

EUROPEAN PARLIAMENT

2004



2009

Session document

FINAL
A6-0207/2005

21.6.2005

*****II**

RECOMMENDATION FOR SECOND READING

on the Council common position for adopting a directive of the European Parliament and of the Council on the patentability of computer-implemented inventions
(11979/1/2004 – C6-0058/2005 – 2002/0047(COD))

Committee on Legal Affairs

Rapporteur: Michel Rocard

Symbols for procedures

- * Consultation procedure
majority of the votes cast
- **I Cooperation procedure (first reading)
majority of the votes cast
- **II Cooperation procedure (second reading)
*majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend
the common position*
- *** Assent procedure
*majority of Parliament's component Members except in cases
covered by Articles 105, 107, 161 and 300 of the EC Treaty and
Article 7 of the EU Treaty*
- ***I Codecision procedure (first reading)
majority of the votes cast
- ***II Codecision procedure (second reading)
*majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend
the common position*
- ***III Codecision procedure (third reading)
majority of the votes cast, to approve the joint text

(The type of procedure depends on the legal basis proposed by the Commission)

Amendments to a legislative text

In amendments by Parliament, amended text is highlighted in ***bold italics***. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the legislative text for which a correction is proposed, to assist preparation of the final text (for instance, obvious errors or omissions in a given language version). These suggested corrections are subject to the agreement of the departments concerned.

CONTENTS

	Page
DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION	4
EXPLANATORY STATEMENT	22
PROCEDURE.....	25

DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the Council common position for adopting a directive of the European Parliament and of the Council on the patentability of computer-implemented inventions (11979/1/2004 – C6-0058/2005 – 2002/0047(COD))

(Codecision procedure: second reading)

The European Parliament,

- having regard to the Council common position (11979/1/2004 – C6-0058/2005),
 - having regard to its position at first reading¹ on the Commission proposal to Parliament and the Council (COM(2002)0092)²,
 - having regard to Article 251(2) of the EC Treaty,
 - having regard to Rule 62 of its Rules of Procedure,
 - having regard to the recommendation for second reading of the Committee on Legal Affairs (A6-0207/2005),
1. Approves the common position as amended;
 2. Instructs its President to forward its position to the Council and Commission.

Council common position

Amendments by Parliament

Amendment 1
Recital 5 a (new)

(5a) The rules of the Convention on the Grant of European Patents signed in Munich on 5 October 1973, and in particular Article 52 thereof concerning the limits to patentability, should be confirmed and clarified.

Amendment 2
Recital 8 a (new)

(8a) Member States should respect the provisions of this Directive when acting within the framework of the European

¹ OJ C 77, 26.3.2004, p. 87.

² OJ C 151, 25.6.2002, p. 129 E.

Patent Convention.

Justification

This amendment recognises that the Member States are also Contracting States of the European Patent Convention and that Member States have some influence on the practice of the European Patent Office, specifically with respect to ensuring that the European Patent Office complies with this directive.

Amendment 3 Recital 8 b (new)

(8b) The European Patent Convention provides that the European Patent Office is supervised by the Administrative Council of the European Patent Organisation, and that the President of the European Patent Office is answerable for its activities to the Administrative Council. The Administrative Council is composed of representatives of the Contracting States of the European Patent Convention, a clear majority of which is formed by Member States of the European Union. These representatives should take such measures as are within their authority to ensure compliance by the European Patent Office with this Directive.

Justification

This amendment recognises that the Member States are also Contracting States of the European Patent Convention and that Member States have some influence on the practice of the European Patent Office, specifically with respect to maintaining high standards of examining patent applications in particular with respect to inventive step and ‘technical contribution’ as defined in this directive.

Furthermore, this amendment requires Member States (in Council) to report to the European Parliament each year on what they have actually done to influence the EPO in this regard and on the progress that has been made towards the goal of minimising the grant of undeserving patents.

