

Citation: Novomatic AG (Re), 2022 CACP7
Commissioner's Decision #1614
Décision du Commissaire #1614
Date: 2022-02-24

TOPIC: J-00 Meaning of Art

J-50 Mere Plan

SUJET: J-00 Signification de la
technique

J-50 Simple plan

Application No. : 2,821,804

Demande n° 2 821 804

IN THE CANADIAN PATENT OFFICE

DECISION OF THE COMMISSIONER OF PATENTS

Patent application number 2,821,804, having been rejected under subsection 30(3) of the *Patent Rules*, as they read immediately before October 30, 2019 (former *Patent Rules*), consequently has 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 withdraw the rejection and allow the application.

Agent for the Applicant:

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INTRODUCTION

- [1] This recommendation concerns the review of rejected patent application number 2,821,804, which is entitled “Lottery Method and System for Point of Sale Terminals.” The patent application is owned by Novomatic AG (the Applicant). The Patent Appeal Board (the Board) has reviewed the rejected application pursuant to paragraph 199(3)(c) of the *Patent Rules*. The outstanding defect to be addressed in this review is whether the claims define patentable subject matter. As explained below, my recommendation is to withdraw the rejection and allow the application.

BACKGROUND

The Application

- [2] The instant application, based on a previously filed Patent Cooperation Treaty application, is considered to have been filed in Canada on November 9, 2011 and was laid open to the public on May 18, 2012.
- [3] The instant application relates to a lottery point of sale system. More specifically, it relates to a method and system for conducting a lottery game at a cash register where calculated change money is able to be used to play a lottery game at the point of sale system.

Prosecution History

- [4] On June 20, 2018, a Final Action (FA) was written pursuant to subsection 30(4) of the former *Patent Rules*. The FA explained that the application was defective on the ground that claims 1-16 (claims on file) were directed to non-statutory subject matter and therefore do not comply with section 2 of the *Patent Act*.
- [5] In a December 14, 2018 response to the FA (RFA), the Applicant submitted arguments for the allowance of the claims on file. The Applicant also submitted a set of proposed claims (proposed claims).
- [6] As the Examiner considered the application still did not comply with the *Patent Act* and *Patent Rules*, the application was forwarded to the Board for review pursuant to subsection 30(6) of the former *Patent Rules*, along with an explanation outlined in a Summary of Reasons (SOR) for maintaining the rejection of the application.

- [7] In a letter dated May 10, 2019, the Board forwarded a copy of the SOR to the Applicant. On July 22, 2019, in its response to the SOR, the Applicant indicated a continued interest in having the Board review the application.
- [8] A Panel of the Board (the Panel), comprised of the undersigned member, was formed to review the application under paragraph 199(3)(c) of the *Patent Rules* and to make a recommendation to the Commissioner as to its disposition. Given my recommendation that the rejection be withdrawn and the application allowed, no further written or oral submissions from the Applicant are necessary.

ISSUE

- [9] The issue to be addressed by this review are whether the subject matter of the claims on file is directed to non patentable subject matter as it falls outside the definition of “invention” in section 2 of the *Patent Act*.
- [10] In light of the my recommendation that the rejection be withdrawn and the application allowed, I have not reviewed the proposed claims.

LEGAL PRINCIPLES AND PATENT OFFICE PRACTICE

Purposive Construction

- [11] In accordance with *Free World Trust v Électro Santé Inc*, 2000 SCC 66 [*Free World Trust*] and *Whirlpool Corp v Camco Inc*, 2000 SCC 67 [*Whirlpool*], purposive construction is performed from the point of view of the person skilled in the art in light of the relevant common general knowledge (CGK), considering the whole of the disclosure including the specification and drawings. In addition to interpreting the meaning of the terms of a claim, purposive construction distinguishes the essential elements of the claim from the non-essential elements. Whether or not an element is essential depends on the intent expressed in or inferred from the claim, and on whether it would have been obvious to the skilled person that a variant has a material effect upon the way the invention works.
- [12] “Patentable subject matter under the *Patent Act*” (CIPO, November 2020) [PN2020-04] also discusses the application of these principles, pointing out that all elements set out in a claim are presumed essential unless it is established otherwise or such presumption is contrary to the claim language.

Patentable Subject Matter

[13] 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.

[14] Subsection 27(8) of the *Patent Act* also prescribes that:

No patent shall be granted for any mere scientific principle or abstract theorem.

[15] *PN2020-04* describes the Patent Office's approach to determining if a claim is patentable subject matter:

To be both patentable subject-matter and not be prohibited under subsection 27(8) of the *Patent Act*, the subject-matter defined by a claim must be limited to or narrower than an actual invention that either has physical existence or manifests a discernible physical effect or change and that relates to the manual or productive arts, meaning those arts involving or concerned with applied and industrial sciences as distinguished in particular from the fine arts or works of art that are inventive only in an artistic or aesthetic sense.

ANALYSIS

Purposive Construction

The Skilled Person and the Relevant CGK

[16] The FA at page 2 characterized the skilled person as:

[t]he skilled person or persons may consist of information technology engineers familiar with the design of POS systems comprising POS connected to a server.

