Commissioner's Decision # 1274
Décision du Commissaire # 1274

TOPIC: J00, O, C00, B00
SUJET: J00, O, C00, B00

Application No.: 2,119,921
Demande no.: 2,119,921

COMMISSIONER'S DECISION SUMMARY

C.D. 1274 App'n 2,119,921

Obviousness, indefiniteness, insufficiency of disclosure, lack of subject matter [Section 2]

The Examiner rejected the application on the basis that the claims were obvious in view of a European patent application, a weekly trade publication and two user manuals for a stock trade execution system owned by RBC Dominion Securities; that the word "spreadsheet" was indefinite; that the disclosure did not provide sufficient detail to allow a skilled worker to put the invention into practice and that the application was not directed to subject matter that falls under the definition of invention.

The Board found that the applicant was claiming an invention which was not obvious in view of the cited art, the claims were not indefinite, that there was sufficient description to allow the invention to be put into practice and that the subject matter fell under the definition of invention.

The application was returned to the examiner for further prosecution.

IN THE CANADIAN PATENT OFFICE

DECISION OF THE COMMISSIONER OF PATENTS

Patent application 2,119,921 having been rejected under Rule 30(4) of the Patent Rules, the Applicant asked that the Final Action of the Examiner be reviewed. The rejection has consequently been considered by the Patent Appeal Board and by the Commissioner of Patents. The findings of the Board and the ruling of the Commissioner are as follows:

Agent for Applicant

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This decision deals with the Applicant's request for a review by the Commissioner of Patents of the Examiner's Final Action dated May 30, 2002, on application 2,119,921, filed on March 23, 1994 and entitled "Computerized Stock Exchange Trading System". The Inventor and Applicant is Sydney H. Belzberg.

A hearing before the Patent Appeal Board was held on March 23, 2005. Appearing on behalf of the Applicant was Fraser Rowand, patent agent from the firm of Ridout & Maybee LLP. Representing the Patent Office was Peter Ebsen, the Examiner in charge of the application.

The application relates to an automated means for effecting the purchase and sale of shares which are traded on a stock exchange

Figure 1 of the application shows a schematic illustration of the apparatus which is used to implement the system

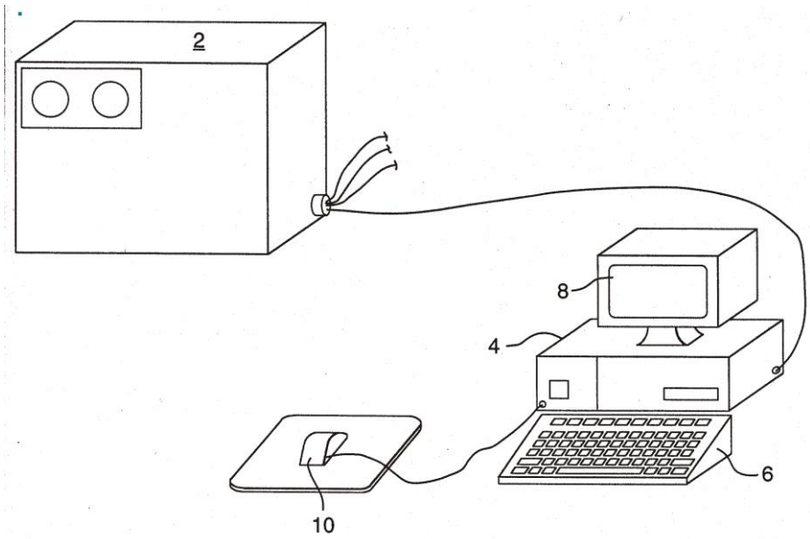

FIG.1.

Mainframe computer 2 is used to process data related to the stocks which are traded on a stock exchange and it is connected to a number of terminals 4 which are located at various brokerage houses. Software allows the terminal 4 to connect a speadsheet to the database of the mainframe computer 2 so that information about a custom basket of shares is received from the mainframe computer and is linked to the spreadsheet. Information about the shares in the basket is read from the spreadsheet, is formatted into a format acceptable to the stock exchange order entry system and is sent to the stock exchange computer order entry system.

