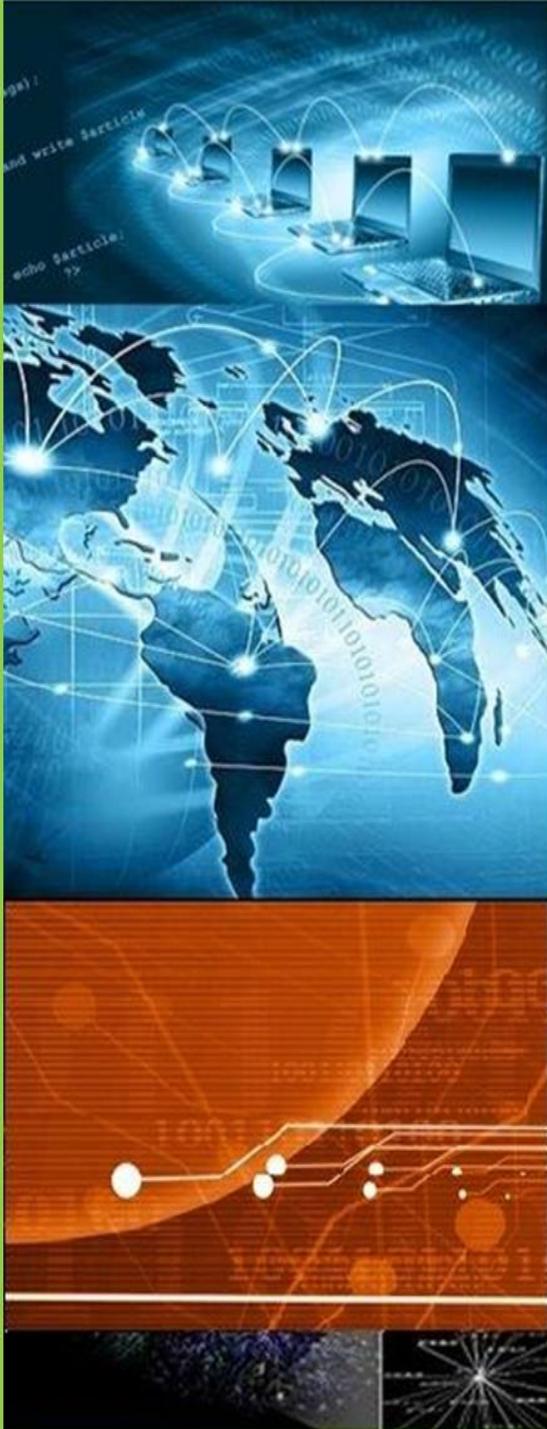




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Guidelines for Examination of Computer Related Inventions (CRIs)



**INTELLECTUAL
PROPERTY INDIA**

**OFFICE OF THE CONTROLLER GENERAL OF PATENTS, DESIGNS AND
TRADE MARKS**

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1. Introduction

- 1.1** Information Technology has gained special significance in the past two decades. It has emerged as a vital tool for scientific development. The term “Information Technology” encompasses the whole gamut of inputting, storing, retrieving, transmitting and managing data through the use of computers and various other networks, hardware, software, electronics and telecommunication equipment. Industry has witnessed rapid growth due to the computerization of activities which were hitherto carried out manually or mechanically. The advent of the internet and the World Wide Web (www) coupled with the exponential growth of processing and storage power has led to capabilities previously unheard of. The core elements in the application of Information Technology are computers and their peripherals. Computer Related Inventions (CRIs) comprises inventions which involve the use of computers, computer networks or other programmable apparatus and include such inventions having one or more features of which are realized wholly or partially by means of a computer programme or programmes.
- 1.2** Intellectual Property creators in the domain of Computer Related Inventions (CRIs) have consistently endeavored for stricter protection granted by patents as opposed to copyrights. The patent regimes have to cope up with the challenges posed by such emerging technologies and have been a subject of international attention in the recent past. Major patent offices across the world are confronted with the issue of patentability of CRIs. They have developed examination guidelines/ manuals for examination of patent applications from these areas of technology so as to achieve uniform examination practices.
- 1.3** The aim of this document is to provide guidelines for the examination of patent applications in the field of CRIs by the Indian Patent Office so as to further foster uniformity and consistency in the examination of such applications.
- 1.4** The guidelines discuss various provisions relating to the patentability of computer related inventions. The procedure to be adopted by the Patent Office while examining such applications and the jurisprudence that has evolved in this field has also been discussed. Various examples and case laws relating to Computer Related Inventions (CRIs) have also been incorporated for better understanding of the issues involved from the perspective of the Patent Office.