[17] The FA at page 2 characterized the CGK as:

[t]he skilled person also has knowledge of known lottery systems, including known hardware systems, software, legal frameworks and operating rules.

[18] The Applicant did not dispute these characterizations in the RFA.

[19] I adopt these characterizations in this review.

The Essential Elements of the Claims

[20] The instant application includes 16 claims on file. Claim 1 is directed to a lottery point of sale system for playing a lottery game at a cash register where calculated change money is able to be used to play a lottery game at the point of sale system. Claim 7 is directed to the method for the lottery point of sale system. Dependent claims 2-6 and 8-16 recite refinements of the independent claim steps and define additional features of the point of sale lottery system. I consider independent claim 1 as representative of the invention:

1. A point of sale system including a lottery, comprising:

a cash register for receiving a payment and a printer for printing a receipt for a point of sale transaction;

a computer adapted to communicate with the cash register to enable calculating change money information for the point of sale transaction including:

enabling the point of sale system to determine a total;

receiving a payment via the cash register;

calculating a change amount by subtracting the total from the payment received;

the computer being further adapted to:

receive an indication to use at least a portion of the change amount as a lottery stake;

communicate with a remote game server to request a win result from the remote game server based on the lottery stake; and

print a receipt with the printer including a list of items purchased and an indication of whether the win result is a winner or not.

[21] The FA at pages 3-5 performed a purposive construction that resulted in a set of essential elements for certain claims according to a previous Patent Office practice, now superseded by *PN2020-04*. I undertake anew the identification of essential elements.

[22] According to *PN2020-04*, purposive construction is conducted in accordance with the principles set out by the Supreme Court of Canada in *Free World Trust* and *Whirlpool*. The objective determination considers where the person skilled in the

art would have understood the applicant to have intended to place the fences around the monopoly being claimed.

- [23] Considering the representative claim 1, and the whole of the specification, the person skilled in the art would understand that there is no use of language indicating that any of the steps in each claim are optional, a preferred embodiment or one of a list of alternatives. Nor is there any indication on the record that would lead to a determination of any claimed elements being non-essential. Therefore, in my preliminary view, all the lottery point of sale components and the steps carried out by the system identified in the representative claim 1 are considered to be essential. The method steps as recited in the corresponding method claims and the system components recited in the system claims are also considered essential.
- [24] Dependent claims 2-6 and 8-16 recite further method steps and system components such as a games server, a scanner, and a slot machine game. These features are considered essential.

Patentable Subject Matter

- [25] In the FA at page 5, having identified that the essential elements of the claims were directed to a set of rules and data manipulation, the Examiner concluded that the claims encompass subject matter that lies outside the definition of “invention” and does not comply with section 2 of the *Patent Act*.
- [26] Given that my preliminary view of the essential elements differs from that of the FA, I undertake anew the assessment of patentable subject matter according to *PN2020-04*.
- [27] As described above in the section on “Legal Principles and Office Practice” I will assess the representative claim on whether the subject matter it defines forms a single actual invention having physical existence or a discernible physical effect or change.
- [28] Independent claims 1 and 7 set out a point of sale system featuring the use of a cash register and a printer, along with computer components for calculating change information and using the change information in a lottery game. The cash register and printer are connected to generic computers that are used for the

change calculations and as lottery game servers.

- [29] In my view, it is evident from the claim language and the rest of the specification that the rules of calculating change and playing a lottery game cooperate with the point of sale system. In particular, the cash register and point of sale systems, including an item scanner, serve as inputs to the computer calculations which is then further used to provide input to the lottery game. They thus form a single actual invention that has physical existence.
- [30] Therefore it is my view that the subject matter of claims 1-16 is directed to patentable subject matter as it falls inside the definition of "invention" in section 2 of the *Patent Act*. It is also not prohibited under subsection 27(8) of the *Patent Act*.

RECOMMENDATION OF THE BOARD

[31] For the reasons set out above, I am of the view that the rejection is not justified on the basis of the defect indicated in the FA notice and I have reasonable grounds to believe that the instant application complies with the *Patent Act* and the *Patent Rules*. We recommend that the Applicant be notified in accordance with subsection 86(10) of the *Patent Rules* that the rejection of the instant application is withdrawn and that the instant application has been found allowable.

[32] As I consider the application in its present form to be allowable, I have not reviewed the proposed claims. In accordance with paragraph 199(3)(b) of the Patent Rules, these proposed amendments are considered not to have been made.

Mara Gravelle

Member

DECISION OF THE COMMISSIONER

I concur with the findings and the recommendation of the Board. In accordance with subsection 86(10) of the *Patent Rules*, I hereby notify the Applicant that the rejection of the instant application is withdrawn, the instant application has been found allowable, and I will direct my officials to issue a Notice of Allowance in due course.

Virginie Ethier
Assistant Commissioner of Patents

Dated at Gatineau, Quebec

this 24th day of February, 2022