Claim 1 of the application, which was rejected in the Examiner's Final Action, reads as follows:

> In a computerized stock exchange trading system having display means and having means to communicate orders to an order entry system of a stock exchange computer, the improvement comprising:
>
> - means to receive data from a central computer of a stock exchange on a spreadsheet;
> - a control system comprising means to read selected groups of said data from said spreadsheet;
> - means to format said data in a format acceptable to said stock exchange computer order entry system;

- means to launch orders to the stock exchange computer order entry system.

On May 30, 2003, the Examiner issued a Final Action in which he rejected the application as lacking sufficient disclosure and for lacking patentable subject matter. He also rejected all of the claims [1 to 11] as being indefinite and obvious over the cited prior art.

On October 30, 2003, the Applicant replied to the Final Action.

Prior to the hearing, the Applicant also sent a submission to the members of the Board. In that document the Applicant raised concerns about the form and content of the Final Action and stated "This Application has a bewildering prosecution history." After enumerating instances where, in the Applicant's opinion, the Final Action does not meet the standards set out in the Manual of Patent Office Practice, the Applicant summed up as follows:

> 22. In summary, the applicant respectfully submits that the shortcomings of the Final Action include:
>
> (a) completely misunderstanding and /or misstating the operation of the invention;
>
> (b) muddling rejections together, making it nearly impossible for the applicant to identify exactly what rejection is being asserted on what grounds; and
>
> (c) failing to point out the relevant portions of cited references relied upon in rending [sic] obviousness rejections.
>
> The applicant respectfully submits that the Final Action in this case fails to meet the required standard for clarity and comprehensiveness. As a result, the applicant has been put in the position of having to craft its submissions based upon guesswork as to the actual rejections and the portions of cited references that the Examiner considers relevant to his rejection. Therefore, the applicant respectfully submits that , as a matter of procedure and natural law, the present Application must, at least be returned to examination.

The Applicant then proceeded to set out what it thought the Examiner was objecting to and to answer those objections.

The Board has considered the Applicant's comments about the form and contents of the Final Action and the "bewildering prosecution history". It has also been noted that the application has been allowed and withdrawn from allowance on two separate occasions and that the Applicant requested advanced examination on October 31, 1996. The Board has reviewed the complete prosecution to see what was bewildering to the Applicant and to ascertain if the Board's understanding of the Examiner's position is consistent with the Applicant's.

The Applicant has listed the following topics as what it believes are the reasons that the Examiner has rejected the application:

1. Insufficiency of disclosure,

2. Indefiniteness,

3. Obviousness, and

4. Proper subject matter.

The Board agrees with this list and will deal with each of them in turn.

Insufficiency of disclosure

The Examiner had the following to say about the sufficiency of the disclosure of the invention:

> Applicant argued that specific details of how data is manipulated by a computer has never been previously required in issued patents.
>
> The description states, in the first paragraph, that the invention relates to computer software and hardware. On page 4, lines 14 to 18, it is stated that the software of this invention is used to connect the spreadsheet of the system to that of the database of the exchange. Yet there is no description of the software which is being alluded to. There is no description on the input and output of data, the types of data, and the interaction or exchange of values between the data.
>
> On page 13, lines 6 to 13, reference is made to a system for executing a dynamic data link to the spreadsheet, but this system and its integration with the spreadsheet has not been disclosed. What has been disclosed is a mere idea.

In its reply of October 30, 2003 at pages 3 and 4, the Applicant stated:

> .... it is respectfully submitted that software only exists in the form of program language and can only be described in terms of its function, (or by providing program language which would be impossible to read except by the skilled programmer). Patents are frequently issued based on a description of software in terms of function. Besides the present application which has issued in both the United States and Europe, we note the patent to Lupien (which has been relied on by the present examiner and other) relies on similar descriptive language (see column 10, line 15, "at the bottom of this section the system totals the number of pending live purchase orders, the number of shares and the dollar value

> represented by these orders.....”). This does not describe in detail how these calculations are processed.

The Board has examined the disclosure and is not convinced that it would be difficult for a worker skilled in this field of technology to understand what the applicant is seeking to protect and to take the instructions contained in the disclosure and implement the invention. The Board understands that the Applicant does not want to be restricted to using one specific computer program to implement its system and that the formatting of information could be different depending on the computer programs that are used by the various stock exchanges.

