

Citation: Waterleaf Limited (Re), 2020 CACP 19
Commissioner's Decision #1539
Décision du Commissaire #1539
Date: 2020-05-14

TOPIC: O00 Obviousness

C00 Adequacy or Deficiency of
Description

B00 Indefiniteness

SUJET: O00 Évidence

C00 Caractère Adéquat ou
Inadéquat de la Description

B00 Indéfini

Application No. : 2,570,102

Demande n° 2 570 102

IN THE CANADIAN PATENT OFFICE

DECISION OF THE COMMISSIONER OF PATENTS

Patent application number 2,570,102, having been rejected under subsection 30(3) of the *Patent Rules* (SOR/96-423) as they read immediately before October 30, 2019, has consequently been reviewed in accordance with paragraph 199(3)(c) of the *Patent Rules* (SOR/2019-251). The recommendation of the Board and the decision of the Commissioner are to refuse the application.

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INTRODUCTION

- [1] This recommendation concerns the review of rejected Canadian patent application number 2,570,102 which is entitled “PROMOTION ADMINISTRATION SYSTEM AND METHOD” and is owned by WATERLEAF LIMITED (the Applicant).
- [2] A review of the rejected application has been conducted by the Patent Appeal Board (the Board) pursuant to paragraph 199(3)(c) of the *Patent Rules* (SOR/2019-251) (the *Patent Rules*). As explained in more detail below, our recommendation to the Commissioner of Patents is to refuse the application.

BACKGROUND

The Application

- [3] The application, based on a previously filed *Patent Cooperation Treaty* application, with claimed priority date of September 10, 2004, is considered to have a filing date of September 9, 2005, and was laid open to public inspection on March 16, 2006.
- [4] The application relates to administration of promotions associated with wagering applications. More specifically, it is directed to a method of maintaining a credit account for a player.
- [5] The claims under review are claims 1 to 39 on file at the time of the Final Action (FA), dated September 30, 2015 (the claims on file), which were rejected in the FA. We note that there are 40 claims on file since there are two claims numbered as claim 1. For clarity, we will refer to the first two claims as “claim 1” and “claim 1(a)”, respectively, during our review.

Prosecution History

- [6] On June 11, 2017, a FA was issued pursuant to subsection 30(4) of the *Patent Rules* (SOR/96-423) as they read immediately before October 30, 2019 (the former *Rules*), in which the application was rejected on the basis of obviousness, insufficiency, and claim dependency defects. The FA stated that:
- all the claims on file were obvious and did not comply with section 28.3 of the *Patent Act*;

- the description did not correctly and fully describe the invention and did not comply with paragraph 27(3)(d) of the *Patent Act*;
- claims 1, 6, 9, 10, 12, 16, 20, 22, 23, 25, 27, 29, 31, 32, and 36 did not refer to a preceding claim or claims and thus did not comply with subsection 87(2) of the former *Rules* (now subsection 63(2) of the *Patent Rules*); and
- the first two claims were not numbered consecutively and did not comply with section 85 of the former *Rules* (now section 61 of the *Patent Rules*).

[7] On January 11, 2018, a response to the FA (R-FA) was filed by the Applicant. In the R-FA, the Applicant argued that the claims on file would not have been obvious, and that the specification enables the skilled person to make and use the claimed invention. In the R-FA, a set of amended claims 1 to 40 were proposed (the proposed claims) to overcome the claim dependency defects raised in the FA.

[8] Since the Examiner maintained the position that the application did not comply with section 28.3 and subsection 27(3) of the *Patent Act* after considering the R-FA, the application was forwarded to the Board on February 7, 2018, along with a Summary of Reasons (SOR), explaining the Examiner's rationale for identifying the defects.

[9] The SOR was forwarded to the Applicant on February 9, 2018.

[10] The present panel (the Panel) was formed to review the application under paragraph 30(6)(c) of the former *Rules* (now paragraph 199(3)(c) of the *Patent Rules*).

[11] In a preliminary review letter dated January 13, 2020 (PR letter), the Panel presented its preliminary analysis and rationale and was of the preliminary view that:

- the claims on file would have been obvious and did not comply with paragraph 28.3(b) of the *Patent Act*;
- the specification enabled the claimed invention and complied with subsection 27(3)(b) of the *Patent Act*;
- claims 1 (the second "claim 1", i.e. claim 1(a)), 6, 9, 10, 12, 16, 20, 22, 23, 25, 27, 29, 31, 32, and 36 did not comply with subsection 63(2) of the *Patent Rules*;
- the first two claims on file were not numbered consecutively and did not comply with section 61 of the *Patent Rules*; and

- the proposed claims 1 to 40 were not “necessary” amendments under subsection 86(11) of the *Patent Rules*.