Amendment 4 Article 10 a (new)

(10a) A technical contribution is present if technical considerations contribute to the solution of a technical problem. A technical

contribution is not present if the subject-matter claimed in the patent solely consists of discoveries, scientific theories, mathematical methods, aesthetic creations, schemes, rules and methods for performing mental acts, playing games or doing business, programs for computers, or presentations of information, without being limited to new, non-obvious and technical subject matter that can be made or used in any kind of industry.

Justification

Clarification of ‘technical contribution’. Whereas the positive definition of technical contribution is rather difficult and is necessarily open to interpretation, it is nevertheless important to make clear which interpretations of this term as not envisaged in the framework of this Directive.

Amendment 5
Recital 11

(11) In order for any invention to be considered as patentable it should have a technical character, and thus belong to a field of technology.

(11) In order for any invention to be considered as patentable it should have a technical character, and thus belong to a field of technology. ***It must also be capable of industrial application, be new, and involve an inventive step.***

Justification

This amendment is a reminder of the conditions of patentability.

Amendment 6
Recital 12

(12) It is a condition for inventions in general that, in order to involve an inventive step, they should make a technical contribution to the state of the art.

(12) It is a condition for inventions in general that, in order to involve an inventive step, they should make a ***new*** technical contribution to the state of the art.

Amendment 7
Recital 14 a (new)

(14a) Data processing within the meaning of this Directive does not cover the

identification of physical effects and their conversion into data.

Justification

The method of data processing does not cover the interfaces referred to in the Recital which belong to a field of technology.

Amendment 8
Recital 15

(15) If the contribution to the state of the **art** relates solely to unpatentable matter, there can be no patentable invention irrespective of how the matter is presented in the claims. For example, the requirement for technical contribution cannot be circumvented merely by specifying technical means in the patent **claims**.

(15) If the contribution to the state of the **art** relates solely to unpatentable matter, there can be no patentable invention irrespective of how the matter is presented in the claims. For example, the requirement for technical contribution cannot be circumvented merely by specifying technical means in the patent **claim**.

Justification

(First part of amendment does not affect English version.)

A contribution to the state of the art must by definition be technical in nature.

Amendment 9
Recital 17 a (new)

(17a) Member States shall ensure that the description discloses the invention as claimed in such terms that the technical problem and its solution as well as the inventive step can be understood.

Justification

This amendment further clarifies what has to be disclosed in a patent application. In particular, the patent application has to explain the technical problem that the invention is seeking to overcome, and its solution, in a way that can be understood.

Amendment 10
Recital 20

(20) The competitive position of Community industry in relation to its major trading partners will be improved if the current differences in the legal protection of computer-implemented inventions are eliminated and the legal situation is transparent. ***With the present trend for traditional manufacturing industry to shift their operations to low-cost economies outside the Community, the importance of intellectual property protection and in particular patent protection is self-evident.***

(20) The competitive position of Community industry in relation to its major trading partners will be improved if the current differences in the legal protection of computer-implemented inventions are eliminated and the legal situation is transparent.

Amendment 11
Recital 20 a (new)

(20a) Small and medium-sized enterprises (SMEs) are essential to the economic success and global competitiveness of the European Union and its Member States. Intellectual property rights benefit small and medium-sized enterprises just as they do larger entities. To ensure that this Directive advances the interests of SMEs, a Committee on Technological Innovation in the Small and Medium-sized Enterprise Sector should be formed. This Committee should focus on patent-related issues relevant to such enterprises and should bring these issues to the attention of the Commission as necessary.

Justification

This amendment relates to Article 10 (Monitoring) adopted by the European Parliament during First Reading.

Currently, SMEs participate actively in Europe's CII patents system. Indeed, SMEs represent the majority of applicants for CII patents. To ensure ongoing and active participation by SMEs—and to provide opportunities to enhance their involvement—this amendment proposes the creation of a committee focused on SME-related issues, with a mandate to recommend necessary reforms.

