

Chapter 12

Utility and subject matter

- 12.01 Scope of this chapter
- 12.02 Definition of a statutory invention
 - 12.02.01 Subject matter defined in section 2 of the *Patent Act*
 - 12.02.01a *An essentially economic result explained*
- 12.03 Utility
 - 12.03.01 Predicted utility
 - 12.03.02 Operability
 - 12.03.03 Reproducibility
- 12.04 Further guidance for certain subject matter
 - 12.04.01 Living matter
 - 12.04.02 Medical treatment
 - 12.04.03 Scientific principle or abstract theorem
 - 12.04.04 Business methods
 - 12.04.05 Computer implemented inventions
 - 12.04.06 Games
- 12.05 Examples of subject matter lacking utility or not recognized as statutory subject matter

Chapter 12

Utility and subject matter

12.01 Scope of this chapter

This chapter outlines the Patent Office's practice concerning subject matter and utility requirements under section 2 of the *Patent Act*, divorced from considerations of novelty and obviousness ¹.

12.02 Definition of a statutory invention

Section 2 of the *Patent Act* defines invention. It reads in part:

"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.

From this statutory definition and other sections of the *Patent Act*, the criteria for a patentable invention are ²:

- 1) Novelty. The invention must not have been "anticipated" by another patent or a publication that would show it lacks novelty under that statute.
- 2) Utility. The invention must be operative, controllable and reproducible.
- 3) Statutory subject matter. It must fit in a recognized category, for not all subject-matter is patentable.
- 4) Non obviousness or inventive ingenuity. There must be an inventive step. *This is a question of fact and degree* ³. The fact is that there must be an advance in the art to the degree that it is neither "obvious" nor merely a "workshop improvement" (section 15.01.02 herein).

Even when subject matter is novel and unobvious, it can still be non-patentable if it does not fit in a recognized category (sections 12.02.01 and 12.04 herein), or is not useful

(section 12.03 herein).

12.02.01 Subject matter defined in section 2 of the *Patent Act*

An “art” is an act or series of acts performed by some physical agent upon some physical object and producing in that object some change of either character or condition ⁴; “art” overlaps but does not eclipse “process” ⁵; an “art” must be a manual or productive art (it must make a vendible product) ⁶ and/or be a new and innovative method of applying skill or knowledge that produces an essentially economic result relating to trade, commerce, or industry (it must be a method of operating or using an invention) ⁷.

A “process” may be defined as a mode or method of operation by which a result or effect is produced by physical or chemical action, by the operation or application of some element or power of nature or one substance to another. It implies the application of a method to a material or materials ⁸.

A “machine” is the mechanical embodiment of any function or mode of operation designed to accomplish a particular effect.

A “manufacture” is the process of making articles or material (in modern use on a large scale) by the application of physical labour or mechanical power, or the article or material made by such a process; excludes higher life forms ⁹.

“Composition of matter” includes chemical compounds, compositions and substances.

12.02.01a An essentially economic result explained

To be considered as any one of an “art”, “process”, or manner of “manufacture” under section 2 of the *Patent Act*, a method must produce an essentially economic result in relation to trade, commerce, or industry, in the meaning given those words by the Courts ¹⁰; no other methods are statutory subject matter. This means that, to be considered statutory subject matter, a method must be at least one of the following:

- i) a method for producing, making, constructing, or building a vendible product;
- ii) a method of using or operating an inventive “thing”, or a known “thing” for an inventive new use; or
- iii) a method of diagnosing a physical disease or physical medical condition in a

human being.

i) a method for making a vendible product

Court cases like *Lawson* and *Tennessee Eastman* demonstrated that for a method to be statutory subject method, it had to be a “manual or productive art” that made or produced a vendible product¹¹. Such a method was automatically considered to produce an essentially economic result in relation to trade, commerce, or industry¹².

Any method that produces, builds, constructs, or manufactures a vendible product, or that alters a vendible product such that it becomes functionally (as opposed to, e.g. intellectually or aesthetically) different from what it was originally, is usually considered to be a method that makes a vendible product. In this context, “vendible product” is broad enough to encompass any “machine”, article of “manufacture”, or “composition of matter” as defined in section 2 of the *Patent Act*, as well as plants and animals¹³. Methods that were not “manual or productive arts” were called “professional skills or arts”¹⁴. Note that whether or not a method was a “professional skill” had absolutely nothing to do with whether or not the method was reliably reproducible¹⁵.

ii) a method of operating or using an invention

In *Shell*, the Supreme Court quoted from *Lawson* and *Tennessee Eastman*, and repeated that professional skills and methods that produced no economic result relating to trade, commerce, or industry were unpatentable¹⁶. However, the Supreme Court defined statutory subject matter as encompassing not only methods of making vendible products, but also “new and innovative methods of applying skill or knowledge provided they produced effects or results commercially useful to the public”¹⁷. That is to say, statutory subject matter encompasses new and innovative methods of applying skill or knowledge that produce essentially economic results in relation to trade, commerce, or industry, as well as methods of making a vendible product.