[12] In the PR letter, the Panel notified the Applicant that an oral hearing was tentatively scheduled on February 20, 2020. Although the Panel made contact with the Applicant’s representative on February 13, 2020, he did not confirm whether the Applicant would attend the hearing or would like to cancel the meeting. On February 20, 2020, the Applicant did not attend the hearing.

[13] After the R-FA, no further response was received from the Applicant regarding the identified defects in the FA and the PR letter.

ISSUES

[14] There are four issues to be addressed in this review:

- Whether the claims on file define subject-matter that would have been unobvious, as required by section 28.3 of the *Patent Act*;
- Whether the specification enables the skilled person to practise the claimed invention, as required by paragraph 27(3)(b) of the *Patent Act*;
- Whether claims 1(a), 6, 9, 10, 12, 16, 20, 22, 23, 25, 27, 29, 31, 32, and 36 refer to a preceding claim or claims, as required by subsection 63(2) of the *Patent Rules*; and
- Whether the first two claims on file are numbered consecutively, as required by section 61 of the *Patent Rules*.

[15] In this review, we will first address the obviousness issue. Second, we will consider the sufficiency issue. Third, we will consider the claim dependency issues. Finally, we will consider the proposed claims.

LEGAL PRINCIPLES AND OFFICE PRACTICE

Purposive Construction

[16] In accordance with *Free World Trust v Électro Santé Inc*, 2000 SCC 66, 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 v Camco*, 2000 SCC 67 at paragraphs 49(f) and (g) and 52). In accordance with the *Manual of Patent*

Office Practice (CIPO) at §12.02, revised June 2015 [*MOPOP*], the skilled person and his or her relevant common general knowledge (CGK) are to be identified during purposive construction.

Obviousness

[17] The *Patent Act* requires that the subject-matter of a claim not be obvious. Section 28.3 of the *Patent Act* reads as follows:

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.

[18] In *Apotex Inc v Sanofi-Synthelabo Canada Inc*, 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”;
- (1)(b) Identify the relevant common general knowledge 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?

Sufficiency/Enablement

[19] A review of the prosecution of the application indicates to us that the defect noted in the FA under subsection 27(3) of the *Patent Act* is directed to the question of whether the specification of the application enables the skilled person to practise the claimed invention.

[20] Paragraph 27(3)(b) of the *Patent Act* states that the specification of an invention must:

set out clearly the various steps in a process, or the method of constructing, making, compounding or using a machine, manufacture or composition of matter, in such full, clear, concise and exact terms as to enable any person skilled in the art or science to which it pertains, or with which it is most closely connected, to make, construct, compound or use it[.]

[21] A positive determination that the specification complies with paragraph 27(3)(b) of the *Patent Act* requires that, having only the specification, the person of skill in the art be able to practise the invention using only the instructions contained in the disclosure (*Teva Canada Ltd v Novartis AG*, 2013 FC 141 [*Teva FC*], citing *Teva Canada Ltd v Pfizer Canada Inc*, 2012 SCC 60 and *Consolboard Inc v MacMillan Bloedel (Sask) Ltd* (1981), 56 CPR (2d) 145 (SCC)). Although the CGK can be relied upon, the person of skill in the art should not be called upon to display inventive ingenuity or undertake undue experimentation.

Claim Dependency

[22] The *Patent Rules* requires that the claims be numbered consecutively, and a dependent claim only refer to a preceding claim or claims.

[23] Section 61 of the *Patent Rules* states:

If there is more than one claim, the claims must be numbered consecutively in Arabic numerals beginning with the number “1”.

[24] Subsection 63(2) of the *Patent Rules* reads:

A dependent claim may only refer to a preceding claim or claims.

ANALYSIS

Purposive Construction

[25] There are 40 claims on file, including independent claims 1, 19, 30, and 35, and dependent claims 1(a) to 18, 20 to 29, 31 to 34, and 36 to 39. In our view, claims 1, 19, 30, and 35 are representative of the claims on file:

1. A method for maintaining a credit account for a player, the credit account including a total balance and a non-cashable balance, wherein the player is able to use credits in the credit account to make wagers on at least one game of chance, and wherein the player uses a client computer in communication with a gaming server via a communication network to play the at least one game of chance, the method comprising:

a credit administration facility, implemented on the gaming server, increasing the total balance and the non-cashable balance by an amount of a priori promotion credit awarded to the player, the amount of a priori promotion credit being associated with a play-through-required amount;

the credit administration facility calculating a play-through-achieved amount based on any wagers made by the player on the at least one game of chance;

the credit administration facility comparing the play-through-achieved amount to the play-through-required amount; and

in response to a determination that the play-through-achieved amount is greater than or equal to the play-through-required amount, the credit administration facility calculating a cashable portion of the non-cashable balance, calculating a remaining non-cashable balance by decreasing the non-cashable balance by the cashable portion, and calculating a cashable balance for the player as a difference between the total balance and the remaining non-cashable balance during game play.