As a result, the Board feels that by describing the software in terms of its function, the Applicant has provided sufficient detail in the description to allow a skilled computer programmer to implement the invention without being required to perform undue experimentation.

The Board also notes that the issue of sufficiency of disclosure was not raised by the Examiner until the fifth Office Action.

Indefiniteness

The Examiner rejected claims 1 to 11 as being indefinite, using the following terms:

> The repetitive loop of taking data from the spreadsheet, inserting the data into a list and returning the same data to the stock exchange is repeated for each single keystroke. The description just describes a recirculation of data rather than a multiple order trading system. The system just returns what it received.
>
> Claims 1 to 11 are therefore indefinite and does [sic] not comply with Subsection 27(4) of the Patent Act for lack of description.

On page 13 of its submission of March 16, 2005, the Applicant stated the following:

> 36. The Examiner also objected to the claims under subsection 27(4) of the *Patent Act* as being indefinite. The precise claim language to which the Examiner objects is not clear from the Final Action.
>
> 37. As set out above, the claims are to be read benevolently from the perspective of a person of ordinary skill in the art with a mind willing to understand and in the light of the specification as a whole.
>
> 38. In the applicant's respectful submission, the claims adhere to the requirements of subsection 27(4). They define in distinct and explicit terms the subject-matter of the invention. The claim language would be well understood by one of ordinary skill in the art having regard to the state of the art in the financial trading industry in 1994-1995 and having regard to the description in the Application.

The Board notes that the rejection based on the indefinite nature of the claims has changed significantly during the course of the prosecution of the application while the claims themselves have only changed slightly. In the first four examiner's reports, the claims were rejected as being indefinite because of missing antecedents and awkward wording. As noted above, subsequent reports have indicated that the claims are indefinite and that the application has an incomplete disclosure. The Board does not understand how one examiner was reasonably satisfied with the claims and disclosure, satisfied enough to allow the application on two occasions, while subsequent examiners have rejected the claims and disclosure as being completely unacceptable.

The dispute between the Applicant and the Examiner with respect to indefiniteness appears to centre around the precise meaning of the word “spreadsheet” and the function that the spreadsheet of claim 1 carries out in achieving the result set out in the application.

The term “spreadsheet” is defined at the following web site http://www.pcwebopaedia.com/TERM/s/spreadsheet.html as

> A table of values arranged in rows and columns. Each value can have a predefined relationship to the other values. If you change one value, therefore, you may need to change other values as well.
> Spreadsheet applications (sometimes referred to simply as *spreadsheets*) are computer programs that let you create and manipulate spreadsheets electronically. In a spreadsheet application, each value sits in a cell. You can define what type of data is in each cell and how different cells depend on one another. The relationships between cells are called *formulas*, and the names of the cells are called *labels*.
> Once you have defined the cells and the formulas for linking them together, you can enter your data. You can then modify selected values to see how all the other values change accordingly. This enables you to study various what-if scenarios.

From this definition, it is clear that the use of the term “spreadsheet” in the claims indicates that the data received by the system from the central computer of the stock exchange undergo some manipulation and are not the same data that are returned to the stock exchange. In the context of the instant application, the Board understands that a spreadsheet should be understood to be a computer program.

Various other web sites relate the history of the development of spreadsheet software. From them, it is clear that by the filing date of the instant application, the above quoted definition would have been well known to a skilled worker in this field of technology who was seeking to use the claimed invention.

In any event, as was the case with respect to the Examiner's rejection based on lack of disclosure, the Board is again satisfied that the Applicant has claimed its invention in terms that are sufficiently precise to allow a skilled computer programmer to implement the invention without difficulty.

Obviousness

In the Final Action, the Examiner cited the following references to reject all of the claims:

European patent application

0,401,203 December 5, 1990

Lupien et al

Trading Systems Technology, Selected weekly bulletins from 1988 to 1994, Water's Information Services, Inc.

Canadian Quantex - User Manual

Volume 1: Trade Execution

RBC Dominion Securities Inc.

Quantitive Integrated Technologies Inc., 1992

Quantex Analytics

RBC Dominion Securities Inc.