Given the subject matter in *Shell* and subsequent court cases that referred to “new and innovative methods of applying skill or knowledge”, this expression is considered to apply to methods of using or operating known things for non-analogous (or inventive) new uses¹⁸. This interpretation is reinforced by the need for a “new and innovative method of applying skill or knowledge” to contribute to the cumulative wisdom on a patentable subject¹⁹. By extension, methods of operating or using inventive things would also qualify as statutory subject matter; this corresponds with the Patent Office’s

traditional practice of allowing claims to methods of operating inventive machines ²⁰.

Although the Courts have not always embraced the possibility that a method that does not manufacture or make anything could still be patentable ²¹, there is much jurisprudence that has stated that this is so ²². Therefore, it is the position of the Patent Office that methods of operating or using inventions are to be treated as statutory subject matter.

iii) a method of diagnosis

Finally, the Commissioner decided in 1973 that he considered methods of diagnosing a physical disease or physical medical condition in a human being, provided that no steps of surgery or therapy are involved, to produce an essentially economic result in relation to trade, commerce, or industry ²³. In light of *Shell*, the Patent Office considers such diagnostic methods to be characterized as new and innovative methods of applying skill or knowledge that produce essentially economic results relating to trade, commerce, or industry.

In summary, one of the criteria for a method to be considered statutory subject matter is that it must produce an essentially economic result in relation to trade, commerce, or industry, in the meaning given those words by the Courts. In plain language, that means that a statutory method must be at least one of:

- i) a method for producing, making, constructing, or building a vendible product;
- ii) a method of using or operating an inventive “thing”, or a known “thing” for an inventive new use; or
- iii) a method of diagnosing a physical disease or physical medical condition in a human being.

12.03 Utility

Section 2 of the *Patent Act* requires an invention to have utility. The use of the invention is not necessarily stated in the claims ²⁴, but must be apparent from the description to one skilled in the art ²⁵ (see also chapter 9 herein on Description and subsection 27(3) of the *Patent Act*). However, where the invention is a new use for an old product, the claims must indicate the new use ²⁶.

In practice, subject matter, for which utility is not apparent from the specification to one skilled in the art²⁷, that is inoperative²⁸, has results that cannot be reproduced, or that does not have results beneficial to the public²⁹ will be considered not to comply with the definition of invention under section 2 of the *Patent Act*. An invention must be useful for some purpose but not any particular purpose unless a certain utility is provided in the specification³⁰. A claim defining subject matter that is, in view of the description, lacking some of the features or elements that are necessary or essential for the subject matter to be useful as taught will be considered to lack support for utility under section 84 of the *Patent Rules* (see Chapter 11 herein).

12.03.01 Predicted utility

If utility of the subject matter which forms the basis of a claim is not apparent or the promised utility of the subject matter is in doubt, then the applicant must have established utility, at the claim date, either by demonstration (i.e. testing the invention and conclusively proving utility) or by sound prediction³¹. *Unless the inventor is in a position to establish utility as of the time the patent is applied for, on the basis of either demonstration or sound prediction, the Commissioner “by law” is required to refuse the patent*³². It is not necessary for an inventor to provide a theory of why the invention works, but the “Doctrine of Sound Prediction” must not be diluted to include “a lucky guess or mere speculation”³³.

An invention that relies on sound prediction must satisfy three requirements:

- 1) there must be a **factual basis** for the prediction;
- 2) the inventor must have at the date of the patent application an articulable and “**sound**” **line of reasoning** from which the desired result can be inferred from the factual basis; and
- 3) there must be **proper disclosure** by a full, clear and exact description of the nature of the invention and the manner in which it can be practised.

The Doctrine of Sound Prediction applies not only to patent applications containing broad classes of chemical compounds, but also to new uses of known compounds and new uses of novel compounds. As long as the utility of the claimed subject matter relies on sound prediction, the requirements of the doctrine must be fulfilled.

