

- 5 There are three independent claims, the first two of which (claims 1 and 9) are largely in correspondence and relate to a method and a system respectively. The method claim reads as follows:

A method performed by a processor computer device having a processor and executable instructions stored on a non-transitory computer readable medium which, when executed by the processor, causes the processor computer device to perform the method, the method comprising:

receiving, by the processor computer device, from a user device, a purchase request for a non-fungible token, wherein the purchase request comprises an identification of the non-fungible token and user information, and wherein the non-fungible token is available from a digital shopping site according to geographic location provided via the user information;

validating the purchase request of the non-fungible token by providing a code to the user device that is provided to the processor computer device;

transforming, by the processor computer device, information from the purchase request into a point-of-sale scannable barcode, wherein the point-of-sale scannable barcode comprises purchase information of the non-fungible token for purchasing the non-fungible token;

providing, by the processor computer device, the point-of-sale scannable barcode to the user device in response to the request;

receiving, by the processor computer device, a purchase verification for the non-fungible token, wherein the purchase verification is subsequent to, and generated in response to, a point-of sale scan of the point-of-sale scannable barcode displayed on the user device at a retailer point-of sale; and

providing, by the processor computer device, the non-fungible token to a user or a third party recipient in response to receiving the purchase verification.

- 6 The third independent claim (claim 18) is somewhat different in scope and conceivably relates to a different inventive concept (though that is not an issue I need to decide). The examiner considers that it includes added matter, underlined below. The claim reads:

A method performed by a processor computer device, the processor computer device having a processor and executable instructions stored on a non-transitory computer readable medium which, when executed by the processor, causes the processor computer device to perform the method, the method comprising:

receiving, by the processor computer device, a purchase request, in response to a scan of a point-of-sale scannable code, wherein the purchase request comprises a physical object request and a non-fungible token request, wherein the purchase request comprises an identification of the nonfungible token and user information, wherein availability of the non-fungible token is based on geographic location provided via the user information and, wherein a non-fungible token associated with the non-fungible token request includes a digital version of the a physical object associated with the physical object request,

validating the purchase request of the non-fungible token by providing a code to the user device that is provided to the processor computer device;

verifying, by the processor computer device, payment for the purchase request,

activating, by the processor computer device, a redemption code associated with the nonfungible token to produce an activated redemption code; and

providing, by the processor computer device, the activated redemption code redeemable for the non-fungible token.

7 The law

Added matter

- 8 Section 76(2) disallows amendments of an application which results in it disclosing additional matter.

No amendment of an application for a patent shall be allowed under section 15A(6), 18(3) or 19(1) if it results in the application disclosing matter extending beyond that disclosed in the application as filed.

Exclusions from patentability

- 9 Section 1(2) of the Act lists certain categories of subject-matter which are excluded from patent protection.

It is hereby declared that the following (among other things) are not inventions for the purposes of this Act, that is to say, anything which consists of –

(a) ...

(b) ...

(c) a scheme, rule or method for...doing business, or a program for a computer;

(d) ...

but the foregoing provision shall prevent anything from being treated as an invention for the purposes of this Act only to the extent that a patent or application for a patent relates to that thing as such.

- 10 The test for establishing whether a patent application relates to one of these excluded categories is set out in the Court of Appeal's judgement in *Aerotel*². In *Comptroller General of Patents, Designs and Trade Marks v Emotional Perception AI Ltd*³ the steps of the test were expressed as follows:

(i) properly construe the claim;

(ii) identify the actual contribution (although at the application stage this might

² *Aerotel Ltd v Telco Holdings Ltd and Macrossan's Application* [2006] EWCA Civ 1371

³ *Comptroller General of Patents, Designs and Trade Marks v Emotional Perception AI Ltd* [2024] EWCA Civ 825

have to be the alleged contribution);

(iii) ask whether it falls solely within the excluded subject-matter;

(iv) if the third step has not covered it, check whether the actual or alleged contribution is actually technical in nature.

- 11 In *Symbian*⁴ the Court made clear that the question of whether a computer implemented invention is patentable has to be resolved by asking whether it reveals a technical contribution to the state of the art.

Arguments and analysis

Added matter

- 12 The added matter objection set out by the examiner is that the step of validating the purchase request of the non-fungible token by providing a code to the user device is described only in the context of the embodiment of the invention to which claims 1 and 9 relate, and not in the somewhat different embodiment to which claim 18 relates. In other words, the addition of this feature to claim 18 has resulted in an intermediate generalisation.
- 13 The applicant has not offered any observations in response to this objection. Having considered the teaching of the original disclosure and in the absence of any reasoned argument to persuade me otherwise I am inclined to agree with the examiner on this issue.

