

Commissioner's Decision No. 1504
Décision du commissaire n° 1504

TOPICS: J-00 Meaning of Art
J-50 Mere Plan
O-00 Obviousness

SUJETS: J-00 Signification de la technique
J-50 Simple plan
O-00 Évidence

Application No. 2,451,015
Demande n° 2 451 015

IN THE CANADIAN PATENT OFFICE

DECISION OF THE COMMISSIONER OF PATENTS

Patent application number 2,451,015, having been rejected under subsection 30(3) of the *Patent Rules* (SOR/96-423) as they read immediately before October 30, 2019 (the former *Rules*), has consequently been reviewed in accordance with paragraph 199(3)(c) of the *Patent Rules* (SOR/2019-251). The recommendation of the Patent Appeal Board and the decision of the Commissioner are to refuse the application.

Agent for the Applicant:

GOWLING WLG (Canada) LLP
160 Elgin Street, Suite 2600
OTTAWA Ontario
K1P 1C3

INTRODUCTION

- [1] This recommendation concerns the review of rejected patent application number 2,451,015, which is entitled “System and method for preventing fraud in check orders” and owned by Deluxe Corporation. The outstanding defects indicated by the Final Action (FA) are that the claims do not define statutory subject-matter, contrary to section 2 of the *Patent Act*, and are obvious, contrary to section 28.3 of the *Patent Act*. The Patent Appeal Board (the Board) has reviewed the rejected application pursuant to paragraph 199(3)(c) of the *Patent Rules*. As explained below, our recommendation is to refuse the application.

BACKGROUND

The application

- [2] Canadian patent application 2,451,015 was filed on November 27, 2003, and has been open to public inspection since June 17, 2004.
- [3] The application relates to a computer-implemented system and method for reducing the risk of fraud in the process of ordering paper checks (i.e., cheques). Using current order information, past suspicious order information and existing customer information, a fraud score is calculated based on scoring rules that use weightings applied to the order parameters: when the score exceeds a set threshold, the order is flagged as suspicious and sent for further investigation.

Prosecution history

- [4] On March 1, 2016, an FA was issued pursuant to subsection 30(4) of the former *Rules*. The FA indicated the application to be defective on two grounds: claims 1 to 50 on file (claims on file) contravene both section 2 and section 28.3 of the *Patent Act*.
- [5] In an August 31, 2016 response to the FA (RFA), the Applicant raised a procedural issue regarding whether the issuance of the FA was appropriate given the prosecution record. The Applicant also submitted arguments in response to the FA as to why the claims on file defined statutory and non-obvious subject-matter. Finally, the Applicant proposed an amended set of 50 claims (proposed claims) to overcome the defects raised in the FA.

- [6] The Examiner did not consider the proposed claims to remedy the defects and was not persuaded by the Applicant's arguments to withdraw the rejection. Therefore, pursuant to subsection 30(6) of the former *Rules*, the proposed amendments were not entered on file and the application was forwarded to the Board for review. On December 23, 2016, the Board forwarded a copy of the Examiner's Summary of Reasons with a letter acknowledging the rejection to the Applicant.
- [7] A Panel was formed to review the rejected application and make a recommendation to the Commissioner as to its disposition. Following our preliminary review, we sent a letter on September 6, 2019 (PR letter) addressing the procedural issue and presenting our analysis and rationale as to why, based on the record before us, the subject-matter of the claims on file and the proposed claims did not comply with either section 2 or paragraph 28.3(b) of the *Patent Act*.
- [8] The Applicant responded to the PR letter on September 27, 2019 indicating that a hearing was no longer desired and requesting that the Board make a recommendation based on the written record.
- [9] As nothing has changed in the written record since the PR letter, we refer to the analysis provided in the PR letter in this review.

ISSUES

- [10] There are three issues to be addressed by this review:
- was the issuance of the FA appropriate?
 - do the claims on file define statutory subject-matter falling within the definition of invention in section 2 of the *Patent Act*? and
 - do the claims on file define subject-matter that would not have been obvious, as required by paragraph 28.3(b) of the *Patent Act*?
- [11] After addressing these issues, we turn to the question of whether the proposed claims would constitute a necessary specific amendment under subsection 86(11) of the *Patent Rules*.

LEGAL PRINCIPLES AND PATENT OFFICE PRACTICE

Final Action

[12] Subsection 30(3) of the former *Rules* sets out the requirements for rejecting an application:

Where an applicant has replied in good faith to a requisition referred to in subsection (2) within the time provided but the examiner has reasonable grounds to believe that the application still does not comply with the Act or these Rules in respect of one or more of the defects referred to in the requisition and that the applicant will not amend the application to comply with the Act and these Rules, the examiner may reject the application.