For example, the *Monsanto*^{34a} and *Burton Parsons*^{34b} decisions dealt with novel compounds and novel electrocardiograph creams, respectively. The factual basis in

these cases was supplied by tested compounds, but other factual underpinnings, depending on the nature of the invention may suffice. The line of reasoning was based on “structure-activity relationship” but other lines of reasoning, depending on the subject matter, may suffice.

12.03.02 Operability

The subject matter must be operable³⁵ by the means described by the inventor so that the desired result inevitably follows when it is put into practice³⁶. The subject matter will be considered to lack utility if the invention does not work³⁷, either in the sense that it will not operate at all or, more broadly, that it will not do what the specification promises that it will do³⁸. The specification has to include the information, terminology, and means available at the time of the claim date, to provide sufficient description to enable the making of the invention, when read by a person skilled in the art.

12.03.03 Reproducibility

The invention must be controllable³⁹ and its result reproducible by the means described so that the desired result inevitably follows when the invention is put into practice⁴⁰. However the expression “desired result inevitably follows” can refer to an accepted degree of success of a particular repetitive mass production method. For example, if a method is known and universally recognized in a particular art of having a success rate under a certain ratio or percentage of rejects, the desired result inevitably follows if this method is inside such parameters.

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 users⁴¹.

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 having ordinary skill in the art performing the process or method, cannot form the basis of a patent. Human factors induce variation in the results due to different level of intuition, creativity, conjecture and approximation, and therefore lead to irreproducible results. A

person's reasoning may include judgement and interpretation.

12.04 Further guidance for certain subject matter

Not all subject matter is patentable. Some subject matter is excluded by subsection 27(8) of the *Patent Act*, and under section 2 of the *Patent Act* based on clarifications of the definition of invention by Jurisprudence.

12.04.01 Living matter

Uni-cellular life forms which are new, useful and inventive are patentable⁴². In general, a process to produce, or which utilizes, these organisms is patentable. Uni-cellular life forms include:

- microscopic algae;
- moulds and yeasts⁴³;
- bacteria;
- protozoa;
- viruses;
- cells in culture;
- transformed cell lines; and
- hybridomas.

Higher life forms are not patentable subject matter⁴⁴. However, a process for producing higher life form may be patentable provided the process requires significant technical intervention by man and is not essentially a natural biological process which occurs according to the laws of nature, for example, traditional plant cross-breeding⁴⁵. Higher life forms include:

- animals⁴⁶;
- plants⁴⁷;
- seeds⁴⁸; and
- mushrooms⁴⁹.

Plant varieties that are distinct, uniform and stable may be protected under the Plant Breeders' Rights Act, administered by the Canadian Food Inspection Agency.

12.04.02 Medical treatment

A method or process of surgery or therapy on living humans or animals is not considered to be within the scope of “invention” as defined by section 2 of the *Patent Act*, because such methods do not produce an essentially economic result in relation to trade, industry, or commerce⁵⁰. However, methods of treating animals to derive an economic benefit are not excluded⁵¹. If, when used for its leading purpose, a claimed method does not produce an essentially economic result, then that method is non statutory even if it could have other purposes⁵². Articles or apparatuses designed for use in the treatment of humans or animals are patentable, provided they conform to all other conditions of the *Patent Act*⁵³.

Methods of diagnosing a physical disease or physical medical condition in a human being, provided that the methods do not contain any step of surgery or therapy, may be patentable⁵⁴. The Patent Office practice regarding medical treatment is explained in more detail in Chapter 17 herein (currently under revision).

12.04.03 Scientific principle or abstract theorem

Subsection 27(8) of *Patent Act* specifically precludes “any mere scientific principle or abstract theorem” from patentability. Mathematical formulae⁵⁵ and algorithms are considered equivalent to mere scientific principles or abstract theorems (see also section 16.05.01 herein).

12.04.04 Business methods

The expression “business methods” refers to a broad category of subject matter which often relates to financial, marketing and other commercial activities. These methods are not automatically excluded from patentability, since there is no authority in the *Patent Act* or *Rules* or in the jurisprudence to sanction or preclude patentability based on their inclusion in this category. Patentability is established from criteria provided by the *Patent Act* and *Rules* and from Jurisprudence as for other inventions. Business methods are frequently implemented using computers. Guidelines regarding computer implemented inventions are discussed in section 12.04.05 and Chapter 16 herein.