Amendment 12
Recital 21

(21) This Directive should be without prejudice to the application of Articles 81 and 82 of the Treaty, ***in particular where a dominant supplier refuses to allow the use of patented technique which is needed for the sole purpose of ensuring conversion of the conventions used in two different computers systems or networks so as to allow communication and exchange of data content between them.***

(21) This Directive should be without prejudice to the application of ***the competition rules, in particular*** Articles 81 and 82 of the Treaty.

Justification

More concise drafting appropriate to selectively define the purpose of Articles 81 and 82.

Amendment 13
Recital 21 a (new)

(21a) Patents play an important role in European innovation. To ensure effective functioning of the patent system, it is important to monitor developments in this sector, including developments involving patents on computer-implemented inventions. To this end, relevant data should be gathered and appropriate reports produced. Such reports should include information pertaining specifically to participation by small and medium-sized enterprises in the system of patents for computer-implemented inventions.

Justification

This amendment relates to Article 10 (Monitoring) adopted by the European Parliament during First Reading.

Existing statistics demonstrate fairly broad participation in the CII patents process by SMEs. However, there is consensus among all interested parties that additional and more comprehensive statistical data on CII patents would be welcomed. The above amendment would ensure that such data is compiled.

Amendment 14
Article 1

This Directive lays down rules for the patentability of **computer-implemented** inventions.

This Directive lays down rules concerning the patentability of **computer-assisted** inventions.

Justification

The term ‘implemented’ is not suitable, as computer-implemented software is not an invention, as software is not patentable. The computer and its program are used only to control a hardware invention, hence the change of word. Moreover, the expression computer implemented invention is not in use among specialists, unlike the expression ‘computer-assisted’, as in software for ‘computer-assisted design/ computer-assisted manufacturing’.

Amendment 15
Article 2, point (a)

(a) computer-**implemented** invention means any invention the performance of which involves the use of a **computer, computer network or other** programmable apparatus, **the invention having one or more features which are realised wholly or partly by means of a computer program or computer programs**;

(a) computer-**aided** invention means any invention the performance of which involves the use of programmable apparatus;

Justification

Defines in a simpler way what a “computer-aided” invention is.

Amendment 16
Article 2, point (b)

(b) “technical contribution” means a contribution to the state of the art in a field of technology **which is new and not obvious to a person skilled in the art**. The technical contribution **shall be assessed by consideration of the difference between** the state of the art **and the scope of the patent claim considered as a whole, which must** comprise technical features, **irrespective of whether or not these are accompanied by non-technical features**.

(b) “technical contribution” means a contribution to the state of the art in a field of technology. The technical contribution **is the set of features by which the scope of the patent claim as a whole is considered to differ from** the state of the art. **The contribution must be technical, that is, comprise technical features and belong to a field of technology. Without a technical contribution, there is no patentable subject-matter. The technical contribution must fulfil the conditions for patentability. In particular, it must be novel and not obvious**

to a person skilled in the art.

Amendment 17
Article 2, point (b a) (new)

(ba) “field of technology”, also called “technological domain” or “technical domain”, means an application domain requiring the use of controllable forces of nature to achieve predictable results in the physical world;

Justification

This amendment clarifies the term field of technology from Article 27 TRIPs. It is an improved version of the Parliament's first reading Article 2(c). A discipline is normally characterised not by its domain of application but by the way in which it gains knowledge. For patent granting, what matters is where the achievement lies, not to which domain it is applied. Also, industrial applicability is a requirement is a separate requirement of patentability. Patentability requirements should stand on their own, relying on each other as little as possible.

Amendment 18
Article 2, point (b b) (new)

(bb) “technical” means “belonging to a field of technology”;

Justification

The difference between the European and the US patent system is that, in Europe, patentable inventions must have technical character, that is, belong to a field of technology in the meaning of patent law. This amendment defines the relation between both terms.