Purposive construction

[13] In accordance with *Free World Trust v Électro Santé Inc*, 2000 SCC 66 [*Free World Trust*], essential elements are identified through a purposive construction of the claims done by considering the whole of the disclosure, including the specification and drawings (see also *Whirlpool Corp v Camco Inc*, 2000 SCC 67 at paras 49(f) and (g) and 52). In accordance with the *Manual of Patent Office Practice* (CIPO) at §12.02, revised June 2015 [*MOPOP*], the first step of purposive claim construction is to identify the skilled person and his or her relevant common general knowledge (CGK). The next step is to identify the problem addressed by the inventors and the solution put forth in the application. Essential elements can then be identified as those elements of the claimed matter that are fundamental to the disclosed solution.

[14] As explained in *MOPOP* at §12.02.02e not every element having a material effect on the operation of a given practical embodiment is essential to the solution; some recited elements define the context or environment of the embodiment but do not actually change the nature of the solution. Accordingly, purposive construction must consider which elements are required for the solution.

Statutory subject-matter

[15] The definition of invention is set out in section 2 of the *Patent Act*:

“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.

- [16] “Examination Practice Respecting Computer-Implemented Inventions”, PN2013–03 (CIPO, March 2013) [PN2013–03], clarifies the Patent Office’s approach to determining if a computer-related invention is statutory subject-matter.
- [17] As explained in PN2013–03, where a computer is found to be an essential element of a construed claim, the claimed subject-matter is not a disembodied invention (e.g. mere ideas, schemes, plans or sets of rules, etc.), which would be non-statutory.

Obviousness

- [18] Section 28.3 of the *Patent Act* requires claimed subject-matter to not be obvious:

The subject-matter defined by a claim in an application for a patent in Canada must be subject-matter that would not have been obvious on the claim date to a person skilled in the art or science to which it pertains, having regard to

- (a) information disclosed more than one year before the filing date by the Applicant, or by a person who obtained knowledge, directly or indirectly, from the Applicant in such a manner that the information became available to the public in Canada or elsewhere; and
- (b) information disclosed before the claim date by a person not mentioned in paragraph (a) in such a manner that the information became available to the public in Canada or elsewhere.

- [19] In *Apotex v Sanofi-Synthelabo Canada*, 2008 SCC 61 at paragraph 67, the Supreme Court of Canada stated that it is useful in an obviousness inquiry to follow the following four-step approach:

- (1)(a) Identify the notional “person skilled in the art”;
- (b) Identify the relevant CGK of that person;
- (2) Identify the inventive concept of the claim in question or if that cannot readily be done, construe it;
- (3) Identify what, if any, differences exist between the matter cited as forming part of the “state of the art” and the inventive concept of the claim or the claim as construed;
- (4) Viewed without any knowledge of the alleged invention as claimed, do those differences constitute steps which would have been obvious to the person skilled in the art or do they require any degree of invention?

ANALYSIS

Issuance of the Final Action

[20] In the RFA the Applicant raised the following procedural issue:

As an initial matter, Applicant respectfully submits that this should not have been made a Final Action in view of the amendments made to the claims in the last response. Applicant submits that a Final Action is only proper if prosecution has reached an impasse, which it had not in this instance.

[21] As we stated in the PR letter, in reviewing the prosecution record of the application, the Panel notes that the defects of statutory subject-matter and obviousness were identified in three Office actions immediately prior to the FA. In the last of these reports dated November 20, 2014, the Examiner clearly indicated that any subsequent report may be made “final” if the same defects were addressed. Although some minor claim amendments were made in response by the Applicant, the defects under consideration in the Applicant’s response were essentially the same regarding both subject-matter and obviousness. In our view, the Examiner had reasonable grounds to believe the application still did not comply with the Act and Rules and that the Applicant would not amend the application to comply. Accordingly, it was reasonable for the Examiner to make the subsequent action “final” and reject the application under subsection 30(3) of the former *Rules*.

[22] In addition, we note that any rejected application reviewed by the Board receives a comprehensive preliminary review of the prosecution record, a review of any proposed claims submitted in response to the FA, opportunities to respond through written and oral submissions, and in most cases, an invitation to provide a further set of proposed claims. In this regard, Applicants can avail themselves of these opportunities to further address any issues they consider may have been insufficiently addressed in the FA.

