



# Newsletter Edition 3/2019

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A New Referral to the EPO's Enlarged Board of Appeal: Is the Relocation of the Boards of Appeal to Haar Covered by the EPC?

M I C H A L S K I



H Ü T T E R M A N N

P A T E N T A N W Ä L T E

# A New Referral to the EPO's Enlarged Board of Appeal Concerning Computer-Implemented Inventions

Since the publication of our last newsletter<sup>1</sup>, two further decisions have become known in which Technical Boards of Appeal have referred questions under Article 112(1) (a) to the Enlarged Board of Appeal.

Prosecution Appeal No. T 489/14 concerns a process for simulating the movement of a crowd of pedestrians. The process claimed simulates the movement of each pedestrian, which includes, *inter alia*, providing a preliminary path through an environment model to an intended target and determining a preferred step towards the intended target, which in turn involves defining a dissatisfaction function that expresses the cost of a step as the sum of an inconvenience function for a change of direction plus a frustration function for a change of speed. Furthermore, the process identifies obstacles in the environment and checks whether the preferred step is feasible given these obstacles<sup>2</sup>.

Already in the PCT phase, the EPO's substantive examiner objected that only those features which contribute to the technical character of the process could be taken into account for purposes of assessing the existence of an inventive step. Given that the underlying idea of how collisions can be avoided in the simulation was already known, the examiner argued, the process was to be regarded as obvious. On this basis, the application was rejected. The Examining Division held that, aside from the focus on pedestrians, only the definition of a computer implementation was technical, whereas the overall simulation process was abstract and non-technical. This meant that the use of a computer would be the only way to assess the inventive step. Thus, the task to be solved might be seen as consisting in the provision of a technical implementation of the simulation model. Since technical implementations were a commonplace objective, however, they could not be used to validate an inventive step. The use of a computer was also obvious, according to the Examining Division.

The argument put forward by the applicant that the steps of the process were technical simply because they dealt with physical concepts such as direction and length – ones that could be expressed in the form of physical quantities – was rejected by the Board of Appeal as well. Thus, the Board held that a purely intellectual process could not be exempted from the exclusion of patentability stipulated under Article 52 EPC by the mere fact that it contained technical considerations.<sup>3</sup> If the definition of a computer implementation was indeed the only technical feature worthy of consideration, then the decision of the Examining Division would undoubtedly have to be confirmed, the Board reasoned.<sup>4</sup>

In the Board's view, a technical effect required at least a direct link with physical reality, for example if it represented a modification or measurement of a physical unit. When it came to calculating the movement route of hypothetical pedestrians in a modeled environment, however, the Board held that no such link was apparent.<sup>5</sup>

On the other hand, the Board noted, there was an evident analogy in this regard to the constellation of Decision No. T 1227/05, which had cited by the applicant.<sup>6</sup> In Decision No. T 1227/05, the competent Board had concluded that the numerical simulation of a



## And in our own affairs...

As already announced, our annual patent seminar will take place on April 11, 2019 at the Industrieclub in Dusseldorf. We were able to invite Steffen Adams (thyssenkrupp Intellectual Property GmbH), Dr. Stefan Horstmann (Merck KGaA) and Dr. Hans Kornmeier (ifm electronic) as guest speakers.

If you would like to participate in this free seminar, please send an email with your postal address to [seminar@mhpatent.de](mailto:seminar@mhpatent.de).

The next Rhineland Biopatent Forum will take place on June 6, 2019 at our law offices in Dusseldorf.

If you would like to attend this free seminar, please send an email to [seminar@mhpatent.de](mailto:seminar@mhpatent.de)

<sup>1</sup> We already reported on referrals concerning double patenting in Case No. T 318/14; see [here](#).

<sup>2</sup> The exact wording of the claim is found in Point IX of the section "Summary of Facts and Submissions."

<sup>3</sup> This in Point 5 of the Reasons for the Decision along with a reference to Decision [No. G 3/08](#).

<sup>4</sup> See Point 8 of the Reasons for the Decision (last paragraph).

<sup>5</sup> See Point 11 of the Reasons for the Decision.

<sup>6</sup> See Point 14 of the Reasons for the Decision (last paragraph).

noise-affected circuit comprising input channels, noise input channels and output channels and a system of differential equations or algebroid differential equations was a functional technical feature.