Quantitive Integrated Technologies Inc., May 7, 1993

In his Final Action, the Examiner had the following to say about obviousness:

> Applicant argued that it has already been conceded that automatic computer trading systems exist. It was also stated that in this case the spreadsheet allows operators to rearrange the basis on which trades or trading decisions are made without reprogramming the computer and that this is not a mere workshop improvement (page 8).
> .....
>
> Although applicant argued that the spreadsheet allows operators to rearrange the basis on which trades are made, there is no description how this feature is to be implemented, as explained in the first part of this report, There is a lack of description on trading in a basket of shares from a spreadsheet. The idea of trading from a spreadsheet is already well known from Trading System Technology. Therefore claims 1 to 11 as well as the remainder of the application are rejected under section 28.3 in view of the trading system in *Lupien et al.* and common knowledge of using basket trading based on spreadsheets as referred to by Trading System Technology.
> .....
>
> Applicant argued that the description of the Quantex system does not describe a spreadsheet means for launching orders nor discloses automatic trading from a spreadsheet. As pointed out in the first part of this report, applicant fails to describe the automatic trading from a spreadsheet. Quantex clearly refers to a *spreadsheet-like program*.
>
> Page 6 of the present application states that lists of stocks are continuously monitored and the prices recorded on a "spreadsheet format". This is not a disclosure of launching orders from a spreadsheet. Page 15 mentions that by pressing the launch button, all of the shares are traded instantaneously. This is not a disclosure of launching orders from a spreadsheet but rather the statement of a desired result. Therefore claims 1 to 11 as well as the remainder of the application are rejected under section 28.3 in view of the trading system of *Quantex* and common knowledge of using basket trading based on spreadsheets as referred to by the Trading System Technology reference.

On page 5 of its reply of October 30, 2002 the Applicant stated:

> The examiner has commenced the objection on obviousness by raising again the issue of description which is a

different
issue.

While no specific reference to Lupien is provided, we submit it only represents the position (already conceded) that automated computer trading with a stock exchange is known.

The ability to use a computer for executing trades in a basket or index of securities is not obvious from Lupien unless that is provided by other prior art.

At the bottom of page 4, the examiner refers to the Quantex system (and) states "Quantex clearly refers to a spreadsheet-like program". The examiner does not cite the passage relied on. However, it is clear that Quantex does not use a true spreadsheet otherwise it would be unnecessary to use the term "spreadsheet-like".

As previously noted, there is a difference between a true spreadsheet in which the rows and columns identifies [sic] cells which are mathematically interrelated and a "spreadsheet-like" format on which data for various stocks is merely tabulated for visual observation or comparison.

At the middle of page 4, the examiner relies on "common knowledge of using basket trading based on spreadsheets as referred to by Trading Systems Technology", but the examiner does not quote or identify passages relied upon, nor the context in which the terms are used.

Again, at the top of page 5, the examiner states Quantex clearly refers to a "spreadsheet-like program" but does not quote any passages or cite the location of any disclosure similar to the present application.

.....

The examiner has taken the position that the application lacks subject matter because the claims deal with common place features. This position is respectfully traversed.

Even if computer trading had previously been disclosed, and the use of spreadsheets has previously been known, it is not the purpose of this application to patent either spreadsheets or computer trading.

The present invention discloses for the first time the combination of spreadsheet technology and computer trading technology to create the ability to trade a basket of shares automatically and substantially instantaneously. The fact that one aspect of the system uses a previously known spreadsheet does not render the full system or the combination of features common place. In fact, prior to the applicant's product, no other provider offered a system to trade a basket or portfolio of shares, and none has been cited by the opponents or the examiner.

Also, on pages 17 to 25 of its submission of March 15, 2005, to the Patent Appeal Board, the Applicant had this to say about obviousness:

51. The Examiner's first rejection on the ground of obviousness is based upon European Patent Publication no. 0401203 (Lupien et al.) in view of Trading Systems Technology, selected weekly bulletins from 1988 to 1994. The Examiner does not state which particular bulletin(s) contains the relevant excerpts upon which he relies in rendering his obviousness rejection. He states that the references have been described in the previous action. On this basis, the applicant must assume that the Examiner is referring to the bulletins dated June 15, 1992 and July 13, 1992, which are characterised as summarizing "basket trading based on spreadsheets" and "all electronic trading by spreadsheet", respectively, in the Office Action of October 16, 2000.

.....

