UNICE
THE VOICE OF BUSINESS IN EUROPE

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EC PROPOSAL FOR A DIRECTIVE
ON THE PATENTABILITY OF COMPUTER-IMPLEMENTED INVENTIONS
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COM (2002) 92 FINAL

UNICE PRELIMINARY COMMENTS

1. GENERAL COMMENTS

UNICE welcomes the release of the Commission's proposal for a Directive on the patentability of computer-implemented inventions ("the Directive") since industry has been waiting for such an initiative for a long time.

As UNICE has repeatedly pointed out, the legal landscape surrounding patentability of software-related inventions has changed dramatically over the last few years, requiring the protection of technology and technological advances to follow this progress by adapting[1].

The digital environment is one of the most promising in terms of innovation and economic development. The ability for Europe to position itself on this market will impact substantially on its economy and wealth.

Europe needs to remove the current ambiguity and legal uncertainty, which surrounds patentability of software-related inventions if it wants to support innovation in this field and not to debar European companies from access to those markets. If there is no rapid action, this market will be dominated by Europe's main trading partners, in particular Japan and the USA where there are no restrictions on patenting software-related inventions that meet the normal standards of novelty and obviousness.

In this context, UNICE supports the broad intention of the Directive as proposed by the Commission on the patentability of computer-implemented inventions (COM (2002) 92 final) as a means to harmonise the different interpretations given by the European Paptent Office Boards of Appeal and national courts on the relevant questions.

Building upon this proposal, UNICE has high expectations that the European institutions will discuss the Commission document in a constructive and effective way, ensuring that the foreseen harmonisation fully meets users' needs without jeopardising the quality of the patent system in Europe or putting at stake the well-functioning of the Internal Market.

However UNICE has some cause for concern. First of all, UNICE believes that the current Commission's proposal does not fully keep with its declared purpose of "*avoiding any sudden change in the legal position*", as stated in the Explanatory Memorandum[2].

In fact, at the least, the rules concerning the form of claims would represent a major step backwards from the EPC, as interpreted by the EPO Board of Appeal, as well as by the Courts of the two EU countries, UK and Germany, that have so far developed the majority of

[1] UNICE comments on the consultation paper by the European Commission on computer-implemented inventions (18 December 2000).

[2] See Explanatory Memorandum p.11

national level jurisprudence in the field of computer-implemented inventions, as acknowledged by the Commission[3]. This may represent a thorny problem in the future. Moreover, UNICE considers that the proposed Directive contains a series of ambiguities that should be removed.

Against this background, UNICE would like to submit the following comments.

2. DETAILED COMMENTS

UNICE believes that patents should be available for all inventions of a technical character, and that, where an invention is of a technical character, a patent should be as much available when a computer program is involved as when the invention is embodied purely in hardware. There should be no arbitrary exclusion from patentability when the invention is of the right character simply because a program might be involved.

This approach ensures that patents are available for inventions in the technical realm, but equally ensures that patents are not granted for business schemes where there is no novelty of a technical kind. Since it appears that the intention of the proposal is indeed to ensure that patents are available for inventions of a technical character, UNICE correspondingly welcomes it.

However, it appears to UNICE that the complex and fragmented way the draft sets out its requirements creates uncertainties as to the true effect of the draft. There will be a need for all to co-operate during consideration of the proposal to ensure that it is worded in such a way as to deliver the intended result with certainty and clarity.

Areas where UNICE feels there is room for doubt as to the effectiveness of the wording include the following:

1. Is it appropriate to include a definition of computer-implemented invention, and hence the scope of the Directive, in terms tying it to the presence of ***prima-facie*** novel program or programs?

2. Where there is a computer-implemented invention, UNICE accepts that the presence of a technical contribution is a satisfactory test to determine whether the invention is of a technical character.

3. In UNICE's view, a "***technical contribution***" is present if the invention results in a difference from the prior art in a technical sense. However, a major concern is that the definition of technical contribution in Article 2(b), by apparently requiring the technical contribution itself to be non-obvious, imposes an undue restriction on what is patentable.

   What UNICE regards it as necessary that there should be a technical contribution (which may itself be obvious, as in many circumstances an increase in speed or a reduction in use of resources would be) and that the claimed invention as a whole (including technical and non-technical features) should be non-obvious.

4. One objective of the proposal, as acknowledged in the introduction, is to **overcome the present disconformity in the way individual Member States' jurisprudence** treats inventions in this area.

   However, unless there is positive wording requiring that patents will be granted when the specified conditions are met, nothing will preclude a national authority from judging that a given thing is not a computer-implemented invention because it is not an invention but rather a mathematical method and/or a method for performing a mental act.

5. While UNICE accepts the principle underlying **Article 6**, namely to preserve the balance of the Software Directive especially in the area of interoperability, it is concerned that the actual wording may be too broad in that it apparently encompasses acts permitted under

[3] See Explanatory Memorandum, pp. 9-11

that Directive because the program concerned is an independently written work that is not a copyright infringement in the first place. Presumably it should refer to acts which are permitted solely because they fall within the relevant exception of the Software Directive.

PROGRAM CLAIMS

In one respect the draft makes a policy choice that UNICE cannot agree with and which it believes should be reversed during the detailed consideration of the Directive.

Article 5 limits the forms of claims, stepping back from the two favourable decisions of the Technical Board of Appeal (T 1173/97 and T 0935/9/), which allowed "*computer program products*". This drawback is also bound to create a difference as compared with Japanese and US legislation where isolated software is patentable.

In UNICE's view, the exclusion of claims directed to program products, even when they relate to a perfectly patentable invention having a technical character, takes away a significant part of the economic value of the patent. In addition, the exclusion of claims for products in a field of technology is directly contrary to Article 27(1) TRIPS.

Besides, it is acknowledged that patent and copyright protection are complementary and that the exercise of a patent covering a computer-implemented invention should not interfere with the freedoms granted under copyright law by Directive 91/250/EEC. However, copyright protection for isolated software is not enough because it would mean that the use and distribution of a piece of software stored as a file (e.g. on a disk or down loaded from the Internet) in other than the original expression could not be prevented as a direct infringement. This can only be achieved by patent protection of isolated software.

UNICE believes that this provision should also include the protection of a program stored as a file on a data carrier (e.g. disk) or transmitted as a signal. Therefore, it is necessary to obtain patent protection also for an isolated computer program stored as a file or transmitted as a signal (e.g. in the form of a "*computer program product*").

The departure from the current practice of the EPO would set up a problematical and undesirable divergence between what the EPO permits and the laws of a large number of its Member States. It would also give rise to doubts as to the status of the many existing granted rights of this kind.

Given that contributory infringement only exists when the infringement is carried out completely in the same territory contributory infringement is not a useful remedy to repair the damage caused by the exclusion of technical computer programs when the supply is from one member state and results in infringement in another.

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