1.5 However, these guidelines do not constitute rule making. In case of any conflict between these guidelines and the provisions of the Patents Act, 1970 or the Rules made there under, the said provisions of the Act and Rules will prevail over these guidelines. The guidelines are subject to revision from time to time based on interpretations by Courts of law, statutory amendments and valuable inputs from the stakeholders.

2. Legal Provisions relating to CRIs

2.1 The Patents (Amendment) Act 2002 (No. 38 of 2002) came into effect on 20th May, 2003. It amended the definition of invention¹ under section 2(1)(j) as *"Invention" means a new product or process involving an inventive step and capable of industrial application;*

and as per section 2(1)(ja)² *"inventive step" means a feature of an invention that involves technical advance as compared to the existing knowledge or having economic significance or both and that makes the invention not obvious to a person skilled in the art;*

Further, section 2(1)(ac)³ states that *"capable of industrial application", in relation to an invention, means that the invention is capable of being made or used in an industry;"*

2.2 The Patents (Amendment) Act, 2002 also introduced explicit exclusions from patentability under section 3 for Computer Related Inventions (CRIs) as under:

- (k) a mathematical or business method or a computer programme per se or algorithms;*
- (l) a literary, dramatic, musical or artistic work or any other aesthetic creation whatsoever including cinematographic works and television productions;*
- (m) a mere scheme or rule or method of performing mental act or method of playing game;*
- (n) a presentation of information;*

¹ Definition of Invention u/s 2(1)(j) under The Patents Act 1970 , after 2002 Amendments

² Definition of 'Inventive Step' under The Patents Act 1970, after 2005 amendments

³ Definition of 'Capable of Industrial Application' under The Patents Act 1970

3. Terms/ Definitions

The terms/definitions often used while dealing with computer related inventions are summarised hereunder. The terms which are defined in any of the Indian statutes have been construed accordingly and those which have not been given any statutory definition are normally construed in accordance with their use and ordinary dictionary meaning.

3.1 Algorithm

The term "algorithm" is not defined in Indian statutes and hence, for interpretation of this term, the general dictionary meaning is being used.

The Oxford Advanced Learners Dictionary defines 'algorithm' as "*a set of rules that must be followed when solving a particular problem*".

3.2 Computer

The term "computer" is defined in The Information Technology Act, 2000 (No. 21 of 2000) as "*any electronic, magnetic, optical or other high-speed data processing device or system which performs logical, arithmetic, and memory functions by manipulations of electronic, magnetic or optical impulses, and includes all input, output, processing, storage, computer software, or communication facilities which are connected or related to the computer in a computer system or computer network*".

3.3 Computer Network

The term "computer network" is defined in The Information Technology Act, 2000 (No. 21 of 2000) as "*the interconnection of one or more computers through -*

- (i) the use of satellite, microwave, terrestrial line or other communication media; and*
- (ii) terminals or a complex consisting of two or more interconnected computers whether or not the interconnection is continuously maintained*".

3.4 Computer Programme

The term computer programme has been defined in the Copyright Act 1957 under Section 2(ffc) as "*computer programme means a set of instructions expressed in words, codes, schemes or in any other form, including a machine readable medium, capable of causing a computer to perform a particular task or achieve a particular result*".