19. A system for maintaining a credit account for a player, the credit account including a total balance and a non-cashable balance, wherein the player is able to use credits in the credit account to make wagers on at least one game of chance, the system comprising:

a gaming server implementing a credit administration facility configured to:

(a) increase the total balance and the non-cashable balance by an amount of a priori promotion credit awarded to the player, the amount of a priori promotion credit being associated with a play-through-required amount;

(b) calculate a play-through-achieved amount based on any wagers made by the player on the at least one game of chance;

(c) compare the play-through-achieved amount to the play-through required amount; and

(d) in response to a determination that the play-through-achieved amount is greater than or equal to the play-through-required amount, calculate a cashable portion of the non-cashable balance, calculate a remaining non-cashable balance by decreasing the non-cashable balance by the cashable portion, and calculate a cashable balance for the player as a difference between the total balance and the remaining non-cashable balance during game play.

30. A system comprising:

(i) a gaming server implementing a credit administration facility for administering any a priori promotion credit and any a posteriori credit associated with a player account, the credit administration facility being operable to compute:

(ii) a total balance of the player account as a function of wagers made by the player on house edge services, in which a house acts as a banker, and wagers made by the player on peer-to-peer services, in which the house does not act as a banker but levies a transaction charge;

(iii) play-through-achieved for the any a priori promotion credit;

(iv) play-through-achieved for the any a posteriori promotion credit; and

(v) a cashable portion of the total balance during game play, wherein the cashable portion is affected by play-through-achieved for the any a priori promotion credit in accordance with a first play-through-requirement and by play-through-achieved for the any a posteriori promotion credit in accordance with a second play-through-requirement.

35. A method comprising:

a server computer computing a total balance of a player account as a function of wagers made by the player on house edge services, in which a house acts as banker, and wagers made by the player on peer-to-peer services, in which the house does not act as banker but levies a transaction charge;

the server computer computing play-through-achieved for any a priori promotion credit associated with the player account;

the server computer computing play-through-achieved for any a posteriori promotion credit associated with the player account; and

the server computer computing a cashable portion of the total balance during game play, wherein the cashable portion is affected by play-through achieved for the any a priori promotion credit in accordance with a first play-through-requirement and by play-through-achieved for the any a posteriori promotion credit in accordance with a second play-through-requirement.

The Person Skilled in the Art

[26] In the PR letter (page 7), the Panel adopted the identification of the person skilled in the art as stated in the FA (page 2):

The skilled person is skilled in the fields of computer system design and programming, in particular technologies such as electronic gaming such as online gaming.

[27] The Applicant did not dispute this characterization and we adopt it in this review.

The Common General Knowledge

[28] In the FA, certain contents of the following documents are considered to be reflective of CGK:

D2: US 6,712,697 March 30, 2004 Acres

D3: PokerStars Poker Client, February 11, 2004, retrievable from:
https://web.archive.org/web/20040211061945/http://www.pokerstars.com/1m_tourney_bonus.html and
<https://web.archive.org/web/20040214230621/http://www.pokerstars.com/fpp.html>

D4: Microgaming Casino Client, “Playcheck”, April 11, 2003, retrievable from:
https://web.archive.org/web/20030411005818/http://www.microgaming.com/solutions_transparency.php?bTag=indexphp#

D5: Microgaming, “Loyalty Manager”, April 11, 2003, retrievable from:
https://web.archive.org/web/20030411004720/http://www.microgaming.com/solutions_managementsys.php?bTag=indexphp

[29] In the PR letter (pages 7 to 8), the Panel adopted the identification of the CGK as stated in the FA (pages 2 to 3):

The skilled person is familiar with electronic gaming/wagering systems. The skilled person is aware of various ideas for granting, tracking/calculating comparing well known promotional credits or rewards given to players to encourage said electronic gaming. The skilled person is aware of electronic gaming systems wherein players are given or granted promotional credits based on numerous arbitrary and/or marketing rules designed to encourage player spending in such gaming systems. For example, the skilled person is aware that promotional credits may be given/granted in response to a deposit/purchase of credits from said gaming system and/or in response to player “action” (amount wagered by the player) as shown in D2 and the applicant's background page 2.