12.04.05 Computer implemented inventions

Claims consisting solely of code listings are not patentable. Software expressed as lines of code or listings may be protected as literary works under the *Copyright Act*. Software in the form of an abstract theorem or algorithm is automatically excluded from patentability under subsection 27(8) of the *Patent Act*, but software that has been integrated with a traditionally patentable subject matter may be patentable. The Patent Office practice regarding computer implemented invention is explained in more detail in Chapter 16 herein.

12.04.06 Games

A method for playing a game with a gaming apparatus or article is only patentable when the apparatus or article is new and inventive, or the apparatus or article is being used for a new and non-analogous use ⁵⁶.

A method of playing with a conventional deck of cards in a new way is considered non-statutory subject matter because the deck of cards is being used for a known use. The cards lack novelty and inventiveness therefore indicating that the nature of the subject matter is the method or the rules for playing the game. The same principle applies to slot machines with bonus games. For example, programmable slot machines typically accept input, perform calculations, output certain results, and dispense winnings according to certain probabilities. Changing the probabilities, changing the calculations performed, adding a bonus game, etc. in order to attract or entertain more players does not result in an inventive use - the slot machine is still being used in an analogous manner for an analogous purpose ⁵⁷.

A new arrangement of printed or design matter may form the subject matter of a patent if it performs a mechanical function or purpose in consequence of use ⁵⁸. The new arrangement of printed matter must import some functional limitation in a combination so as to produce a unitary result, which is useful in some practical way, as opposed to solely intellectual, literary or artistic connotations ⁵⁹. If the novelty lies solely in the meaning of the printed words or the aesthetic appeal of the printed or design matter, it is not considered patentable subject matter. Such matter is also referred to as non-functional descriptive matter.

A method of playing a board game or a game involving cards is considered to be patentable subject matter if the game board or cards are themselves novel and

inventive. This can occur if the board or cards bear a new arrangement or design that provides some inventive functional use.

12.05 Examples of subject matter lacking utility or not recognized as statutory subject matter

To summarize, in assessing whether subject matter falls within the definition of invention under section 2 of the *Patent Act* and by jurisprudence from Canadian Courts, the Patent Office will determine:

- (a) whether the subject matter relates to a useful art (as distinct from a fine art where the result produced is solely the exercise of personal skills, mental reasoning or judgment, or has only intellectual meaning or aesthetic appeal);
- (b) whether the subject matter is operable, controllable⁶⁰ and reproducible by the means described by the inventor so that the desired result inevitably follows whenever it is worked;
- (c) whether the subject matter has an essentially economic result relating to trade industry or commerce⁶¹, provided that the process is an innovative method of applying skill or knowledge, and
- (d) whether it is more than a mere scientific principle or abstract theorem (subsection 27(8) of the *Patent Act*).

Some examples of subject matter that lack utility or that are not recognized as statutory subject matter include the following:

- Process or the product of a process, that depends entirely on artistic, personal skills, performing purely mental acts, mental reasoning⁶² or judgment, or has only intellectual meaning or aesthetic appeal⁶³, for example: procedures for exercising, teaching, cosmetological procedures, hair dressing, pedicure, flower arranging, painting pictures or playing musical instruments may not be patentable. However, materials and instruments used in these arts may be patentable. The subject matter must relate to a “useful art”, as distinct from a fine art where the result produced is solely the exercise of the preceding inputs.

- Intermediate transitory product with no inherent commercial use per se⁶⁴, or to the internal convenience of a particular manufacturer⁶⁵.
- Printed matter, design matter or presentation of information having intellectual connotations or aesthetic appeal. However, structural features of printed matter and arrangements specially adapted to produce a new mechanical function or purpose may be patentable.
- Mere schemes⁶⁶, plans⁶⁷, speculations⁶⁸ or ideas⁶⁹ such as a rule for doing business, a method of accounting or providing statistics, a personality or I.Q. test and the like.