3.5 Computer System

The term "computer system" is defined in The Information Technology Act, 2000 (No. 21 of 2000) as "*a device or collection of devices, including input and output support devices and excluding calculators which are not programmable and capable of being used in conjunction with external files, which contain computer programmes, electronic instructions, input data and output data, that performs logic, arithmetic, data storage and retrieval, communication control and other functions*".

3.6 Data

The term "data" is defined in the Information Technology Act, 2000 (No. 21 of 2000) as "*a representation of information, knowledge, facts, concepts or instructions which are being prepared or have been prepared in a formalised manner, and is intended to be processed, is being processed or has been processed in a computer system or computer network, and may be in any form (including computer printouts, magnetic or optical storage media, punched cards, punched tapes) or stored internally in the memory of the computer*".

3.7 Firmware

The term "firmware" is not defined in Indian statutes and hence, for interpretation of this term, the general dictionary meaning is being used.

The Oxford Advanced Learners Dictionary defines "firmware" as "*a type of computer software that is stored in such a way that it cannot be changed or lost*".

3.8 Function

The term "function" is defined in the Information Technology Act, 2000 (No. 21 of 2000) as *"function", in relation to a computer, includes logic, control arithmetical process, deletion, storage and retrieval and communication or telecommunication from or within a computer"*.

3.9 Hardware

The term "hardware" is not defined in Indian statutes and hence, for interpretation of this term, the general dictionary meaning is being used. The Oxford Advanced Learners Dictionary defines "hardware" as *"the physical and electronic parts of a computer, rather than the instructions it follows"*.

3.10 Information

The term "information" is defined in The Information Technology Act, 2000 (No. 21 of 2000) as *"information" includes data, message, text, images, sound, voice, codes, computer programmes, software and databases or micro film or computer generated micro fiche"*.

3.11 Manual

The term "Manual" as hereafter appears means "Manual of Patent Office Practice and Procedure" issued by CGPDTM, as may be amended from time to time, unless there is anything repugnant in the subject or context.

3.12 Per se

The term "per se" is not defined in Indian statutes including the Patents Act, 1970 and hence, for interpretation of this term, the general dictionary meaning is being used.

The Oxford Advanced Learners Dictionary defines "per se" as *"by itself"* - to show that you are referring to something on its own, rather than in connection with other things.

3.13 Software

The term "software" is not defined in Indian statutes and hence, for interpretation of this term, the general dictionary meaning is being used. The

Oxford Advanced Learners Dictionary defines "software" as "*the programs, etc. used to operate a computer*".

4. Examination Procedure

The examination procedure of patent applications relating to CRIs is the same as that for other inventions to the extent of consideration of novelty, inventive step, industrial applicability, sufficiency of disclosure and other requirements under the Patents Act and the rules made thereunder. The determination that the subject matter relates to one of the excluded categories requires greater skill on the part of the examiner and these guidelines focus more on this aspect.

4.1 Novelty

Novelty is the foremost requirement to determine the patentability of any invention. No invention can be held patentable if the subject matter as described and claimed was disclosed before the date of filing, or before the date of priority, as the case may be. The determination of novelty in respect of CRIs is no different from any other field of invention.

The novelty criterion is to be judged under various provisions of the Patents Act and the procedures as laid out in chapter 08.03.02 of the Manual.

4.2 Inventive step

Inventive step is decided in accordance with the provisions of section 2(1)(ja) of the Patents Act, 1970. The determination of inventive step with regard to CRIs is carried out in like manner as in other categories of inventions.

As per 2(1)(ja), "inventive step" means a feature of an invention that involves technical advance as compared to the existing knowledge or having economic significance or both and that makes the invention not obvious to a person skilled in the art;

The Inventive step criterion is to be judged under various provisions of the Patents Act and the procedures as laid out in chapter 08.03.03 of the Manual.