One type of well-known promotional scheme as admitted by the applicant (“Background” page 2 lines 1-4) and as shown in D2 is an “a priori” promotion credit. This is also known as a “pre-wager” promotion in the industry. The skilled person in the art is aware that an “a priori” promotional credit may be awarded to a player as a “sign on bonus”, a credit which is granted to the player once a player purchases wagering credit from the electronic gaming system. This type of promotional scheme (“a priori promotion credit”) usually carries some sort of restriction (“Background” page 2 line 21 page 4 line 11). The skilled person is aware that these restrictions (also known as “play through” restrictions) must be tracked by the electronic gaming system in order to ensure that the player has complied with said restrictions as done in D2. Indeed, the skilled person is aware that the gaming system must track the players deposits/withdrawals and wagers made in said system, this is inherent to any electronic system as otherwise the players balance would not be correct. The skilled person is also aware that electronic gaming systems may track and/or display promotional credits or balances as shown in D2-D5 [Emphasis in the original].

[30] The Applicant did not dispute this identification and we adopt it in this review.

[31] Additionally, in the PR letter (page 8), the Panel considered that portions of the following documents comprise CGK:

D6: “The Best Casino Bonuses”, online-casinos.com, August 24, 2004, retrievable from
<https://web.archive.org/web/20040824234228/http://www.online-casinos.com/bestcasinobonuses.asp>

D7: “Captain Cooks Casino Terms and Conditions”, captaincookscasino.com, August 6, 2004, retrievable from <https://web.archive.org/web/20040806074101/http://www.captaincookscasino.com/terms-conditions.asp>

D8: “Promotions Terms & Conditions”, crazyvegascasino.com, August 21, 2004, retrievable from <https://web.archive.org/web/20040821024530/http://www.crazyvegascasino.com/language/english/terms/index2.asp>

D9: “Frequently Asked Questions”, pokerstars.com, June 5, 2003, retrievable from <https://web.archive.org/web/20030605091359/http://www.pokerstars.com/faq.html>

[32] As explained in the PR letter (pages 9 to 10), documents D3 to D9 provide examples of well-known promotional activities conducted by online casinos before the claim date of the application. Therefore, based on the information from the “Background” section of the application, and certain points extracted from D3 to D9, the PR letter identified the following additional knowledge as CGK:

- Knowledge of various a priori promotion credits, such as “free no-deposit required” sign-on bonuses, wherein a player is credited with a bonus without the need to deposit his/her own money, and percentage-match bonuses, i.e., “Buy \$100 and get \$100 free” bonuses. These credits are available to players for immediate use once provided (“Background” of the application; D6: “The Best Casino Bonuses”);
- Knowledge of various a posteriori promotion credits, which are given to players only when certain requirements are met, such as a “frequent player points” scheme (“Background” of the application; D6: “The Best Casino Bonuses”);
- Knowledge of various cash-out requirements for promotional credits, such as various types of play-through-required amount requirements (“Background” of the application; D7: “Standard Wagering Requirements”; D8: “Minimum Wager Requirements”);
- Knowledge of a play-through-achieved amount being calculated based on any wagers made by the player, which is compared with a play-through-required amount to determine a cashable portion of the non-cashable balance once the play-through-achieved amount is greater than or equal to the play-through-required amount, which applies to both “a priori” type of promotion credits and “a posteriori” type of promotion credits (D7:

“Standard Wagering Requirements”; D8: “Minimum Wager Requirements; D3: “Frequent Player Points”);

- Knowledge of a “real account” and a “bonus account” being maintained by online casinos, wherein credits in the real account is cashable and credit in the bonus account is not cashable, and knowledge of various wagering requirements for transferring credits from a bonus account to a real account (D7: “General Bonuses”);
- Knowledge of peer-to-peer services provided by online casinos, wherein the house does not act as banker but levies a transaction charge. This is considered to be a common practice for casinos providing multi-player games such as online pokers. For example, D9 discloses that “PokerStars is an Internet poker room, not a casino. That means you never play against the house, only other players. PokerStars receives compensation by taking a ‘rake’, a small amount from each pot”; and
- Knowledge of using conventional computer hardware and software to manage and maintain player accounts for online casinos, wherein a remote server is used as an account server for player account administrations. Player account information is transmitted over communication networks between the remote server and local gaming devices, wherein players may view updated account information from local gaming devices (D3 to D9 are all directed to online casino websites. For online casinos, managing accounts and game playing remotely were well-known practices as inferred by D3 to D9).

[33] The Applicant did not dispute this further identification and we adopt it in this review.

Meaning of Terms

[34] As explained in the PR letter (pages 6 to 7), we consider the meanings of the following terms, which are used in the claims on file, significant to the analysis of obviousness and sufficiency: “a priori promotion credit”, and “a posteriori promotion credit”.

