



## Business innovation can be patented at the EPO

Just check with the notional business person first

From e-commerce to peer-to-peer ride sharing to FinTech, business innovation is rife. Patenting business innovation, however, encounters the hurdle of Article 52(2) EPC which states that business method subject-matter is not regarded as an invention “as such”. When a claimed invention relates to a business method, applicants find more often than not that arguing for patentability is an uphill struggle. A concept introduced by the EPO’s Boards of Appeal could help turn the tide. The concept is the notional business person. Who is the notional business person? Why would it matter what they think? How can this help me get a patent?

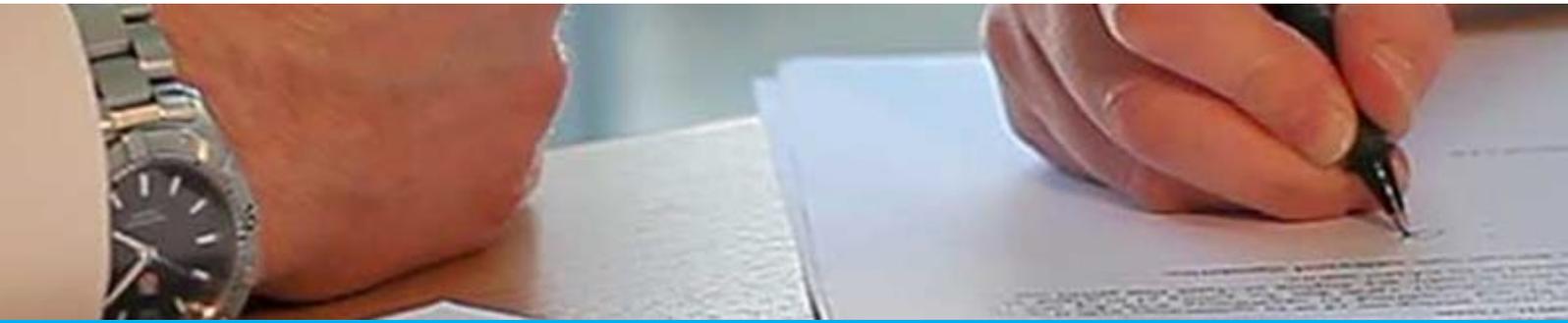
To answer these questions, we first need to need to look at how inventive step is assessed at the EPO. When assessing whether a claim is patentable, the following is the current test applied by the EPO:

1. Identify the closest prior art;
2. Identify distinguishing technical features of the claim over the closest prior art that solve a technical problem; and
3. Assess whether the distinguishing features would be obvious to the skilled person in light of the technical problem.

In essence, to be convinced that an invention is patentable, an EPO examiner needs to see that the claimed invention solves a technical problem in a non-obvious way from the perspective of the notional skilled person.

For example, in the first and second steps above it is established that a claimed invention distinguishes over a prior art sound processing circuit by requiring the technical feature of a low pass filter at an output. The low pass filter attenuates high frequency signals whilst leaving low frequency signals unaltered and thus solves the technical problem of improving the bass response of the sound processing circuit. The third step would then focus on whether it is obvious to the notional skilled person to solve the technical problem of improving the bass response of the prior art circuit by adding the technical feature of a low pass filter.

As can be seen from the above test and example, there is considerable emphasis placed on the so-called “technical” features, and the “technical” problem solved by the invention. Contrary to the above example, when assessing whether a claim which includes computer-implemented or business method features is patentable, determining whether these features are technical is not straightforward.



On one hand, computer-implemented or business method subject-matter is not regarded as an invention "as such" under Article 52(2) EPC and is "non-technical" (*T 0641/00*). Non-technical features are ignored when assessing inventive step; inventive step can only be established on the basis of technical features (*T 0154/04*). In absence of technical features, the requisite technical problem is equally absent and inventive step cannot be established.

On the other hand, features which would, taken in isolation, belong to the matters excluded from patentability by Article 52(2) EPC may nonetheless contribute to the technical character of a claimed invention, and therefore cannot be discarded in the consideration of inventive step (*G3/08*). Thus, business method features may in a certain context be relevant to the assessment of inventive step. The difficulty that arises is identifying what exactly is required to make a business feature "technical".

This is where the concept of the notional business person comes in. The perspective of the notional business person needs to be considered when assessing whether features are technical and, in particular, the requirements the business person can actually give to the technically skilled person to implement (*T 1463/11*). Unlike a real business person, the notional business person cannot require the use of specific technical means. A request from the notional business person can however have technical implications. An example is where a notional business person can request a copy of a book. The fact that this involves technical implications (e.g. laser printing, e-book etc.) is irrelevant, and the request itself is considered to be a pure business aim (*T 0630/11*). Further, the notional business person might act against business prejudices and actually propose counter-intuitive business requirements. This is to avoid the consideration of business prejudices when assessing inventive step, and thus safeguard the principle in patent law that only technical prejudices are relevant in the assessment of inventive step (*T 1670/07*).

If the problem solved by an invention can be characterised as a straight-forward 1:1 programming of an abstract business idea posed by the notional business person, then the underlying business features are "non-technical" (*T 1749/14*). An example would be where a seller (i.e. a notional business person) of customer data wants buyers of customer data to be able to request information on income and debts (*T 1039/13*). Programming a networked computer system to receive requests for customer income and debts is obvious.

Conversely, if the problem solved can be characterised in a way that goes beyond the 1:1 programming of an abstract business idea that would be proposed by the notional business person, and focuses on the implementation, the problem is technical. For example, as soon as specific technical means are required, like new infrastructure, new devices, and new protocols, this is beyond what the notional business person can require, and indicates technicality.

With this in mind, consider a hypothetical entrepreneur who has identified a new business concept where they can act as an intermediary between takeaway food outlets and customers. To encourage uptake, customers will be sent discount codes on a periodic basis. In a somewhat unorthodox business model, the discount codes will have no restrictions as to when they can be used. The entrepreneur identifies the following requirements: permit outlets and customers to register; process payments to sell food; and allow the use of discount codes with no restrictions.

A claim to the above concept can easily be characterised as a notional business person asking the skilled person to program a computer to perform the new business concept including the unorthodox business step. Consequently, the claimed business features are non-technical and do not contribute to the assessment of inventive step. In line with the expectation for the notional business person to act against business prejudices, the fact that the new concept involves an unorthodox business step has no bearing on this outcome.



Such a claim therefore defines an obvious computer implementation of business requirements.

Conversely, a claim directed to a technical implementation of the above business step of processing payments that involves end-to-end encryption is beyond what the notional business person can require. Although processing payments is a business step, processing payments online securely to avoid acquisition of payment details by an unscrupulous third party is a problem for the skilled person to solve. Consequently, the claimed feature is technical and contributes to the assessment of inventive step. Assuming end-to-end encryption distinguishes over the closest prior art, obtaining a patent would boil down to whether it is obvious to the notional skilled person to solve the technical problem of improving security in processing payments online by adding the technical feature of end-to-end encryption.

Considering the perspective of the notional business person will undoubtedly help when drafting a patent application. Whilst patent applications can relate to an innovative business concept, the problems faced by the notional skilled person need to be set out in detail. If the patent application describes and claims the technical implementation of the business innovation, and in particular, the infrastructure, devices, and protocols used, it is very difficult to characterise the claimed invention as 1:1 programming of an abstract business idea that would be proposed by the notional business person. You can then avoid finding yourself on the back foot in arguing for inventive step from the perspective of what the notional business person requires.

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