4.3 Industrial Applicability

In patent law, industrial applicability or industrial application is a patentability requirement according to which a patent can only be granted for an invention which is capable of industrial application, i.e. for an invention which can be made or used in an industry.

It has been defined in section 2(1)(ac) of The Patents Act, 1970 as follows:

"capable of industrial application", in relation to an invention, means that the invention is capable of being made or used in an industry.

The industrial applicability criterion is to be judged under various provisions of the Patents Act and the procedures as laid out in chapter 08.03.04 of the Manual.

4.4 Sufficiency of Disclosure

The sufficiency of disclosure criterion is to be judged under various provisions of the Patents Act and the procedures as laid out in chapter 08.03.06 of the Manual.

4.5 Determination of excluded subject matter relating to CRIs

Since patents are granted to inventions, whether products or processes, in all fields of technology, it is important to ascertain from the nature of the claimed CRI whether it is of a technical nature involving technical advancement as compared to the existing knowledge or having economic significance and is not subject to exclusion under Section 3 of the Patents Act.

The sub-section 3(k) excludes mathematical methods or business methods or computer programme per se or algorithms from patentability. Computer programmes are often claimed in the form of algorithms as method claims or system claims with some 'means' indicating the functions of flow charts or process steps. It is well-established that, in patentability cases, the focus should be on the underlying substance of the invention, not the particular form in which it is claimed.

What is important is to judge the substance of claims taking whole of the claim together. If the claims in any form such as method/process, apparatus/system/device, computer program product/ computer readable medium fall under the said excluded categories, they would not be

patentable. However, if in substance, the claims, taken as whole, do not fall in any of the excluded category, the patent should not be denied.

4.5.1 Claims directed at “Mathematical Method”: Mathematical methods are a particular example of the principle that purely abstract or intellectual methods are not patentable. Mathematical methods like method of calculation, formulation of equations, finding square roots, cube roots and all other methods directly involving mathematical methods are therefore not patentable. With the development in computer technology, mathematical methods are used for writing algorithms and computer programs for different applications and the invention is claimed as one relating to the technological development rather than the mathematical method itself. However, mere use of a mathematical formula in a claim, to clearly specify the scope of protection being sought, would not necessarily render the claim to be mathematical method.

Some examples which may not fall under category of “mathematical method” exclusion:

- ✚ Any computing/calculating machine constructed to carry out a method
- ✚ Method of encoding/decoding, method of encrypting/decrypting, method of simulation though employing mathematical formulae for their operations may not fall under these exclusions

Some examples which will attract exclusion:

- ✚ acts of mental skill. e.g. A method of calculation, formulation of equations, finding square roots, cube roots and all other methods directly involving mathematical methods like solving advanced equations of mathematics.
- ✚ merely manipulates abstract idea or solves a purely mathematical problem without specifying a practical application.

4.5.2 Claims directed at “Business Method”: The term ‘Business Methods’ involves whole gamut of activities in a commercial or industrial enterprise relating to transaction of goods or services. The claims drafted not directly

as "business methods" but apparently with some unspecified means are held un-patentable. However, if the claimed subject matter specifies an apparatus and/or a technical process for carrying out the invention even partly, the claims shall be examined as a whole. Only when in substance the claims relate to "business methods", they are not considered to be a patentable subject matter.

However, mere usage of the words such as "enterprise", "business", "business rules", "supply-chain", "order", "sales", "transactions", "commerce", "payment" etc. in the claims should not lead to conclusion of a Computer Related Invention being just a "Business Method", but if the subject matter is essentially about carrying out business/ trade/ financial transaction and/or a method of selling goods through web (e.g. providing web service functionality), should be treated as business method.

4.5.3 Claims directed at "Algorithm": Algorithms in all forms including but not limited to, a set of rules or procedures or any sequence of steps or any method expressed by way of a finite list of defined instructions, whether for solving a problem or otherwise, and whether employing a logical, arithmetical or computational method, recursive or otherwise, are excluded from patentability.