Purposive construction

The skilled person and the relevant CGK

[23] As stated in our PR letter, we identify the skilled person as:

... a person or team skilled in the field of business and financial transactions including processing check orders and fraud detection, and skilled in the art of general purpose computing, software programming, and computer networking used to support such business or financial transactions.

[24] The PR letter identified the relevant CGK of the skilled person as including:

- knowledge of existing manual paper check order screening to detect fraudulent check orders, such as looking at various check order parameters in order to determine if the order is suspicious or improper;
- knowledge of fraudulent activity associated with banks and financial transactions and knowledge of the use of manual and computer-based fraud detection methods and systems to identify such activities (for example, monitoring of accounts for sufficient funds, or check and credit card monitoring for suspicious activity based on transaction parameters such as name, address, account balance and recent transaction activities);
- knowledge of the use of notification of a check or credit card transaction approval or denial to various parties (e.g., the account holder and the business); and
- knowledge of general-purpose computer hardware and computer programming techniques applied in the financial and business environment including input and storage of financial data, calculations and data processing, and statistical analysis of data using computers (e.g., averaging, regression techniques, correlation determinations, weighting, predictive modelling, etc.).

Problem and solution

[25] The problem and solution were addressed in the PR letter as follows:

In our preliminary view, based on statements in the description (page 2) and the identified CGK, the skilled person would consider that prior art methods of identifying suspect check orders are subjective and difficult to assess uniformly as some order parameters are more indicative of risk than others. The FA at page 2 stated a similar problem; in its RFA the Applicant made no comment in response.

The skilled person, in our preliminary view, would also understand from the description (pages 2 to 3) that the solution to this problem is a more sophisticated method for reviewing paper check orders using existing order information and past order data to spot potentially bad orders. Specifically, the solution is to apply scoring rules to assign adjustable weights to various check order parameters and then determine an overall score, the value of which determines whether some check orders may potentially be fraudulent (“bad” or “suspicious” check orders in the description). These suspicious orders can then be sent elsewhere for further investigation. The solution therefore standardizes the order assessment for all check orders, removing any subjective decisions as to the relative weights that are assigned to the order parameters.

We also note that the application does not refer to any challenges in implementing the above fraudulent check order method in software or on a computer system, but instead describes the computer implementation only generically and at a high level. Given the limited level and nature of the detail in the description regarding the implementation, the skilled person would understand the problem and solution do not lie in any software or computer implementation.

Essential elements

- [26] Independent claims 1 and 11 are directed to the same subject-matter relating to detecting suspicious paper check orders, defining system and method embodiments, respectively. The dependent claims recite further data and calculations applied to the detection steps in independent claims 1 and 11. We consider system claim 1 to be representative of the invention:

A system for screening check orders, comprising:

- client storage configured to store client information including data from previous paper check orders, and including a parameter relating to a quantity of checks ordered in a customer's account;
- suspect check order storage configured to store suspicious order information including data associated with previous improper check orders;
- an order entry system for inputting order information at least some of which information is provided over a network, the order information having order parameters including a parameter indicative of whether a customer placing an order is a financial institution; and
- a programmable scoring system in communication with the client storage, the suspect order storage, and the order entry system, and the programmable scoring system configured to apply scoring rules to score paper check orders, the scoring rules programmably adjustable for variable weights to the order parameters including selection of a different weighting for orders placed by a customer that is identified as a financial institution than a weighting for orders by customers not identified as a financial institution, wherein the programmable scoring system is configured to compare the input order information to the client information and the suspicious order information and produce a score according to the scoring rules to determine check orders that require further investigation and to determine check orders to generate, wherein the system includes a comparison of the parameter relating to quantity of checks to a predetermined value to identify potentially suspicious orders, and wherein the programmable scoring system includes feedback from past suspicious orders to programmably adjust the scoring rules including the variable weights.

- [27] In the PR letter, we addressed the Applicant's arguments concerning the essential elements:

The FA (page 3) identified the essential elements in the independent claims as only those features relating to the data and calculations necessary to determine whether a paper cheque order is suspicious, given the solution to the problem identified. The FA indicated that the computer-related components are not essential to solve the problem identified, but instead serve to provide context for the solution and define the specific working environment of the invention.

In the RFA at pages 3 to 4, the Applicant argued that the computer-related components are essential to the solution because:

- a) relying on human coordination is traditionally considered to be ineffective, inasmuch as a non-computer implementation would be either too slow to respond or prohibitively expensive in manpower; and
- b) the claimed system and method is not just an existing method being computerized, but instead a new system and method that uses computer and networking technology, the system programmable to process several inputs and automatically act upon them, e.g. adjust parameters based on past orders and send an email in response to a detected improper check order.