Amendment 19
Article 2, point (b c) (new)

(bc) “Interoperability” means the ability of a computer program to communicate and exchange information with other computer programs and mutually to use the information which has been exchanged, including the ability to use, convert, or exchange file formats, protocols, schemas, interface information or conventions, so as to permit such a computer program to work

with other computer programs and with users in all the ways in which they are intended to interact.

Justification

Interoperability and the operations required to achieve it need to be exactly defined for the purposes of the directive.

Amendment 20
Article 3, paragraph 1

In order to be patentable, a computer-implemented invention must be susceptible of industrial application ***and new and must involve an*** inventive step. ***In order to involve an inventive step, a computer-implemented invention must make a technical contribution.***

1. In order to be patentable, a computer-implemented invention must be susceptible of industrial application and ***make a technical contribution. The*** inventive step is ***assessed by considering the difference between all of the technical and non-technical features of the patent claim and the state of the art.***

Amendment 21
Article 3, paragraph 2 (new)

2. The application for a patent must disclose the invention in a manner sufficiently clear and complete for it to be carried out by a person skilled in the art.

Justification

This amendment clarifies expressly that a patent application has to disclose an invention clearly and comprehensively, so that it can be implemented by someone working in the field. The expression “a person skilled in the art” is a well-established term of patent law which means someone of ordinary skill in the relevant technical field.

Amendment 22
Article 5, paragraph 1

1. Member States shall ensure that a computer-***implemented*** invention may be claimed as a product, that is as a ***programmed computer, a programmed computer network or other*** programmed apparatus, or as a process carried out by such ***a computer, computer network or***

1. Member States shall ensure that a computer-***aided*** invention may be claimed ***only*** as a product, that is a programmed apparatus, or as a ***technical*** process carried out by such ***an*** apparatus.

apparatus ***through the execution of software.***

Justification

A computer programme on its own or on any carrier may not be claimed as an invention, as this would be tantamount to authorising software patentability on the grounds that the software itself possesses patentable technical features, which cannot be the case. Only claims for a computer controlled invention as a technical process or as a software-controlled device are therefore legitimate. This paragraph is similar to Article 7(1) adopted by Parliament at first reading.

Amendment 23

Article 5, paragraph 2 a (new)

2a. Where individual elements of software are used in contexts which do not involve the realisation of any validly claimed product or process, such use will not constitute patent infringement.

Justification

Only when software elements are used in the context of realising the computer-implemented invention the claims raised in accordance with paragraph 1 extend to the software and infringements may take place. This should not only be mentioned in Recital 17 but also in Article 5.

Amendment 24

Article 5, paragraph 2 b (new)

2b. A claim as described in paragraph 2 only gives protection for the use which is described in the respective patent.

Or. en

Justification

Complements the clearer wording of 5.2.

Amendment 25
Article 6 a (new)

Article 6a

- 1. Member States shall ensure that licences are available to use a patented computer-implemented invention on reasonable and non-discriminatory terms and conditions when such use is*
 - (a) indispensable for achieving interoperability between computer programs, and*
 - (b) in the public interest.*
- 2. The public interest shall be assumed in cases prohibited by Articles 81 and 82 of the Treaty.*
- 3. Reasonable and non-discriminatory terms and conditions shall in particular have regard to*
 - (a) the cost of obtaining all necessary licenses from other relevant right holders for the licensed product, system, network or service,*
 - (b) the generally prevailing business conditions applicable to that class of licensed product, system, network or service, and*
 - (c) the R&D investments by the patent holder.*

Amendment 26
Article 7

The Commission shall monitor the impact of computer-implemented inventions on innovation and competition, both within Europe and internationally, on **Community** businesses, especially small and medium-sized enterprises, **on the open-source community and on** electronic commerce.

