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*The Professional
Association
Concerned with
Patents,
Trade-marks,
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Industrial Designs*

August 14, 2003

*L'association
professionnelle
en matière de brevets,
de marques
de commerce,
de droits d'auteur et
de dessins industriels*

Ms. Agnès Lajoie
Deputy Director
Patent Branch
Canadian Intellectual Property Office
50 Victoria Street
Gatineau, Quebec
K1A 0C9



Dear Ms. Lajoie:

Re: **MOPOP Draft Guidelines for Computer Implemented Inventions**

Thank you for your letter of June 20, 2003 and the enclosed copies of the amended chapter 16 and the new chapter 26. This new version of your draft of January 21, 2002 was much appreciated.

We find the new version to be a great improvement upon the existing MOPOP and the earlier draft version. Many of our concerns with the earlier version have been addressed.

We certainly appreciate that the drafting of these guidelines is not an easy task. With the lack of jurisprudence it is difficult to determine exactly where one should tread.

The members of our Information Technology Committee have reviewed the new version and have prepared recommendations that were approved by IPIC Council. They are contained in the attached document.

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Thank you to you and your staff for your hard work on revising this important area of the MOPOP and also for involving us in the process. Please feel free to contact Mark Schisler or myself at any time should you have any questions regarding the attached.

Yours truly,

A handwritten signature in black ink, appearing to read 'John Baker', with a long horizontal stroke extending to the right.

John Baker

cc: Mark Schisler, IPIC IT Committee
Peter Ebsen, CIPO
Michel Gérin, IPIC

**Comments from
the Intellectual Property Institute of Canada (IPIC)
on Proposed Changes to MOPOP**

Chapters 16 and 26

Prepared by the Information Technology Committee of IPIC
August 5, 2003

16.02

The definition here of "art" appears to be based upon *Lawson* and is accordingly, too narrow. More recent and authoritative decisions use a broader interpretation. In particular, in *Shell Oil Co. v. Commissioner of Patents*, the SCC referred to *Tennessee Eastman* and stated that:

The Court however affirmed that "art" was a word of very wide connotation and was not to be confined to new processes or products or manufacturing techniques but extended as well to new and innovative methods of applying skill or knowledge provided they produce effects or results commercially useful to the public ([1982] 2 S.C.R. 536, at 554)

Further, in the SCC *Harvard Mouse* decision, Bastarache J, for the majority, stated:

I agree that the definition of invention in the Patent Act is broad. Because the Act was designed in part to promote innovation, it is only reasonable to expect the definition of invention to be broad enough to encompass unforeseen and unanticipated technology. ((2002), 21 C.P.R. (4th) 417 at p. 478, 219 D.R.R. (4th) 577 (S.C.C.))

We view the statement "An art must accomplish some change in the character or condition of material objects" to be too restrictive in the light of current case law. Perhaps the Federal Court interpretation in *Progressive Games* ((2000) 3 CPR (4th) 517 at p. 522)) of the *Shell Oil* definition of art may be more applicable, namely:

Accordingly, the definition of the term of "art" as provided by the Supreme Court includes a process that:

- (i) is not a disembodied idea but has a method of practical application;
- (ii) is a new and innovative method of applying skill or knowledge; and
- (iii) has a result or effect that is commercially useful.

Thus we would suggest an alternative definition, namely:

An art includes a process that has a practical application that applies skill or knowledge, provided the process is innovative and has a result or effect that is commercially useful.

16.02.01

A period is missing at the end of the paragraph.

16.03(a)

See the above comments on 16.02 regarding "art".

Perhaps "inter alia" should be in italics.

16.03(c)

A semi-colon is missing at the end of this point.

16.04(c)

We suggest that this be revised to read:

Subject matter that accomplishes a result solely by means of a person's interpretative or judgmental reasoning cannot form the basis of a patent.