The Board went on to argue that pedestrian environments which actually existed in physical reality were to be regarded as technical in nature and that the movements of a pedestrian were necessarily subject to the laws of physics. The process claimed could be used to design a location such as a stadium or a railway station. Planning a station configured to accommodate a million people a day, or a building that could be evacuated within minutes, was primarily the work of an engineer.<sup>7</sup> This, the Board, concluded, tended to indicate technicality.

But even Decision No. T 1227/05 was not fully embraced by the Board: While a circuit or an environment could be a technical object once it had been realized, this could not be said of the cognitive process involved in the theoretical verification of its design. Moreover, Decision No. T 1227/05 appeared to base its argumentation in favor of technicality on the higher speed of computer-implemented processes. Yet this also held true for any process defined by algorithms, in the Board's view.<sup>8</sup>

Since the approach taken in Decision No. T 1227/05 had been adopted in some, but certainly not all, decisions, the Board asked the Enlarged Board of Appeal to address the following question: Can a computer-implemented simulation of a technical system or process solve a technical problem by producing a technical effect which goes beyond the simulation's implementation on a computer, if the computer-implemented simulation is claimed as such?

Assuming the answer is yes, the Board asked, what are relevant criteria for assessing whether a computer-implemented simulation claimed as such solves a technical problem? In particular, is it a sufficient condition that the simulation is based, at least in part, on the technical principles underlying the simulated system or process?

The Board's final question pertained to the specific case at hand: What are the answers to the first and second questions if the computer-implemented simulation is claimed as part of a design process, in particular for verifying a design?

As we see it, the Enlarged Board of Appeal has interesting questions to answer here. The assessment it arrives at will probably not only answer the question of whether simulations can be patentable per se, but should also serve as an important indicator for the fundamental question of where the limits of technicality are to be drawn. This can be expected to have an impact on the formulation of patent applications and, in particular, of patent claims.

## A New Referral to the EPO's Enlarged Board of Appeal: Is the Relocation of the Boards of Appeal to Haar Covered by the EPC?

In the context of a somewhat unusual appeal procedure, a number of questions were referred to the Enlarged Board of Appeal in connection with Decision No. T 831/17.

At least until the corresponding patent was granted, the procedure was hardly unusual, even if repeated submissions by a third party, as in this case, are not an everyday occurrence in examination procedures. However, the fact that the EPO's Directorate for Quality Support (DQS) evidently became involved<sup>9</sup> suggests that the third party had been quite persistent.

### And in our own affairs...

Dr. Ulrich Storz will speak at the [German Biotech Days Conference](#) in Würzburg on April 10, 2019.

Dr. Aloys Hüttermann will lecture on Case No. T 1063/18 at the [27th Fordham IP Conference](#) on April 26th, 2019.

<sup>7</sup> Ibid., cf. Point 3.2.2 (first sentence) of the Reasons for the Decision in Case No. T 1227/05.

<sup>8</sup> See Point 15 of the Reasons for the Decision.

<sup>9</sup> See Point 2.3 of the [Board's Provisional Opinion](#) dated May 25, 2018.



The first decision in the examination procedure was to already issue a communication under Rule 71(3) EPC, whereupon a third party immediately filed a submission in which numerous claims were attacked for lack of clarity. No other objections were raised by the third party. The applicant then filed amended claims in order to counter some of the clarity objections and waived a new communication under Rule 71(3) EPC. The Examining Division did not agree with all the amendments and issued two consecutive communications under Article 94(3) EPC. It indicated that it did not consider the objections of the third party to be relevant. In the meantime, the third party again filed submissions containing clarity objections.

After the issuance of a second communication under Rule 71(3) EPC, a patent was granted and the third party filed a submission intended to serve as an appeal against the grant. The appeal fee was also paid. The formal examiner thereupon informed the representative of the third party by telephone that an appeal against the grant was not possible – and most definitely not by the third party. The third party nevertheless insisted that its submission be forwarded to the Board of Appeal. In the statement setting out the grounds of appeal, the third party argued that it had not been granted the right to be heard and that it had no choice but to apply to the Board of Appeal, since it was impossible to review the lack of clarity in an opposition procedure.

This attempt to file an appeal seems more than risky. The statement of the formal examiner is likely to be universally accepted. The only way the third party could challenge the grant is to file an opposition, which, as it happens, it failed to do in this case. This is because, as the third party itself explains, Article 84 is not a ground for opposition. In addition, an appeal by an anonymous third party – as in the present case – will be deemed inadmissible right from the outset if the identity of the appellant cannot be established.