The Commission shall monitor the impact of computer-implemented inventions on innovation and competition, both within Europe and internationally, on **European** businesses, especially small and medium-sized enterprises, **including** electronic commerce, **in particular from the aspect of employment in small and medium-sized enterprises.**

Justification

Given that the European economy is founded very largely on a network of small and medium-sized enterprises, which derive a competitive advantage from the quality of their products, and that they could be harmed by implementation of the directive, it seems proper to monitor the possible adverse effects on the economic fabric and production systems of the Member States.

The Commission has to monitor the impact of computer-implemented inventions not only on the aspect of innovation and competition but from the aspect of employment, especially in small and medium-sized enterprises which could be affected negatively, and which take a very important part in the employment situation of the EU, in connection with one of the EU's main priorities, the Lisbon Strategy.

Amendment 27
Article 7 a (new)

Article 7a

1. To ensure compliance with the monitoring obligation imposed by Article 7 of this Directive, a committee on technological innovation in the small and medium-sized enterprise sector, hereinafter referred to as “the committee”, shall hereby be established.

2. The committee shall in particular:

(a) examine the impact of patents for computer-implemented inventions on small and medium-sized enterprises and highlight any difficulties;

(b) monitor participation of small and medium-sized enterprises in the patent system, with particular regard to patents for computer-implemented inventions, and consider and recommend any legislative or other European Union-level initiatives related thereto; and

(c) facilitate the exchange of information with regard to relevant developments in the area of patents for computer-implemented inventions that might affect the interests of small and medium-sized enterprises.

Justification

This amendment relates to Article 10 (Monitoring) adopted by the European Parliament during First Reading.

Currently, SMEs participate actively in Europe's CII patents system. Indeed, SMEs represent the majority of applicants for CII patents. To ensure ongoing and active participation by SMEs—and to provide opportunities to enhance their involvement—this amendment proposes the creation of a committee focused on SME-related issues, with a mandate to recommend necessary reforms.

Amendment 28
Article 7 b (new)

Article 7b

The Commission shall conduct a feasibility study into the establishment of a Fund for small and medium-sized enterprises to provide financial, technical and administrative support to small and medium-sized enterprises dealing with issues related to the patentability of computer-implemented inventions.

Justification

This amendment proposes that the European Commission studies the possibility of an 'SME Fund' to assist SMEs in fully participating in, and benefiting from, the computer-implemented invention patent regime.

Amendment 29
Article 8, introductory sentence

The Commission shall report to the European Parliament and the Council by*..... on:

* **5 years** after the date of entry into force of this Directive.

The Commission shall report to the European Parliament and the Council by*..... on:

* **3 years** after the date of entry into force of this Directive.

Justification

It is necessary to set a clear deadline for the Commission report, but also for the first review of the Directive in accordance with Article 9. The timeframe of 5 years should be split into two so that the Commission effectively reports to the European Parliament and the Council by three years and reviews the Directive by five years after entry into force.

Amendment 30
Article 8, point (a a) (new)

(aa) participation by small and medium-sized enterprises in the patent system for computer-implemented inventions. Such report shall include data, to the extent available, regarding applicants for and recipients of patents for computer-implemented inventions;

Justification

This amendment relates to Article 10 (Monitoring) adopted by the European Parliament during First Reading.

Existing statistics demonstrate fairly broad participation in the CII patents process by SMEs. However, there is consensus among all interested parties that additional and more comprehensive statistical data on CII patents would be welcomed. The above amendment would ensure that such data is compiled.

Amendment 31
Article 8, point (b)

(b) whether the rules governing the term of the patent and the determination of the patentability requirements, and more specifically novelty, inventive step and the proper scope of claims, are adequate, ***and whether it would be desirable and legally possible having regard to the Community's international obligations to make modifications to such rules;***

(b) whether the rules governing the term of the patent and the determination of the patentability requirements, and more specifically novelty, inventive step and the proper scope of claims, are adequate;

Justification

Last part of the common position text is not necessary.

Amendment 32
Article 8, point (g a) (new)

(ga) developments in the interpretation of the terms “technical contribution” and “inventive step” by patent offices and patent courts in the light of the future

evolution of technology;

Justification

Parliament and the Council should be informed about the practice of granting patents under this Directive. Special attention should be given to the interpretation of the most relevant legal definitions.