53. It will be noted that in rendering his rejection of claims 1 to 11 the Examiner does not reference the actual claim language. The Final Action does not specify where the Examiner finds, for example, the "means to read selected groups of said data from said spreadsheet" set out in claim 1 within the teachings of any of the cited references.

54. The applicant is left to infer from the Examiner's remarks that he proposes that Lupien teaches a trading system and that the June 15, 1992 and/or July 13, 1992 Trading System Technology bulletins teach a control system comprising means to read selected groups of said data from said spreadsheets. Furthermore, the applicant is left to infer that the Examiner proposes that it would obvious to combine the teachings of Lupien and Trading System Technology and, moreover, that such a combination provides for the system and/or method claimed in the claims of the Application. The applicant respectfully traverses these propositions.

55. The Lupien reference relates to an automated system for "providing liquidity to securities markets". In particular, Lupien describes a computer-based system for generating buy and sell orders across a large portfolio to continuously readjust and rebalance the holdings within certain thresholds. Data concerning a portfolio of securities is input to the system by loading the data from a "computer file". The system also receives a market data feed. The system analyses variability, current holdings, cash position, quoted bids and offers, industry and sector exposure, and purchase and sale orders in order to generate appropriate buy and sell orders. An object of the system is to eliminate the need for human intervention in the rebalancing of large portfolios

56. Lupien does not use the term "spreadsheet". Lupien does not describe anything that would be considered a "spreadsheet" by a person of ordinary skill in the art reading Lupien as at the claim date of this Application. Lupien does not describe a "means to receive data from a central computer of a stock exchange on a spreadsheet" and /or a "means to read selected groups of data from said spreadsheet".

57. The file defining a portfolio of securities contemplated in the Lupien system is a proprietary file that is loaded into the system at the start of the trading day. This file does not receive data from a central computer of stock exchange, and the Lupien system does not read selected data from the file in order to generate trade orders, as claimed in the present Application. No one skilled in the art would consider this "file" to be a spreadsheet, as claimed in the present Application.

58. Nowhere does Lupien suggest that his system might incorporate a spreadsheet or anything similar to a spreadsheet. In fact, the applicant respectfully submits that one of ordinary skill in the art would be discouraged from altering the Lupien system to provide a spreadsheet as claimed in the present Application, since an objective of Lupien appears to be to provide an integrated automated "complete" solution system that performs automated rebalancing based on analytics defined and performed within his system.

59. The Trading System Technology bulletins provide a newswire-style reporting of current information technology rumours within the financial trading industry. In the applicant's respectful submission, none of the bulletins teach or suggest a means or step for reading selected groups of data from a spreadsheet, as defined in the claims of the Application.

60. Contrary to the suggestion by the previous Examiner in the Office Action of October 16, 2000, the June 15, 1992 newsletter does not teach "basket trading based on spreadsheets". The newsletter describes an Effix Systemes S.A. product for creating "live private pages, such as those based on spreadsheets". There is no teaching or suggestion in the newsletter that these "live private pages" have any connection with generating trade orders or trading systems. The references in the newsletter to "spreadsheets" are related to the common usage of spreadsheets in the industry for preforming analytics and modelling.

61. Contrary to the suggestion by the previous Examiner in the Office Action of October 16, 2000, the July 13, 1992 newsletter does not teach "all electronic trading by spreadsheet". The newsletter reports on the rumoured plans of CIBC/Wood Gundy to update its technology in order to capitalize on plans by the TSE to go "all electronic". It neither teaches nor suggests any connection between spreadsheets and trading systems.

62. In fact, the Trading Systems Technology references bolster the applicant's submission to the effect that spreadsheets had come into common use in the industry for performing modelling and analytics and that, therefore, the term "spreadsheet" would have the specific scope and meaning defined above.

.....

69. Again, the applicant is left to infer that the Examiner proposes that Quantex teaches a trading system and that the June 15, 1992 and/or July 13, 1992 Trading Systems Technology bulletins teach a control system comprising means to read selected groups of said data from said spreadsheet. Furthermore, the applicant is left to infer that the Examiner proposes that it would be obvious to combine the teachings of Quantex and Trading Systems Technology and, moreover, that such a combination provides for the system and/or method claimed in the claims of the Application. The applicant respectfully traverses these propositions.

.....

