



ROBIC
+ LAW
+ BUSINESS
+ SCIENCE
+ ART
SINCE 1892
LAWYERS, PATENT AND TRADEMARK AGENTS

PATENTABILITY OF MANAGEMENT SOFTWARE FOR FLEET OF VEHICLES

ADAM MIZERA*
ROBIC, LLP
LAWYERS, PATENT AND TRADE-MARKS AGENTS

The Patent Appeal Board in Canada recently rejected a patent application filed by U-Haul International Inc. related to vehicle fleet management software. This decision applies principles established in the Amazon.com case that was reported in one of our previous newsletters in 2009.

The patent application relates to a process and system for following the repair and general status of vehicles in a coordinated manner from several vehicle centers spread out geographically.

The Examiner responsible for the application had rejected the application by stating that it was indefinite and obvious and that the application claimed non-patentable subject matter. According to the Canadian Patent Act, the present article will concentrate on the question of patentable subject matter.

In its decision involving the U-Haul patent application, the Patent Appeal Board ("Board") reiterated that, for a claim to be patentable, the form of the claim must be related to one of the five categories of patentable inventions: art, process, machine, manufacture or a composition of matter. Moreover, the Board maintained that the form of the claim must not be related to an excluded object, nor to any non-technological matter. The Board also reiterated that the substance of the claimed invention or "what has been added to human knowledge", must be related to one of the five above-mentioned categories of patentable inventions. Furthermore, the addition to human knowledge must not be related to an excluded object, nor to any non-technological subject matter. The Board recognizes that these three criteria, the categories of inventions, excluded objects and non-technological subject matter, may sometimes overlap while not coinciding exactly. The Board gives the example of a genetically modified higher life form which may be technological in nature but nevertheless does not represent patentable subject matter.

© CIPS, 2010.

* With ROBIC, LLP a multidisciplinary firm of Lawyers, and Patent and Trade-mark Agents. Published in the Spring 2010 Newsletter of the firm (Vol. 14, No. 1). Publication 068.119E.

ROBIC, LLP
1001 Square-Victoria - Bloc E - 8th floor
Montreal, Quebec, Canada H2Z 2B7
Tel.: 514 987-6242 Fax: 514 845-7874
www.robic.ca info@robic.com

The Board then defined what may constitute a technical effect when the claim of the patent involves software. The Board cited the British decision in *AT&T Knowledge Ventures LP*, (2009) EWHC 343 (Pat) which gives examples of technical effects:

- i) the technical effect has an effect on a process which is carried out outside the computer;
- ii) ii) the technical effect operates at the level of the architecture of the computer;
- iii) the technical effect results in the computer operating in a new way;
- iv) the technical effect increases the speed or reliability of the computer;
- v) the technical effect overcomes a perceived problem and does not merely circumvent the problem.

The Board also clarified the fact that although the Amazon.com case declares that business methods are not patentable, processes and machines do not necessarily lose the right to become patentable by the simple fact that they have been conceived to be used in certain commercial activities.

Following its analysis, the Board concluded that the contribution to human knowledge stemming from U-Haul's invention consisted of a combination of the following operations: automatic generation of forecast availability of vehicles under maintenance, the transmission and diffusion of this forecast to a network, thus providing to the user a better management of a fleet of vehicles.

The Board concluded that the substance of the invention was not technological in nature. Moreover, by analyzing the advantages provided by the invention in terms of technical effect as defined in the *AT&T Knowledge Ventures* case, the Board concluded that the invention represented a purely administrative process designed to process and produce informations and was therefore solely related to the organization of human activities. Therefore, the substance of the invention was excluded subject matter because it related to commercial activity.

The Board's position will be interesting to analyse in view of the upcoming decision from the US Supreme Court in the *In re Bilski* case which will evaluate the patentability of business methods in the United States.

In parallel, the Amazon.com decision which provided several elements for analysis used in the present decision has been appealed to the Federal Court of Canada. It will be interesting to confirm whether the Federal Court will use the additional analysis elements cited by the Patent Appeal Board in the present case in order to determine whether the invention represents patentable subject matter according to the Patent Act.

ROBIC

- + LAW
- + BUSINESS
- + SCIENCE
- + ART

