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COMPUTER-IMPLEMENTED ADVERTISING METHOD CAN ROCK ON

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Legal Briefings – By **Shaun McVicar and Siobhan Lane**

Over recent years there has been doubt about the extent to which computer-implemented business methods and processes could be the proper subject of patent protection. Justice Robertson's much anticipated decision in *Rokt Pte Ltd v Commissioner of Patents*[1] this week provides needed clarity on the issue. Justice Robertson confirmed patentability but emphasised that to proceed to grant, the patent applicant must identify not only the business problem to be solved, but also the technical issue that previously prevented resolution of the business problem. The computer-implemented business method must therefore provide the technical solution to be patentable subject matter.

BACKGROUND

Rokt Pte Ltd (**Rokt**) applied on 13 March 2013 for the patent titled "A Digital Advertising System and Method". Throughout 2013 to 2017, the patent was subject to a number of amendments and re-examinations. On 12 July 2017, the Commissioner's delegate ultimately concluded that the patent should not proceed to grant because the subject matter of the patent was ineligible. Rokt filed an appeal in the Federal Court soon after, challenging the refusal.

Rokt's appeal is one of three challenges to IP office decisions currently before the Federal Court seeking clarity on what is required for software and computer-related technology to be patented. Other companies challenging refusals include Aristocrat, a gaming company, and Encompass, a fintech company.

KEY FINDINGS

The Commissioner of Patents defended her refusal to grant Rokt's patent application, arguing that the patent did not contain a "manner of manufacture", namely patentable subject matter. The Commissioner of Patents also argued that the patent failed to disclose the steps necessary to program a computer to perform the invention.

Justice Robertson accepted that Rokt's patent relates to a dynamic, context-based advertising system – an improvement in computer technology. The patent claims a cohesive system that introduces a tracking database, objects database, ranking engine and engagement engine. These mechanisms work cohesively to access and manipulate data to rank and select engagement offers to immediately present to consumers while they are accessing websites. This mechanism purports to increase user engagement with advertising.

Justice Robertson concluded that the Rokt patent did not concern the mere implementation of a business scheme using routine and conventional computer technology to do so. Instead he held that the distinction between engagement offers embedded within the invention and general advertising, coupled with the algorithms making use of background data for personalisation and ranking, was a new combination of both new and previously existing components and a new use of computer technology. In making this assessment, Justice Robertson highlighted the importance of focusing on the invention as a whole, rather than individual components. Accordingly, Justice Robertson concluded that Rokt's patent was inventive, a manner of manufacture, and should proceed to grant.

IMPLICATIONS

Justice Robertson's categorical support to grant Rokt's patent for the computer-implemented advertising scheme re-enlivens the opportunity for technology companies to patent computer-implemented business methods.

Going forward, technology companies that wish to seek a patent for computer- implemented business methods should ensure that:

- a business problem is identified, as well as a technical problem hindering its implementation;
- the business problem, reframed as a technical problem, is solved by implementing a technical solution in the form of the claimed method; and
- use of the computer is integral to implementation of the claimed method.

Although a business method alone is not patentable, if this is properly framed as a technical problem, then a technical solution may be considered patentable subject matter. Rather than isolating computer-implemented inventions as a separate category of invention with its own rules, Justice Robertson's approach suggests that we may begin to see more consistency in patent eligibility rules across different classes of inventions.

ENDNOTES

1. [2018] FCA 1988.

KEY CONTACTS

If you have any questions, or would like to know how this might affect your business, phone, or email these key contacts.

SHAUN MCVICAR
PARTNER,
MELBOURNE
+61 3 9288 1587
Shaun.McVicar@hsf.com

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