71. The Examiner states that Quantex refers to a "spreadsheet-like program". This is a reference to the fact that the Quantex Analytics user manual includes an opening statement on page 3 that attempts to characterize the Analyics system for the reader as follow:
QuantEx uses a spreadsheet-like program to transform mass amounts of market data into a usable format.

72. The Quantex references, which include over 110 pages of material, contain only this single use of the term "spreadsheet-like". They do not otherwise contain the word "spreadsheet".

73. It is not clear from the Final Action whether the Examiner is suggesting, on the basis of this single sentence, that the Quantex system employs a spreadsheet, as defined in the claims of the present application. It is not clear from the Final Action whether the Examiner is suggesting that the Quantex system teaches or suggests a means for or step of reading selected data from a spreadsheet in order to generate a trade order.

74. The Quantex reference describes a computerized trading system that, like Lupien, loads a client portfolio from a file having a customized proprietary data format. The trading interface, called the Execution Editor, allows the user to generate a trade order by selecting a stock and the details of the order. The trading system described in Quantex does not purport to be a spreadsheet nor would anyone skilled in the art read Quantex to suggest that it incorporates a spreadsheet as claimed in the claims of the present Application.

75. The Quantex trading system can be used with an Analytics portion that allows the user to apply trading strategies to real-time market data to generate alarms if a trading opportunity is identified. To implement a trading strategy, the user must have a custom program developed by the vendor of the Quantex system.

76. In the applicant's respectful submission, despite being characterized as "spreadsheet-like", the Analytics portion of the Quantex system is not a spreadsheet as that term is used in the Application and, in particular, in the claims. A review of the Quantex reference reveals that the Quantex system, and its Analytics portion, bear little or no similarity to spreadsheets. The fundamental indicia of a spreadsheet outlined above are absent, including the ease-of-use, the 'blank canvas' interface, and the requisite flexibility in creating, moving, linking, and manipulating cells and their relationships. In the applicant's respectful submission, a person of ordinary skill in the art reading the Quantex reference as at the claim date would not have understood it to relate in any way to a spreadsheet, as claimed in the present application.

77. A person of ordinary skill in the art reading the Quantex materials at the claim date would understand the reference to "spreadsheet-like" to be a cosmetic comparison intended to reassure consumers that the Analytics portion of Quantex will contain a user-interface that is reminiscent of a real spreadsheet. This is a tacit acknowledgement both that Quantex does not have a real spreadsheet and that the relevant consumer is familiar with and comfortable with real spreadsheets. From a review of the references, the user-interface bears little resemblance to a spreadsheet, as understood in the art, and, in the applicant's respectful submission, the quoted phrase is misleading.

Before analysing the pertinence of Lupien, the Board must comment on how it has been applied during the prosecution of this application. It was cited against the claims in reports 1, 5, 6 and in the Final Action. It was not cited in reports 2, 3 or 4, perhaps leading the Applicant to conclude that the claims had overcome that reference.

As outlined above, the Examiner had two separate rejections of the claims based on obviousness. In the first, all of the claims and the application were rejected "in view of the trading system of Lupien et al and common knowledge of using basket trading based on spreadsheets as referred to by Trading System Technology." In the second, all of the claims and the application were rejected "in view of the trading

system of Quantex and common knowledge of using basket trading based on speadsheets as referred to by the Trading System Technology reference."

In reviewing the cited references, the Board finds that Lupien et al show an automated trading and portfolio management system which is used to manage investor portfolios while increasing the liquidity of the markets for the securities held in those portfolios. The system collects and stores a large amount of information about the holdings in an investor's portfolio, the variability of price of these holdings, cash flow, price/earnings ratio, etc.. There is no mention of the use of a spreadsheet in the Lupien patent. The system collects so much data and operates so quickly that the need for and the possibility of human intervention to approve trades is made unnecessary. This is a completely automatic system.

In contrast, the system set out in the instant application involves a human operator who performs some of the steps set out in the claimed system. There are numerous references to the use of a mouse or a keyboard thoroughout the disclosure and there is included in the system a speadsheet which is not shown in Lupien.

With respect to the Trading Systems Technology reference, the Board has made the same assumption as the Applicant, that the Examiner was refering to the Bulletins of June 15, 1992 and/or July 13, 1992, rather than all of the Bulletins from 1988 to 1994 as is mentioned in the Final Action.