Accordingly, the Board of Appeal already stated in its provisional opinion that it could not classify the appeal as being admissible or well-founded. A summons was issued for oral proceedings to be heard in the town of Haar, the seat of the Boards of Appeal, whereupon the third party requested a transfer to Munich. This request is interesting insofar as Haar, though it belongs to the Administrative District (*Landkreis*) of Munich, is a separate municipality which does not form part of the City of Munich.<sup>10</sup> The City of Munich, meanwhile, has the status of a municipality constituting a district in its own right (*kreisfreie Stadt*), and thus merely borders on the Administrative District of Munich.<sup>10</sup> Inasmuch, the third party argued that Haar had not been foreseen under the EPC “as a place for acts to be performed or proceedings to take place.”

The Board of Appeal therefore saw itself faced with the question of whether the President of the EPO was still within his powers when he ordered the seat of the Boards of Appeal to be relocated to Haar. In addition, the Board had to address the question of whether it would still be purposeful to hold oral proceedings – firstly in Haar and secondly in an appeal that was clearly inadmissible<sup>11</sup> in principle.

In the prior Decision No. G 1/97, the Enlarged Board of Appeal had already held that, in cases where requests “...must eventually be refused as inadmissible because they are based on a remedy ...which is non-existent,” it was clearly obvious that applying the right to an oral hearing “would prolong the proceedings in a manner which would be difficult to reconcile with legal certainty.”<sup>12</sup> The Board had therefore concluded that the Legal Board of Appeal competent in this particular case was duty-bound to immediately rule the request inadmissible.

Thus, the Board proceeded to provisionally adjourn the date of the oral hearing and issued an interim decision in writing. In the process, it asked the Enlarged Board of Appeal to address the question of whether the right to oral proceedings in appeal proceedings

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<sup>10</sup> See Point 3.3 of the Reasons for the Decision.

<sup>11</sup> See the last paragraph of the Decision under Point 4.6 of the Reasons for the Decision

<sup>12</sup> See Point 6, last paragraph of Decision No. G 1/97, cited under Point 4.2 of the Reasons for the Decision in Case No. T, cited under Point 4.2 of the Reasons for the Decision in T 831/17.

was limited if the appeal was inadmissible *prima facie*. Assuming the answer was no – or assuming that oral hearings should at least be held in the case at hand – the Board requested to know whether the oral hearing could be held in Haar without infringing Article 116 EPC, given that the Haar location was being contested by the appellant as not being in conformity with the EPC.

One definitely gets the sense that raising the issue of the Haar location was a welcome opportunity for the Board to bring the related issue of Board's relocation there by the President of the EPO before the Enlarged Board of Appeal. Thus, under points 3.1 and 3.2 of the decision, the Board explained at length why it believed that the case required referral to the Enlarged Board of Appeal.

Article 6(2) EPC states: "*The European Patent Office shall be located in Munich. It shall have a branch at The Hague.*" The city of Rijswijk is located in the municipality of the same name, which is adjacent to the municipality of The Hague. This raised the question, in the Board's view, of why Haar could or should be treated differently from Rijswijk. The referring Board justified this line of argument by adducing the history of the EPC's origin and the situation that prevailed at the time of the *Travaux Préparatoires* for the EPC: As far as The Hague was concerned, it had already been clear from the location of the offices of the Institut International des Brevets, which were to be integrated, that Rijswijk would also fall under the term "The Hague;" but as far as Munich was concerned, only the City of Munich had ever been open for discussion.<sup>13</sup>

Only after having made these points did the Board proceed to set forth its first referral question, namely whether an oral hearing should be held. Here, the Board argued that the decision-making practice was inconsistent: While a few Boards had followed the position taken in G 1/97 (see above), the day-to-day practice of the Boards looked different in that requests for oral proceedings were invariably granted.<sup>14</sup>

Interestingly enough, the Board of Appeal departed from normal practice in connection with the circulation system,<sup>15</sup> which calls for decisions that refer questions to the Enlarged Board of Appeal to be published in the Official Journal. Instead, the Board saw fit to merely circulate the decision to the members of the Boards of Appeal. It remains to be seen whether the Board is thereby implicitly playing down the importance of the questions referred or whether the decision could still appear in the Official Journal in the future.

<sup>13</sup> See Point 3.3 of the Reasons for the Decision.

<sup>14</sup> See Point 4.1 of the Reasons for the Decision.

<sup>15</sup> E.g. see Decision No. T 489/14, which is earmarked for publication in the Official Journal according to the circulation system.

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