4.5.4 Claims directed at Computer Programme per se: The computer programme per se is excluded from patentability under section 3 (k) apart from mathematical or business method and algorithm. Claims which are directed towards computer programs per se are excluded from patentability, like

- (i) Claims directed at computer programmes/ set of instructions/ Routines and/or Sub-routines written in a specific language
- (ii) Claims directed at "computer programme products" / "Storage Medium having instructions" / "Database" / "Computer Memory with instruction" i.e. computer programmes per se stored in a computer readable medium

The legislative intent to attach suffix per se to computer programme is evident by the following view expressed by the Joint Parliamentary Committee while introducing Patents (Amendments) Act, 2002:

"In the new proposed clause (k) the words "per se" have been inserted. This change has been proposed because sometimes the computer programme may include certain other things, ancillary thereto or developed thereon. The intention here is not to reject them for grant of patent if they are inventions. However, the computer programmes as such are not intended to be granted patent. This amendment has been proposed to clarify the purpose."

The JPC report holds that the computer programmes as such are not intended to be granted patent. It uses the phrase " ... certain other things, ancillary thereto or developed thereon.....". The term "ancillary" indicates something essential to give effect to the main subject. In respect of CRIs, the term "ancillary thereto" would mean the "things" which are essential to give effect to the computer programme. The clause "developed thereon" in the JPC report may be understood as any improvement or technical advancement achieved by such development. Therefore, if a computer programme is not claimed by "in itself" rather, it has been claimed in such manner so as to establish industrial applicability of the invention and fulfills all other criterion of patentability, the patent should not be denied. In such a scenario, the claims in question shall have to be considered taking in to account whole of the claims.

4.5.5 A literary, dramatic, musical or artistic work or any other aesthetic creation whatsoever including cinematographic works and television productions

The above criterion is to be judged as per the procedures as laid out in chapter 08.03.05.11 of the Manual.

4.5.6 A mere scheme or rule or method of performing mental act(s) or a method of playing game(s)

The above criterion is to be judged as per the procedures as laid out in chapter 08.03.05.12 of the Manual.

4.5.7 Presentation of information

The above criterion is to be judged as per the procedures as laid out in chapter 08.03.05.13 of the Manual.

5. Determinants

5.1 For being considered patentable, the subject matter should involve either

- a novel hardware, or
- a novel hardware with a novel computer programme, or
- a novel computer programme with a known hardware which goes beyond the normal interaction with such hardware and affects a change in the functionality and/or performance of the existing hardware.

A computer program, when running on or loaded into a computer, going beyond the "normal" physical interactions between the software and the hardware on which it is run, and is capable of bringing further technical effect may not be considered as exclusion under these provisions.

6. Indicators to determine technical advancement

6.1 While examining CRI applications, the examiner shall confirm that the claims have the requisite technical advancement. The following questions should be addressed by the examiner while determining the technical advancement of the inventions concerning CRIs:

- (i) whether the claimed technical feature has a technical contribution on a process which is carried on outside the computer;
- (ii) whether the claimed technical feature operates at the level of the architecture of the computer;
- (iii) whether the technical contribution is by way of change in the hardware or the functionality of hardware.

- (iv) whether the claimed technical contribution results in the computer being made to operate in a new way;
- (v) in case of a computer programme linked with hardware, whether the programme makes the computer a better computer in the sense of running more efficiently and effectively as a computer;
- (vi) whether the change in the hardware or the functionality of hardware amounts to technical advancement.

If answer to ANY of the above questions is in affirmative, the invention may not be considered as exclusion under section 3 (k) of the Patents Act, 1970.

7. Replacement of Provisions of Manual

Chapter 08.03.05.10 of the Manual, containing provisions pertaining to section 3(k) of the Patents Act, 1970 shall stand deleted with coming into force of these Guidelines for examination of CRIs.