The June 15, 1992 Bulletin reports on a business deal between two companies and speculates on the effect the deal could have on the distribution of the product lines of the two companies.

The July 13, 1992 Bulletin appears to be predicting what might happen if and when the Toronto Stock Exchange becomes automated. It uses such phrases as "intends to take advantage" and "plans to write".

Neither of these two specific Bulletins gives the direction to supply the features that are missing from the Lupien reference. The Board sees that each of these Bulletins mentions basket trading and also mentions spreadsheets but there does not appear to be any instructions on how one could or should use a spreadsheet in a basket trading system in the manner claimed in the instant application.

The second obviousness rejection is based on the two Quantex references. There seems to be no disagreement between the Applicant and the Examiner that Quantex does not disclose the use of a spreadsheet, instead using the term "spreadsheet-like".

Clearly, a system which employs a "spreadsheet-like program" is different from a system which employs a spreadsheet program. Again, there is no evidence that it would be obvious to substitute one for the other. The Trading Systems Technology Bulletins do not provide instructions as to how one could or should modify the Quantex system to employ a spreadsheet to carry out basket trading.

As a result, the Board concludes that the system claimed in the instant application is not obvious in view of the references which were cited by the Examiner in the Final Action.

Proper subject matter

The Examiner had the following to say about the subject matter of the application:

> The application lacks patentable subject matter because the claims relate to the automation of commonplace features of a computerized basket trading system and spreadsheets. As stated in *Schlumberger Canada Ltd. V. Commissioner of Patents*, implementation of a discovery by means of a computer does not change the nature of that discovery. Using automation to implement basket trading as taught by *Lupien et al.* with the known idea of spreadsheets, as explained by Trading Systems Technology, does not change the nature of that discovery.

In response, the Applicant stated:

> In a three sentence paragraph at the end of the Final Action, the Examiner purports to reject the Application on the basis that it lacks patentable subject-matter under section 2 of the *Patent Act*. It is presumed that the Examiner means to argue that the claimed subject-matter does not fall within the definition of "invention" under section 2 of the *Patent Act*. Upon closer examination, it is apparent that the Examiner's arguments are more properly directed to the issue of obviousness. For the reasons that follow, the applicant respectfully submits that the Examiner has failed to make out a proper case of non-patentable subject-matter under section 2 of the *Patent Act*.

Section 2 of the Patent Act gives the following definition of the word invention:

> "invention" means any new and useful art, process, machine, manufacture or composition of matter, or any new and useful improvement in any art, process, machine, manufacture or composition of matter.

In studying the wording of this rejection in the Final Action, the Board concludes that the Examiner has taken the position that the subject matter of the instant application does not fall under the definition of invention contained in Section 2 because, in the Examiner's opinion, the Applicant has taken an old, well known system, part of which is shown in *Lupien et al.* and part of which is shown in the *Trading Systems Technology* references and has automated it. In other words, the subject matter of the application is obvious in view of the cited references, therefore, it lacks patentable subject matter, therefore it does not fall under the definition of invention contained in Section 2 of the *Patent Act*.

The Board disagrees completely with this reasoning. The concept of obviousness is not mentioned in Section 2. Subsection 28.3 of the Patent Act outlines the requirement that the subject matter defined by a claim must be subject-matter that would not have been obvious on the claim date to a person skilled in the art and any rejection of claims on the basis of obviousness must be made under the correct Section of the Act.

The question of obviousness was dealt with earlier.

In summary, the Board finds that the invention is disclosed in sufficient detail and is claimed sufficiently clearly to allow an ordinary worker who is skilled in the art to implement the invention. The claimed invention is not obvious in view of the prior art and the appliation is directed to subject matter which falls under the definition of invention.

The Board therefore recommends that the Examiner's rejection of the application be reversed and that the application be returned to the Examiner for further prosecution consistent with these recommendations.

Michael Gillen John Cavar M. Wilson

Chairman Member Member

I concur with the recommendation of the Board that the Examiner's rejection of the application be reversed and return the application to the Examiner for further prosecution consistent with the Board's recommendation.

David Tobin

Commissioner of Patents

Dated at Gatineau, Quebec

this 25th day of January, 2007