Appeal in its judgment in *Aerotel/Macrossan*². That test comprises four steps:

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

9 Operation of this test is explained in paragraphs 40-48 of the judgment. Paragraph 43 confirms that identification of the contribution is essentially a matter of determining what it is that the inventor has really added to human knowledge and involves looking at the substance of the invention claimed, rather than the form of claim. Paragraph 46 explains that the fourth step of checking whether the contribution is technical may not be necessary because the third step should have covered that.

10 Additionally, and contrary to a line of argument put forward by Mr Sneesby, the Court made it clear at paragraph 12 of its judgment that Article 52(2) of the EPC (and thus section 1(2)) “sets out positive categories of things which are not to be regarded as inventions”. Thus the exclusions are not exceptions and the general principle that exceptions are to be interpreted restrictively does not apply to them.

Applying the test

11 From the correspondence, neither the examiner nor Mr Sneesby consider construing the claims to cause any particular difficulty. The claims do however contain some terminology which merits some explanation.

12 First I think I need to say something about “on the fly”. This is significant because Mr Sneesby relies heavily on this characteristic when arguing that the invention makes a non-excluded contribution. Whilst short, the introductory section of the

² *Aerotel Ltd vs Telco Holdings Ltd & Macrossan's Patent Application* [2007] RPC 7

description contains a useful description of prior art systems for generating targeted adverts which explains what “on the fly means”. In those earlier systems, a number of different, complete adverts are stored in the server and the relevant one is displayed to a system user depending on their demographic characteristic. In contrast, Mr Sneesby’s system does not store complete adverts but produces them in real time from elements (or assets as they are referred to in the claims) stored in the system. Thus I take “on the fly” to mean “in real time” – an interpretation which Mr Sneesby seems to consider appropriate in his letter of 5 March 2007.

- 13 The only other point on construction that I feel I need to mention is that whilst claim 1 refers to a “generator” to generate the user-specific advert and claim 4 refers to a “reader” associated with the server for receiving user demographic data, there is nothing in the specification to suggest that the generator and reader functions are performed anywhere other than within the computers in the system. They are not separate hardware elements.
- 14 Step 2 of the *Aerotel/Macrossan* test requires me to identify the actual contribution made by the invention. The first thing to say here is that there is nothing in the specification to suggest that the hardware employed in the system is anything other than conventional. Furthermore, Gupta shows that at the priority date of the invention it was known to insert targeted adverts into requested web pages reflecting the characteristics of the user. Moreover, as in the present case, these specific adverts are generated by a proxy ad server in the Gupta system (rather than by the advertiser’s web server).
- 15 In his letter of 18 April 2007, the examiner identified the contribution of claims 1 and 4 to be “the selection of appropriate assets in dependence on user demographic data to generate user specific content on the fly by populating a template with the selected assets”. The examiner reported that this contribution was a program for manipulating a database to populate a template with particular information and was thus excluded. I think it worth noting that this formulation of the contribution includes the “on the fly” feature upon which Mr Sneesby has placed great emphasis and which was absent from an earlier formulation of the contribution offered by the examiner.
- 16 From the correspondence, Mr Sneesby disagrees with the examiner’s assessment that the contribution is a program. In support of this he points to the fact that the independent claims are directed to apparatus and a method including a number of technical features. He says that whilst the invention involves the use of a program for its implementation, it is far from being a computer program as such.
- 17 I agree entirely with Mr Sneesby that the involvement of a computer program to implement an invention does not mean an invention is necessarily excluded. However, as the Court made clear in the *Aerotel/Macrossan* judgment, identifying the contribution made by an invention is a matter of substance, not form of claim. The Courts have made it abundantly clear that the presence of conventional computer hardware elements in a claim is not sufficient for the computer program exclusion to be avoided.

- 18 It is clear to me that the hardware specified in the claims of the present application is entirely conventional and that the contribution made by the invention must reside in what it is programmed to do. I therefore agree with the examiner's assessment of the contribution identified above.
- 19 What I must now do is apply step 3 of the test to decide if that contribution falls solely in excluded matter. Mr Sneesby says it does not. He says that the ability to generate user specific content on the fly "provides a clear technical contribution". This, he says, enables a high level of granularity and targeting to be achieved without the expense and physical memory requirements that would be required in prior art methods. I agree with Mr Sneesby that his invention does appear to be a genuine improvement over previous systems for generating targeted advertising. That it is useful and an improvement over what has gone before does not, however, mean the exclusion is avoided. It seems to me that the contribution made by the present invention resides solely in the program by which appropriate elements are retrieved from a database and used to create an advert in dependence on the characteristics of the audience. That this is done in real time and uses less memory capacity whilst providing greater specificity might mean it is a better program, but it is a program all the same.
- 20 I therefore consider the contribution made by the invention defined in claims 1 and 4 to fall solely within excluded matter as a program for a computer. Given that finding I do not need to consider step 4 of the test.
- 21 As I have said above, claim 3 requires some specific discussion. In the Practice Notice³ issued after the *Aerotel/Macrossan* judgment was handed down, the Office announced a change in practice in relation to claims to a program or a program on a carrier, namely that such claims appeared to be excluded even when claims to the use of that program would be allowable. Claim 3 is such a claim – it is drafted as a claim to a program. That practice is currently the subject of an appeal to the courts⁴ which would have necessitated a stay of this decision if it were the only issue preventing grant of this application. However I have found that irrespective of the way it is claimed, the present invention is excluded as a program for a computer. Thus even if the court decides that the Office's practice is wrong on this particular form of claim, then claim 3 is still excluded.

Decision

- 22 I have found that the contribution made by the invention defined in claims 1 and 4 falls solely in excluded matter and that the invention defined therein is excluded as a program for a computer as such. I can see nothing in the remaining claims or the rest of the specification that could form the basis of a valid claim. I therefore refuse the application under section 18(3) for failing to comply with section 1(2)(c).

³ Patents Act 1977: Patentable subject matter [2007] RPC 8

⁴ Appeal against decision BL O/185/07

Appeal

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

A BARTLETT

Deputy Director acting for the Comptroller