Endnotes for Chapter 12

- ¹ Utility, novelty and unobviousness have to be present to constitute a patentable invention: *Langlois v. Roy* [1941] Ex. C.R. 197 at p. 203
Northern Electric Co. v. Brown's Theatres Ltd. [1941] SCR 224
Wright v. Brake Service Ltd. (1925) Ex. C.R. 127 at 131, aff'd [1926] SCR 434 at 444
- ² *Cochlear Corp. v. Cosen Neurostim Ltée* (1995) F.C.J. No. 1433 at para 91, also indexed as [1995] 64 C.P.R. (3d) 10
- ³ *Ibid.*
- ⁴ Although the Supreme Court stated in *Shell* (67 C.P.R. (2^d) 1 at 10-11) that "art" must be given its general connotations of being learning or knowledge as commonly used in expressions such as "the state of the art" or "the prior art", the Court emphasized (at 11, 14) that an "art" had to have a method of practical application. The Court also stated (at 15) that the Exchequer Court (in *Tennessee Eastman*) had affirmed that "art" was a word of very wide connotation and was not to be confined to processes or products or manufacturing techniques but extended as well to new and innovative methods of applying skill or knowledge provided they produced an economic result in relation to trade, commerce, or industry. Note that, with the exception of products, each of these terms refers to a type of method. The Supreme Court has subsequently shown in *Harvard* (21 C.P.R. (4th) 417 at 477) that it does not consider products (i.e. "compositions of matter" and articles of "manufacture") to be encompassed by "art". In *Shell*, the Supreme Court ultimately went on (at 15) to approvingly quote from the Exchequer Court in *Lawson* and *Tennessee Eastman* that an "art" is an act or series of acts performed by a physical agent upon some physical object and producing in that object some change of either character or condition.
- ⁵ *Refrigerating Equipment Ltd. v. W.A. Drummond and Waltham System* [1930] Ex. C.R. 154 at 166; *Harvard College v. Commissioner of Patents* [2002] 21 C.P.R. (4th) 417 (S.C.C.) at 479, also indexed as [2002] 4 S.C.R. 45
- ⁶ *Lawson v. Commissioner of Patents* [1970] 62 C.P.R. 101 (Ex. Ct.) at 110-111; *Tennessee*

Eastman v. Commissioner of Patents [1970] 62 C.P.R. 117 (Ex. Ct.) at 154-155, aff'd [1972] 8 C.P.R. (2^d) 202 (S.C.C.)

7 *Shell Oil v. Commissioner of Patents* [1982] 67 C.P.R. (2^d) 1 (S.C.C.) at 15, also indexed as [1982] 2 SCR 536

8 *Commissioner of Patents v. Ciba Ltd.* [1959] 30 C.P.R. 135 aff'g 27 C.P.R. 82

9 *Harvard College*, *supra* note 5 at 478-479

10 *Tennessee Eastman*, *supra* note 6; *Shell*, *supra* note 7 at 14-16; *Imperial Chemical Industries Ltd. v. Commissioner of Patents* (1986) 9 C.P.R. (3rd) 289 (F.C.A.) at 295-296; *Apotex v. Wellcome Foundation Ltd.* (2002) 21 C.P.R. (4th) 499 (S.C.C.) at 519, aff'g (2000) 10 C.P.R. (4th) 65 (F.C.A.), allowing appeal in part (1998) 79 C.P.R. (3rd) 193 (F.C.T.D.)

11 *Lawson*, *supra* note 6; *Tennessee Eastman*, *ibid.* at 129-155. It has been argued that *Lawson* showed that producing a “vendible product” was not a requirement for a method to be patentable; this view originated with the editorial note that accompanied the published *Lawson* decision. Actually, what the Court stated was that a *new* vendible product was not required if the claim was to an inventive method - the method still had to produce some sort of vendible substance, whether that substance be new or old (62 C.P.R. 101 at 109-110). This is also clear from the Court’s subsequent deliberations on whether or not the method for subdividing land “manufactured” anything, and whether or not there was any change in the character or condition of the land. Ultimately, the Court decided that the preparation of a plan of subdivisions in no way changed the character of the land (62 C.P.R. 101 at 112).

12 *Ibid.*; *Tennessee Eastman*, *ibid.* at 154-155

13 *Ibid.* at 109-116; *Tennessee Eastman*, *ibid.* at 129-155; Re Application 862,758 for *Swine Feeds* (now patent 882,618) [1970] C.D. No. 33; Re Application 954,851 for *Method for Feeding Domestic Animals* (now patent 890,188) [1971] C.D. No. 63; *Monsanto Canada v. Schmeiser* [2004] 31 C.P.R. (4th) 161 (S.C.C.).

