CIPO Examination Practice Update Subsequent to *Amazon.com*

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On August 1, 2011, the Commissioner of Patents issued a Practice Notice further to the Federal Court of Canada's decision in *Amazon.com, Inc. v. The Commissioner Of Patents,* 2010 FC 1011 ("*Amazon.com*"). Although a ruling on the appeal of *Amazon.com* (heard on June 21, 2011) has not yet been issued, the Commissioner provided the following revised patent examination guidelines to patent examiners for determining whether a patent claim is directed to patentable subject matter.

The Commissioner directed that a patent application should be refused if either (1) what is claimed; or (2) what is "actually invented" is directed to only excluded subject matter (such as a method of medical treatment, an electronic signal or a computer program). The "actual invention" refers to what the application, when analyzed in an informed and purposive manner from the perspective of a person skilled in the art in light of relevant common general knowledge, discloses as being the invention covered by a claim.

The Commissioner stressed that the actual invention is identified without reference to the state of the art. Instead, the "actual invention" is determined by (i) identifying the claim elements that are required to provide the solution to the problem being confronted; and (ii) focusing on those elements that are relevant to the allegedly inventive advancement. Elements are not relevant to the actual invention unless they materially affect the way in which the invention operates to provide the solution disclosed.

A patent claim does not contain patentable subject matter or provide practical utility if the identified claim elements do not contribute to solve a "technical" problem, namely a problem involving the application of scientific knowledge for practical purposes. Therefore, a computer does not become patentable because it has been programmed to do something new, but may be patentable where a computer program causes the computer to become a new solution to a technical problem.

While the Commissioner does not explicitly state that business methods are to be excluded from patentability in Canada, it is apparent that the Patent Office has been largely unaffected by the *Amazon.com* decision, and has maintained the position that only the claim elements that contribute to solve a technical problem are to be considered for patentability, while all other claim elements are to be ignored. Particularly notable is that the Commissioner has not provided directions to employ the

Progressive Games test (*Progressive Games, Inc. v. Canada (Commissioner of Patents)*, 177 F.T.R. 241 (T.D.) at para. 16, aff'd (2000), 9 C.P.R. (4th) 479 (F.C.A.)) affirmed in *Amazon.com*, for determining whether an art was patentable subject matter, but has rather maintained that what was added to the current state of knowledge must be technological in nature – a requirement rejected in *Amazon.com* as being too limiting and beyond the scope of the Commissioner's powers to introduce.

By instructing patent examiners to selectively ignore claim elements and to ensure that the remaining claim elements contribute to solve a technical problem, the Commissioner has provided patent examiners with the continued power to reject pending business method claims through a subjectively narrow view of what is technical. The ruling on the appeal of *Amazon.com* is eagerly anticipated and is expected to clarify the scope of the Commissioner's authority to enforce a technological requirement for patentability.

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