[35] In the description (pages 1 to 2), the specification in its “Background” section, reads:

Promotion credit may arise in many ways, for example, as a result of a sign-on bonus in which a player is given a predetermined quantity of credit for registering as an authorised player at an online casino, or as a result of a purchase bonus in which the player is given the predetermined quantity of credit as a bonus when purchasing an amount of credit to be consumed during game play at the online casino. It is usual for this promotion credit given to

the player to be a percentage of the amount of credit purchased by the player. The promotion credit is intended for use by the player to wager on games of chance or skill offered by the online casino. This type of credit is available to the player for immediate use for wagers and will be termed, for convenience, as a priori promotion credit.

A further way in which promotion credit can arise is as a result of a sign-on bonus in which a player who registers as an authorised player at an online poker room is promised a predetermined quantity of credit at a future time. This type of promotion credit is not made available to the player for immediate use, but only becomes available for use by the player for wagering purposes once certain conditions associated with the promotion credit have been met, as will be described below. This type of promotion credit will be referred to, for convenience, as a posteriori promotion credit [Emphases added].

[36] In the PR letter, we considered the meanings of these two terms as the meanings defined by the specification, as underlined above.

[37] The Applicant did not dispute this identification and we adopt it in this review.

The Essential Elements

[38] In this review, we have not undertaken a determination with regard to which claimed elements are essential. By taking into account all the elements of the claims on file, as set out below, it is possible to reach a conclusion regarding obviousness of these claims that would not be affected by the omission of any non-essential elements.

Obviousness

(1)(a) Identify the notional “person skilled in the art”

[39] The person skilled in the art has been identified above at paragraph [26].

(1)(b) Identify the relevant common general knowledge of that person

[40] The relevant CGK of the skilled person has been identified above at paragraph [29] and [32].

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

[41] As explained above, we have taken into account all the elements of the claims for our consideration of the obviousness of the claims.

[42] Independent claims 1 and 19 share the same elements, as represented by claim 1:

1. A method for maintaining a credit account for a player, the credit account including a total balance and a non-cashable balance, wherein the player is able to use credits in the credit account to make wagers on at least one game of chance, and wherein the player uses a client computer in communication with a gaming server via a communication network to play the at least one game of chance, the method comprising:

a credit administration facility, implemented on the gaming server, increasing the total balance and the non-cashable balance by an amount of a priori promotion credit awarded to the player, the amount of a priori promotion credit being associated with a play-through-required amount;

the credit administration facility calculating a play-through-achieved amount based on any wagers made by the player on the at least one game of chance;

the credit administration facility comparing the play-through-achieved amount to the play-through-required amount; and

in response to a determination that the play-through-achieved amount is greater than or equal to the play-through-required amount, the credit administration facility calculating a cashable portion of the non-cashable balance, calculating a remaining non-cashable balance by decreasing the non-cashable balance by the cashable portion, and calculating a cashable balance for the player as a difference between the total balance and the remaining non-cashable balance during game play.

[43] Independent claims 30 and 35 share the same elements, as represented by claim 30:

30. A system comprising:

(i) a gaming server implementing a credit administration facility for administering any a priori promotion credit and any a posteriori credit associated with a player account, the credit administration facility being operable to compute:

(ii) a total balance of the player account as a function of wagers made by the player on house edge services, in which a house acts as a banker, and wagers made by the player on peer-to-peer services, in which the house does not act as a banker but levies a transaction charge;

(iii) play-through-achieved for the any a priori promotion credit;

(iv) play-through-achieved for the any a posteriori promotion credit; and

(v) a cashable portion of the total balance during game play, wherein the cashable portion is affected by play-through-achieved for the any a priori promotion credit in accordance with a first play-through-requirement and by play-through-achieved for the any a posteriori promotion credit in accordance with a second play-through-requirement.

[44] Additional features of the dependent claims will be identified and considered 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

[45] In the FA, D2 is the main document cited by the Examiner as the “state of the art”. Portions

of D3 to D5 are cited as supporting CGK for known practices. In the PR letter (page 12), the Panel considered D2 as the closest prior art.

[46] D2 discloses a method and system for providing incentives, such as promotional credits, for players to play casino games on gaming devices connected by a network.

Independent Claims 1 and 19

[47] In the PR letter (page 12), the Panel considered that D2 disclosed the following elements of independent claims 1 and 19:

- a method for maintaining a credit account for a player, wherein the player is able to use credits in the credit account to make wagers on at least one game of chance, and wherein the player uses a client computer in communication with a gaming server via a communication network to play the at least one game of chance (abstract; col. 2, lines 41 to 47), the method comprising:
- a credit administration facility, implemented on the gaming server, increasing the total balance and a non-cashable balance by an amount of promotion credit awarded to the player (col. 5, line 41, to col. 7 line 32, wherein “the player cannot cash out the account credits without wagering them”);
- the credit administration facility tracking the players’ account, including calculating a cashable portion of a non-cashable balance (col. 5, line 41, to col. 7 line 32, wherein cashable portion “meter credits” and non-cashable portion “account credits” are updated after every wagering action); and
- using a play-through-required amount to determine if a player can use a certain promotion credit (col. 7, lines 33 to 42, wherein “a player who earns a predetermined minimum number of account points has their account credited for half-priced wagering”).