14 *Ibid.*; *Tennessee Eastman*, *ibid.* at 154-155

15 There is some confusion on “professional skill”, as many believe it to be associated with a method that cannot be reliably reproduced, i.e. it depends upon the skill of the professional performing it. This view originated with the editorial note accompanying the published *Lawson* decision. The reasoning of the editorial was that confusion arose when the Court deemed that requirements for a “manner of new manufacture” under English statutes equated the requirements for an “art, process, machine, manufacture, or composition of matter” under Canadian statutes, and imported reasoning based on English cases. The English “manner of new manufacture” covers the concepts of novelty, utility, and inventive step right along with statutory subject matter, while the requirement for a Canadian “art, process, machine, manufacture, or composition of matter” is considered separate from the requirements for novelty, utility, and inventive step. Thus, the editorial reasoned that professional skills indeed qualified as “arts” under s. 2, but lacked utility because the result following the practice of these arts, no matter how skillfully practised, was not reproducible; the variables arising from the human element make success unpredictable. However, the Court itself did not once refer to reproducibility as an issue, nor did any of the cases that the Court quoted. Furthermore, the method for subdividing land as claimed (and described in

- the application) was as reproducible as any regularly patented “art” or “process”. Although a method must indeed be reliably reproducible to be considered “useful” under s. 2, this requirement is completely separate from any professional skill considerations. Further evidence that this is the case can be found in such subsequent jurisprudence as *Tennessee Eastman* (62 C.P.R. 117 (Ex. Ct.)), *Shell* (67 C.P.R. (2^d) 1), and *Imperial Chemical Industries* (9 C.P.R. (3^d) 289).
- 16 *Shell*, *supra* note 7 at 15-16. Although the Court appears to have viewed professional skills as being excluded from “useful art” under s. 2 rather than from “art” under s. 2, the weight of the jurisprudence treats professional skills and economic results relating to trade, commerce, or industry as issues of statutory subject matter (e.g. *Lawson* (62 C.P.R. 101), *Tennessee Eastman* (62 C.P.R. 117 (Ex. Ct.)), *Imperial Chemical Industries* (9 C.P.R. (3^d) 289), *Apotex* (21 C.P.R. (4th) 499), etc.). Thus, that is also the position of the Patent Office. Either way, professional skills and methods with no “economic results” are still rejected for not complying with s. 2, rendering the issue moot.
- 17 *Shell*, *supra* note 7
- 18 *Ibid.*; *Progressive Games v. Commissioner of Patents* [2000] 9 C.P.R. (4th) 479 (F.C.A.) at 479, *aff’d* [1999] 3 C.P.R. (4th) 517 (F.C.T.D.), see also the F.C.T.D. case at 523-525
- 19 *Ibid.* at 11; *Progressive Games*, *ibid.*
- 20 Re Application Number 961,392 to *Waldbaum* [1971] 5 C.P.R. (2^d) 162 (PAB) at 168
- 21 *Imperial Chemical Industries Ltd.*, *supra* note 10
- 22 For example: *Waldbaum*, *supra* note 20; *Shell*, *supra* note 7 at 15-16; *Progressive Games*, *supra* note 18
- 23 Re Application Number 3,389 to *Organon* [1973] 15 C.P.R. (2^d) 253 (PAB), also indexed as [1973] C.D. No. 144; Re Application Number 880,719 to *Brilliant* [1973] 18 C.P.R. (2^d) 114 (PAB), also indexed as [1973] C.D. No. 147; Re Application 16,962 for *A Device for Developing the Lungs* (now patent 947,179) [1973] C.D. No. 161
- 24 *Marzone Chemicals Ltd. v. Eli Lilly & Co.* [1978] 37 C.P.R. (2^d) 37 at 38 & 39
Monsanto Canada Inc. v. Schmeiser [2001] 12 C.P.R. (4th) 204 at 216 (see paragraph 26), *aff’d* [2002] 21 C.P.R. (4th) 1 at pp. 16-18 (see paragraphs 40 to 46)
- 25 *Consolboard Inc. v. MacMillan Bloedel* (Saskatchewan) Ltd. [1981] 56 C.P.R. (2^d) 145 at 153 to 160, also indexed as (1981) 1 SCR 504; *Metalliflex Ltd. v. Rodi & Wienerberger AG* [1961] 35 C.P.R. 49 at p. 53, also indexed as [1961] SCR 117; *Feherguard Products Ltd. v. Rocky’s of BC Leisure Ltd.* [1995] 60 C.P.R. (3^d) 512 at p. 518; *Burton Parsons Chemical Inc. v. Hewlett-Packard (Canada) Ltd.* [1976] 17 C.P.R. (2^d) 97 at p. 104, also indexed as 1 SCR 555; *Monsanto Co. v. Commissioner of Patents* (1979) 42 C.P.R. (2^d) 161 at p. 165, also indexed as [1979] 2 SCR 1108
- 26 *Apotex Inc. v. Wellcome Ltd.* [2000] 10 C.P.R. (4th) 65 at para. 81-85, *aff’d* [2002] 21 C.P.R. (4th) 499