Amendment 33
Article 8, point (g b) (new)

(gb) whether the option outlined in this Directive concerning the use of a patented invention for the sole purpose of ensuring interoperability between two systems is adequate;

Amendment 34
Article 8, point (g c) new

(gc) the feasibility study into the establishment of a Fund for small and medium-sized enterprises.

Justification

This amendment proposes that the European Commission studies the possibility of an ‘SME Fund’ to assist SMEs in fully participating in, and benefiting from, the computer-implemented invention patent regime.

Amendment 35
Article 8, point (g d) (new)

(gd) whether difficulties have been experienced arising from the grant of patents for computer-implemented inventions which do not comply with the statutory requirements for patentability both in terms of whether the invention

***(i) involves an inventive step and
(ii) makes a technical contribution
in accordance with Article 4(1), and as***

such should not legitimately have been granted.

Justification

This amendment addresses the concerns that have been expressed about the grant of trivial, or undeserving, patents. It provides a new initiative for the Commission to report to the European Parliament and the Council on whether difficulties have been found in practice caused by patents that should not have legitimately been granted. This will encourage the European Patent Office and national Patent Offices to maintain the highest standards for examining patent applications, thus minimising the risk of undeserving patents being granted.

Amendment 36
Article 8, point (g e) (new)

(ge) whether this Directive has produced the desired effects in terms of harmonisation and clarification of the legal rules governing the patentability of computer-implemented inventions;

Justification

To provide an assessment whether the aims leading to the adoption of this Directive have been achieved.

Amendment 37
Article 8, point (g f) (new)

(gf) the developments of the world-wide patent systems in the area of computer-implemented inventions in terms of the aspects mentioned in points (a) to (d) and (f) to (gb).

Justification

The evolution of the patent systems in other major jurisdictions, especially the possibility to have a world-wide patent system, should be closely monitored.

Amendment 38
Article 8, paragraph 1 a (new)

The Commission shall come forward within a year with a proposal for an effective

European Community patent which provides for democratic control by the European Parliament over the European Patent Office and the European Patent Convention.

Justification

With a view to legal certainty and reaching the Lisbon objectives it is desirable that there is one single patent system across the European Union.

Amendment 39
Article 8 a (new)

Article 8a

1. Member States shall ensure that their representatives in the administrative council of the European Patent Organisation take such measures as are within their authority to ensure that the European Patent Office only grants European patents when the requirements of the European Patent Convention have been met, in particular with respect to inventive step and technical contribution as defined in point (b) of Article 2.

2. The Council shall provide a yearly report to the European Parliament on the activities of representatives of Member States that are Contracting States to the European Patent Convention in the administrative council of the European Patent Organisation, and the progress that has been made in achieving the objectives set out in paragraph 1.

Justification

This amendment recognises that the Member States are also Contracting States of the European Patent Convention and that Member States have some influence the practice of the European Patent Office, specifically with respect to maintaining high standards of examining patent applications in particular with respect to inventive step and 'technical contribution' as defined in this directive.

Furthermore, this amendment requires Member States (in Council) to report to the European Parliament each year on what they have actually done to influence the EPO in this regard

and on the progress that has been made towards the goal of minimising the grant of undeserving patents.

EXPLANATORY STATEMENT

With the tabling of amendments to the Council common position on the patentability of computer-controlled inventions, the procedure relating to this important topic is drawing to a close.

After more than twenty wide-ranging hearings and the consideration of several dozen amendments, the debate has taken clear shape to a large extent, at least in the eyes of your rapporteur.