8. Illustrative examples of Claims which are patentable

The following are examples (illustrative but not exhaustive) of some of the granted claims by Indian Patent Office:

Example 8.1: An apparatus (610, 650) for eigenvalue decomposition and singular value decomposition of matrices in wireless communications comprising:

plurality of transmitters (622a; 622ap);

plurality of receivers (622a; 622ap);

a controller (630) configured to receive traffic data and generating data symbols;

a transmit (TX) data processor (614) coupled to said controller (630);

a receive (RX) data processor (642) coupled to said controller (630);

a channel processor (628) coupled to said controller (630);

wherein said channel processor (628) and said controller (630) performs a plurality of iterations of Jacobi rotation on a first matrix of complex values with a plurality of Jacobi rotation matrices of complex values, wherein, for each of the plurality of

iterations, said channel processor (628) and said controller (630) is configured to form a submatrix based on the first matrix, to decompose the submatrix to obtain eigenvectors for the submatrix, to form a Jacobi rotation matrix with the eigenvectors, and to update the first matrix with the Jacobi rotation matrix, and to derive a second matrix of complex values based on the plurality of Jacobi rotation matrices, the second matrix comprising orthogonal vectors; and a memory (632) coupled to the said channel processor (628, 630) and said controller (678, 680).

Example 8.2: A method for granting an access to a computer-based object, wherein

- a memory card having a program code processor is provided, with at least one public and one private key assigned to the memory card being stored thereon,
- an item of license information which comprises at least one license code encrypted by means of the public key assigned to the memory card is provided at a computing device controlling the access to the computer-based object,
- a symmetric key which is made available to the memory card and the computing device is generated from a first random number generated by the memory card and from a second random number provided by the computing device,
- the encrypted license code and a specification, provided with a hash value encrypted using the symmetric key, of a function that is to be executed by the memory card for decrypting the license code are transmitted to the memory card,
- the encrypted hash value is decrypted by the memory card and checked for agreement with a hash value computed for the specification of the function to be executed by the memory card,
- if the result of the check is positive, the function for decrypting the license code is executed by the memory card and a decrypted license code is transmitted to the computing device,
- the decrypted license code is provided at least temporarily for accessing the computer-based object.

Example 8.3: A method of controlling an electronic device (1) comprising a touch sensitive display (11) the method comprising:
displaying a plurality of graphical items (43) on the touch sensitive display (11) where each graphical item (43) has an identity (44);
detecting a coupling, formed by a user, of at least two graphical items (43), the coupling comprising, a trace on the touch sensitive display (11) between the at least two graphical items (43); and,
performing an action dependent upon the identity (44) of the coupled graphical items (43),

characterized in that when the user begins to make the trace, an indication is displayed to indicate the item (43) on which the trace began.

Example 8.4: A computer-implemented method comprising:

identifying one or more person names in a set of one or more documents, with each identified person name more likely to refer to a single person in a profession than other person names in the document:

identifying descriptive language from one or more documents, based on the identified names; and

identifying within one or more documents other person names that refer to persons in the profession, based on one or more portions of the identified descriptive language.

Example 8.5: A method for providing a network bridge in UDP multicast traffic, the method being executed by a multicast repeater (108a; 708a) on a host computer system (104a, 704a) on a network 102a; 702a), the method comprising the steps of:

holding information about one or more other multicast repeaters (108a; 708a) which have been discovered, each multicast repeater (108a; 708a) being arranged on a separate network (102b; 702b) that is separated from the network (102a; 702a) including a host by at least one network device that is not configured to route UDP multicast addressing; and

at each time when a UDP multicast request packet (320; 720) is received via multicast, extracting a globally unique packet ID from the UDP multicast request packet (320; 720);

determining whether or not the multicast repeater (108a; 708a) has previously forwarded the UDP multicast request packet (320; 720) by searching an ID cache for the packet ID;