Regarding the first point, the Panel notes that the present application does not address a problem of having computers operate faster than human calculations, nor does it disclose any specific cost savings associated with the computer-implemented check order screening methods. The skilled person would not identify the problem being addressed by the application as one of using a computer to produce faster or less expensive check order screening; the use of computers to implement fast, efficient, and reliable calculations and data processing was CGK. Further, using a computer for practical convenience does not mean that the computer is an essential element.

Regarding the second point, we agree that the application does not address the mere “automation” of a previously known manual process – rather the specification addresses a specific fraud detection/screening process and calculations, rather than any specific computer implementation. We also note that the specification does not address any problem in automatic data processing – the skilled person would recognize that computers are known to automatically process inputs and adjust calculations. Finally, we note that the specification (pages 4 and 11) contemplates that the input of the paper check orders, the scoring, and the adjusting of parameters can be implemented either in software, or manually with a human agent, or some combination thereof. This again indicates that the application addresses a problem in the screening of the check orders, for example, to provide rules or techniques to improve the identification of suspicious check orders requiring further

investigation, and not in any specific computer-based implementation thereof.

As mentioned previously, the skilled person would not regard the problem being solved as a computer problem. The computer-related components, although providing a practical and convenient working environment, do not provide the solution to the problem.

[28] Therefore, as set out in our PR letter, we identify the essential elements of independent claims 1 and 11 as:

- client information including data from previous paper check orders, and including a parameter relating to a quantity of checks ordered in a customer's account;
- suspicious order information including data associated with previous improper check orders;
- input order information having order parameters, including a parameter indicative of whether a customer placing an order is a financial institution; and
- applying scoring rules to score paper check orders, the scoring rules being adjustable for variable weights to the order parameters including selection of a different weighting for orders placed by a customer that is identified as a financial institution than a weighting for orders by customers not identified as a financial institution, wherein the input order information is compared to the client information and the suspicious order information and a score is produced according to the scoring rules to determine check orders that require further investigation and to determine check orders to generate, wherein the parameter relating to quantity of checks is compared to a predetermined value to identify potentially suspicious orders, and wherein feedback from past suspicious orders is used to adjust the scoring rules including the variable weights.

[29] Regarding the dependent claims, the PR letter stated that:

... we consider the dependent claims to define additional data elements for use in the screening process of the independent claims. The dependent claims primarily define the order parameters in greater detail, but also define specific score and threshold determination, notification features, and rules for adjusting the weights. Apart from the computer-related components defined therein, we consider that the dependent claims provide additional essential features to the fraud screening process and calculations of the independent claims.

Statutory subject-matter

- [30] As we stated in the PR letter, the essential elements relate to a scheme that uses various types of data, calculations and rules for determining the likelihood of a fraudulent check order. The scheme is based on a scoring using certain order parameters with an adjustable weighting so as to remove subjectivity in the fraud detection process. Such scoring and fraud likelihood determination is equivalent to a set of rules or scheme for conducting business or a set of calculations. Rules and calculations are abstract and are considered to be disembodied, and do not define something that manifests a discernable effect or change or something with physical existence.
- [31] Therefore, we consider that claims 1 to 50 on file do not define statutory subject-matter and thus do not comply with section 2 of the *Patent Act*.

Obviousness

(1) Identify the notional person skilled in the art and the relevant CGK

- [32] The notional skilled person and relevant CGK are identified above.

(2) Identify the inventive concept of the claim in question or if that cannot readily be done construe it

- [33] We addressed the inventive concept in our PR letter as follows:

As we have already construed the claims in our analysis of statutory subject-matter, above, we use the same essential elements for the independent claims 1 and 11 here. We have also indicated that the dependent claims define additional essential elements relating to the specific order parameters, specific score and threshold determination, notification features, and rules for adjusting the weights. These will be considered following our analysis of the independent claims at step 4.