Some, though not all, major companies in the sector have embarked on an extensive strategy of applying for, purchasing and defending patents for computer-controlled inventions, increasingly overstepping the line between what constitutes a technical contribution and what does not, in the hope of eventually securing inclusion in the patent of the software that enables the invention to be controlled by a computer. This strategy is possible in the United States, where there is no legislation on this subject. In Europe it is not, since the Munich Convention prohibits it, while the case law of the European Patent Office remains cautious and somewhat uncertain.

The only way of meeting the requirements of these companies to enable them to consolidate and extend this strategy would be to revise the 1973 Munich Convention so as to delete Article 52-2, the gist of which is that software is not patentable.

No-one is contemplating this option and no-one wants it. In its common position the Council quite rightly took the opposite view, following the line taken by the Commission. Your rapporteur's proposal is to support the Council position in principle. A piece of software is no more patentable than a musical chord or a combination of words. As a group of related mathematical formulae, it is a product of the human mind in the realm of ideas. And the free movement of ideas is a founding principle of our civilisation.

We shall therefore be unable to avoid a conflict of sorts over this matter. However, just because someone has broken the law or wishes to break it, there is no reason why Parliament should be obliged to legalise what amount to effective and deliberate infringements.

The Council's position is firmly established: a directive is needed to clarify and stabilise the law; anything technical in nature is patentable under normal conditions; and software is not patentable. Now since your rapporteur proposes that Parliament support this position, it only remains to examine and, if possible, improve it.

The directive is a short one, containing 12 articles, of which the last six are purely procedural, as indeed is the first, which merely defines the directive's scope.

There are only two difficult issues, determining what is patentable and what is not and interoperability. As the solution to the former question will largely determine how the latter is resolved, it has been the almost exclusive focus of debates, discussions and work hitherto.

The difficulty lies in the fact that software is increasingly interwoven into all the systems which contribute to a computer's calculations and serve to draw practical conclusions and that this is on the one hand prompting operators - in order to make life simpler but also to increase their income - to consider software as part of an invention and to patent it in its own right, while on the other hand making it more difficult for legislators and judges to draw a clear and strict line between the two areas. And, of course, any ambiguity will open up a loophole in the law sufficient to create a grey area, opening the way for software patenting. Our aim is simply to clear up all ambiguities.

The criteria are simple, well known and undisputed. For an invention to be patentable, it must constitute a technical contribution that is susceptible of industrial application and new and involves an inventive step.

Here a problem arises with definitions. The Council's proposed definition is to be found in Article 2(b): "Technical contributions" means a contribution to the state of the art in the field of technology which is new and not obvious to a person skilled in the art. The technical contribution shall be assessed by consideration of the difference between the state of the art and the scope of the patent claim considered as a whole, which must comprise technical features, irrespective of whether or not these are accompanied by non-technical features.'

Clearly, these semantic variations define the word 'contribution' rather than the word 'technical'. Standard dictionary definitions of the latter word do not seek to define the field it covers in a legally restrictive manner by comparison with other fields. Nevertheless, there are a number of constants. Technology is universally defined as the set of ordered processes, scientifically developed, which are used to produce a work or a given result or to investigate and transform nature. Common to all these definitions is an implicit reference to the physical world, the palpable, or the real, in clear opposition to the world of ideas or the immaterial world. After much research, this criterion seemed to be the only one making it possible to draw a clear distinction between what belongs to the field of technology and what does not.

Yet criterion still needed to be put into words. We could have drawn a distinction between the material and the immaterial. However, the word 'matter' is used too frequently in opposition to the word energy. A light or radio-electric signal of the kind frequently produced at the end of a software-controlled computer calculation to produce a given result, is undeniably part of the real world, but consists of energy rather than matter. However, case law would hesitate to consider energy as matter! To overcome this drawback, a distinction could be drawn between the physical world and the virtual world. Yet here again the word 'physical' has too many connotations linking it to the palpable, whereas the production of a signal that is perfectly real but not palpable forms part of a system that would clearly be patentable from the point of view adopted by both the Convention of Munich and the Council common position of 7 March 2005.