Exclusion from patentability

- 14 Regarding the first step in the *Aerotel/Macrossan* test, there does not appear to be any disagreement between the examiner and the applicant about how the three independent claims should be construed. The examiner has made some helpful comments on claim construction in the pre-hearing report and I see no reason to add to those here, other than to repeat that claims 1 & 9, and 18 are different in scope and that claim 18 includes some subject matter that it should not.
- 15 Regarding the second *Aerotel/Macrossan* test, the examiner says:

“The contribution of claims 1 & 9 is considered to be a computer-implemented method of purchasing an NFT at a POS. The NFT is requested by a user device through a digital marketplace (e.g. in response to scanning a code). The NFT is only available if the geographic location of the user permits. The purchase request is validated by exchanging a code between the user device and an NFT processor. Information from the request is transformed into a barcode that is provided to the user device for scanning at the POS. The NFT is then delivered to the recipient when payment is verified.”

And

⁴ *Symbian Ltd v Comptroller-General of Patents* [2008] EWCA Civ 1066

“The contribution of claim 18 is considered to be a computer-implemented method of purchasing an NFT associated with a physical object by scanning a code at a POS, verifying payment, and then being provided with an activated redemption code for the NFT. The NFT is only available if the geographic location of the user permits.”

- 16 The applicant’s arguments have focussed on the third and fourth steps of the *Aerotel/Macrossan* test, that is whether the contribution falls within the excluded matter and whether it is technical. They have not provided a single clear statement of what they consider the contribution to be. However, in their arguments they have highlighted three aspects of the invention which they consider to be important. In brief, those three aspects are a) a step of transforming information from a purchase request into a point-of-sale scannable code, b) a purchase request validation step, and c) use of geographic location to filter the NFT offerings available.
- 17 I am content that the examiner’s assessment of the contributions of claims 1, 9 and 18 is reasonable. The three aspects identified by the applicant are reflected in the examiner’s contributions where appropriate, noting (as the examiner has correctly realised) that the transformation of purchase information into a scannable code is not mentioned in claim 18.
- 18 The applicant has pointed out that for a scannable code to be used at the point-of-sale, the necessary information must be obtained, processed and transformed into the code. The necessary information, according to the claims, is “information from the purchase request” which in turn is defined in the claims to be “an identification of the non-fungible token [that the user wishes to purchase] and user information”. This transformation, the applicant argues, requires “clearly technical processing” by the processor computer device of the claims. It is not apparent to me why the applicant considers this to be clearly technical; they have merely asserted it to be the case. It may perhaps be possible, in the right circumstances, for generation of a scannable code to encompass a technical contribution, but I am not persuaded that this is the case here, not least because there is absolutely no information in the claims, or indeed the application as a whole, as to how this information is transformed into a scannable code. As such, one can only conclude that the step is performed in an entirely conventional manner.
- 19 The applicant has argued that because the step of validating the purchase request increases the security of the process the contribution falls outside the exclusions of section 1(2). The purchase request validation step involves providing a code to a user’s device that is in turn provided to the processor computer device that provides the NFT to the user. I do not doubt that there are many aspects relating to security of data and transactions that are capable of patent protection, but there is simply no detail in the current application as to how this validation works, other than that it must be determined that the code is valid. Such a validation step is entirely conventional, as anyone who has purchased something online will be well-aware. I can see nothing that has been added to the stock of human knowledge in the field of purchase request validation.
- 20 Geographic location provided as part of the user’s information are used to filter the availability of the NFTs to the user. The applicant has argued that this provides fraud mitigation and thus makes the transaction more secure. As with the previous point,

the applicant's view is that improving security is not excluded from patentability. Unfortunately, as the examiner has pointed out, the applicant's argument has conflated two separate portions of the application. Filtering availability of NFTs based on geographic location does not provide fraud mitigation. What the application actually teaches is to introduce a delay period during the transaction when the geographic location is known to be associated with a high risk of fraud, but that is not what is claimed. I am therefore not persuaded by this flawed line of reasoning.

- 21 Though I have individually considered the three arguments the applicant has made, and found each to be unconvincing, there is a wider point to be made. To isolate just one feature in a lengthy claim (or in this case three separate features) and to suggest that the contribution resides in that feature alone risks exaggerating the importance of that feature and depriving it of its proper context. The three features upon which the applicant's arguments are based do form part of the contribution, but they do not in themselves add anything to the stock of human knowledge and are merely conventional, albeit necessary, steps in the method and/or system for enabling a buyer to purchase non-fungible token at a point-of-sale. The contribution, correctly identified, is a particular method of conducting a particular financial transaction, and as such it plainly falls entirely within the business method exclusion. It may well be an efficient, effective and secure way of acquiring NFTs, as the applicant submits, but it is not more than that. I can see no hint of a technical contribution here.
- 22 The method and system make use of a computer program, but it merely serves to implement the business method; it is a computer program as such.
- 23 Having fully reviewed the examiner's objections and the applicant's arguments I can see nothing to persuade me that the examiner's assessment is incorrect. Accordingly, I agree that the application relates to both a business method and a computer program.

Conclusion

- 24 The application relates to a business method and a computer program as such and consequently is it excluded from patentability under section 1(2) of the Act. I have considered the specification carefully and I see no possible saving amendments. Consequently, the application is refused under section 18(3).

Appeal

- 25 Any appeal must be lodged within 28 days after the date of this decision.

Laura Starrs

Patent Examination Group Head