- 27 *Marzone, supra* note 24, *Monsanto, supra* note 24
- 28 *Hoechst Pharmaceuticals of Canada Ltd. v. Gilbert & Co.* [1966] S.C.R. 189 at p. 194; *Lubrizol Corp. v. Imperial Oil Ltd.* [1990] 33 C.P.R. (3^d) 1 at pp. 27 & 28, varied [1992] 45 C.P.R. (3^d) 449
- 29 *Organon, supra* note 23
- 30 *Consolboard, supra* note 25
- 31 *Apotex, supra* note 10 at 501-502
- 32 *Ibid.*
- 33 *Ibid.* at 501
- 34 a) *Monsanto, supra* note 25
b) *Burton Parsons, supra* note 25
These two preceding decisions were cited to support the definition of sound prediction in *Apotex Inc. v. Wellcome Foundation Ltd.* [2002] 21 C.P.R. (4th) 499
- 35 Re: Application 312,909, [1980] C.D. No. 703
- 36 *Northern Electric Co. v. Brown's Theaters Ltd.* [1940] ExCR 36 at 56, aff'd [1941] SCR 224; *Wandscheer et al. v. Sicard Limitée* [1944] 4 C.P.R. 5 at p.15-16, aff'd [1947] 6 C.P.R. 35; *Corning Glass Works v. Canada Wire & Cable Ltd.* [1984] 81 C.P.R. (2d) 39 at p. 42; *Wellcome Foundation Ltd. v. Apotex Inc* [1991] 39 C.P.R. (3^d) 289 at 338, aff'd [1995] 60 C.P.R. (3d) 135; *Feherguard Products Ltd. v. Rocky's of BC Leisure Ltd.* [1994] 53 C.P.R. (3^d) 417 at 424-425, aff'd [1995] 60 C.P.R. (3^d) 512; *Procter & Gamble Co. v. Bristol-Myers Canada Ltd.* [1978] 39 C.P.R. (2^d) 145 at pp. 159-160, aff'd [1979] 42 C.P.R. (2^d) 33; Re Application 114,647 to *Geenen* (Now patent 1,013,190) [1976] C.D. No. 337; Re Application 2,145,007 to *Meszaros* [2003] C.D. No. 1256; Re Application 474,156 to *Niderost* [1990] C.D. 1159; *Radio Corporation of America v. Hazeltine Corporation* [1981] 56 C.P.R. (2^d) 170
- 37 *Noranda Mines Ltd. v. Minerals Separation North American Corp.* [1947] 12 C.P.R. 102 at pp. 111-112, [1947] Ex. C.R. 306 aff'd [1950] 12 C.P.R. 99, [1950] S.C.R. 36; *Société des usines chimiques Rhone-Poulenc et al. v. Jules R. Gilbert et al.* [1968] 55 C.P.R. 207 at pp. 207 & 208, affirming [1968] 55 C.P.R. 209; Re Application 213,113 to X [1978] C.D. No. 509
- 38 *Consolboard, supra* note 25 at 160
- 39 *Organon, supra* note 23
Harvard College v. Canada (Commissioner of Patents) [2000] 7 C.P.R. (4th) 1 at paragraphs 68 to 85, also indexed as [2000] 4 F.C. 528, reversed on other grounds [2002] 21 C.P.R. (4th) 417, also indexed as [2002] 4 S.C.R. 45
- 40 *Northern Electric Co. supra* note 36; *Wandscheer, supra* note 36; *Corning Glass Works, supra* note 36; *Wellcome Foundation Ltd., supra* note 36; *Feherguard Products, supra* note 36; *Procter & Gamble Co., supra* note 36; *Geenen, supra* note 36; *Meszaros, supra* note 36; *Niderost supra*