(3) Identify what, if any, differences exist between the matter cited as forming part of the “state of the art” and the inventive concept of the claim or the claim as construed

- [34] In the PR letter, we identified the following reference as relevant to the obviousness analysis:

D1:	WO 01/73652	October 4, 2001	Hillmer et al.
-----	-------------	-----------------	----------------

D1 teaches a computer-based system for detecting fraudulent transactions by using transaction parameters and calculating a score based on a weighting of those parameters, and comparing the computed score against a threshold to determine the likelihood the transaction is fraudulent. The system and method are disclosed as comprising:

- client information including data from previous orders – D1 page 12 and Figure 2B, “customer information database 308”...collection of information about customers;
- suspicious order information including data associated with previous improper orders – D1 page 12 and Figure 2B , “negative account data base 310 and negative address database 312”;
- input order information having order parameters – D1 pages 6-7, and 10-12, “transaction parameters 116...pieces of information which make up the transaction”;
- applying scoring rules to score orders - D1 pages 11-12, a “fraud multiplier...a score based on the value of the transaction parameters”;
- the scoring rules being adjustable for variable weights to the order parameters including selection of a different weighting for certain orders wherein the input order information is compared to the client information and the suspicious order information – D1 pages 14 and 15, and Table 1.0: “point values” disclosed as “the number of points to be computed into the fraud calculation” and are assigned to a particular transaction parameter based on the value of that parameter and may be computed with “a weighting to increase or decrease significance to the overall fraud determination”;
- produce a score according to the scoring rules to determine orders that require further investigation and to determine orders to generate – D1 page 20 “a total fraud score is compared with a fraud score threshold” to indicate that a transaction may be fraudulent; and
- wherein feedback from past suspicious orders is used to adjust the scoring rules including the variable weights – D1 page 8, updating the negative database for use in later transactions; also D1 page 21, “the authentication results can be used to weight the point values” to alter them based on computed results.

[35] In the PR letter, we identified the same differences emphasized by the Applicant in the RFA, namely:

1. D1 does not explicitly disclose fraud detection for a paper check ordering system;
2. D1 does not specify a parameter indicative of whether a customer placing an order is a financial institution; and
3. D1 does not specify client information that includes a parameter relating to a quantity of checks ordered in a customer's account.

(4) Viewed without any knowledge of the alleged invention as claimed, do those differences constitute steps which would have been obvious to the person skilled in the art or do they require any degree of invention

[36] We addressed each of these differences in the PR letter, as follows:

Difference 1

In our preliminary view, the skilled person would know that ordering paper checks is one of the types of “transactions” that are susceptible to fraud and that are already subject to fraud detection activities. The description (page 1) discloses that manual paper check order screening was performed to prevent fraud; this is part of the CGK. Furthermore, given D1, the skilled person would recognize, without the use of any ingenuity, that the process of D1 is applicable to more than simply detecting bad checks or credit transactions: page 22 explicitly contemplates that their process “is capable of detecting fraud generally” and not just for bad checks or stolen credit cards. Other scenarios identified include fraud in coupons, discounts, insurance claims or medical prescription transactions. Given the CGK of using fraud detection in financial transactions generally and for check orders specifically, the adoption of the process defined in D1 for detecting suspicious check orders would not require any degree of ingenuity.

Differences 2 and 3

In the RFA the Applicant maintained that the use of the financial institution and check quantity parameters were not taught by D1 and would not have been obvious to the skilled person. However, we do not consider that these features would have required any inventive ingenuity. As we have determined, the CGK of the skilled person includes the knowledge of the manual paper check order review process and the knowledge of general fraud detection employed in financial transactions. Using the manual system, the skilled person would consider the available order parameters, including whether or not the order was from a trusted vendor, a known customer or a preferred customer, such as a financial institution, and would therefore have a greater confidence that the check order was proper. As noted in the SOR, D1 also utilizes knowledge of a customer status (excellent, good, fair or poor) in assessing risk – analogous to the identification of a preferred customer like a financial institution in the instant application.

Similarly, the skilled person would also have utilized information regarding the clients past check order history, such as order quantities, in an assessment of the current check order, as this would be a common order parameter for any paper check order. These are but two parameters from a list of several

known order parameters that would have been CGK to the skilled person; a skilled person would select from these known parameters based on their significance in regards to the specific transactions being monitored.

Thus, both the concept and the specific steps of determining suspicious paper check orders by weighting the order and customer parameters and determining a score and comparing it against a threshold, where at least two chosen parameters include the financial institution and the check quantity would have been obvious to the skilled person, and would have been implemented without requiring any degree of invention, given the identified CGK.