NO
SIGNATURES

Or alternatively;

Subject matter that accomplishes a result by means of a person's reasoning, in which the quality or character of the result may vary depending upon the individual skilled in the art performing the process or method, cannot form the basis of a patent.

~~The~~ are many methods that require a person skilled in the art to determine a quality or quantity based on the interpretation of data. The comparison of two things can be equally determined by mechanical means such as sensors. Such interpretation may simply be one step in a sequence of steps. Its presence should not disqualify patentability.

16.04(e)

See the above comments on 16.02 regarding "art".

16.04(f)

We submit that the statement "Subject matter comprising new rules for playing games or the like...is unpatentable", wrongly encompasses all games. The *Progressive Games* decision and the subsequent dismissal of appeal by the FCA accepted that a method of

playing poker with cards would qualify as “art” provided it was also new and innovative, given the test set out in *Shell Oil*. Accordingly, we suggest that the reference to new rules for playing games should be deleted.

26.01

A computer-implemented invention may be embodied in firmware rather than software. Thus we suggest that the last sentence of the first paragraph should end with “...computer program or computer hardware”.

As this section deals with computer implemented business methods, and is not directed to business methods that do not involve the use of a computer, we suggest a change to the second sentence of the third paragraph. The change being:

Computer-implemented business methods are considered as a subgroup of computer-implemented inventions when data processing functions are involved.

26.02(1)

Although the guidelines agreed upon in 1994 have been retained we note that content has been added. In particular all that follows the first sentence is new. It is not clear to us if the additional sentences provide any additional value, as they appear to be redundant.

26.02(1)(a)

a

Consider that a process or programmed computer for solving an exponential equation could make a device work faster or use less memory and would be patentable. The process or programmed computer would make use of the equation but with an algorithm used to solve the equation, not the equation itself.

26.02(1)(b)

b

This comment seems to indicate that an invention may be dissected into parts, rather than the whole. Case law requires the invention to be examined as a whole. The question to be asked is “does the process involving the pre solution activity, the solution activity and the post-solution activity constitute an invention as whole?”.

26.02(1)(c)

The use of the term “algorithm” raises red flags in most jurisdictions. We suggest:

- c) A computer program for evaluating the ...”

26.02(2)

As with 26.02(1) content has been added from the 1994 guidelines and the new content appears to be redundant.

The use of the term "loaded" is not entirely accurate as a program may be run without being "loaded" on a general purpose computer, for example it may be run in blocks of instructions sent from a remote machine. We suggest "An executing" instead of "A loaded".

26.02(2)(Example)

This example mixes the concepts of patentable subject matter and novelty/obviousness. It is not clear if the example would be patentable if it was not well known to analyze stereo-chemical features as suggested in the example. We believe the example is meant to illustrate that computer software based solely on a known process would likely be considered obvious. However, the example suggests that a claim to such an invention would not be patentable because it is not proper subject matter. This should be clarified. An example to consider would be that of Lawson, but implemented on a computer. Such an example could also be referred to in 26.02(4).

26.02(4)

What is meant by "hinder in the exercise"? By this do you mean that a process that is less efficient than the same process conducted by a human is unpatentable? Perhaps the thought trying to be expressed is that patents should not prohibit the exercise of professional skill.

Perhaps this section may be reworded as follows:

4. Processes involving professional skill replacing the skill that professionals would normally be expected to exercise, do not belong to the realm of patentable subject matter. Professional skill may, nonetheless, be involved in either a particular step of a process or comprise the entire process as illustrated in parts I) and II).

26.02(4)(I)

(C) The sentence "Data processing and communication..." doesn't seem to relate to the earlier sentences. We suggest it be deleted. Further, based upon the following citations we would suggest that this section be reworded to reflect the decision. Perhaps along the lines of:

Human intervention is common during the steps of a process. When a human step is necessary, the examiner must determine whether the step has been fully integrated within the process and whether the mental step is predictable and precise. If this is the case, such an invention constitutes patentable subject matter.