[48] In the RFA (page 7), the Applicant argued that the promotion credits disclosed in D2 was of the “a posteriori” promotion credit type. We agree, based on our construction of this term. The promotion credit recited in col. 5 to 6 of D2 is described as “a matching credit applied to the credit meter for each credit bet”; and the promotion credit recited in col. 7 of D2 such as “Welcome Back” credit requires certain conditions to be met before the credit is awarded to a player, one example of said conditions being a player earning “a predetermined minimum number of account points has their account credited for half-priced wagering”. Therefore, we consider that both promotion credit examples are of the a posteriori promotion credit type.

[49] Given the discussion above, in the PR letter (pages 12 to 13), the Panel identified the differences between D2 and the features of the independent claims 1 and 19. In the Panel’s preliminary view, D2 did not disclose or teach:

- (a) the promotion credits in the method is of the *a priori* promotion credit type; and
- (b) a play-through-achieved amount is calculated based on any wagers made by the player, which is compared with a play-through-required amount to determine a cashable portion of the non-cashable balance once the play-through-achieved amount is greater than or equal to the play-through-required amount; and
- (c) updating non-cashable portion and cashable portion of the total account balance based on the calculations.

[50] The Applicant did not dispute this identification and we adopt it in this review.

Independent Claims 30 and 35

[51] In the PR letter (page 13), the Panel considered that D2 disclosed the following features of independent claims 30 and 35:

- a method comprising a server computer tracking the total balance of a player account as a function of wagers made by the player on house edge services, in which a house acts as banker, and a non-cashable promotion credit balance of a player's account, wherein the promotion credit is of the type "a posteriori" (col. 5, line 41, to col. 7, line 32); and
- using a play-through-required amount to determine if a player can use a certain promotion credit (col. 7, lines 33 to 42, wherein "a player who earns a predetermined minimum number of account points has their account credited for half-priced wagering").

[52] Therefore, in the PR letter (page 13), the Panel identified the differences between D2 and the features of the independent claims 30 and 35. In the Panel's preliminary view, D2 did not disclose or teach:

- (a) computing wagers made by the player on peer-to-peer services, in which the house does not act as banker but levies a transaction charge;
- (b) computing both play-through-achieved for *a priori* promotion credits, which is compared with a first play-through-required amount to determine a cashable portion, and play-through-achieved for *a posteriori* promotion credits, which is compared with a second play-through-required amount to determine a cashable portion; and
- (c) updating non-cashable portion and cashable portion of the total account balance based on the calculations.

[53] The Applicant did not dispute this identification and we adopt it in this review.

(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?

[54] In the PR letter (page 14), the Panel explained why features (a) to (f) would have been

obvious to the skilled person:

With respect to feature (a), as was explained earlier, both a priori promotion credits and a posteriori promotion credits are considered to be well-known CGK.

Regarding feature (d), it is our preliminary view that it is also well-known CGK. For online casinos offering peer-to-peer games such as multi-player poker games, it is common that the house charges a transaction fee since the players do not play against the house. For example, PokerStars.com charged a “rake” from each pot for online poker games well before the claim date (see D9).

As for features (b) and (e), computing play-through-achieved for a priori promotion credits and play-through-achieved for a posteriori promotion credits are both well-known wagering requirements for promotion credits used by online casinos. For a priori promotion credits, it is common that online casinos require a certain times of the promotion credits being wagered before they can be cashed. For example, in some online casino rules such as those disclosed in D7, 35 times of the promotion credits must be wagered for Blackjack and video poker before the credits can be cashed. For a posteriori promotion credits, it is also common that online casinos employ loyalty programs such as “frequent player points” and reward players when certain conditions are met. For example, D2 discloses a “Welcome Back” promotion credit to have a player’s account “credited for half-priced wagering” once a predetermined number of account points has been accumulated (col.7, lines 33 to 42).

With the understanding that features (b) and (e) are CGK, it follows that the cashable portion and non-cashable portion have to be updated after each wagering activity to provide correct cashable promotion credit amount information to players. Therefore, we are of the preliminary view that features (c) and (f) are straightforward implementation steps.

In our preliminary view, for a skilled person equipped with teachings of D2 and CGK, it would have been obvious to combine the account tracking and management system of D2 and well-known promotion credit cashing requirements of online casinos to obtain the claimed combination of features of the independent claims of the instant application. Therefore, we are of the preliminary view that the claimed subject-matter of independent claims 1, 19, 30, and 35 would have been obvious to a skilled person.