Dependent claims

[37] The dependent claims were considered by the Panel in the PR letter:

The Applicant did not identify any specific limitations in the dependent claims as requiring ingenuity. In the Panel's preliminary view, we also do not identify any additional features from the dependent claims as requiring any degree of invention. Specifically:

- regarding claims 2, 9, 10, 12-17, 21 and 30, D1 discloses all the additional features of these claims and therefore there are no differences. Since there are no further differences, these claims are obvious for the same reasons set out above;
- regarding claims 3-8, 22-29 and 31-50, these claims define order parameters that are specific to check orders and detecting fraudulent check orders which would have been well known to the skilled person. Our preliminary view is that using the order parameters in these claims would not have required any degree of invention from the skilled person; and
- regarding claims 18-20, using alerts and notifications in fraud detection systems is CGK. Furthermore, it would be an obvious design choice for the skilled person to provide various means of notification that a suspicious check order was identified – whether a display on a screen, an email notification or a telephone call, all of which would be within the toolbox of the skilled person.

Conclusion on obviousness

[38] Therefore, we consider that the subject-matter of claims 1 to 50 on file would have been obvious to the skilled person in view of D1 and the CGK. Therefore, these claims do not comply with paragraph 28.3(b) of the *Patent Act*.

Proposed claims

[39] The Applicant proposed an amended set of 50 claims with the RFA. The amendments consisted of the introduction to independent claims 1 and 11 of additional features of:

- the scoring system ...is at least partially performed by a software-based system and includes a closed-loop system configured to use feedback...;
- wherein the further investigation includes automatically sending an email notification of an improper check order to a bank... (similar to claim 18 on file); and
- adjusting the scoring rules includes performing a statistical analysis determining a correlation between the order parameters and attempted fraud.

[40] We provided an analysis of the proposed claims in the PR letter:

We consider that our earlier assessment of the skilled person, their CGK, the problem and the solution are not changed.

Regarding the issue of subject-matter, our preliminary view concerning the claims on file lacking statutory subject-matter would not change with the adoption of the proposed claims. None of the additional features define a statutory essential element. Both the “software-based system” and the specific manner of sending the notifications using email are considered to be non-essential elements as they would not be considered to be part of the solution to the identified problem. In view of the solution, the features of “closed-loop feedback” and using a “statistical analysis” would be considered essential elements that do form part of the solution to the problem; however, these are nevertheless non-statutory abstract calculations and rules for determining the likelihood of a suspicious check order.

Regarding the issue of obviousness, in our preliminary view these additional limitations would have been obvious to the skilled person. First, the use of a closed feedback method to adjust the weightings of the parameters based on previous computations was taught by D1 as discussed above. Second, the notification to alert an agent, customer or financial institution that a transaction may be suspicious or fraudulent was disclosed in D1. The very purpose of any fraud detection scheme would be to notify someone of possible fraud; using email to do so would be within the CGK of the skilled person. Finally, the use of “statistical analysis” to determine a correlation between the order parameters and the attempted fraud is obvious from the CGK, as the skilled person would be aware of mathematical calculations that

could be employed to improve the selection and weighting of the order parameters and hence improve the fraud detection. D1 (page 2) also discusses one such known method of statistical analysis mentioned in the instant application, namely the use of predictive modelling such as a neural network to provide correlations between all the parameters of the transaction and determine the likelihood of fraud. The other forms of “statistical analysis” identified in the application (correlations, logistic regression, and decision trees) would similarly be familiar to the skilled person. Therefore, our preliminary view is that the additional limitations of the proposed claims are not inventive steps.

[41] Therefore, our conclusions concerning non-statutory subject-matter and obviousness of the claims on file also apply to the proposed claims. It follows that the proposed claims are not considered a necessary specific amendment under subsection 86(11) of the *Patent Rules*.

RECOMMENDATION OF THE BOARD

[42] In view of the above, the Panel recommends that the application be refused on the basis that:

- Claims 1 to 50 define non-statutory subject-matter and thus do not comply with section 2 of the *Patent Act*; and
- Claims 1 to 50 define subject-matter that would have been obvious as of the claim date and thus do not comply with paragraph 28.3(b) of the *Patent Act*.

Andrew Strong
Member

Stephen MacNeil
Member

Cara Weir
Member

DECISION OF THE COMMISSIONER

- [43] I concur with the findings of the Board and its recommendation to refuse the application. The claims on file comply with neither section 2 nor paragraph 28.3(b) of the *Patent Act*.
- [44] Accordingly, I refuse to grant a patent for this application. Under section 41 of the *Patent Act*, the Applicant has six months to appeal my decision to the Federal Court of Canada.

Johanne Bélisle
Commissioner of Patents
Dated at Gatineau, Quebec,
this 6th day of December, 2019