As a result, the wording 'new teaching about the use of controllable forces of nature, under the control of computer program and beyond the technical devices required to implement the program, is technical' appears to be the most comprehensive and clear way of defining the scope of what is meant by 'technical'. The use of matter in the systems and devices which link the software to the real world upstream and downstream is included in this definition, since in all cases the matter concerned is not inert but is activated by energy.

The wording in question, which was formulated almost 30 years ago by a German Court, has never been adopted but nor has it ever been annulled by the Federal Court. It has already been incorporated into Swedish, Polish and Japanese law.

This was the purpose of the basic amendment, which partially takes up and improves the wording adopted by Parliament at first reading. It is included in Article 2 ‘Definitions’, forming a new paragraph (c).

Given that what a definition excludes is as important as what it defines, your rapporteur felt it vital to include in paragraph 2(c) a second subparagraph (also included in Amendment 5) designed to make it clear that the definition given in the first paragraph covers the non-technical nature of certain aspects and therefore their non-patentability: ‘The processing, handling, representation and presentation of data by a computer program are not technical, even if technical devices are used for this purpose’.

This clarification is necessary because, even though it appears to repeat the first subparagraph, it deals explicitly with a number of ambiguous situations thrown up by our hearings. In particular, it has the advantage of fully clarifying the relationship between the legal system proposed here and the TRIPS Treaty.

Adopting a wording of this kind which clarifies the whole subject area, prompted the realisation that the directive’s actual title could be ambiguous. The expression ‘computer-implemented invention’ might give the impression that an invention can be wholly realised simply by a computer, which would mean that software could be patentable. To avoid giving this impression, your rapporteur proposes that the directive’s title be changed to ‘on the patentability of computer-controlled inventions’.

Once this point has been established, all the other amendments flow from it. In every case for the recitals and in most cases for the operative text, the amendments are corrections or improvements to the wording. In some cases, Amendments 7 and 8 for example, they are examples of application. Finally, Amendment 14 is a necessary consequence of the definition adopted for interoperability, which needs to be maintained, although it no longer covers software, which, as has been confirmed, is not patentable.

PROCEDURE

Title	Council common position for adopting a directive of the European Parliament and of the Council on the patentability of computer-implemented inventions
References	11979/1/2004 – C6-0058/2005 – 2002/0047(COD)
Legal basis	Articles 251(2) and 95 EC
Basis in Rules of Procedure	Rule 62
Date of Parliament's first reading – P[5]	24.9.2003 P5_TA(2003)0402
Commission proposal	COM(2002)0092 – C5-0082/2002
Amended Commission proposal	
Date receipt of common position announced in plenary commune	14.4.2005
Committee responsible Date announced in plenary	JURI 14.4.2005
Rapporteur(s) Date appointed	Michel Rocard 14.9.2004
Previous rapporteur(s)	
Discussed in committee	21.4.2005 23.5.2005 20.6.2005
Date adopted	20.6.2005
Result of final vote	for: 16 against: 10 abstentions: 0
Members present for the final vote	Maria Berger, Marek Aleksander Czarnecki, Bert Doorn, Monica Frassoni, Giuseppe Gargani, Piia-Noora Kauppi, Kurt Lechner, Klaus-Heiner Lehne, Katalin Lévai, Marcin Libicki, Antonio Masip Hidalgo, Viktória Mohácsi, Aloyzas Sakalas, Francesco Enrico Speroni, Daniel Stroz, Andrzej Jan Szejna, Diana Wallis, Nicola Zingaretti, Jaroslav Zvěřina
Substitutes present for the final vote	Barbara Kudrycka, Evelin Lichtenberger, Toine Manders, Edith Mastenbroek, Marie Panayotopoulos-Cassiotou, Michel Rocard, Ingo Schmitt, József Szájer
Substitutes under Rule 178(2) present for the final vote	Sharon Bowles, Tunne Kelam, Angelika Niebler
Date tabled – A6	21.6.2005 A6-0207/2005
Comments	...