ignoring the UDP multicast request packet (320; 720) in a case where the multicast repeater (1 08a; 708a) has previously forwarded the UDP multicast request packet (320; 720); and

in a case where the multicast repeater (108a; 708a) has not previously forwarded the UDP multicast request packet (320; 720), transmitting the UDP multicast request packet (320; 720) to the one or more other multicast repeaters (108a; 708a) which have been discovered, and recording the packet ID in the ID cache, wherein the method comprises determining whether or not a UDP multicast request packet

corresponding to a UDP multicast response packet (320; 720) has originated in the network (102a;702a) whenever the UDP multicast response packet is received.

Example 8.6: A method for estimating a length of time required to download one or more application programs on a wireless device over wireless network, said method comprising operations of:

the wireless device exchanging one or more data files with server, said data files including at least information representing a size of the one or more application programs available for downloading onto the wireless device;

during the exchanging, at least one of the server and wireless device measuring one or more data transfer rates for the exchanging operation;

receiving user input of one or more application programs to download;

at least one of the server and wireless device:

utilizing the one or more measured data transfer rates and the size of the selected one or more application programs to estimate a length of time required to download the one or more application programs onto the wireless device and the wireless device providing an output of the estimated time.

Example 8.7: A method for tracking a mobile electronic device using instant messaging (IM), the method comprising the steps of:

determining whether a currently inserted subscriber identity module (SIM) card is different from the SIM card stored in a memory of a mobile electronic device;

stealthily initiating a live voice call over an instant messaging (IM) message to a predefined IM identity of a user; and

automatically sending IM message along with the live voice call, location and IMSI number of the currently inserted SIM card to the predefined IM identity of the user via an IM server if the currently inserted SIM card is different from the SIM card stored in the memory of the mobile electronic device.

Example 8.8: A method of creating Tunnel End Points for a IPv6 over IPv4 tunnel using simple network management protocol (SNMP) in a system having Dual-Stack Border Router as v4/v6 nodes, the method comprising steps of:

selecting at least one v4/v6 node as SNMP manager and the rest as SNMP agent configuring the tunnel configuration pertaining to the new node (cloud) at the SNMP manager whenever a new v4/v6 node is added to the v4 network;

sending an SNMP SET request to the new v4/v6 node with the tunnel configuration information of all the nodes by the SNMP manager;

processing the SNMP SET request by the said new v4/v6 node and configuring the tunnel configuration information of all the nodes if the attempt succeeds;

sending a response to the SNMP manager indicating success or failure of the configuration;

configuring existing SNMP agents and the new node in order to effect incorporation of tunnel configuration information of new v4/v6 node.

Example 8.9: IPAB Decision relating to CRI

While dealing with a patent application having title “Method for controlling a wind turbine and a wind turbine”, IPAB observed:

“This is normally a computer operated or computer controlled technical instrumentation processing of the utilities to achieve the target in an automatic fashion and this technical process control associated with or 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 control such as the above, cannot be regarded as relating to a computer program per se or a set of rules of procedure like algorithms and thus are not objectionable from the point of view of patentability, more so when the claims do not claim, or contain any algorithm or its set of rules as such, but only comprise of some process steps to carry out a technical process or achieve a technical effect finally the maximum power output by controlling the wind turbine. Hence the objection that invention is not patentable under section 3(k) fails or not valid.”

9. Illustrative examples of Claims which are not patentable

The following examples (illustrative but not exhaustive) exhibit excluded categories and claims refused by the Indian Patent Office:

Example 9.1: A patent application was filed with the following main claim:

A method of scoring compatibility between members of a social network, said method comprising the steps of:

preparing interest compatibility scores based on expressed Interests of the members of the social network; and

computing a compatibility score between a first member of the social network and a second member of the social network based on expressed interests of the first member, expressed interests of the second member, and the interest compatibility scores between the expressed interests of the first member and the expressed interests of the second member.