- note 36; *Radio Corporation of America*, *supra* note 36
- 41 Re Application for *Patent containing claims that read on mental steps performed by a human operator in deciding to transmit a signal* [1972] 23 C.P.R. (2^d) 93
- 42 Re Application of *Abitibi Co.* [1982] 62 C.P.R. (2^d) 81
- 43 *Monsanto*, *supra* note 13 at 192
- 44 *Harvard*, *supra* note 5; *Pioneer Hi-Bred v. Commissioner of Patents* [1987] 14 C.P.R. (3^d) 491, [1989] 25 C.P.R. (3^d) 257
- 45 *Pioneer Hi-Bred Ltd. v. Canada (Commissioner of Patents)* [1989] 25 C.P.R. (3^d) 257 at p. 264
- 46 *Harvard*, *supra* note 5; *Pioneer Hi-Bred*, *supra* note 44
- 47 *Monsanto*, *supra* note 13 at 193
- 48 *Ibid.*
- 49 *Harvard*, *supra* note 5 at 475
- 50 *Tennessee Eastman*, *supra* note 6; *Imperial Chemical Industries*, *supra* note 10
- 51 Re Application 862,758 (now patent 882,618), [1970] C.D. No. 33
Re Application 954,851 (now patent 890,188), [1971] C.D. No. 63
- 52 *Imperial Chemical Industries*, *supra* note 10
- 53 Re Application 527,445 (now patent 1,332,440) [1994] C.D. No. 1191
- 54 *Organon*, *supra* note 23; Re Application of *Goldenberg* [1988] 22 C.P.R. (3^d) 159; *Brilliant*, *supra* note 23; Re Application 406,401 of *Neuromed* [1988] C.D. No. 1125
- 55 Re: *Mobil Oil* 1,254,297 [1988] 24 C.P.R. (3^d) 571 at 576, “the applicant’s system is useful and does not relate solely to calculations or algorithms”
- 56 *Shell*, *supra* note 7; *Progressive Games*, *supra* note 18. It has been contended that the Trial Division of the Federal Court decided the *Progressive Games* case on obviousness and lack of novelty, and that its reasoning was confused. However, without commenting on any other points raised or statements made by the Trial Division, the Federal Court of Appeal explicitly agreed with that Court on the fact that the slight variation in the conventional rules of poker did not amount to “a new and innovative method of applying skill or knowledge” within the meaning given those words in *Shell*. In that case, the Supreme Court stated that “new and innovative methods of applying skill or knowledge” that produced essentially economic results relating to trade, commerce, or industry qualified as “art” under section 2 of the *Patent Act*. Given the subject

- matter in *Shell*, methods of using known things for inventive new uses are considered to qualify as new and innovative methods of applying skill or knowledge that produce essentially economic results relating to trade, commerce, or industry. It is also noted that in *Progressive Games*, the new way of playing poker did not involve a new use for a deck of playing cards.
- 57 *Visx v. Nidek* [1999] 3 C.P.R. (4th) 417 (F.C.T.D.) at 454, aff'd [2001] 16 C.P.R. (4th) 251 (F.C.A.); *Somerville Paper Boxes Ltd. v. Cormier* [1939] 2 C.P.R. 181 (Ex. Ct.) at 200-205, aff'd [1940] 2 C.P.R. 206 (S.C.C.); *Detroit Rubber Products v. Republic Rubber* (1927) Ex. C.R. 29 at 33-35, aff'd (1928) S.C.R. 578; *Canada v. Tessier* [1921] 21 Ex. C.R. 150; *Rolland v. Fournier* [1912] 4 D.L.R. 756 (Qc. K.B.) at 757-758
- 58 Re Application 40,799 for Game [1971] C.D. No. 79; Re Application 55,210 for Golf Game (now patent 897,199) [1971] C.D. No. 93
- 59 *Golf Game, ibid.*
- 60 *Organon, supra* note 23
Harvard College v. Canada (Commissioner of Patents) 7 C.P.R. (4th) 1 at paragraphs 68 to 85, reversed on other grounds 21 C.P.R. (4th) 417
- 61 *Shell, supra* note 7
- 62 Re Application 269,230 to *Ebner* (now patent 1121640) [1981] C.D. No. 896
- 63 Re Application 245,995 to *Hurwitz* [1979] C.D. No. 605; Re Application 44,282 to *Luebs* [1971] C.D. No. 80
- 64 Re Application 298,822 to *Babcock & Wilcox Company* (Now patent 1,116,380) C.D. No. 821
- 65 *Mailman v. Gillette Safety Razor Co. of Canada*, (1932) S.C.R. 724 at pp. 731-732
- 66 Re Application to *Young Dixon* 159,204 [1978] C.D. No. 493
- 67 *Lawson, supra* note 6 at 116; Commissioner's Decision No. 878, Re Application 253,122 to *Smagala-Romanoff* [1981] C.D. No. 878; Re Application 310,519 to *Blachura* (now patent 1,163,822) [1982] C.D. No. 937
- 68 *Apotex, supra* note 10 at 501
- 69 *Visx Inc. v. Nidek Co.* [1999] 3 C.P.R. (4th) 417 at p.452 (para. 134), aff'd [2001] 16 C.P.R. (4th) 251