[55] In the PR letter (pages 14 to 15), the Panel also provided our rationale as to why the dependent claims would have been obvious:

Dependent claims 1(a) to 18, 20 to 29, 31 to 34, and 36 to 39 recite further features.

Claims 1(a), 2 to 4, and 6 recite displaying various player account information, including the total balance, the cashable balance, the remaining non-cashable balance, the play-through-achieved amount, and the play-through-remaining amount. Displaying player account details is a common practice in the field and is considered to be CGK. For example, D2 discloses that player loyalty points, promotional credits, and cashable portion (“credit meter”) of a player account are displayed for view by players (col. 5, line 23, to col. 7, line 13). We are of the preliminary view that these features, in combination with other claimed features, would have been obvious to a skilled person.

Claim 5 recites calculating a play-through-remaining amount as a difference between the play-through-required amount and the play-through-achieved amount. This is considered to be a straightforward option after the play-through-achieved amount is calculated, and would not make the claimed subject-matter unobvious when combined with other claimed features.

Claims 7 to 18, 21 to 29, 31 to 34, and 36 to 39 are directed to rules regarding how the promotion credits are cashed and how different portions of the player account are updated. As explained earlier, the promotion credit types and the management of cashable and non-cashable portions of a player account are part of the CGK. In our preliminary view, the rules recited by claims 7 to 18, 21 to 29, 31 to 34, and 36 to 39 are either known in the art or straightforward implementation options. Combining these features with the remaining features of the claims would have been obvious to a skilled person and does not involve any inventive ingenuity.

Claim 20 recites a gaming server that is configured to communicate with a client computer via a communication network, the client computer being useable by the player to play the game of chance. This feature is disclosed by D2 at Fig. 1, and col. 2, lines 41 to 47, and would not make the claimed subject-matter unobvious when combined with other claimed features.

[56] The Applicant did not dispute the analysis above.

Conclusion on Obviousness

[57] We consider that the subject-matter of all the claims on file would have been obvious to the skilled person. Therefore, the claims on file do not comply with paragraph 28.3(b) of the *Patent Act*.

Sufficiency/Enablement

[58] In the FA (pages 8 to 9), the Examiner stated that the claims on file were not fully supported by the description and the description did not correctly and fully describe the invention:

The description does not correctly and fully describe the invention and does not comply with paragraph 27(3)(d) of the *Patent Act*. The description does not set out clearly the various steps and their necessary sequence in the process in such full, clear, concise and exact terms as to enable a person skilled in the art to practise the invention.

The claims on file disclose the idea or concept for displaying/maintaining information in an electronic gaming software. This software somehow “maintains” account balances for promotional credits and play-throughs. The claims amount to a series of desired result statements for an idea for software which somehow achieves the desired result of the invention, which is to separate or distinguish account balances for promotional credits and purchased credits.

...

In summary there appear to be no specific instructions given on how to construct the software/hardware which can perform the claimed desired results. As far as it can be understood the originally filed description recites the desired functions of such a system or software without ever specifying how one would go about implementing such an allegedly inventive and novel method or software process in a computer system.

[59] In the R-FA (pages 14 to 16), the Applicant disagreed with the Examiner, contending that:

[A]s the present specification may be directed to such a notional person skilled in the art, further specificity in disclosure should not be necessary in view of the knowledge the skilled person is expected to possess. Accordingly, it is respectfully submitted that a skilled artisan, with appreciation of the present disclosure indicating those referenced in the applicant's previous response Amendment "G" (which is incorporated herein in its entirety by reference), would be able to practice the claimed invention without any undue difficulties [Emphasis in the original].

[60] As explained in the PR letter (pages 16 to 17), the Panel is of the view that the claims are fully supported and the specification does not suffer from lack of enablement:

[W]e consider that the objections under subsection 27(3) of the *Patent Act* raised in the FA is substantially directed to the one question of whether the specification enables the skilled person to make or use the claimed invention. In our preliminary view, based on the specification as a whole and our identification of the CGK, implementing the claimed method that maintains, administers, and displays credit related information, utilizing well-known generic computer hardware, software, and networking equipment, would have been a straightforward process, without the requirements of undue trial and error. As explained in the "CGK" section, utilizing computers to perform account maintenance and administration, including bonus credits and credits from players' deposits, in gaming is a well-known practice and commonly deployed and integrated in gaming systems. The claimed method is only directed to how the credits are administered, which indicates that there are no requirements for specific hardware or software for the skilled person to make or use the claimed invention. For a skilled person, who is familiar with credit administrations in gaming systems and aware of the CGK, referring only to the specification of the instant application would have been sufficient to practise the claimed invention. As explained in *Teva FC*, para. 292, "[e]very skilled person brings to the reading of a patent his knowledge of the field in which the patent operates. The person of ordinary skill in the art would be expected to bring to his reading of the patent a foundation of common general knowledge that would enable him or her to understand and practise the patent." In this case, we are of the preliminary view that a skilled person would be able to practise the claimed subject-matter of the instant application based on the specification and the CGK.