Support for the above suggestion may be found in *Re: Application For Patent Containing Claims That Read On Mental Steps Performed by a Human Operator in Deciding to Transmit a Signal*. (23 C.P.R. (2d) 99 at p. 95):

A mental step which is judgmental or interpretive (purely mental) is definitive of a process the result of which depends on the intelligence and reasoning of the human mind. It seems settled that it is only this latter type of mental step, which renders a process unpatentable.

Further at (p.96):

Therefore a process which includes a *mental* step involving the ascertaining and sensing facilities is patentable (provided all other attributes of patentability are present), since the effect of the mental step is precise and predictable no matter how skillfully it is performed. On the other hand, a process which includes a *mental* step, the nature of which is dependent upon the intelligence and reasoning of the human mind cannot satisfy the requirements of operability since the effect of the human feedback or response is neither predictable nor precise whenever the process is worked by its users.

It follows that the specific questions to be satisfied in this case are (assuming novelty and unobviousness):

- (1) Whether the steps involving human response are of the type that require subjective interpretive or judgmental considerations; or whether they are responses that are clearly defined and precise, and for example, can be performed otherwise by apparatus; and
- (2) Whether there is sufficient teaching of the human intervention so that the inventive process is operative when performed by its users.

With regard to the example in light of the above discussion, we would suggest that an example supported by case law would be better. One example to consider would be illustrating a series of computer-based instructions for performing a task, such as teaching a language or instructing a trade.

The use of two icons appears to be an example of correlation or comparison, which could be predictably handled by a computer or a human.

26.02(4)(II)

The combination of the phrases "infringe on practices" and "in the public domain" is puzzling. Here we have the concept of infringement and what is in the public domain mixed together with what is patentable subject matter. If the process is in the public domain it is not patentable as it is not novel.

We are not sure what you mean by "limitations". The examples refer to processes that make use of professional skill, how do they impose limitations? Perhaps you meant that a patented process for a professional skill would mean that a professional would infringe the patented process? This appears to be a non sequitur as processes in the public domain would not be patentable.

26.05

In general we find the decisions in this area to be fuzzy and we expect you find the same.

In particular the need for a software invention to be embodied in some form of media seems nonsensical. For example in *Motorola*, the algorithm on its own would not be patentable, but yet embodied on ROM, it was. The presence or absence of a physical medium is not the essence of any software invention. The invention exists and is useful without reference to its medium. As technology progresses, the media may be discarded, witness the common use of "carrier waves". Regardless of the medium the functional structure of the invention will remain.

26.05.01

✓ In the example there are no antecedents for "said samples" or "the filtered samples".

26.05.02

✓ In the example there are no antecedents for "said samples" or "the filtered samples". You may want to change "b) filter" to "b) a filter".

26.05.03.a

In claim 4, replace "by a by a" with "by a". Further the use of "code means" for each feature will confuse the reader and possibly the court in determining what "code means" to refer to. Perhaps "sampling means", "digitally filtering means" and "storing means" may be better.

There is no antecedent for "said samples", nor "filtered samples". This also applies to the examples of claims 5 and 6.

26.05.03.c

The first paragraph ends with:

Claims to data structures are inoperative unless they have been integrated with a specific program for imposing a physical organization on the data.

A specific program does not always impose a physical organization on the data. For example, the program may read from a database created by another program. Please consider the following substitution:

Claims to data structures are inoperative unless they have been integrated with an application program for use by that program.

The example claim 7 does not indicate an integration but rather that the information stored in the data structure may be used by the application program. The example claim defines the functionality of the data structure, and simply that it is "used". Data structures

are by nature used by an application program. Is this is what is meant by “integrated”?

In the preamble you refer to a “specific program” and in the claim an “application program”. The use of “application program” throughout may be best.

Finally, it should be noted that this example does illustrate patentable subject matter.

26.06

The footnote to the *Atkins* decision is missing.