The Controller held *“the said method for scoring compatibility between the social network users is nothing but a business method which shall be used commercially. Thus the subject matter of the instant invention cannot be allowed u/s 3(k) of The Patents Act, 1970.*

The said method for scoring compatibility between the social network users, say estimating the probability and dividing the estimated probabilities from the resultant product, is a mere a mathematical method which cannot be allowed u/s 3(k) of The Patents Act, 1970.

The subject matter of the instant invention, say the method for computing compatibility score, is based on a scheme/predefined set of rules which cannot be allowed u/s 3(m) of The Patents Act, 1970.

Hence, in view of the above pending objections, this application was refused u/s 15 of the Patents Act, 1970’.

Example 9.2: IPAB Decision in Yahoo Inc. V. Rediff.com India Limited Case⁴:

A patent application was filed with the following main claims:

A method of operating a computer network search apparatus for generating a result list of items representing a match with information entered by a user through an input device connected to the computer network, the search apparatus comprising a computer system operatively connected to the computer network and the method comprising:

storing a plurality of items in a database, each item comprising information to be communicated to a user and having associated with it at least one keyword, an information provided and a bid amount;

⁴ IPAB OA/ 22/ 2010/ PT/ CH

receiving a keyword entered by a user through an input device;

searching the stored items and identifying items representing a match with the key word entered by the user;

ordering the identified items using the bid amounts for the identified items, and generating a result list including the ordered, identified items;

providing the result list to the user;

receiving a request from the user for information regarding an item selected from the result list;

charging to an account of the information provider associated with the selected item the bid amount associated with the selected item; and

providing information providers with authenticated login access to permit an information provider to modify at least the bid amount associated with the information provider's listing;

wherein the computer system sends an indication of the status of the information provider's account to the information provider in response to the occurrence of a predetermined condition.

Refusing the application, the Controller held that the invention was only a business strategy and hence was not patentable u/s 3(k) of the Act.

Appealing against the decision of the Controller, the appellant (the applicant) submitted that the technical advancement had been clearly brought out in the response to the office objection and that has been totally ignored by the Controller. Further, evidence of the expert which has been filed at the stage of the appeal which also refers to the technical and non-technical features ought to have been considered by the Controller, especially since there was no serious objection to the Expert's evidence by the respondent. It also referred to the decision in Symbian Ltd. vs. Comptroller of Patents, Court of Appeal, (2008) EWCA Civ 1066 where the Court of Appeals had explained how Court should deal with matters when there is a technical advancement in respect of excluded subject.

The respondent (the Controller) submitted that however craftily the specifications may be drafted, the fact remains it is only a business method and, therefore, excluded under section 3(k) of the Patents Act.

The method comprises a database where several items are stored; each item contains information to be sent to a user which is associated with at least one key word, an information provider and a bid amount.

The user enters the key word, from the stored items the item matching the key word is identified, then on the box of the associated bid amounts a result list is generated in the order of the bid amounts. This list is given to the user. When the user requests for information with reference to one item of the result list. The amount of the information provider associated with this item is charged with the bid amount associated with the selected item. The method provided for modification of the bid amount by the information provider with the authenticated login access. The ranking in the list depends on the bid amount.

IPAB analyzed various decisions of foreign courts with regard to 'business method', expert evidence, the appellant's own response and Manual of Patent Procedures 2008. In its decision, the Board held that the invention was falling in the category of "method of doing business", maybe a technically smarter way of doing business. It increases the chance of the higher bidders being closer to the top.

The appellant submitted that the board must place itself in 1998 (time of invention), to decide the patentability and what appears so easy and familiar today was new then. To which IPAB held *"even if we go back in time to 1998 the nature of invention is still a method of doing business. That does not change. There are huge innovations in the computers themselves, but the invention claimed is not for the machine but for the method. From whichever point of time we look at it, it still looks to be a business method."*

10. Applicability of Guidelines

These Guidelines shall be applicable with immediate effect.

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