[61] Therefore, it is our view that the specification complies with the requirements of paragraph 27(3)(b) of the *Patent Act*.

Claim Dependency

[62] In the FA (page 10), the Examiner identified the following claim dependency defects:

Claims 1 (the second “claim 1”, i.e. claim 1(a)), 6, 9, 10, 12, 16, 20, 22, 23, 25, 27, 29, 31, 32, and 36 do not comply with subsection 87(2) of the *Patent Rules*. A dependent claim must refer to a preceding claim or claims. All these claims depend on themselves.

Claim 1 is not numbered consecutively and does not comply with section 85 of the *Patent Rules*. Specifically, there are two claim 1’s.

[63] In the PR letter (page 17), the Panel agreed with this defect identification for the same reasons. The Applicant did not dispute this identification.

Proposed Claims

[64] In the PR letter (pages 17 to 18), the Panel explained why we did not consider the proposed claims to be “necessary” amendments under subsection 86(11) of the *Patent Rules*:

The proposed claims were submitted in the RFA to overcome the claim dependency defects raised in the FA. In the RFA (page 2), the Applicant explained that:

The Examiner has identified a clerical error in claim numbering where two claim 1’s are found and dependent claims 6, 9, 10, 12, 16, 20, 22, 23, 25, 27, 29, 31, 32 and 36 are dependent from the claims themselves. In response, the claim numbering has been amended so that present claims 1 to 40 are consecutively and uniquely numbered, and none of the dependent claims are dependent from themselves.

In our preliminary view, the amendment to the claim numbering in the proposed claims would overcome the objections with respect to claim dependency defects raised in the FA. Therefore, the proposed claims would comply with section 61 and subsection 63(2) of the *Patent Rules*.

With respect to obviousness and enablement issues, since only the claim numbering issue was addressed by the proposed claims, it is our preliminary view that the proposed claims would not comply with paragraph 28.3(b) of the *Patent Act*, and would comply with subsection 27(3) of the *Patent Act*, for the same reasons stated above in our analysis.

In summary, the proposed claims cannot be considered to be “necessary” amendments under subsection 86(11) of the *Patent Rules* because they do not comply with paragraph 28.3(b) of the *Patent Act*.

CONCLUSIONS

[65] We are of the view that:

- all the claims on file would have been obvious and thus do not comply with paragraph 28.3(b) of the *Patent Act*;

- the specification enables the skilled person to practise the claimed invention and thus complies with paragraph 27(3)(b) of the *Patent Act*;
- claims 1(a), 6, 9, 10, 12, 16, 20, 22, 23, 25, 27, 29, 31, 32, and 36 do not refer to a preceding claim or claims and thus do not comply with subsection 63(2) of the *Patent Rules*;
- the first two claims on file are not numbered consecutively and thus do not comply with section 61 of the *Patent Rules*; and
- the proposed claims 1 to 40 are not “necessary” amendments under subsection 86(11) of the *Patent Rules*.

RECOMMENDATION OF THE BOARD

[66] In view of the above, the Panel recommends that the application be refused on the grounds that all claims on file would have been obvious and thus do not comply with paragraph 28.3(b) of the *Patent Act*, that claims 1(a), 6, 9, 10, 12, 16, 20, 22, 23, 25, 27, 29, 31, 32, and 36 do not refer to a preceding claim or claims and thus do not comply with subsection 63(2) of the *Patent Rules*, and that the first two claims on file are not numbered consecutively and thus do not comply with section 61 of the *Patent Rules*.

[67] Further, the proposed claims 1 to 40 do not overcome the obviousness defect and therefore the introduction of these claims does not constitute “necessary” amendments pursuant to subsection 86(11) of the *Patent Rules*.

Liang Ji

Paul Fitzner

Ed MacLaurin

Member

Member

Member

DECISION OF THE COMMISSIONER

[68] I concur with the findings of the Board and its recommendation that the application should be refused because the claims on file would have been obvious and thus do not comply with paragraph 28.3(b) of the *Patent Act*, that claims 1(a), 6, 9, 10, 12, 16, 20, 22, 23, 25, 27, 29, 31, 32, and 36 on file do not refer to a preceding claim or claims and thus do not comply with subsection 63(2) of the *Patent Rules*, and that the first two claims on file are not numbered consecutively and thus do not comply with section 61 of the *Patent Rules*.

[69] Therefore, in accordance with section 40 of the *Patent Act*, 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 14th day of May 2020